

## Legislative Assembly of Alberta

Title: **Monday, March 20, 2000**

**1:30 p.m.**

Date: 00/03/20

[The Speaker in the chair]

head: Prayers

THE SPEAKER: Good afternoon.

Let us pray. From our forests and parkland to our prairies and mountains comes the call of our land. From our farmsteads, towns, and cities comes the call of our people that as legislators of this province we act with responsibility and sensitivity. God grant us the wisdom to meet such challenges. Amen.

Hon. members, would you please remain standing now for the singing of our national anthem. We'll call on Mr. Paul Lorieau, who's in the Speaker's gallery, to lead us.

O Canada, our home and native land!  
True patriot love in all thy sons command.  
With glowing hearts we see thee rise,  
The True North strong and free!  
From far and wide, O Canada,  
We stand on guard for thee.  
God keep our land glorious and free!  
O Canada, we stand on guard for thee.  
O Canada, we stand on guard for thee.

Please be seated.

Hon. members, before the Clerk calls the first order of business on the Routine today, I am also pleased to acknowledge that today marks the anniversary of 12 of our members who were first elected to the Legislative Assembly of Alberta in the general election of March 20, 1989.

head: Presenting Petitions

THE SPEAKER: The hon. Member for Spruce Grove-Sturgeon-St. Albert.

MRS. SOETAERT: Thank you very much, Mr. Speaker. I have a petition here that was organized by a student by the name of Steven Beasley in St. Albert. He took it around Paul Kane high school, and he got 661 names signed to this petition that urges "the government of Alberta to stop promoting private health care and undermining public health care."

THE SPEAKER: The hon. Member for Edmonton-Manning.

MR. GIBBONS: Thank you, Mr. Speaker. I have a petition supporting public health care in Alberta which is urging "the government of Alberta to stop promoting private health care and undermining public health care" signed by 220 Albertans from Rocky Mountain House, Alhambra, Leslieville, Wetaskiwin, and Rimbe.

MR. SAPERS: Mr. Speaker, today it's my pleasure to present to the Assembly a petition that has been signed by 294 Albertans from Red Deer, Lacombe, Hinton, Edson, Rimbe, Calmar, Drayton Valley, Hines Creek, Eckville, and Rocky Mountain House. All of these Albertans are urging "the government of Alberta to stop promoting private health care and undermining public health care."

THE SPEAKER: The hon. Leader of the Official Opposition.

MRS. MACBETH: Thank you, Mr. Speaker. I'm pleased to table

a petition supporting public health care in Alberta. The undersigned citizens from Red Deer, Sylvan Lake, Olds, Didsbury, Eckville, Blackfalds, Bowden, Sundre, Innisfail, and Carstairs are urging "the government of Alberta to stop promoting private health care and undermining [our] public health care [system]." Today's total will be 2,227, and our total to date just from this petition alone will be 25,801 Albertans.

Thank you.

THE SPEAKER: Now the hon. leader of the third party.

DR. PANNU: Thank you, Mr. Speaker. I rise to table a petition signed by 1,145 Albertans who are residents of Athabasca, Fort McMurray, Island Lake, Boyle, Caslan, Calahoo, Smith, Calling Lake, Grassland, and other communities in the Athabasca area. These names are collected by the Athabasca Citizens for Public Healthcare, who are all opposed to Bill 11. Today this tabling brings the total number of signatures to 6,406. The petition reads as follows:

We the undersigned residents of the province of Alberta petition the Legislative Assembly of Alberta to pass a Bill banning private for-profit hospitals in Alberta so that the integrity of the public, universal health care system may be maintained.

Thank you, Mr. Speaker.

THE SPEAKER: The hon. Member for Edmonton-Meadowlark.

MS LEIBOVICI: Thank you, Mr. Speaker. It gives me great pleasure to rise this afternoon to also present a petition which requests "the government of Alberta to stop promoting private health care and undermining [our] public health care [system]." There are 404 individuals who signed this petition from Red Deer, Penhold, Caroline, Rocky Mountain House, Leslieville, Innisfail, Eckville, Tofield, Castor, Killam, Stettler, Camrose, Wainwright, Sedgewick, Devon, Bashaw, and Jasper.

Thank you.

THE SPEAKER: The hon. Member for Lethbridge-East.

DR. NICOL: Thank you, Mr. Speaker. It's a real privilege today to stand and present a petition on behalf of 323 residents of Lethbridge, Raymond, Cardston, Magrath, Monarch, Coutts, Pincher Creek, Lundbreck, Cayley, Brooks, and Medicine Hat. This petitions "the Legislative Assembly to urge the government to stop promoting private health care and undermining public health care."

head: Reading and Receiving Petitions

THE SPEAKER: The hon. Member for Edmonton-Ellerslie.

MS CARLSON: Thank you, Mr. Speaker. I would ask that the petition I presented now be read and received.

THE CLERK:

We the undersigned citizens of Alberta petition the Legislative Assembly to urge the government of Alberta to stop promoting private health care and undermining public health care.

THE SPEAKER: The hon. Member for Edmonton-Manning.

MR. GIBBONS: Thank you, Mr. Speaker. I ask that the petition with respect to public health care that I introduced on March 16 be now read and received.

THE CLERK:

We the undersigned citizens of Alberta petition the Legislative Assembly to urge the government of Alberta to stop promoting private health care and undermining public health care.

THE SPEAKER: The hon. Member for Edmonton-Gold Bar.

MR. MacDONALD: Thank you, Mr. Speaker. I would ask that the petition I presented to the Legislative Assembly on Thursday, March 16, requesting that the promotion of private health care and the undermining of public health care be stopped be read and received. Thank you.

THE CLERK:

We the undersigned citizens of Alberta petition the Legislative Assembly to urge the government to stop promoting private health care and undermining public health care.

THE SPEAKER: The hon. Member for Edmonton-Rutherford.

MR. WICKMAN: Thank you, Mr. Speaker. I would ask that the petition I tabled last Thursday in this Legislative Assembly now be read and received.

THE CLERK:

We the undersigned citizens of Alberta petition the Legislative Assembly to urge the government of Alberta to stop promoting private health care and undermining public health care.

MR. SAPERS: Mr. Speaker, I request that the petition which I presented to this Assembly on March 16 urging the government to stop promoting private health care now be read and received.

THE CLERK:

We the undersigned citizens of Alberta petition the Legislative Assembly to urge the government of Alberta to stop promoting private health care and undermining public health care.

THE SPEAKER: The hon. Member for St. Albert.

MRS. O'NEILL: Thank you, Mr. Speaker. I ask that the petition I tabled on Thursday, March 16 in favour of Bill 11 be now read and received.

THE CLERK:

We the undersigned residents of Alberta petition the Legislative Assembly of Alberta to urge the Government of Alberta to provide respective Regional Health Authorities with the flexibility necessary to provide the delivery of publicly funded, publicly administered overnight surgical services cost-effectively and efficiently through the contracting-out of such services if deemed necessary.

1:40

THE SPEAKER: The hon. leader of the third party.

DR. PANNU: Thank you, Mr. Speaker. I rise to request that the petition I tabled on March 16, Thursday of last week, be now read and received.

THE CLERK:

We undersigned residents of the province of Alberta hereby petition the Legislative Assembly of Alberta to pass a Bill banning private for-profit hospitals in Alberta so that the integrity of the public, universal health care system may be maintained.

head: Introduction of Bills

THE SPEAKER: The hon. Member for Livingstone-Macleod.

**Bill Pr. 1**

**Benevolent and Protective Order of Elks  
of the Province of Alberta Repeal Act**

MR. COUTTS: Thank you, Mr. Speaker. I beg leave to introduce Bill Pr. 1, being the Benevolent and Protective Order of Elks of the Province of Alberta Repeal Act.

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

THE SPEAKER: The hon. Member for Calgary-Glenmore.

**Bill Pr. 2**

**William Roper Hull Child and Family  
Services Amendment Act, 2000**

MR. STEVENS: Thank you, Mr. Speaker. I beg leave to introduce Bill Pr. 2, being the William Roper Hull Child and Family Services Amendment Act, 2000.

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

**Bill Pr. 3**

**Westcastle Development Authority Repeal Act**

MR. COUTTS: Mr. Speaker, I beg leave to introduce Bill Pr. 3, being the Westcastle Development Authority Repeal Act.

[Motion carried; Bill Pr. 3 read a first time]

**Bill Pr. 4**

**Calgary Municipal Heritage Properties  
Authority Amendment Act, 2000**

MRS. LAING: Mr. Speaker, I request leave to introduce a bill being Bill Pr. 4, the Calgary Municipal Heritage Properties Authority Amendment Act, 2000.

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

THE SPEAKER: The hon. Member for Calgary-West on behalf of the hon. Member for Calgary-Currie.

**Bill Pr. 5**

**Calgary Foundation Act**

MS KRYCZKA: Thank you, Mr. Speaker. On behalf of the hon. Member for Calgary-Currie I beg leave to introduce Bill Pr. 5, being the Calgary Foundation Act.

[Motion carried; Bill Pr. 5 read a first time]

head: Tabling Returns and Reports

MR. KLEIN: Mr. Speaker, I would like to table five copies of a letter that was sent to Dr. Robert Burns, the executive director of the Alberta Medical Association. The letter states in part that it is clear that the Alberta Medical Association does not represent the views or interests of the Cardiovascular and Thoracic Surgeons in the Province of Alberta on a number of important matters. Therefore this organization withdraws from the AMA.

THE SPEAKER: The hon. Member for Calgary-Buffalo.

MR. DICKSON: Thank you. Mr. Speaker, I have two tablings this afternoon. The first one: for members who had been interested in the March 14 tabling of correspondence from the Minister of Health and Wellness to the Hon. Allan Rock, this is the response from the Hon. Allan Rock dated March 16, 2000.

The second item, Mr. Speaker, is an e-mail received from Mr. Joe Nagy dated March 15, 2000.

Thank you.

THE SPEAKER: The hon. leader of the third party.

DR. PANNU: Thank you, Mr. Speaker. I have several tablings here. The first one is a set of four letters from individuals in St. Paul, Okotoks, Sherwood Park, and Edmonton all opposing Bill 11.

The second tabling, Mr. Speaker, is a letter from Premier Romanow to Heather Smith, president of United Nurses of Alberta. It's dated March 7, and in part the Premier says:

In my view, a well managed, non-profit publicly funded system can provide a continuum of insured hospital and physician services more effectively and efficiently than for-profit private clinics or private hospitals.

Thank you, Mr. Speaker.

THE SPEAKER: Do you have another one?

DR. PANNU: I have two more, a couple of more.

THE SPEAKER: Please.

DR. PANNU: Thank you. Mr. Speaker, I table a recent news article which shows that private, for-profit hospitals in Australia have not relieved the strain on the public system and have actually caused waiting lists to grow.

One more tabling, Mr. Speaker, with your permission. This is a copy of a motion that was passed at the Athabasca Citizens for Public Healthcare forum on March 16, and the motion says:

Be it resolved that all provincial government costs incurred in promoting Bill 11 . . . including the cost of circulating a copy of this bill, be levied against the salaries of those members of the Alberta Legislative Assembly who vote in favour of passage of this bill beyond the date of this Forum, March 16th, 2000.

Thank you, Mr. Speaker.

THE SPEAKER: The hon. Member for Edmonton-Manning.

MR. GIBBONS: Thank you, Mr. Speaker. I beg leave to table five programs of this weekend's Edmonton/Calgary provincial hockey tournament, which was held in northeast Edmonton at the Clareview arena.

Thank you, Mr. Speaker.

THE SPEAKER: The hon. Member for Edmonton-Ellerslie.

MS CARLSON: Thank you, Mr. Speaker. Today I'm tabling the appropriate number of copies of a petition signed by 29 residents of Alberta who are protesting the proposed Cheviot coal mine, that it's "in an area identified by the Provincial Government as a critical wildlife area."

THE SPEAKER: The hon. Member for Edmonton-Gold Bar.

MR. MacDONALD: Thank you, Mr. Speaker. I have two tablings today. The first one is a decision from the Labour Relations Board dated March 19, 1998, and in it the board indicates that it "does not

have the jurisdiction to initially determine which facilities are approved hospitals" in this province.

My second tabling this afternoon is a leaflet that was distributed to the public today, and it is from the Alberta pensions administration employees group urging the government to negotiate in good faith.

Thank you.

THE SPEAKER: The hon. Member for Edmonton-Rutherford.

MR. WICKMAN: Thank you, Mr. Speaker. I have the appropriate number of copies from a number of Albertans who are expressing their opposition to Bill 11. For the sake of time I'll read their names into the record: William Stuart, Lee Melnychuk, R. Colborne, and Neil Bleakney.

Thank you.

MR. SAPERS: Mr. Speaker, two tablings this afternoon with your permission. The first is a letter from Elisabeth deWynter from my constituency. It is a multiple-page letter which is her very sound analysis of Bill 11 and her reasons for not supporting this bill, and I would ask that the Premier pay particular attention to this letter and perhaps respond to Mrs. deWynter.

The second tabling I have is an exchange of correspondence between the office of the Auditor General and the then acting superintendent of the Alberta Treasury Branches, Mr. Elmer Leahy, as well as management letters exchanged between the former Provincial Treasurer, Jim Dinning, and Allister McPherson, all regarding connected accounts and loan practices of the Alberta Treasury Branch. It makes very interesting reading in regards to the West Edmonton Mall financing.

THE SPEAKER: The hon. Member for Edmonton-Meadowlark.

MS LEIBOVICI: Thank you, Mr. Speaker. I have two tablings this afternoon. The first is a press release from the board of directors of the Canadian Nurses Association, which recently condemned Bill 11 and indicated that private facilities are not the answers to solving the concerns within our health care system.

The second tabling that I have is a letter from the Alberta Union of Provincial Employees to the minister of health wherein they indicate that they are still awaiting a response with regards to their request as to what the criteria and process is for declaring approved hospitals in this province.

1:50

head: Introduction of Guests

THE SPEAKER: The hon. Minister of Children's Services.

MS EVANS: Thank you, Mr. Speaker. It is my pleasure today to introduce to you and through you to members of this Assembly 32 guests from Archbishop Jordan high school and their teacher, Mr. Jim Ryan. This class is from grade 10. They are energetic and bright. I'd ask that they rise and that we join in our appreciation of their attendance here today.

THE SPEAKER: The hon. Minister of Infrastructure.

MR. STELMACH: Thank you, Mr. Speaker. I wish to introduce to you and through you to members of the Legislature 57 guests from the beautiful community of Vegreville. They're from the Vegreville composite high school. They're accompanied by teachers Mr. Bill Smolak and Mr. Greg Kurulok, parent helpers Mr. Marvin Topilko

and Mrs. Carol Maskowitz, and of course their very famous bus driver, Mr. Terry Baydala. I would ask them to all rise in the public gallery and receive the traditional warm welcome of the Assembly.

THE SPEAKER: The hon. Member for Lacombe-Stettler.

MRS. GORDON: Thank you, Mr. Speaker. I'm very proud this afternoon to introduce two constituents of mine that are seated in your gallery, Marlene and Walter Chykerda, proud parents of one of our pages, Myles. Myles is a grade 12 student and attends Central Alberta Christian high school in Lacombe. He plays the saxophone in the Lacombe community band, and he's studying grade 8 piano. Myles' future plans include a degree in archeology. I'm very pleased that Myles is able to work in this Assembly, and I would ask his mom and dad to please stand and receive the traditional warm welcome.

THE SPEAKER: The hon. Member for Calgary-East.

MR. AMERY: Thank you, Mr. Speaker. It is my pleasure to introduce to you and through you to members of the Assembly the ever lovely, friendly, and always smiling, Mrs. Shariff. Mrs. Shariff is the wife of our colleague, the hon. Member for Calgary-McCall. Mina is here today in Edmonton along with her two lovely daughters, Fatima and Alysha, to join in the Eid al-Adha celebration which will be hosted by you, sir, this afternoon. The three lovely young ladies are seated in your gallery. I would like to ask them to rise and receive the warm welcome of the Assembly.

THE SPEAKER: The Associate Minister of Aboriginal Affairs.

MS CALAHASEN: Thank you, Mr. Speaker. Today it's a great pleasure for me to introduce to you and to the Members of the Legislative Assembly three wonderful people who are seated in the members' gallery. Today Loretta Burden is seated there. She actually hails from near Las Vegas, Nevada, and is a proud Paiute. Loretta is a renowned artist, well known for her unique basket-making abilities and was recognized for these artistic skills in the book *Distinguished Women of Southern Nevada*. She moved here three years ago on an invite from her lucky husband, Mr. Harold Burden, who many people know in this Assembly. He is the sports director of White Buffalo athletic society, well known for his commitment to aboriginal youth and sports. In fact, included with them is my beautiful sister, Helen Calahasen. As the name indicates, she is related, but I'm related to most of northern Alberta. These three are all avid supporters and volunteers with Dreamspeakers Festival, and they're seated in the members' gallery, as I indicated. I'd ask them to please rise and receive the warm welcome of the Legislative Assembly.

THE SPEAKER: The hon. Member for Drayton Valley-Calmar.

MR. THURBER: Thank you, Mr. Speaker. I believe my guests are due to come in here in just a few moments, but they may be able to hear us from outside the door up there. I'd like to introduce to you and through you to the members of the Assembly 49 distinguished guests from the Eldorado elementary school. Six of these are three teachers and three parents and helpers. I just wanted to get it on the record that they are coming in here, and I'll be sending them a copy of *Hansard* so they can see that they were properly introduced. Could we give them the warm welcome of this House, please.

THE SPEAKER: The hon. Member for Spruce Grove-Sturgeon-St. Albert.

MRS. SOETAERT: Thank you very much, Mr. Speaker. It's my pleasure to introduce to you and through you to members of the Assembly a great group of students from St. Thomas Aquinas school in Spruce Grove. They are here with their teacher, Mr. Nereo Bolzon. They are in law 10. There are 14 students seated in the public gallery. I would ask them to please rise and receive the warm welcome of this Assembly.

THE SPEAKER: The hon. leader of the third party.

DR. PANNU: Thank you, Mr. Speaker. I have two introductions. First, I would like to introduce to you and through you to the members of the Assembly the president of the Alberta Union of Provincial Employees, Mr. Dan MacLennan. Mr. MacLennan, I think, is seated in the public gallery. I'll ask him to please rise and receive the warm welcome of this Assembly.

My second introduction, Mr. Speaker, to you and to my colleagues in the Assembly: it's my pleasure to introduce two visitors from Lacombe who were at the citizens' vigil outside the Legislative Assembly today. They are Marylynne Stumpf and her mother, Myrt Nicholson. They're both from Lacombe and are opposed to Bill 11. I'll ask them to rise and receive the warm welcome of the Assembly.

head: Oral Question Period

THE SPEAKER: First main question. The hon. Leader of the Official Opposition.

#### Private Health Services

MRS. MacBETH: Thank you, Mr. Speaker. Last week the Premier branded Albertans concerned with public health care as left-wing nuts. You know, the Premier is wrong, for if he would simply listen to Albertans, he would find out and he would know that they're not left-wing nuts. These are concerned parents and families and retired Albertans and teachers, business owners, and health care professionals who are worried about what this government is doing to dismantle our public health care system. My questions are to the Premier. Are the 5,000 people from Red Deer, Stettler, Lacombe, Innisfail, Rocky Mountain House, Blackfalds, Sylvan Lake who signed the petition tabled by the Member for Red Deer-South left-wing nuts in the eyes of the Premier?

MR. KLEIN: No, Mr. Speaker, they aren't. As a matter of fact, if the hon. leader of the Liberal opposition would send over her petition, I'll sign it too.

MRS. MacBETH: Mr. Speaker, the 25,801 Albertans to date who have signed the petition across Alberta: are they left-wing nuts in the eyes of the Premier too?

MR. KLEIN: No, Mr. Speaker, and I'll repeat. If the hon. leader of the Liberal opposition will send over her petition, we'll sign it too.

MRS. MacBETH: Mr. Speaker, the registered nurses, the doctors, the clergy, the teachers, the Consumers' Association, and the economists, all of whom have spoken out against this government's private hospitals legislation: are they left-wing nuts, too, in the eyes of the Premier?

MR. KLEIN: No, Mr. Speaker. Again, if the leader of the Liberal opposition will send over the petition that's being circulated, we'll be happy to sign it.

### Speaker's Ruling Seeking Opinions

THE SPEAKER: Hon. members, before we move to the next question, I might just make the comment that one of the violations in question period is to seek opinions. It may very well be that all of the last three questions were asking for an opinion.

#### Private Health Services

(continued)

MRS. MacBETH: Mr. Speaker, given that the Premier has met with the doctors of this province, will he get out from under the dome now and meet with the nurses and the teachers and the clergy and the Consumers' Association about their concerns about Bill 11?

MR. KLEIN: Mr. Speaker, this householder was sent to about a million households in Alberta. That's what I consider to be complete and full consultation, especially when we're asking all Albertans to provide their responses to the proposed bill.

MRS. MacBETH: It's interesting that he'll meet with doctors but not with nurses, Mr. Speaker.

Mr. Speaker, given that when a town hall is organized by us on this side of the House, it's open to all Albertans, why is it that when the Treasurer and the minister of energy hold their so-called town hall meetings, they handpick who can come, and then they screen the questions that are asked?

2:00

MR. KLEIN: Mr. Speaker, that statement is not the truth.

MRS. MacBETH: Well, Mr. Speaker, can the Premier, then, explain an e-mail which we received from one Ann Lockwood of Vermilion, Alberta, sent about a week ago in which she describes a government sponsored meeting by the Treasurer and the minister of energy in Lloydminster?

The event was by registration only . . . when I tried to book for a number of people, I was told that they needed the names of every person . . . no verbal questions would be accepted, only written ones.

To top it off, Bill 11 questions were "studied . . . sorted and screened" by the organizers. I'd be happy to table the e-mail referred to.

MR. KLEIN: Mr. Speaker, I don't know anything about the meeting, but I am advised that the meeting to which the leader of the Liberal opposition alludes was organized by the Chamber of Commerce. It was not organized in any way, shape, or form by the two ministers mentioned.

DR. WEST: That whole meeting was put on by the Lloydminster Chamber of Commerce on Budget 2000, and they invited the Provincial Treasurer to come there. I mean, these people came to the meeting. It was an open meeting, and they took their questions in written form and put them through a moderator. This is a complete falsehood, Mr. Speaker.

MRS. MacBETH: Mr. Speaker, you know what? There are many different definitions floating around this province right now as to what constitutes a hospital. Many Albertans have heard this Premier say, a hospital is a hospital. Well, the Alberta Hospitals Act talks about general, about approved hospitals, and it talks about non-regional hospitals. As if that weren't enough, Bill 11 defines public hospitals and sets up new categories of hospitals in the province

called "accredited" hospital surgical facilities, "designated surgical" facilities, and "approved surgical" facilities. Well, even though most Albertans know what a hospital is, it's obvious that this government doesn't know. My questions are to the Premier. Can the Premier tell us: what are the criteria for determining what an approved hospital is in this province?

MR. KLEIN: Mr. Speaker, without wanting to sound facetious, if the hon. leader of the Liberal opposition wants to know what a hospital is, I would suggest that she go to University hospital or to the Royal Alex hospital or to the Grey Nuns hospital.

But this leader of the Liberal opposition knows what surgical clinics are all about. She likes to say that there was no publicly funded, privately delivered surgery happening when she was the minister of health, but there was. And don't just take my word for it. This 1991 *Calgary Herald* story talks about the 35 private surgical centres that existed in Alberta then doing everything from cataract surgery to plastic surgery to ear surgery. The headline says: Patients choose private treatment. "Growing ranks are bypassing hospitals for surgical clinics." Well, maybe we should call them Nancy's clinics.

Patients who are willing to pay a facility fee can have surgery at the time of their choosing rather than face the all-too-frequent waiting lists, and cancellations in hospitals.

Mr. Speaker, private facilities were doing insured services and charging patients facility fees, and this leader of the Liberal opposition when she was health minister did absolutely nothing about it. It was this government that banned facility fees, not her. Now the leader of the Liberal opposition is saying she wants to slam the door shut on the private sector, but when she had the chance, when she was the minister, she did absolutely nothing.

MRS. MacBETH: Mr. Speaker, that's the Premier that got fined, not me.

Mr. Speaker, can the Premier tell us why the freedom of information officer for Alberta Health indicated that there were no records available regarding the guidelines used by the minister of health to determine the standards of service necessary for a facility to be an approved hospital?

MR. KLEIN: Mr. Speaker, I'll have the hon. Minister of Health and Wellness respond. He's more familiar with the situation than I am.

MR. JONSON: Well, Mr. Speaker, a list of approved hospitals is maintained in the province pursuant to section 44(2) of Hospitals Act, and it is updated periodically as new facilities come on stream or the role of an existing facility changes. The last list in which there were significant changes was the 4th of March 1997.

Mr. Speaker, these are facilities which provide overall general hospital services. They are located, of course, across the province and vary considerably in size. They are subject to an accreditation process to make sure that they have the standards in place, the ability to offer the services that are part of their overall plan.

MRS. MacBETH: Mr. Speaker, why has the minister, then, failed for over two months to answer a very simple question regarding the criteria used by the minister to determine what is an approved hospital?

MR. JONSON: Mr. Speaker, to have a very detailed list of criteria which apply to all hospitals – all of the hospitals, of course, are not uniform in their ability to offer services. As I've said, the overall role of hospitals in this province is established through the overall

planning process of Alberta Health and Wellness and the regional health authorities. They are designed to provide in combination the wide range of services that is needed across this province. The list can be provided, and I will do so when I have sufficient copies so that that is available to all members. Of course, I think the important thing here – and perhaps this is the thing that the member is pursuing – is that there is a process for reviewing and accrediting the quality of services offered in this system.

THE SPEAKER: The hon. leader of the third party, followed by the hon. Member for Calgary-Egmont.

DR. PANNU: Thank you, Mr. Speaker. Despite the fact that an overwhelming majority of Albertans oppose Bill 11, the federal Liberals won't try to stop this government from legalizing private, for-profit hospitals. The federal Liberals are wimping out despite the fact that two constitutional lawyers concluded last week that Bill 11 violated at least three of the five principles of the Canada Health Act. My questions are to the Premier. Why is the Premier engaged in a phony fight with Ottawa when Jean Chretien and Allan Rock lack the political will to stand up for medicare?

MR. KLEIN: Well, that's a switch. All we're trying to get from Mr. Rock in particular are his comments on the bill as to whether he thinks the bill in its present form violates the Canada Health Act, and if it does, could he offer some suggestions as to how the bill could be made absolutely pure. That's all we're seeking from Mr. Rock.

I don't know of federal government constitutional lawyers who have commented on the bill, Mr. Speaker, because we have received no official response from the federal government relative to whether this bill, in fact, does violate the Canada Health Act. From our point of view it doesn't, because clearly in the preamble to the bill it purports to enshrine in law absolute adherence to the fundamental principles of the Canada Health Act.

2:10

DR. PANNU: Thank you, Mr. Speaker. Then why is the Premier using this smokescreen of a phony war with Ottawa to obscure the fact that Alberta doctors, nurses, health care workers, teachers, clergy, churches, and ordinary citizens all oppose Bill 11?

MR. KLEIN: That's not quite true. Mr. Speaker, I know that the hon. leader of the third party likes to table letters. I guess I could table letters as well. I tabled one today from a section of the Alberta Medical Association not supporting the position of the Alberta Medical Association on this particular bill.

We've had conversations with representatives of the archdiocese in the city of Edmonton, and it's the attitude of Archbishop Collins that the church will remain neutral. Yes, one bishop has spoken out on this issue, Mr. Speaker, but I've received letters from other Catholics who say that the opinions of Bishop Henry do not necessarily represent their opinions. I've received letters from nurses and other doctors who have the opposite opinions to those expressed by the hon. member.

DR. PANNU: Thank you, Mr. Speaker. The Premier might want to know that not only Catholic clergy but United Church of Canada clergy also oppose Bill 11.

My last question to the Premier: why won't the Premier admit that the real opponents of his scheme to legalize private, for-profit hospitals are everyday, normal Albertans, not the federal Liberals, who seem willing to stand idly by and do nothing?

MR. KLEIN: Mr. Speaker, there was no question; therefore there can be no answer.

THE SPEAKER: The hon. Member for Calgary-Egmont, followed by the hon. Member for Calgary-Bufferlo.

MR. HERARD: Thank you, Mr. Speaker. The Prime Minister of Canada appears to be giving Alberta permission – permission – for this Legislature to proceed with Bill 11 apparently now without the federal ruling on whether the bill meets the terms of the Canada Health Act. Given his reported comments on the weekend, my questions are to the Premier. Has the federal government provided any official response to the province's repeated requests for them to express their concerns with Bill 11?

MR. KLEIN: I have received no response from the Prime Minister. The hon. Member for Calgary-Bufferlo tabled a letter that was sent to our Minister of Health and Wellness dated March 16, where, first of all, he tries to vindicate himself from his disgraceful behaviour in Calgary. He goes on to say that he will not comment on the bill because perhaps there might be some amendments, Mr. Speaker. That's the only response to my knowledge that we have received from the federal government. Perhaps the hon. Minister of Health and Wellness can shed some further light on this matter.

MR. JONSON: Mr. Speaker, just to add, the federal minister and I have had two exchanges of correspondence since the bill was introduced, and we talked about its overall principles prior to that as well. In addition to what the Premier has indicated was the message of the letter, there were a number of other points raised. For instance, the federal minister feels that we should be fostering innovation, that we should be looking at new ways of doing things within our health care system, and we have certainly replied and indicated a number of the primary care projects that we have under way, a number of the other forward-looking and forward-thinking initiatives that we have going on in the province. He has also talked about having a ministers' meeting in the near future to talk about the best future directions for Alberta's and all provinces' health care systems as they work with the federal government.

So there has been certainly an exchange of correspondence, Mr. Speaker, but it's very important to note that in none of that correspondence is there any indication in any way at all that our bill is contrary to the Canada Health Act.

MR. HERARD: Thank you, Mr. Speaker. My second question is to the minister of health. Would the minister tell Albertans how the government views the Prime Minister's remarks this weekend?

THE SPEAKER: Hon. members, comments have already been made earlier in question period about the seeking of opinions.

MR. HERARD: Thank you, Mr. Speaker. I was asking for the position of the government on their comments.

Nonetheless, my third question is to the Premier. Since the federal government is ignoring the serious plight of our farmers and is proposing to tax our oil industry at higher levels than other industries and is now refusing to comment on Bill 11, is the Alberta government still seeking comment from the federal government on Bill 11?

MR. KLEIN: We are still seeking comment on Bill 11 ostensibly as it relates to the section for which the federal government is responsible, and that is the Canada Health Act. Mr. Speaker, we want to

receive from the Prime Minister or the federal Minister of Health a clear and very definitive answer as to whether this bill in any way, shape, or form violates the Canada Health Act. That is a very simple question. It's a very simple question. That's all we want to know. All he has to do is provide an answer saying yes or no and, if the answer is yes, spell out where it violates the Canada Health Act.

I mean, Mr. Rock is a very intelligent individual, and he has a staff of about 6,000 people. Surely he has sufficient help in Ottawa to help him answer the question: does it violate the Canada Health Act? Mr. Rock, does it violate it or doesn't it violate it? Never mind getting into political rhetoric relative to his moral thoughts relative to the legislation. Does it violate the act? If it does, then tell us where it violates the act, and we'll fix it.

THE SPEAKER: The hon. Member for Calgary-Buffalo, followed by the hon. Member for Calgary-Fish Creek.

### Magnetic Resonance Imaging

MR. DICKSON: Thanks very much, Mr. Speaker. Joe Nagy from Calgary took time to correspond with our caucus. In his March 15, 2000, e-mail Mr. Nagy says, "Her choices are as follows." He's referring to his wife who requires an MRI. Either "wait 9 months under health care," or "pay \$600 and get it in one day." My questions this afternoon are to the Premier on behalf of Mr. and Mrs. Nagy. Will the Premier explain to this young couple and to this Assembly exactly how their predicament is not an example of a two-tier system of health care?

MR. KLEIN: Mr. Speaker, just recently the Calgary regional health authority announced that it was contracting out for the services of privately operated MRIs. They're doing this to reduce waiting lists and to make it easier and more accessible for people who need MRIs under insured services to get there much quicker, and hopefully that will work out for this family as well as for hundreds of others who are on the waiting list.

MR. DICKSON: Mr. Speaker, my follow-up question to the Premier would be as follows: given that the specialist for this particular Calgary couple cannot proceed until Mr. Nagy's wife receives an MRI, will the Premier admit this afternoon that people right now with money are able to jump to the head of the queue to see specialists without delay?

MR. KLEIN: Yes, relative to MRIs, Mr. Speaker, that indeed is the case, but MRIs are not covered under the Canada Health Act. If this hon. member wants to fix that problem, I would suggest that he ask Mr. Rock. He might get an answer. We have been unable to get an answer on a number of questions.

MR. DICKSON: Finally, Mr. Speaker, a question as to the intentions of the Premier: despite Mr. Nagy's comment that "we have been loyal . . . Tory supporters," will they now be labeled left-wing nuts because they had the courage to show their concern about what this government is doing to undermine public health care?

2:20

MR. KLEIN: Mr. Speaker, you know, this hon. member was at the Liberal convention in Ottawa this week, and he has expressed concern about MRIs, which is something that is not addressed in the Canada Health Act. Did he approach Mr. Rock on behalf of his constituents? I think not. I think not. And you know what? I would ask him to stand up and answer why he didn't approach Mr. Rock on this very important matter.

THE SPEAKER: The hon. Member for Calgary-Fish Creek, followed by the hon. Member for Lethbridge-East.

### Private Health Services (continued)

MRS. FORSYTH: Thank you, Mr. Speaker. Health care is an issue that touches all Albertans. Unlike changes to other government programs, changes to health care concern Albertans because people are afraid of change. Some of my constituents are calling concerned that we are seeing only the tip of the iceberg with respect to lengthy waiting lists, overcrowded emergency rooms, what it will be like in the future, and how Bill 11 will address these concerns. They have requested me to ask the Minister of Health and Wellness the following questions. Why would doctors want to work for a public hospital when they could earn much more working for a private clinic?

MR. JONSON: Mr. Speaker, first of all, in the legislation that we are proposing to the Assembly, the mode or method of payment via the AMA agreement, which would be the same for all doctors, is paramount in terms of contracts that would be arrived at or of course, as it is, payment within the public system. So there would not be any major direct financial incentive to physicians in these cases.

Mr. Speaker, we have had the exchange of information in terms of studies with respect to the clinics. However, I think there is a case that has been made by some physicians that they would prefer to concentrate on one very specific or narrow area of applying their expertise. They can see the potential of a specialized surgical clinic to be an area where their very concentrated specialization would be fully utilized, and it would work out to be a very efficient arrangement as far as the overall health care system is concerned.

MRS. FORSYTH: Thank you, Mr. Speaker. The government claims that private clinics will reduce waiting lists. How? [interjections] I'll ask again, then. The government . . .

THE SPEAKER: Hon. member, you're on your third one now. The question's been asked. The minister may choose to answer or not respond.

Question number 3, please.

DR. TAYLOR: He didn't hear it.

THE SPEAKER: Well, I'm sorry. The Speaker has mentioned decorum time and time again. The hon. members are here to listen. The hon. member.

MRS. FORSYTH: The government claims that private clinics will reduce waiting lists. How?

MR. JONSON: Well, Mr. Speaker, we are always looking at the health care system to innovate and improve the overall delivery of services. I think there are a number of illustrations in many walks of life, whether it be education or health care – we're talking about health care here. Specialization in a particular service, being able to move a particular service out of the hospitals, where they have a wide variety of varying needs on an ongoing basis through their emergency departments, through their outpatient clinics, through the general needs that are referred to a full-service hospital – there is a case to be made for a very specialized surgical facility to concentrate in a particular area of work where, as I've indicated before, the doctors concentrate on that area due to their speciality. They have a nursing team. They have a support staff team.

There is, of course, a debate in terms of the different items of

research that have been published as to the record of this type of approach, but, Mr. Speaker, there are quite a few on the positive side, and I think it's an innovation that should be looked at here in the province.

Mr. Speaker, finally, I would just like to emphasize that the legislation makes this a possibility. It provides an opportunity. It is not something that is being forced on a regional health authority if they do not feel they have the evidence to go forward.

THE SPEAKER: The hon. Member for Lethbridge-East, followed by the hon. Member for Livingstone-Macleod.

DR. NICOL: Thank you, Mr. Speaker. Bill 11 is all about trust. When it comes to health care in this province, Albertans trust their doctors. My questions are to the Premier. Mr. Premier, why doesn't the Premier trust the AMA when they say that Bill 11 is the wrong prescription for health care in this province?

MR. KLEIN: They haven't quite said that. The AMA has said that they have some concerns. I'll tell you that the response to the media was a lot different than the response was to me in the meeting. It seemed that the AMA was quite conciliatory, the four members that I met. They had four concerns. We said that we would sit down with the AMA and address those concerns.

They are somewhat minor amendments, Mr. Speaker. They deal with the whole question of transparency. We've alluded to transparency and openness relative to the contracts as it relates to the possibility of RHAs contracting out. They talked about the privative clause, and they want some clarification on that particular issue. They talked also about the issue of conflict of interest, and I will give the hon. Member for Calgary-*Buffalo* some credit, because he raised that too. If there's a reasonable amendment relative to the standardization of conflict rules, we'll deal with that too.

So there hasn't been a rejection of the bill by the AMA, notwithstanding the way it was reported by the media. They want some clarification on a number of points and some possible amendments, and we're willing to consider those.

DR. NICOL: Thank you, Mr. Speaker. Again to the Premier: is it the AMA and the doctors in this province who are standing up for public health care when they say no to Bill 11, or is it your government when they're trying to push it through against public reaction?

MR. KLEIN: Mr. Speaker, I'm disappointed in this hon. member, that he would allude to his scripted questions rather than address some of the points that were raised in my answer.

MR. SAPERS: Your scripted answer.

MR. KLEIN: It's not a scripted answer. I'm not reading from any notes, Mr. Speaker. I'm recounting the details of a meeting that we had with the AMA.

I assume through his question that this member assumes that all doctors are in agreement with the AMA. Well, I tabled a letter earlier addressed to Dr. Burns, the executive director of the Alberta Medical Association. It says:

I have received a letter from every member of the Alberta Medical Association 'Section for Cardiovascular and Thoracic Surgery' recommending that the Section resign its affiliation with the Alberta Medical Association.

It is clear that the Alberta Medical Association does not represent the views or interests of the Cardiovascular and Thoracic Surgeons in the Province of Alberta on a number of important matters.

Please be informed, therefore, that the Alberta Medical Association will no longer represent the Cardiovascular and Thoracic Surgeons in the Province of Alberta effective immediately.

DR. NICOL: Thank you, Mr. Speaker. My final question is again to the Premier. Since the AMA has said that Bill 11 is essentially beyond repair, why doesn't the Premier just do the right thing and withdraw it?

MR. KLEIN: No, the AMA has not said that at all. You know, Mr. Speaker, the hon. Minister of Health and Wellness was in that meeting as well, and perhaps he would like to comment on the tone and the nature of that meeting and what exactly we agreed to do relative to the AMA's concerns.

2:30

MR. JONSON: Mr. Speaker, there were six points that were raised with respect to the legislation, and I would request your ruling, if you see fit, as to whether we should go through the specifics of these amendments. I would just like to illustrate with a couple of examples at least.

With respect to 25(1)(a) they were concerned about the concept in that particular clause whereby in their view the Lieutenant Governor in Council would define what happens, quote, in doctors' offices. The way the bill actually works out when you go to the regulation-making responsibility is that the intention there of course is that it be done by the College of Physicians and Surgeons in terms of accrediting these clinics. We indicated to the AMA that we would certainly be willing to clarify that in the legislation.

Another of their concerns, Mr. Speaker, was that they wanted to make sure that payment arrangements for physicians would be consistent with the AMA agreement as to principles, and we indicated that we would be prepared to work with them to fix that.

I would conclude at that point. I would just like to add, though, that there were three other points on which we agreed and, yes, Mr. Speaker, there were two on which we did not agree with respect to the legislation.

THE SPEAKER: The hon. Member for Livingstone-MacLeod, followed by the hon. Member for Edmonton-Mill Woods.

### Health Care Facilities

MR. COUTTS: Thank you, Mr. Speaker. The costs of providing excellent health care are increasing dramatically, and although the government has reinvested billions of provincial dollars into program delivery, we still have waiting lists for many types of elective surgeries. Many people feel that the government has not reinvested in the hospital buildings themselves. Impressions of tearing down old hospitals and not opening closed operating theatres are on my constituents' minds. My question is to the Minister of Infrastructure. What has the government done to reinvest in health facilities?

MR. STELMACH: Thank you, Mr. Speaker. The province has spent nearly a billion dollars reinvesting in health facilities since '92-93. That close to a billion dollars is broken up into a number of either major projects or minor renovation and upgrading projects. Now, there are 52 major projects, meaning redeveloping, repairing, et cetera, in acute care, long-term care, and also in health units. As well, over that period of time, there have been 224 projects, what we call not major projects but minor projects, where we've been adapting the facilities and reconfiguring to changing technology and also new program delivery in those facilities.

MR. COUTTS: Mr. Minister, what will happen to the infrastructure of our public system if Bill 11 passes? Will the province stop investing in health care buildings?

MR. STELMACH: Mr. Speaker, we'll obviously continue to reinvest in health facilities in all corners of this province. It's very crucial. Small communities across this province, of course, are just as important as the major communities, and we have to take into consideration not only acute care services but also long-term care. Over the next three years, of course, the budget that we've tabled in the House calls for a further investment in all of these facilities of \$324 million. So that's adding almost a third of a billion more to the billion that we've already put in.

MR. COUTTS: My last question to the Minister of Infrastructure: with the focus on investing in the service and not into bricks and mortar, how can Albertans be guaranteed that they will still have a world-class, publicly funded health care facilities infrastructure?

MR. STELMACH: Mr. Speaker, the government and certainly the RHAs are doing an excellent job of working together to ensure the best care possible. To ensure the best care possible requires the best facilities possible in order to bring this programming to Albertans. I can certainly point to a number of exciting projects that have been completed in the province of Alberta. We have the very modern ICU at Foothills hospital. We have the burn unit at the University of Alberta, one of only three or four in the whole world, and it's right here in Edmonton, Alberta, Canada.

We have a number of redeveloping projects in every corner of the province. We have the new hospital in Drumheller. There's High Level. There's Stony Plain. We have long-term care facilities, an increase in beds in Camrose, Lethbridge, Medicine Hat, Edmonton, Calgary, and we will also be looking at those facilities in smaller communities that can be converted from acute care to long-term care to ensure that the seniors that live in those communities stay in those communities that they've built. That's what they want to see.

Thank you, Mr. Speaker.

MR. SMITH: Mr. Speaker, if I can just take a very quick moment of the Assembly to supplement that, when members go through the estimates of the Alberta lottery fund down the road, they'll find that over 60 percent of the lottery fund is directed towards infrastructure, health expenditures, and education expenditures. So this government is very clearly committed to reinvesting not only lotto funds but of course a large portion of general revenue funds directly into communities throughout Alberta for the purposes of infrastructure and capital restoration.

THE SPEAKER: The hon. Member for Edmonton-Mill Woods, followed by the hon. Member for Calgary-Fort.

### Private Health Services

*(continued)*

DR. MASSEY: Thank you, Mr. Speaker. The chair of the Calgary regional health authority recently said that he agreed with critics that private surgical clinics face extra costs, but he trusts that private clinics will make their money back and more through efficiencies and economies of scale and save taxpayer dollars. My questions are to the Premier. Has the chair of the Calgary health authority shared this evidence with the Premier showing that private hospitals won't cost more?

MR. KLEIN: Well, Mr. Speaker, I'm sure that the chair of the Calgary regional health authority wasn't talking about private

hospitals. If he was talking about private hospitals, he's talking about something that is specifically banned in Bill 11. He's talking about surgical clinics, and indeed there are surgical clinics operating today. There were 35, as I pointed out earlier, operating and charging facility fees under the watch of the then health minister, who's now the leader of the Liberal opposition.

Mr. Speaker, basically there are 47 clinics operating right now, and, yes, there has been some evidence – I think if the hon. member were to sit down and have a little chat with the chair of the Calgary regional authority, he will find out that there has been a demonstrable increase in the number of cataract surgeries done from when they were done solely in hospitals. Now that they're done almost solely in surgical clinics, it has reduced tremendously the pressure on full-scale hospitals.

That's what this bill is all about. It's about allowing regional health authorities to explore some options within the publicly funded system, Mr. Speaker, and it also puts some clear rules and regulations in place relative to contracting out. Those rules and regulations were never in place before. That's what it's all about. It's as simple as that.

DR. MASSEY: Thank you, Mr. Speaker. This is to the Premier. If the evidence exists, then why isn't cost-effectiveness a mandatory requirement in Bill 11?

MR. KLEIN: Mr. Speaker, it is. Again, if the hon. member needs another clinic – and I know he's an educated man. If he hasn't read the bill, I would encourage him to do so. If he has read the bill, then obviously he doesn't understand it, and I'll have the hon. Minister of Health and Wellness explain it to him.

MR. JONSON: Well, Mr. Speaker, I know that we're not supposed to quote directly from the legislation, which is now before the Assembly. There is a rather extensive section in Bill 11 which outlines the procedure that has to be gone through with respect to contracting. It refers to the overall responsibilities of the regional health authority to look at the overall cost benefit of the particular project to make sure that it meets standards with respect to the College of Physicians and Surgeons, approves the qualifications of physicians involved, and makes sure they are organized in a way that will provide good, safe care.

2:40

There is reference to a second level of approval, and that is, quote, the office of the minister, where there would have to be an indication of the contracts approved. This would be a second protection as far as the legislation is concerned. That's in the legislation, I think the hon. members across the way know, and that will be pointed out in more detail when we get to the legislation if they have to have it then.

DR. MASSEY: Thank you, Mr. Speaker. Again to the Premier: does the Premier agree with that chair of the Calgary health authority that the delivery of health care through private hospitals is nothing more than an experiment and the fact is that there's no real evidence that it's going to work?

MR. KLEIN: Mr. Speaker, again the question is somewhat irrelevant because there is no mention anywhere of private hospitals or the promotion of private hospitals. As a matter of fact, the bill specifically, section 1, bans private hospitals. So what is he talking about?

MR. JONSON: Mr. Speaker, if I might. I think in the question and

also the extra remarks made by the hon. opposition there is the inference that there is not a section in the legislation on this particular topic. I would like to reference for the hon. members – evidently they have not read it. Go to page 6, section 8(1), and then go through the subsections (1), (2), (3)(a) and (b), and then over on the next part, (c), (d), (e), and (f). That would get you along the road to understanding the coverage of this bill.

THE SPEAKER: The hon. Member for Calgary-Fort, followed by the hon. Member for Spruce Grove-Sturgeon-St. Albert.

### Home Care

MR. CAO: Thank you, Mr. Speaker. A constituent of Calgary-Fort raised a personal concern about a situation that I think would apply to many Albertans. There is a concern about reliable and continuous home care services to their severely disabled adult son who is deaf and quadriplegic. While both parents have full-time work, too many times, due to the unavailability of timely services, the father has to take time off work without pay to help the son. The employer could not keep employment for the father. My question is to the Associate Minister of Health and Wellness. How do the home care services work through the government funding?

MR. ZWOZDESKY: Thank you. Mr. Speaker, home care services are available to our disabled population in the province, as they are to anyone who needs that type of service. In a general sense let me just say that the local regional health authorities are responsible for providing that service and for ensuring that it's there when it's needed by those who require it. Here in the province we have 17 of these regional health authorities who are working on this issue every day. The issue has also been addressed in the long-term care review report that was done by our colleague from Redwater, and there are some ongoing discussions with regard to the types of services being provided, the level of services being provided, and how some of those issues can be improved to provide even better services under home care. We're also going to be adding an additional \$15 million to this program, which will benefit many of our disabled community members as well as others.

I should just point out that the number of hours that we now provide in terms of home care services has climbed about threefold, to the point where we're now providing approximately 6 million hours as compared to 2.3 million or so just a short while ago. There are a number of very valuable services that come under this area, Mr. Speaker, that the public should be even more aware of. That includes everything from nursing care to physical therapy care to occupational therapy and so on.

I'm hoping that if there is a specific constituent here that is being referred to, perhaps the member will let me know who that constituent is, and if I can be of some assistance or if the minister of health can be of assistance, then we'd be happy to look into the details for the member.

MR. CAO: Well, thank you, Mr. Speaker. My question is to the same minister. Is there any consideration to encourage relatives to provide home care services for their loved ones?

MR. ZWOZDESKY: Mr. Speaker, the home care policy under the department of Alberta Health and Wellness does not as such allow for the provision of payment to family members to become paid caregivers for specifically home care services. However, it is entirely possible that there might be some exceptional circumstances that warrant a review. I'm thinking in terms of locations in the

province where perhaps a home care provider is not available and therefore could not be contracted for that service through a regional health authority. Certain areas that are what we call remote areas might possibly be considered under that particular issue.

However, on the other hand, I would just reiterate that this entire issue of home care services, which are extremely important to all Albertans, is being studied further as a result of some of the recommendations that came out of the long-term care review report that was recently authored by our colleague from Redwater. It is a valid question, an important one, and I want to assure the Member for Calgary-Fort and particularly the constituents for whom he's raising this issue that we are taking that issue under advisement and we are reviewing it further in the next few months.

head: Reading and Receiving Petitions

THE SPEAKER: Hon. members, in a few seconds I will call upon the first of three members today to participate in Recognitions.

The hon. Member for Edmonton-Manning.

### Provincial Minor Hockey Tournament

MR. GIBBONS: Thank you, Mr. Speaker. This past weekend the Edmonton Minor Hockey Association hosted the Edmonton/Calgary provincial hockey tournament 2000. Parents, fans, and participants had an opportunity to see a number of exciting and entertaining hockey games. As Albertans and hockey fans we should commend this group of young athletes who represented their cities in a sportsmanlike fashion. The games held at Clareview arena in northeast Edmonton featured games at the recreational federation level and were a tremendous success.

I'd like to thank the Edmonton Minor Hockey Association, the Minor Hockey Association of Calgary, and individual category directors who were instrumental in co-ordinating the games. These category directors and their volunteers were tremendous in planning and hosting the tournament: from Edmonton Jeannie Feader, peewee director; Betsy Turner, bantam director; George Pheasey, midget director; and from Calgary Perry Cavanagh, peewee director; Wayne Hansen, bantam director; and Paul Whitelaw, midget director. I'd like to take this opportunity to thank the coaches and managers of the teams involved as well as the thousands of volunteers.

In a three-team sweep the peewees from St. Albert won, the midgets from Edmonton won, and the bantams from Edmonton won.

THE SPEAKER: The hon. Member for Calgary-Buffalo.

2:50 **Protection for Persons in Care Act**

MR. DICKSON: Thank you, Mr. Speaker. I wanted to spend but a moment to recognize an excellent workshop that took place in Calgary on Wednesday, March 15, on the Protection for Persons in Care Act. An agent of mine attended that workshop, which was co-sponsored by the Alberta Association for Community Living, the Developmental Disabilities Resource Center of Calgary, and FAIRE, which is an acronym for Families Allied to Influence Responsible Eldercare.

Some of the key points raised in the course of that very important and interesting workshop were that the act really protects no one, that it is not much more than a reporting mechanism, and that the act is simply too narrow in scope to be effective. Those who attended found that there was no evidence that the act worked to safeguard vulnerable persons when they became institutionalized. There was a concern that the act didn't address substantive issues of abuse and that proving intent under the act is very difficult. Safeguards for

vulnerable persons need to be multiple, not singular, in approach. Those are some of the concerns raised at that important conference.

Thank you.

### Provincial Minor Soccer Tournament

MR. SAPERS: Mr. Speaker, Edmonton hosted the provincial minor soccer playoffs over this past weekend. Teams of young men and women from throughout Alberta came to the capital city and played like the champions they are. Thanks to the Edmonton Minor Soccer Association, officials, coaches, and corporate sponsor, Telus, for putting on a great tournament. Special recognition to the boys under-11 teams, particularly the gold medal winners from Sherwood Park; the silver medal team, Edmonton Kenilworth; and the team on which my son plays keeper, the bronze medal winning team, the Edmonton West Belmead Raiders.

THE SPEAKER: The hon. Member for Calgary-Buffalo on a point of order.

### Point of Order Ministerial Responsibilities

MR. DICKSON: Yes, Mr. Speaker, as an agent for the Official Opposition leader. This relates to the first set of questions asked . . .

SOME HON. MEMBERS: Agent?

MR. DICKSON: Mr. Speaker, I wanted to make the point I had authority to raise this.

The authority is *Beauchesne* 409(6), 410(10), and 412. This had to do with a question from the Official Opposition leader to the Premier with respect to a meeting and with respect to government policy. The question related to two ministers who allegedly participated in a meeting, and we were read parts of an e-mail message.

The authorities are clear that ministers are here to answer questions, not as witnesses to an event they've attended or participated in but to answer with respect to departments they have responsibilities for. The Minister of Resource Development got up to supplement the answer of the Premier. You, sir, dealt with this on April 28, 1999, or at least a similar situation. It can be referenced in *Hansard*, page 1317, where you made it abundantly clear at that time that questions and answers must focus on ministerial responsibilities.

Now, it may be that the Minister of Resource Development has much to say about a meeting he attended, as many of us have much to say about different meetings we attend. The issue was one of policy of the government with respect to inclusiveness or exclusiveness of consultations on the most important bill many of us have ever seen in this Legislative Assembly. I'd suggest, sir, that for the Minister of Resource Development to have attempted to supplement was as a witness, not as a responsible minister.

THE SPEAKER: On this point of order the hon. Minister of Resource Development.

DR. WEST: On this point of order. Mr. Speaker, if I had not risen at the time I did to retort to what had been alleged here in the Assembly, it would have damaged my ability to serve my constituents at home. There has been a very damaging statement made here of mistruth, misleading this Assembly.

If *Hansard* were taken from this Assembly and sent out to my constituents after what was said by the hon. Leader of the Opposition, then I think we don't have a point of order here, that it's close

to a point of privilege. The hon. Leader of the Opposition insinuated that on March 9 we called a private, by invitation only meeting in the constituency of Vermilion-Lloydminster. Indeed, the Lloydminster Chamber of Commerce advertised in the *Lloyd Times* and the *Meridian Booster* a night with the Treasurer, Budget 2000. It was advertised openly and was put on by the Lloyd Chamber of Commerce. It was moderated by a Mr. Rob Saunders, and the chamber president chaired the meeting, Mrs. Glenda Elkow. All questions that night were in written form and through the moderator.

Now, I just don't understand how an individual can stand in this House and level frivolous and vexatious comments that are untrue without another member being able to stand and defend themselves in this Assembly. I know that you could say that I should have stood at the time and put a point of privilege in place, but this hon. member has put a point of order in here, and I have the right to stand up and address that point of order and defend my position in this House.

I would say that I deserve an apology as well as the hon. Provincial Treasurer for an abuse of this Assembly when people are trying to score political points on a sensitive issue in this province. I'm ashamed today, because over the years I in this Assembly have had lots of things said and alleged about me over periods of time, but this one here is an insult to my constituency and does – does – damage my ability to serve them unless this stands corrected.

THE SPEAKER: The hon. Provincial Treasurer on this point of order.

MR. DAY: Yes, Mr. Speaker, further to the point of order. The apologies, in my view, should also go out to the people who were organizing this meeting and the people who were there. It was organized, as I understand it, by the Chamber of Commerce. It was advertised. It was a very good turnout, I might add, and people from all walks of life were there. The commentator and the person who chaired the meeting are to be commended for their neutrality. There were a number of questions related to a variety of issues, and the moderator actually took the time to read out almost every health question that was sent in. There was no censoring of any question. There was no sparing of any of the concerns that were brought from the floor.

There were people there who identified themselves as the so-called Friends of Medicare, which we actually all are a part of – we are all friends of medicare – from that actual group. There were people there wearing T-shirts which did not seem to be certainly complimentary of the government. Those people had questions sent in, read out, and answered. I had the opportunity to meet with them after the meeting and hear their concerns in detail, concerns which I took to the minister of health.

So this type of shabby, absolutely unconscionable approach – we heard the expression last week about a drive-by smear. The good people of this community of Lloydminster have been drive-by smeared, if that's a technical term, by the Leader of the Official Opposition, who has taken no conscience whatsoever to the hard work that they put in, to the very neutral way in which they handled this. I would hope that these members who are here would convey to their particular leader that they have insulted the good citizens of this particular community who did a fine job of putting on a public meeting.

[Mr. Dickson rose]

THE SPEAKER: You've already spoken on this point of order.

MR. DICKSON: Well, Mr. Speaker, I thought we had a question of privilege.

THE SPEAKER: No. There's no question of privilege raised that I'm aware of, but if there are any additional members who would like to participate on this point of order, we'll recognize them. [interjection] I'm sorry, hon. Member for Edmonton-Calder. I'll recognize you.

MR. WHITE: Sir, obviously the member opposite was quite upset, but being quite upset in this House . . .

THE SPEAKER: On the point of order that was raised.

MR. WHITE: Sir, I contend that it is not a point of order. There are many people who get upset, but a point of order is really quite specific. The objection from the other side was with no citations whatsoever. [interjections]

THE SPEAKER: The hon. Member for Edmonton-Calder has the floor.

MR. WHITE: Sir, it's no point of privilege, up to the alleged . . .

THE SPEAKER: Hon. Member for Edmonton-Calder, please. There was no point of privilege raised, but you should know that I do agree with you. There was no point of order. I say that specifically, because in essence the point of order being raised by the hon. Member for Calgary-Buffalo – it certainly was not outside the competence of a minister of the government to answer the question. Surely if it has to do with the meeting, it had nothing to do with the administrative competence of anybody in the government, and the question itself was outside the same argument he used for ruling it out that had to be used for ruling out the first of the questions. So, hon. Member for Edmonton-Calder, your arguments have certainly swayed the chair in upholding your thoughts.

#### **Point of Order Provoking Debate**

MR. DICKSON: Mr. Speaker, with trepidation I raise the second point of order, and I'm not sure whether I'm going to have more support from colleagues on my second point of order similar to the support I had on the first one. This one will be very brief. It has to do with the second set of questions from the Leader of the Official Opposition. The authority would again be the old favourite, *Beauchesne* 408(2), about answers not provoking debate.

3:00

The Premier has yet again suggested that the Leader of the Official Opposition allowed private facilities doing overnight services in reference to 47 clinics. This has been raised before. It's abundantly clear that the Leader of the Opposition had never at any time during her term as a minister of the Crown of this province sanctioned private hospitals or clinics doing overnight stays, which is very different from surgical one-day stays. The Premier's repetition and a republication time and time again of this inaccuracy I think is something that requires an admonition or some intervention from the chair.

Thank you.

THE SPEAKER: The hon. Government House Leader on this point of order.

MR. HANCOCK: Thank you, Mr. Speaker. At best it's an attempt to clarify the misinformation that comes out day after day in the preambles to questions. There's no point of order here. The Premier

is quite validly responding to questions in this House dealing with the whole question of surgical facilities and what surgical facilities have been operational in this province and when they became operational. The opposition on a daily basis tries to indicate that the government supports private hospitals, which is, of course, absolutely false. The bill says no private hospitals. So the characterization that has been made in preambles and throughout questions and in the petitions that are tabled about the support for private hospitals or being opposed to public health care is absolutely wrong.

Coming to the specifics of this question, the member opposite should well be aware that many surgical facilities, many clinics have been opened in this province, and many of them were opened during the tenure of the now Leader of the Opposition when she was health minister, and it's not inappropriate for the Premier of this province to refer to that in response to some of the questions relating to private clinics being opened in this province. I fail to understand what he's even trying to clarify, but at most it's a point of clarification rather than a point of order.

THE SPEAKER: Hon. members, there is the benefit of *Hansard* with respect to this, and I would like to quote. It's the response from the Premier with respect to the text that gave rise to the hon. Member for Calgary-Buffalo rising.

Mr. Speaker, without wanting to sound facetious, if the hon. leader of the Liberal opposition wants to know what a hospital is, I would suggest that she go to the University hospital, or to the Royal Alexandra hospital, or to the Grey Nuns hospital, but this leader of the Liberal opposition knows what surgical clinics are all about. She likes to say that there were no publicly funded, privately delivered surgery happening when she was the minister of health. But there was and just don't take my word for it.

This 1991 *Calgary Herald* story talks about the 35 private surgical centres that existed in Alberta then doing everything from cataract surgery to plastic surgery to ear surgery. The headline says: Patients choose private treatment; growing ranks are bypassing hospitals for surgical clinics. Well, maybe we should call them Nancy's clinics.

There's absolutely nothing in the quotation in here that basically says that one individual did certain things. There's a reference to an article in the paper, and that article was tabled, as I recall. I would like to caution that the referring to individuals' names and personalities, such as Nancy's clinics, is really not appropriate.

There's really no point of order, and I'm not even sure it was a point of clarification other than that which was given by the chair.

head: Orders of the Day

head: Government Bills and Orders

head: Second Reading

#### **Bill 17**

#### **Fair Trading Amendment Act, 2000**

THE SPEAKER: The hon. Member for Bonnyville-Cold Lake.

MR. DUCHARME: Thank you, Mr. Speaker. Bill 17 contains three proposed amendments to the Fair Trading Act, which came into effect on September 1, 1999. These amendments will fix a couple of drafting errors to this act and rectify a problem that occurred after the act was passed by the Legislature.

Section 43(e) as it is now written means that a regulation has to be amended every time a new reporting agency sets up business. By changing "and" to "or" in this section we are ensuring that reporting agencies are covered by the act as soon as they are established.

Section 109 of the act currently refers to a collector as being a person. Legally "person" includes corporate bodies, which is not

what was originally intended. We are amending the act to make it clear that we only license individuals in this area.

Sometimes, Mr. Speaker, creditors don't pursue debtors who don't repay their debts because the debtors can't be found or the debt is too small to be worth pursuing. It was always intended that credit-reporting agencies could keep this information on a debtor's record for six years, as is the case in all other provinces. An amendment to the Alberta limitations act will come into force on March 1, 2001, that affects section 45(3)(b), so this type of information will have to be purged from the records of Alberta debtors after two years. If we don't make the change proposed here, the credit industry will have to treat Albertans differently from all other Canadians and charge them more for credit.

In closing, Mr. Speaker, I encourage all members to vote in favour of Bill 17, the Fair Trading Amendment Act, 2000.

THE SPEAKER: The hon. Member for Edmonton-Manning.

MR. GIBBONS: Thank you, Mr. Speaker. As I stand to speak to Bill 17, the Fair Trading Amendment Act, I understand by looking at it that it is only around changing and clarifying three different sections in this. It was brought forward on September 1, 1999. As far as can be determined, the amendments are minor.

Looking at the "and" and the "or," I can only see that it must have been a mistake at the particular time. Under section 43(e) it's part of the credit and personal reports section of the act. As the legislation currently stands, the "reporting agency"

- (i) furnishes reports for gain or profit or on a reciprocal non-profit basis, and
- (ii) is designated by the regulations.

The amendment would change this "and" to an "or." It means that a reporting agency that fulfills the first set of criteria, set out in subclause (i), can be considered as an official reporting agency without being designated by the regulations. It also means that the minister can designate a person as a reporting agency without having to meet the said criteria in subclause (i).

Now, as we look at the next one, section 45, it's also the credit and personal reports section of the act. It deals with the information that cannot be included in a report. Subsection (b) deals with reporting debt. As it currently stands, actions, accounts, or debts cannot be reported if they "cannot be pursued because of the expiration of limitation periods." The amendment clarifies the term "limitation period," and as I'm listening to the hon. member that presented Bill 17, it's a drive towards being consistent with other provinces and making it consistent throughout Canada. I can commend what's being done there.

Then going to the six years, the amendment clarifies the term "limitation period" by stating that unfavourable information about a debt cannot be reported if it has been more than six years since the last payment on the debt or more than six years since the debt was incurred. The amendment section only amends "debt" and deletes "actions" and "accounts." So with that one it's quite obvious. I agree with it, and I understand by making some inquiries into that one that this seems to be the proposed and proper way of doing it.

Under section 109(b) the amendment changes "a person" to the term "an individual" in the definition of "collector" in the collection practices section of the act. It's interesting, though, that the previous subsection (a) defining "collection agency," in which the term "a person" is also used, is not similarly changed. So maybe that can be clarified to our side before proceeding.

With that, Mr. Speaker, I will sit.

3:10

THE SPEAKER: The hon. Member for Lethbridge-East.

DR. NICOL: Thank you, Mr. Speaker. I'll just take this opportunity to rise and talk about some of the items that are being changed in the Fair Trading Amendment Act, 2000, under the title Bill 17. The main thing that is important about this is that as bills get put into place and they get passed through the Legislature and the implementation of those bills starts to be worked through the system, we see in a lot of cases that the wording that was put into the legislation doesn't ring true in application. We see here now basically three different amendments to the Fair Trading Act of 1999 that will help to make that bill work more clearly and work more in line with the kinds of initiatives that were intended when the Fair Trading Act was passed.

Mr. Speaker, what we see is that the basic sections go through and talk about clarity and making sure that the intention is true. The inclusion is not there in the first part as we look at how we identify reporting agencies and base that on the types of reports that they must furnish. It's very clear as you read it and look at the intent that this correction has to be made and has to be more clearly stipulated, and the appropriate changes are being made under the amendment through section 43.

As we get into looking at the others, I think the member has talked about the need for clarifying the consistency across Canada. As we look at these issues of reporting, I know that I've had a number of cases come to my constituency office where people are trying to get clarification on how their data are reported under different credit acts. They're talking about situations that exist as they've traveled across Canada and lived in different provinces, and they're concerned that some of the things that are happening here in Alberta or, in some cases, in other provinces are not consistent with kind of the standard or the norm that everybody expects. So I think that as the government goes through and makes its changes in section 45, that brings about the kind of consistency that'll make understanding and acceptance of these kinds of reporting procedures much more common across Canada and to have our province now essentially take the initiative to come in line with the rest of the provinces. By changing to the six years, this is the kind of thing that will make that consistency and will provide for the general acceptance and the general ease of understanding for all Albertans or all Canadians as they travel from one province to the other.

The last part of it then deals again with another clarification that looks at how we're going to separate actions or reports that are effectively being reported on individuals as opposed to the more inclusive generic term "person," which would include corporate and individual data holders. I think the effect that we see here now is to really clarify and separate out the individual from the all-inclusive persons type of approach to this. It essentially gives a different standard of expectation than for private individuals as opposed to the all-inclusive corporate entity. So I think this is basically making our legislation much more consistent and much easier to understand and probably much more usable in the end.

Mr. Speaker, I think it would be appropriate for us all to accept this legislation, and with those few comments I'll take my seat. Thank you.

THE SPEAKER: The hon. Member for Calgary-Buffalo.

MR. DICKSON: Thanks very much, Mr. Speaker. Just a couple of observations with Bill 17, the Fair Trading Amendment Act, 2000. Part of what's happening, particularly with section 3, is the notion of wrestling with the fact that when we march bravely down the road of creating a new limitation-of-actions regime in Alberta, in some respects we're out of step with some other jurisdictions that may not have moved as quickly or as progressively as Alberta has. I suppose

one of the concerns had been – and we see it now in hindsight. You know, it's interesting how one's perspective gets even sharper reflecting back in time, but remember that our limitation-of-actions regime in Alberta changed not in the usual way through a government bill but through a private member's bill.

Now, the Member for Bonnyville-Cold Lake may say: so what's this got to do with me; I can't be responsible for the fact that the government of the day made a very fundamental change to the law of the land without letting people know by bringing in a private member's bill, that then was sort of partway along the process adopted by government and went on to become law. Then after the fact we discovered that one of the most basic rights, the right to be able to bring an action, may be affected perhaps to the prejudice of a number of Alberta individuals without adequate notice.

You know, I suspect that if perhaps the government had been more up front with the limitation act by bringing it in as a government bill, properly signaling its intention, we would have been able then to deal with some of the consequential changes like the one that we're doing here with section 3.

That isn't, when all is said and done, an argument necessarily against the change that's proposed. The proposal would be in terms of what kind of information is going to be proscribed, the kinds of things that will not be part of a reporting agency report. We've changed this from simply saying that those matters that are stale dated couldn't be the subject of a current action – the substitution is to simply say: if “more than 6 years has elapsed.” That used to be our limitation-of-actions provision for debt of course, six years from the time that the debt arose, unlike the two-year provision for most tort claims.

The other observation I'd just make is that when I see a bill like this come forward, even one that you know there's no good reason we shouldn't accept it on its merits – I think it does point out that we can still do a better job in terms of passing bills the first time through. I think this reminds us that if it takes a little more time to make sure we've got it right, it's vastly fairer to Albertans. It's vastly more efficient, and I think it's just a far superior way of making legislation to try and make sure we identify these things the first time round.

I recognize that no government achieves perfection. This is in no way to diminish the hard work that the Member for Bonnyville-Cold Lake has done around the issue. I give him full credit for that. I think sometimes in our – and I say “our” generously, because as a member of the opposition I'm not part of the internal bill review process the government goes through. I wish I were. I'm still waiting for that invitation. You know, we have these little mailbox cubbyholes in the caucus office.

MS CALAHASEN: Would you join us?

MR. DICKSON: Do you want me?

Mr. Speaker, I was making the point that as a Calgary MLA sometimes I don't get a lot of mail up here, and it's always quite exciting to go through it. I rush to my little mail cubbyhole to see if there's an invitation there to join my friend from Calgary-Glenmore on the government bill review process, but I haven't received that invitation yet. Because I haven't been invited to that very exciting, stimulating, energizing process, I'm stuck here at second reading having to try and make some of these observations when maybe I'd sooner be talking about another bill.

I've made those comments about the process. I'm going to run back and check my box again to see if I've got an invitation. I think that committee is still meeting on bills. We may be close to the end of the bills – I don't know – but I'm still waiting for that invitation.

It doesn't have to be gilt edged. It doesn't even have to be in an envelope, Mr. Speaker. I'd take a handwritten note just passed across the aisle here. In any event, while I'm waiting for it, I make that observation.

3:20

I compliment the Member for Bonnyville-Cold Lake for his persistence and hard work, but I say that I think we can always encourage government to do better. I think we've got to try and reduce the number of errors that we see in government legislation, the number of things that haven't been adequately addressed. The Member for Bonnyville-Cold Lake has done a darn good job. We see ministers coming in with 30-page remedial bills a year or two after they're passed. He probably has a better record than many on his front bench. I wanted to make those observations, Mr. Speaker.

Despite all of that, I will be voting in support of Bill 17, but I hope that someone back there in the Annex or someone in the legislative bureau takes note and maybe puts a little note above their desk: this time we're going to try to get whatever bill I'm working on right the first time.

Thanks very much, Mr. Speaker.

THE SPEAKER: The hon. Minister of Justice and Attorney General.

MR. HANCOCK: Thank you, Mr. Speaker. I would move that we adjourn debate.

[Motion to adjourn debate carried]

#### **Bill 10 Securities Amendment Act, 2000**

THE SPEAKER: The hon. Member for Calgary-Mountain View.

MR. HLADY: Thank you, Mr. Speaker. I'm pleased to rise today at second reading of Bill 10, the Securities Amendment Act, 2000.

The amendments that are before the Legislative Assembly today represent another important initiative of this government to ensure that our capital market continues to attract and encourage investment in Alberta by providing for a regulatory framework that is responsive to the needs of both industry and investors.

Last March the Alberta, Vancouver, Toronto, and Montreal stock exchanges announced a restructuring proposal under which the senior equity market would be relocated to the Toronto Stock Exchange, all derivative trading would move to the Montreal exchange, and the Alberta and Vancouver stock exchanges would merge to form a Canadian junior exchange. The first step of this restructuring came to fruition on November 29, 1999, when the Canadian Venture Exchange, or CDNx, commenced operation as the Canadian junior exchange.

The Canadian Venture Exchange has quickly established itself as the Canadian market for junior equities. In its first three months of operation the Canadian Venture Exchange has significantly exceeded the trading volumes of both its predecessors. In February alone the Canadian Venture Exchange set and surpassed record levels for both the volume of shares traded and the number of transactions conducted through the facilities of the exchange on four separate occasions.

Under the merger process the CDNx lost most of the powers granted to the Alberta and Vancouver stock exchanges under their special acts. One of the primary purposes of these amendments is to restore these powers to the Canadian Venture Exchange to give it the statutory authority to regulate the operations and business conduct of its member shareholders and their representatives. These powers

will also be extended to recognize self-regulatory organizations such as the Investment Dealers Association, or IDA. The Canadian Venture Exchange and IDA have recently agreed to consolidate all member regulation responsibilities under the IDA, while the CDNx concentrates on market regulation.

These amendments will give the Canadian Venture Exchange and the IDA and any other recognized self-regulatory organization the power to regulate the operations of current and former members, regulate the business conduct of current and former members and their representatives under member regulations, issue subpoenas to enforce attendance at hearings, seek the appointment of a receiver manager over members' business affairs, enforce decisions by registering them with the court, as well as give both the right to appear and make representations at any appeal of a decision of CDNx or the IDA to the commission or the Court of Appeal. These amendments will establish a flexible regulatory framework under which members of the CDNx and the IDA can conduct their business activities while safeguarding the interests of the investing public inside and outside of Alberta.

The establishment of the Canadian Venture Exchange as a national junior equity market illustrates the increasing globalization of capital markets and the proliferation of cross-border relationships between buyers, sellers, and exchanges. Trading in securities and exchange contracts is no longer confined to traditional exchanges on the trading floor but is now completed electronically through remote-access computer terminals accessing an electronic trading platform.

Traditional exchanges are having to reorganize their operations in order to compete with the proliferation of alternative trading systems. This has also required a fundamental rethinking by securities regulators as to effectively regulate the activities and operations of all market participants in their jurisdictions whether traditional exchanges or new alternative trading systems.

The commission is seeking additional powers under part 4 of the Securities Amendment Act to require that anyone wishing to operate a quotation or trade-reporting system in Alberta be recognized and to deem an alternative trading system to be an exchange in appropriate circumstances. These additional powers will ensure that the commission is positioned to respond to changing needs of the capital markets arising out of the activities of alternative trading systems.

The commission is also working with other members of the Canadian Securities Administrators to develop a regulatory framework under which traditional markets such as exchanges and new markets such as alternative trading systems can operate. In July 1999 the members of the CSA published for comment a discussion paper and draft rules regulating marketplace operations and establishing trading rules for market participants.

The remainder of the amendments before us today are intended to update, clarify, and harmonize provisions of the Securities Act with securities legislation in other jurisdictions. This is particularly important as joint regulatory oversight of the Canadian Venture Exchange lies both with the Alberta and the British Columbia securities commissions, and appeals from a decision of the exchange could be made to one or both of the commissions at different times.

I wish to highlight several amendments, beginning with one that will significantly enhance investor protection. The first is the introduction of a requirement to "file a personal information form," or PIF, with the commission. Issuers seeking a listing on CDNx must ensure that each senior officer, director, promoter, and significant shareholder of the issuer files a personal information form with the exchange. Any new officer or director is also required to submit a personal information form to the exchange. CDNx uses this information to determine whether these individuals are acceptable management candidates under the continued listing process.

The only recourse available to the exchange if the individual fails to accurately complete the personal information form is to find that individual to be unacceptable and to disqualify them from acting as an officer or a director. This new requirement will permit the commission to take enforcement action against the individual for failing to provide full and accurate disclosure in the personal information form, just as the B.C. Securities Commission is able to do under section 90 of the B.C. Securities Act today.

Introducing the concept of "Alberta securities laws," which includes the Securities Act, the regulations and rules made under the act and any decision of the commission or executive director to replace arcane references to the act and the regulations.

Changing all references of "salesman" to "salespersons."

Replacing the requirement in the seed capital exemptions in sections 65 and 107 of the act to provide a "statutory declaration," changing it to a "written acknowledgment" to reflect a long-standing commission practice already today.

Finally an amendment to section 110.2 to fix a drafting glitch by requiring that an offerer be a reporting issuer at the time a bid circular is filed in order to have free trading shares issued to the target shareholders.

Mr. Speaker, I ask for the support of the members in second reading of Bill 10, the Securities Amendment Act, 2000.

THE SPEAKER: The hon. Member for Edmonton-Glenora.

MR. SAPERS: Thank you, Mr. Speaker. The object of Bill 10, as the Member for Calgary-Mountain View has put forward, is to restore powers previously available to the Alberta Stock Exchange to the new Canadian Venture Exchange. There have been some little premerger, postmerger glitches along the way, but, you know, what's really remarkable is the success that the new Canadian junior exchange has achieved. I think it's worth while commenting for just a moment on that success.

3:30

Mr. Speaker, the initial roster of the Canadian Venture Exchange is made up of some 2,500 venture companies previously listed on both the Alberta and Vancouver stock exchanges. Upon completion of the Canadian capital market restructuring process it's expected that this number will grow considerably and that there will be regional service centres in at least four cities: Calgary, Vancouver, Winnipeg, and Toronto. Currently, only two of these four centres, Calgary and Vancouver, are operational.

By the end of the first quarter of the year 2000 the junior listings on the over-the-counter Canadian dealing system, which is now part of the Toronto exchange, are also going to be brought into the Canadian Venture Exchange. Now, that's going to bring, I think, remarkable growth to what's already proven to be a rapidly expanding stock exchange.

Mr. Speaker, on March 2 of this year the Canadian Venture Exchange reported a record-setting day, reaching a new high on the index of 4,026.61, the value of trades of \$258 million, and the number of trading transactions exceeding 52,200. The very next day, on March 3, 2000, the Canadian Venture Exchange broke its own record for the number of trading transactions with 52,281.

So this has really been quite a success in spite of some of the problems that you might expect when a venture of this magnitude is being undertaken. I think it speaks volumes to the foresight of the men and women who've been involved in planning the transition, who about a year and a half ago brought the idea to conclusion that there should be this restructuring, particularly, Mr. Speaker, when you think that it was only just a year ago almost to the day that the restructuring plan was formalized.

[The Deputy Speaker in the chair]

So we're happy to see that success and glad to be looking at legislation that's going to further that success. I think we do have to keep in mind that Alberta still has some problems in terms of attracting capital. We can't understate the importance of a healthy and effective capital market here in Alberta. This would help stimulate job growth and economic development. We need continuing growth in investment, and I think a healthy junior exchange will be a big part of that.

The last fiscal year, 1998-99, capital in the amount of \$8.6 billion was raised through various offerings, mutual funds and private placements. This represents about 9.4 percent of the total capital raised in Canada. This in and of itself provided a strong foundation for the Canadian Venture Exchange to build upon, but I'm afraid that it's not enough. We still need greater access to venture capital for junior companies and start-up firms here in Alberta. Business and industry report to the government of Alberta through the growth summit that the formation and expansion of small and medium-sized enterprises have limited access to appropriate sources of capital. There are continuing gaps in the availability of equity capital seed in early stage situations where capital of less than half a million dollars is required and commercialization or growth situations requiring amounts from, let's say, \$500,000 to \$5 million.

Only 5 percent of the total investment of venture capital occurs here in Alberta. This is according to Alberta Innovation and Science in their annual report, 1998-99. Only 2 percent of the risk capital under management in Canada as of 1998 is managed here in Alberta, according to the same government department. We have to do something to get these numbers up, and I believe that a strong junior exchange headquartered in Calgary will help accomplish the goal of increasing access to capital and moving up the amount of capital that is under management by Alberta firms.

Now, Bill 10 does leave a number of issues regarding the operation of the exchange to regulation and to rule-making by subordinate organizations particularly concerned about the breadth and scope of section 196 in Bill 10, in the amended section. Of course we'll be talking more about this in committee.

Now, while the Official Opposition recognizes that the use of rule making and regulation making have resulted in an Alberta Securities Commission that is more flexible and accommodating to changing market conditions and the move towards harmonization and integration of capital markets across Canada, we need to ensure that the use of regulation and rule making is conducive to a climate of ensuring that the public and stakeholders are informed and are provided with an opportunity to provide input. We recognize that the Alberta Securities Commission has been very accommodating in seeking input from stakeholders, and we are hopeful that this open and accountable approach will continue.

Previously in the Assembly I've had an opportunity to talk about the success. I think I would be doing a disservice to some businessmen and women in this province if I didn't mention some of the warning signs that are also out there. Just recently I was approached by two businessmen who came to me with their story, their experience with the Alberta Securities Commission, which really, from their perspective, was one of overregulation, lots of red tape, lots of interference in the marketplace, which resulted personally to them and to their colleague investors in a loss of a considerable amount of money and, more importantly, a loss of what has proven to be a viable business to Alberta owners. The particular business that they're in isn't really important, and the circumstances don't need to be put on record here in the Assembly because there is an ongoing judicial matter, as well, regarding this firm and their experience. So I don't really want to interfere in that process.

I do think it's fair to say that not everything is sunshine and roses in the equity and capital business in this province. As strong as the economy is and as successful as the CDNx has become, the reality is that there are some businesses that still don't get access to the capital that they need and some businesses which get access to the capital or who depend on being listed in the stock exchange for access to capital who run into what they see as a brick wall. We are supportive of the new junior exchange. We're supportive of this bill, but there are a few issues that need to be resolved.

Now, I did say that I'll spend some more time talking about regulation when we get to the committee stage on this bill. At this point in time suffice to say that a lot of the bill talks about disclosure and openness and transparency in the system, and I think what we could use in this Assembly is a little dose of that ourselves when it comes to the regulations sections of not just Bill 10 but so many bills that we have before the Assembly.

Now, most of Bill 10 and in fact most of the Securities Act in Alberta does not stand alone. It is in part modeled after the experience of other jurisdictions, and other jurisdictions in part model their legislation after what's going on here in Alberta. There is a good degree of sharing across the country, and there are amendments similar to Bill 10 being debated in British Columbia. There is already similar legislation which governs Ontario and I believe Manitoba and Quebec. So what we have is a growing confluence of thinking about how we should organize capital markets in this country and how we should regulate them. I think this is important because we often talk about the global nature of business, and we forget, while we're talking about the global nature of business, that we have to pay a lot of attention to make sure that we don't have interprovincial barriers and inconsistencies which get in the way of business doing what it does best; that is, innovating and creating wealth, Mr. Speaker.

I'm happy to see that there is some integration going on across the country, and I'm pleased to see Bill 10 come so quickly into the House after we dealt with the enabling legislation a short while ago. I'd like to thank the Member for Calgary-Mountain View for his efforts to keep me informed. Also, I'd like to thank the people that work in both the commission and the exchange who are also working hard to make sure that members on both sides of the Assembly are informed about the hopes and aspirations of the exchange but, more importantly, about the details of this legislation as it was being developed.

Thank you.

THE DEPUTY SPEAKER: The hon. Member for Lethbridge-East.

3:40

DR. NICOL: Thank you, Mr. Speaker. I just wanted to rise this afternoon and make a couple of comments about Bill 10. We've heard both the Member for Calgary-Mountain View and the Member for Edmonton-Glenora talk about how this has been such a successful move, trying to combine the venture exchanges across Canada into one in Calgary. I think it has been really a tribute to the business community and the investment community across Canada that they saw this as an opportunity to bring to Canada some kind of a co-ordination and a geographic focus but also a momentum and a critical mass focus so that we can get the kind of financing for the businesses that are going to start.

Mr. Speaker, this act is going to change some of the issues that are in the original bill and provide us with some more clarification and some operational ease in how the community does operate. We hear that it's going to bring in a lot of definition and effective guidelines for some of the agencies that are there in terms of how they operate,

how they report, how they get enforcement. These are the kinds of things that have to be clearly defined for Canadian investment to get the takeoff that we need if we're going to help to diversify our economy here in Alberta and also participate more fully and more equally in the international financial markets and the international business markets that result from the investments that are developed through those security ventures.

The interesting thing, Mr. Speaker, is that we always hear a lot of people talk about this new Canadian Venture Exchange being the, quote, junior market. I think it's more appropriate to make sure we always use the term Venture Exchange. This is where new companies get started, where new companies get the takeoff that allows them to get established in a public corporate environment and get the financing that is necessary to move into a stable, long-term functioning either local business, national business, or in a lot of cases international business.

We hear a lot of cases of entrepreneurs now seeking out new ways to finance their ideas to get them put in place. If they're going to be able to approach some of these investment opportunities, a stock offering through the Canadian Venture Exchange, they're going to have to have that confidence that exists, that shows that our Venture Exchange does operate fairly, does operate openly, and does provide them with a degree of predictability and openness in how they deal with getting their finances and getting their company developed into a going concern.

So I think it's quite appropriate that we look on this as the true Venture Exchange in Canada. I don't think there's anything junior about the venture. It's the whole idea of a different type of capital. It's a different type of business environment. The risk levels are different than in the more stable kind of environment. In a lot of cases this is where the U.S. stock market, the Dow-Jones, and the Nasdaq worked for a long time, although the Nasdaq now has developed to where it has a lot of long-term, fully financed, very stable companies on it as well, but it's still in many ways the venture capital exchange in the U.S., if we take out some of the more regional exchanges that exist down there as well. I think this is the kind of approach that we're now going to have to provide this financing.

I want to encourage the hon. Member for Calgary-Mountain View to keep this moving and to make sure that we do get these issues clearly defined and put in place so that that degree of confidence and fair play can be recognized by the businesses in Canada that are going to float their offerings through the Canadian Venture Exchange. To the hon. Member for Calgary-Mountain View: this is a good bill, keep up the good work, and let's keep our Venture Exchange moving.

Thank you very much, Mr. Speaker.

THE DEPUTY SPEAKER: The hon. Member for Calgary-Mountain View to conclude debate.

MR. HLADY: Yes. Thank you, Mr. Speaker. I'll just say to the people who spoke: thank you very much; I appreciate the questions and the concerns raised. If they're rather minor, that's great. I'll address them during committee.

Thank you.

[Motion carried unanimously; Bill 10 read a second time]

**Bill 13**  
**Energy Statutes Amendment Act, 2000**

THE DEPUTY SPEAKER: The hon. Member for Calgary-Mountain View.

MR. HLADY: Thank you, Mr. Speaker. Again, I'm pleased to rise today and move second reading of Bill 13, the Energy Statutes Amendment Act, 2000.

Before I outline the purpose of the bill, Mr. Speaker, I would like to provide some historical background for the proposed legislative framework contained in the Energy Statutes Amendment Act. I'd also like to thank the opposition for their continued work with the EUB in regards to making sure that they're feeling comfortable with what's going forward here.

The background, Mr. Speaker. Starting in 1994 with the passage of Bill 5, the orphan well program as it exists today was first implemented. The legislative regulatory framework which this created was considered a positive first step to improving the management of energy industry abandonment liabilities. The orphan well program at that time was developed in response to concerns raised about the growing number of ownerless, or orphan, wells. However, it was recognized by all as being the initial step towards a comprehensive orphan well program and was subsequently passed unanimously by this Legislature. The one concern which was raised by the House at that time was that the program did not go far enough and that in particular it did not address pipelines, facilities, or matters respecting reclamation.

Mr. Speaker, the House is aware that the Alberta Energy and Utilities Board administers a unique Alberta program, referred to as the orphan well program, which sees the petroleum industry pay for the abandonment of orphan wells, that have no financially viable, responsible owner. As the Alberta petroleum industry matures, increasing numbers of oil and gas facilities, not only wells but also pipelines, gas plants, batteries, satellites, and compressor stations are reaching the end of their operational lives. It is critical to the public interest that these facilities are properly abandoned and the sites reclaimed. Unless the owners of these facilities are known and held responsible and industry funding is in place for orphan facilities, the costs could be passed on to the public purse.

With this in mind and building on the success of the orphan well program, in 1996 industry stakeholders, namely CAPP, SEPAC, the EUB, and other government departments endorsed the expansion of the orphan well program. The stakeholders agreed that the next logical step with regard to the development of the program would be to extend the scope of the industry-funded program to include the reclamation of well sites and the abandonment and reclamation of pipelines and upstream production facilities. This will be known as the orphan well program.

A joint industry/government committee has developed the proposed legislative changes contained in Bill 13. Mr. Speaker, these amendments have been reviewed in detail with oil and gas industry associations and have been endorsed by the board of governors of the Canadian Association of Petroleum Producers and the Small Explorers and Producers Association of Canada. As well, a number of interested landowner and surface rights groups have been provided with information regarding the expansion of the orphan well program and the proposed legislation and are supportive of the proposed changes being put forth here today.

3:50

Mr. Speaker, the purpose of the bill is to expand the orphan well program to the broader orphan program supported by the strong industry orphan fund and to protect the Alberta public from bearing the financial burden for the abandonment and site reclamation of orphan wells, pipelines, and upstream facilities. The objective is to minimize the potential number of orphan wells, pipelines, and facilities and to effectively manage and minimize their liability.

Mr. Speaker, this is to be accomplished by either clarifying or

providing the EUB with the authority to expand the orphan fund to cover abandonment and reclamation of wells, pipelines, and most production facilities; provide for licensing of new and existing upstream oil and gas production facilities; impose responsibilities for abandonment on parties responsible for facilities and pipelines; regulate the transfer of licences for facilities and pipelines to prevent the transfer of high-liability properties to financially nonviable parties; expand the annual orphan fund levy to include inactive facilities and abandonment and reclamation of well sites and unreclaimed well sites; collect and administer abandonment and reclamation deposits for wells, facilities, and pipelines. The authority of the EUB is not being expanded to include regulation of reclamation but only to provide a one-window service to industry for the collection of security deposits, which is supported by AEUB.

Mr. Speaker, the amendments contained in the Energy Statutes Amendment Act can be categorized as follows: operational; matters pertaining to cost recovery and deposits; licensing and responsibility; fund administration and enforcement. A significant change is to be found . . .

AN HON. MEMBER: Question.

MR. HLADY: This is very important, hon. member.

. . . in terms of regulatory enforcement against parties that avoid their abandonment responsibilities. The current legislative provisions allow the EUB to assign personal liability for well abandonment costs to persons in control of a corporation. This, in effect, has meant a piercing of the corporate veil. The actual administration of this provision has proven both ineffective and inefficient. The requirement to pursue personal liability has resulted in limited success but has contributed greatly to the time required to actually abandon wells where the licensee no longer has the means. In some instances landowners have been faced with significant delays in the abandonment of wells and the reclamation of their land.

The piercing of the corporate veil is to be replaced with provisions that will enable the EUB to hold accountable individuals with corporate authority for actions that result in serious noncompliance or outstanding debt. The companies in which these individuals occupy a position of control will face serious restrictions on activities regulated by the EUB. The objective, Mr. Speaker, is responsible resource development by responsible corporations in Alberta. As well, the EUB will have enhanced authority to garnishee revenue from a licensee that chooses to disregard an outstanding debt to the EUB or to the orphan fund.

Mr. Speaker, this bill is a good-news story for government, industry, and private landowners as it will minimize the risk to the public purse; strike a balance between future growth and the need to manage the liabilities; protect landowners from inheriting ownerless, unused, and unreclaimed oil and gas sites; provide a level playing field so that compliant companies do not bear the costs associated with liability left by noncompliant companies; expedite the abandonment and reclamation of orphan sites; increase public safety and environmental protection.

Mr. Speaker, the oil and gas industry will be assuming additional financial responsibility for the abandonment and reclamation of wells, pipelines, and upstream oil and gas facilities that would otherwise be left for the public purse. I think we should commend the oil and gas industry for coming forward and acting responsibly on behalf of their industry.

Mr. Speaker, I now welcome comments from the members on this bill and look forward to their subsequent support of the changes to the Energy Statutes Amendment Act.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Calder.

MR. WHITE: Thank you, Mr. Speaker. It really, truly is a pleasure to rise and to be able to address this bill. This is precisely the kind of bill and the method of getting to a bill that should stand as a model in this Legislature. Not only did the member opposite consult the opposition prior to bringing the bill forward but sought on a number of occasions to have any difficulties that the bill would bring brought to the opposition so the opposition could see that there may be some problems with it. He certainly extended the open invitation to modify the bill or at least to speak of modification of the bill prior to introduction to save that difficulty that does often happen and is a major consternation: hurrying and scurrying around to find what could be done to rectify a drafting error, perhaps, or an error of intent.

This particular piece of legislation was a long time coming, in that it had a great deal of consultation with the industry. In fact, the industry is to a great deal responsible for drafting and redrafting the sections of the act in order to get to what we have today. The short history of this kind of legislation should be reviewed in the province of Alberta, too, in that if it's not unique, then it must be close to unique, if you can be close to unique I suppose. But in this member's view, it is unique that the joint industry and government initiative has been improved upon.

Certainly the original position of the government of Alberta, and rightly so, was that the government and therefore the people of the province of Alberta are the owners of the resource that is extracted. The people of Alberta are not those that do the extraction and therefore cause the owners of the surface rights some difficulty with unclean sites, sites that are contaminated, sites that for various reasons are left in a state that they really should not be. This government quite some time ago decided that it would be in the best interest of all if the industry took some responsibility as a whole for wells and oil sands projects and all the facilities from production, through all private lands and public lands, to deliverance of crude oil and gas in various forms to a refinery.

The interest was in the interests of all of us citizens, including the companies that are good operators that would never consider abandonment of a well unless they had done a proper cleanup, or if they suspended the operations of a well that required being temporarily shut in for whatever reason, they would always leave that site in very, very good condition. There are of course those operators, as occurs in any free market, where whether by design or by error or by financial difficulty, a site is left in a state that simply is below standard.

The fundamentals of this bill are that the industry would in effect finance the policing of itself. Of course, the policeman would still be that independent body, the AEUB, but aided and abetted by the industry. The bill is a modification and a strengthening of the Oil and Gas Conservation Act. This bill, being the Energy Statutes Amendment Act, 2000, goes a long ways to satisfying the needs of all citizens about all of the facilities, including not just wells but all of the facilities – pipelines, batteries, and the like – that go along from initial extraction to final production of oil and gas in this province.

I'm told that there are some 5 million dollars in the orphan fund account at the moment, which is very healthy. In fact, there is some regulation, I believe – if it isn't enacted now, it shortly will be – to reduce the cost per well, because the project is working very well, working as envisaged and working to the extent that a reduction so as not to get the fund too great is in order for the payees or the industry applicants.

The final agreement in this matter was achieved, I believe, in the act. In 1992 there was an agreement in the industry for down hole abandonment and then subsequent amendments to the Oil and Gas

Conservation Act in 1994. In 1996 there was a further agreement to expand the program because the philosophy obviously had worked well, in the management it had worked well, and it was brought forward to this point.

4:00

The bill is specifically designed, the best this member can tell, having been allowed the opportunity to review a three-column study of the changes in the act, specifically to limit the potential liability for expanding the orphan well program and by giving the AEUB enhanced and new authority in the following key areas.

First, in licensing facilities: the cost of new licensing and restricting those new licences to those that have in fact performed in the past, not just corporations but those individuals and major players in those facilities that did not meet the standard.

Secondly, in the assignment of responsibilities for abandoned facilities and pipelines. As the chair will know, many times there are questions of ownership and responsibility. The board has enhanced opportunities and facilities to determine who in fact is responsible, corporations and individuals.

Finally, new and what appears to be well-drafted enforcement facilities to effect the act. These new enforcement facilities are garnishees of revenue, which is a fairly substantive piece of legislation, to have an industry agree to that on the determination of a third body, the AEUB. It also attaches responsibility for failing to comply with a high level of enforcement to one or more of the officers or directors of the company, which is a marked departure from most other legislation in this province and in others, too, I'm told.

This goes a long ways to effecting change surely. It also adds some enforcement provisions for the actions against a company controlled by those persons or person, and that presumably is a third entity. You'll recall that moments ago I made a comment on the AEUB's option of refusing new licences or suspending existing licences or even requiring abandonment and reclamation deposits on other related sites. It does give the AEUB a great deal of latitude, with the concurrence of those that are regulated by this act.

I would also like to congratulate CAPP, and I believe there are three or four of the contractors in the oil business that certainly deserve credit because they spent a great deal of time dealing with this and setting up regulations so as to effect this change.

The proposer, the Member for Calgary-Mountain View, has said that this is a good-news story. He is absolutely correct, sir. This is a good-news story, and it is a government at its best, taking responsibility for its actions and the actions of its industries.

Thank you, sir.

THE DEPUTY SPEAKER: The hon. Minister of Justice and Attorney General.

MR. HANCOCK: Thank you, Mr. Speaker. I'd move that we adjourn debate.

[Motion to adjourn debate carried]

#### Bill 14

#### Alberta Treasury Branches Amendment Act, 2000

THE DEPUTY SPEAKER: The hon. Government House Leader on behalf of the Provincial Treasurer.

MR. HANCOCK: Thank you, Mr. Speaker. It is indeed a pleasure to move on behalf of the hon. the Provincial Treasurer the Treasury Branches Amendment Act, 2000. As the Provincial Treasurer mentioned during his introduction for first reading, this bill will put

in place some mechanisms which will allow the Treasury Branches to take control of their own destiny. It will allow the board to make the decisions with respect to the appointment of the chief executive officer. It will amend the fiscal year-end of the Alberta Treasury Branches to conform more with the fiscal year-ends which are in line with the rest of the financial industry, and it will put in place a number of other mechanisms which deal with issues outstanding such as unclaimed deposits and how to deal with unclaimed deposits. It's a piece of legislation which will assist the Alberta Treasury Branch in modernizing their operations, and I commend it to the members of the Legislature for their support.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Glenora.

MR. SAPERS: Thank you very much, Mr. Speaker. The future of the Alberta Treasury Branches is, I'm sure, going to be an interesting one, and one of these days the government of Alberta will reveal exactly what they have in mind and when.

As we progress towards the next election, I know there's going to be lots of other political issues on the landscape. There's going to be the protection of our health care system. There's going to be flat tax. There's going to be sound funding for our public education system. There are going to be issues to do with children's services and social welfare. My fear is that with all of those important, significant issues on the minds of Albertans and weighing heavy upon their hearts, they may lose track momentarily about the future of the Alberta Treasury Branches. That would really be a shame, because Alberta Treasury Branches have been a very important part of Alberta's history for so many decades now, and they're finally actually turning a profit. It's interesting that as soon as the government sort of took their hands off the rudder, the Treasury Branches actually began to operate more like a business and began to turn a profit.

I love talking to the people in my constituency and elsewhere in this province about that experience, about how the only nationalized bank in this country, the only bank that's owned by a province, the Alberta Treasury Branch, was, you know, a money loser for so many years while it was being run by this supposedly business-minded, dollar and bottom-line sense government, and then as soon as they made the moves towards freeing it up, it began to operate on a much more sound basis.

Of course, the history of the Treasury Branch is interwoven with the history of this province in modern times. It's the history of interference in the marketplace on the negative side, and on the positive side it's the history of providing financing and capital to Albertans when they couldn't get it anywhere else to help grow Alberta businesses and help maintain strength in Alberta communities. Again it seems to be a bit of a metaphor for this government, because like so many other things about this government, you have the dark side just looming whenever you're looking at a positive or a bright side.

Alberta Treasury Branches a couple of years ago changed in a major way the manner in which they were structured. The board, however, was appointed by the Treasurer, and that is a bit of a concern to us. Even more importantly, the chief executive officer continued to be appointed by the government, which of course could lead to confusion in the minds of the public whether or not Treasury Branches was still a unit of the Alberta Treasury or whether it was in fact a stand-alone economic entity.

Now, Bill 14 would have the board of directors fully responsible for the recruitment and appointment of the chief executive officer of the Alberta Treasury Branch. You know, I've had a chance to talk

with some of the chief executives of the ATB, and they're in favour of this. I'm sure that Mr. Haggis would like to know who his boss is and whether it's the Provincial Treasurer or it's his own board of directors. While there may be some confusion in the minds of some people about who's calling the shots at Treasury Branch, I think the men and women and the businesses that depend on the ATB as their financial institution of choice should have it clear that the buck stops with the board of directors. Now, if we could only get the government's hands off the appointment process of the board, I think we'd be much better served.

4:10

The future of the Alberta Treasury Branches I think also has to do with the future of many small communities throughout Alberta. As major banks consolidate, it's increasingly true that Alberta Treasury Branch or Treasury Branch agents continue to be the only financial institution that's available to some Alberta residents in a very timely way for quick access to banking services.

Before there's going to be any major change with the status of Treasury Branch, whether it goes it entirely alone and tries to establish itself as a regional bank, whether it amalgamates with other smaller regional banks, whether it is absorbed into the credit union system, or whether it is just sold off lock, stock, and barrel to a larger financial organization, I think there is a responsibility that the government would have to go to the people of Alberta and have a consultation. Once upon a time we had some grudging interest on the part of the government in having an all-party committee look at the future of the Alberta Treasury Branch, and I guess I regret that we didn't have the opportunity in a nonpartisan way to meet with Albertans and to discuss with them the future of their Alberta Treasury Branch.

It is clear that changes will be coming. It's also clear that the current government has no intention of making those changes manifest until after the election, and you know, there's going to be an election sooner than later. I understand that the Prime Minister as recently as this weekend suggested there will be a federal election within 15 months. I know that's of particular interest to the Provincial Treasurer; he's marking his calendar as I speak. What we have to do, of course, is make a decision here in Alberta whether or not the provincial election will come before or after the 15 months, so we have a couple of calculations we have to make. I'm not a betting man, Mr. Speaker, and of course that's another thing that distinguishes members of the Liberal opposition from the Conservative members in this House; that is, that we tend not to support gambling, particularly on matters of public importance. [interjection] Well, as the Treasurer points out, there are exceptions on both sides of the House.

While I'm not a betting man, I guess I would say that I expect that there will be a provincial election inside that 15-month window, so maybe Albertans don't have much more than a year, maybe even 10 months, maybe even eight months before they find out what's in store for the Treasury Branches. That's assuming that the current government has a chance to put their Treasury Branch policy into action. The electorate of this province will decide that, and I won't make any predictions right now because of course the outcome of that contest would be nothing but a partisan prediction on my part.

While the men and women in the businesses in Alberta that depend on Treasury Branches are pondering the future of their financial institution of choice, I think the men and women of this Legislature should also be thinking about what's the best way we can be giving assurances to them about the soundness of their wisdom when it came to choosing Alberta Treasury Branch. Now, I've stood in this Chamber on many occasions and raised questions

and issues surrounding Treasury Branch practices when it comes to extending loans and credit. I've quizzed the government time after time after time on things like loan agreements and interference with the decision-making and guarantees offered by Treasury Branch.

Of course, unfortunately there are more than just a handful of examples where there have been criminal proceedings brought against former Treasury Branch employees to do with fraud and kickbacks and those kinds of things. Of course, we have the whole West Edmonton Mall scandal still relatively unresolved, at least when it comes to the several court proceedings exploring that part of Alberta Treasury Branch's legacy to Alberta. So all of those questions have been raised, and I know that that also raises a cloud of suspicion.

I've had depositors of Treasury Branch or businesspeople who use Treasury Branch come to me and say, "Well, look; should we stop doing business with the ATB if there are all of these problems?" I've said: "No, you shouldn't. You should choose to do business with the ATB on the same basis that you would choose to do business with any other financial institution. Are you getting the service that you were promised at a fair price? Are they giving you the kind of advice that you require from a banker, from a financial institution? Do you feel comfortable with the service you're receiving? Are you getting access in a timely way to money, to reports, and all of the other things a financial institution can provide? If you can answer yes to all those questions and you have a good relationship with the advisers, then you should stay doing business with the ATB."

That's about the extent of any business advice I've given any of my constituents or others who have asked me about the Alberta Treasury Branch. But inside this Chamber and in my role as the finance critic for the Official Opposition and therefore the person who has the responsibility to be keeping a weather watch on the Alberta Treasury Branch, what I'll say is: the more uncertainty there is about the future of the Alberta Treasury Branch, the harder it is for that institution to grow and to flourish.

That uncertainty comes about as a result of not the accusations about improper government interference or not the reality of some criminal charges brought against some former employees, but it comes about because there has been a bit of a game of ping-pong being played. The government has moved from commissioning reports on the future of the ATB to find out when would be a good time to spin it off or to move it on, then not talking about the reports, then talking about the reports, then saying, "Well, we'll protect the status quo," but then giving some hints that maybe things will change a little bit faster. Of course, it's all geared around the political necessity to tie these kinds of decisions around an election.

So I would suggest that the best thing we can do to secure the future of the Alberta Treasury Branch is for the government to as quickly as possible just paint the clearest picture it can regarding their plans. If in fact there's going to be some kind of major change, I think that in fairness to taxpayers they should know that before they're asked to pass this in the House. If there's going to be a move towards the Treasury Branches disappearing and that's the policy of the government, I think they should tell us now and not later.

Mr. Speaker, I know that's just going to be seen and heard and read as a partisan statement, but you know, there have been many examples of government policy changing abruptly after an election. Whether it has to do with the cross-border importation of hazardous waste, whether it has to do with the manner in which health care decisions are made, or whether it has to do with decisions about gaming, it seems to me that it's kind of like policy-making by stealth. Present a package of ideas before an election, go to the electorate, and then implement an entirely different agenda after the

election. I don't think that that kind of governance by stealth is appropriate, I think it does a disservice to taxpayers, and obviously I think it speaks to a certain understanding of why the electorate becomes so cynical about politicians and the political process.

We have here an opportunity with the Alberta Treasury Branches at least together in this Legislature to say: "No. This is what we think the future holds. Make it clear, and then voters will know before they go to the ballot box."

All that being said, Mr. Speaker, there are three major changes that are contemplated in Bill 14. One, it would require the chief executive officer of the ATB to be appointed by the board. Second, it changes the fiscal year-end for the Alberta Treasury Branch from March 31 to October 31. Then it establishes, through regulation, policy and procedures for the treatment of unclaimed balances and the disclosure of personal information respecting both unclaimed balances and unclaimed accounts, as recommended by the Auditor General. I must say that I'm very happy that at least in this regard we see some quick resolution to problems identified by the Auditor General and that some recommendations are being put into place. I could only hope that the recommendations of the Auditor General as they pertain to health care management information would be acted on so quickly.

4:20

You know, according to the Auditor General's report the accounting for contracted-out services is so poor that there's nearly \$600 million worth of contracts that were inadequately accounted for last year. The Auditor General has made some recommendations in that regard. The Auditor General has also observed that we don't even have a bed census for all of the health care facilities in this province. They don't have a complete census, so the government can't even say exactly how many beds are open in what facilities for what kind of purpose because the information hasn't been collected.

The good news is that the government seems to be paying attention to the Auditor General when it comes to the future of the Alberta Treasury Branches, at least in one part. I would only hope that they would see that as an example, learn from that example, and quickly pay as much attention to the Auditor General in an area that certainly has captured the attention of Albertans, and it has to do with how we operate our health care system in this province.

Mr. Speaker, the change in the fiscal year is one that I can fully support. It would be seen, I guess, as a relatively minor issue, but we believe that the change in the fiscal year-end of the ATB from its current March 31 to October 31 is a positive step that will permit more effective benchmarking of performance against other financial institutions both in Canada and the United States. The Alberta Treasury Branch does provide some good benchmarking information in its annual reports, and we should recognize that all of Canada's chartered banks use the October 31 fiscal year-end. Currently the March 31 year-end makes it difficult to compare ATB's performance versus other comparable financial institutions which operate on an October 31 year-end basis.

This benchmarking becomes important, of course, because any potential buyers that are out there in the wings are going to want to be able to make an apples-to-apples comparison when it comes to the value of the Alberta Treasury Branch. Currently the ATB uses the following performance measures to benchmark itself against comparable financial institutions. They look at operating revenue growth, net interest margin, net interest spread on average earning assets, other income to operating revenue, return on assets, operating expense growth, net impaired loans to total gross loans, credit losses to total loans, loan growth, deposit growth, and asset growth. But all of this is done in this situation that is out of sync with comparable

financial institutions. Establishing policies and procedures relating to benchmarking and making it consistent will only make it easier both for taxpayers to get an idea of the true value and the true strength of the Alberta Treasury Branch and also for potential suitors who may be waiting in the wings to either become owners or partners in the future of the Alberta Treasury Branch.

So, Mr. Speaker, those are just a few of my opening comments. We could talk a little bit about unclaimed customer balances. The current ATB act does not provide for disposition of unclaimed balances. It's noted in the Bank Act, Alberta Loan and Trust Corporations Act and regulations, and the Credit Union Act. They include detailed rules regarding unclaimed balances. Unclaimed balances in Alberta Treasury Branch, according to the last Auditor General's report, have accrued to the amount of some \$6 million. They are recorded as a liability, and a record of customer details is maintained, but we don't have any clear rules in terms of disposition or other public reporting. So \$6 million worth of unclaimed balances probably represents a goodly number of Alberta depositors and businesses, and it would be nice if we got that all clarified. I think Bill 14 does achieve that goal.

Mr. Speaker, I'll have some more to say about the details of the amendments when we get to committee. I understand that some of my colleagues have some general comments to make, both about Bill 14 and the future of the Alberta Treasury Branches and the role they play in Alberta communities, at this stage of the bill while we're talking about the principle. I look forward to those comments and also to the response from the provincial government regarding some of the concerns that I've raised.

Thank you.

THE DEPUTY SPEAKER: The hon. Minister of Government Services.

MRS. NELSON: Well, thank you, Mr. Speaker. At this point I'd like to adjourn debate on Bill 14, the Alberta Treasury Branches Amendment Act, 2000.

[Motion to adjourn debate carried]

### Bill 15

#### Business Corporations Amendment Act, 2000

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

MR. MELCHIN: Thank you, Mr. Speaker. I'm pleased to rise and move second reading of Bill 15, being the Business Corporations Amendment Act, 2000.

The intent of this act is to amend one specific section, section 42, of the existing Business Corporations Act. The amendment in particular will rectify a number of problems existing with the sections that are unworkable and cause Alberta businesses unnecessary expenses and delays in certain transactions.

I'd like to first give thanks to many who have taken a substantial amount of time in the review of this and to look at the options – those on a committee that has had unanimous agreement, stakeholders representing small businesses, creditors, shareholders, banks, large corporations, and certainly the legal and accounting professions – and for their coming together with a solution that will be workable for businesses.

In the present act section 42 actually is written in a format that restricts a corporation from giving financial assistance in certain circumstances, such as to shareholders, directors, or affiliated

corporations; to associates of directors, shareholders, or affiliated corporations; or to any person for the purpose of a purchase of shares of the corporation. Now, they have these restrictions unless there are reasonable grounds to believe that a solvency test consisting of two items could be met. That solvency test in the existing act requires that

- (d) the corporation is, or after giving the financial assistance would be, unable to pay its liabilities as they become due, or
- (e) the realizable value of the corporation's assets, excluding the amount of any financial assistance in the form of a loan or in the form of assets pledged or encumbered to secure a guarantee . . . would be less than the aggregate of the corporation's liabilities.

This was put in certainly as a protection for minority shareholders in particular and for creditors so that their interests would be protected from giving away or lending or guaranteeing beyond the ability of a corporation and potentially not in its best interests. However, it has become really unworkable for that solvency test to be met in practice.

This has been under considerable review over the last decade. I go back and quote a little bit from the Alberta Law Reform Institute. It says:

Section 42 was intended to protect shareholders and creditors by preventing the directors of corporations from using corporate funds for personal profit. To accomplish this, Section 42 prohibits a corporation from giving financial assistance to its shareholders or directors or those of its affiliates, or to the associates of such persons, when the corporation cannot satisfy the two-part solvency test.

It further went on and said:

Major complaints arose from the unusual two-part solvency test and the failure of Section 42 to differentiate between distributing and non-distributing corporations. Directors and their advisers had difficulty determining whether the corporation could satisfy the two-part solvency test. In addition, while most of the financial assistance prohibited in Section 42 harms the corporation granting it, there are some situations where giving financial assistance is of benefit to the corporation and in its interest. Section 42 prevented corporations in these instances from using proper financing arrangements necessary for their survival.

So we have those in the law profession, both knowing and working with their clients, saying that their clients were unable to come forward even in the best interest of the corporation and substantially meet this solvency test that was required.

4:30

Further, when businesses would then be asked in what fashion they could meet it, in going to financial advisers, being the accounting professions, and asking if they could at least render an opinion in that regard, the accounting professions under an assurance and related services guideline in the Canadian Institute of Chartered Accountants' handbook stated a number of things that actually prevent those in the accounting professions from rendering such an opinion. One is because of terms such as "directly or indirectly," "loan, guarantee or otherwise." Such terms are a legal interpretation and not so much accounting within the definition of professional expertise of public accountants.

In addition,

- (b) the public accountant is asked to provide assurance on the corporation's ability to pay its liabilities as they become due. No timeframe is provided for this assurance and it is unclear whether "liabilities" would include contingent liabilities as may be the case in the giving of a guarantee.
- (c) The public accountant is asked to provide assurance on the "realizable value" of the corporation's assets. The term "realizable value" is not defined and the value of assets could be determined in a number of different ways.

- (d) The public accountant is being requested to provide either positive or negative assurance on matters relating to solvency. Since these matters are not clearly defined in an accounting sense, there are no appropriate criteria to establish the framework within which the public accountant can form an opinion.

As a result of the factors set out in the preceding paragraph, it is the opinion of the Auditing Standards Steering Committee that practitioners should not provide an opinion (i.e., positive or negative assurance) on matters relating to solvency.

So here you see that both the legal and accounting professions, when asked under circumstances by their clients to provide that assurance required in the existing act, are unable and actually prevented from doing such. The request has been, not just here but certainly in legislation in other provinces of Canada that have similar clauses in their business corporations acts, that all of them look to either one of two approaches. One was the solvency approach, which in practice has not been working in many instances. The second would be, then, a disclosure approach.

It really comes to the second methodology that is being recommended. The act, rather than sticking with an unworkable solvency test, now proposes under section 42(2) that "a corporation may give financial assistance to any person for any purpose if it is in the best interest of the corporation." So now the test, which should always be the test, that directors should follow is "in the best interest of the corporation."

If it's given to those parties to which it was previously prohibited, subsection (3) now outlines that those same parties – shareholders, directors, associates of such parties – will now have to meet a disclosure requirement in accordance with the regulation. Such disclosure will actually enhance the ability of minority shareholders and creditors to act in a more timely fashion. The regulation will require that within 90 days disclosure of the type and nature of the financial assistance or guarantee certainly will have to be disclosed in the financial statements of a private corporation. There are already many disclosure requirements for those, being distributing or public corporations.

Now, with disclosure and best interest being the test, there are already many remedies available to shareholders and creditors provided in the Business Corporations Act. There are three specific remedies to protect all shareholders, and now if shareholders are made aware in a more timely fashion, they could probably take corrective actions if, in their opinion, it would not be in the best interest of the corporation. Shareholders have options such as derivative actions, oppressive remedies, and appraisal remedies already outlined in various sections of the Business Corporations Act.

Creditors have always had the ability to protect themselves by requiring security or guarantees before extending credit to corporations. Also, the oppression remedy is available to shareholders. One addition to this act will be in section 4(b)(iii), where "a creditor" will be added under "complainant," so they will now also have an ability to proceed towards the courts to ask them to step in for derivative actions.

In this fashion, by giving the shareholders and creditors disclosure, by giving them timely notice, by ensuring that the act continues to enshrine the remedies available to them, they will now have an opportunity to provide loans or assistance and guarantees in all instances when it's in the best interests of their corporation. This certainly is going to be a lot more workable for all parties. It will reduce the fees both to the lending institutions and to the borrowers in consulting their lawyers and accountants and will in a much more timely fashion facilitate securing, lending, or their natural and normal business transactions.

I am pleased at this stage to conclude my remarks and would ask

all members to support Bill 15 in second reading. Thank you, Mr. Speaker.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Manning.

MR. GIBBONS: Thank you, Mr. Speaker. I'm pleased to stand in this Assembly today to speak at second reading on Bill 15, the Business Corporations Amendment Act, 2000. I'd like to thank the Member for Calgary-North West, the sponsor of this bill, for the availability to be briefed. We were able to follow up immediately after that with the stakeholders – the Alberta Law Reform Institute, the Law Society of Alberta, the chartered accountants, and the Canadian Bar Association in both Edmonton and Calgary – and that helped, because of the timing on this actual bill, in bringing it forward.

Getting to the point of this bill brought forward, one might think that we in the opposition must be against business-proposed amendments, but it's not so in my case on this particular one. Mr. Speaker, this particular bill removes the requirement to meet solvency before giving financial assistance under loan guarantees to stakeholders, directors, and associated parties while adding the requirement that any financial assistance must be in the best interests of the corporation.

The object of Bill 15, the Business Corporations Amendment Act, 2000, is to remove the requirement for corporations to meet solvency tests before giving financial assistance, loans, guarantees to shareholders, directors, and other associated parties while adding the requirement that any financial assistance must be in the best interest of the corporation. The current section in the Business Corporations Act outlines the solvency tests that must be met for the corporation to give financial assistance to stakeholders, directors, and other associated parties.

Financial assistance to stakeholders, directors, and associated parties could not be given if the corporation would be “unable to pay its liabilities as they become due, or . . . the realizable value of the corporation's assets, [less] the amount of any financial assistance . . . would be less than the aggregate of the corporation's liabilities and stated capital of all classes.” Section 42 has become an obstacle in legalized transactions and prevents corporations from lending to related entities or securing loans made to the entities by a third party. This makes it difficult to obtain loans from the third party and to restructure corporations even if it is in the best interest of the corporation to do so.

There are also requirements of full written disclosure to shareholders and creditors within 90 days of the financial assistance provided by the corporations to shareholders, directors, or other associated parties. This will allow shareholders and creditors to seek existing remedies available under the act should it be determined that the corporation's shareholders and directors have entered into a transaction that is inappropriate and not in the best interests of the corporation.

4:40

You know, we look at the solvency and asset test under section 42, another source of difficulty. There is no acceptable definition of “realizable value” of assets. There is also uncertainty as to what should be included in the liabilities. As a result of this, chartered accountants were often unwilling to give an opinion as to the value of the corporation. This required companies to hire legal counsel at a cost anywhere from \$3,000 to \$50,000 per transaction to ensure that this transaction was in accordance with the requirements of the

BCA. The uncertainty created by section 42 raised transaction costs for business and prevented them from undertaking beneficial transactions for the shareholders and creditors.

Under the amendment to the Business Corporations Act contained in this bill, the solvency test for financial assistance to shareholders, directors, and associated parties is to be eliminated and replaced with a provision that “a corporation may give financial assistance . . . if it is in the best interest of the corporation to do so.” The corporation is required to disclose within 90 days to all the shareholders the terms and the conditions of the financial assistance given to shareholders and directors of a corporation. This replaces the current provision of the act and requires disclosure within the notes of the financial statement at year-end. The enhanced disclosure requirement permits shareholders and creditors to take actions through the courts in the event that the transaction is deemed to be inappropriate or not in the best interests of the corporation. Now, that is under section 231(b).

Currently section 42 of the Business Corporations Act seeks to protect creditors and shareholders by prohibiting corporations from making loans and giving guarantees to shareholders and related parties subject to solvency tests. The prohibition applies to loans and guarantees made in relationship with the related parties and share-purchase transactions. This could include loans to directors or guarantees to an affiliated corporation. This could also have a negative impact on the claims of creditors and minor shareholders, who have no effective voice as to how the corporation should be managed.

As we look at the overview and whether or not there should be major support of this bill from our side, we've looked at a few different things. These amendments are designed to enhance legitimate business activity and are deemed to be in the best interests of the shareholder, director, and creditor. We feel that in this particular case it's following within that.

The current solvency tests under section 42 are unworkable and increase the transaction costs for businesses in order to approve beneficial transactions designed to improve the financial viability of the corporation. There are already remedies under the act available to shareholders and creditors if they feel that a financial transaction approved by directors or some shareholders is not in the best interests of the corporation. The elimination of the solvency test does not weaken the remedy available to the shareholders and creditors. In fact, it reduces the transaction costs for businesses. I think that's what we should be actually looking at in most cases: how are we going to reduce certain costs so that it does make it easier for a businessperson to be solvent?

Bill 15 improves disclosure requirements by requiring that the terms and conditions of the financial assistance be provided to all shareholders within 90 days. This is a major improvement over the previous requirement that only discloses at year-end in the annual financial statement. Similar legislation, which I've followed up on from the briefing, has been enforced in Saskatchewan since the early 1990s. Ontario has recently introduced amendments to its Business Corporations Act, and the federal government is contemplating changes to the Canadian business act as well.

I'd like to ask the sponsor of the bill at this time about the status of the negotiations with the Alberta Securities Commission to extend these provisions to public companies and reporting issuers.

At this time, Mr. Speaker, I'm going to take my leave and sit down.

THE DEPUTY SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. I move that we adjourn debate.

[Motion to adjourn debate carried]

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

[Mr. Tannas in the chair]

THE CHAIRMAN: I'd now call the Committee of the Whole to order.

**Bill 1**  
**Alberta Heritage Foundation for**  
**Science and Engineering Research Act**

THE CHAIRMAN: Any comments, questions, or amendments that may be offered with respect to this act? The hon. Member for Edmonton-Ellerslie.

MS CARLSON: Thank you, Mr. Chairman. I'm happy to have an opportunity to speak to Bill 1. I have just a few comments, because I know that we are eager to pass this bill on both sides of the House in the Legislature. My colleague from Edmonton-Glenora has an amendment that he's looking forward to bringing forward in the House this afternoon.

I agree with what's been said here in the Assembly in terms of this bill being a very positive step for science and research in Alberta. Certainly it's the type of initiative that we have supported for years, and it's nice to see it being given such a high focus at this particular time. There is no doubt that we have said on this side of the House for many years – and in fact we have heard it said in the province for literally decades – that in order for us to be able to maximize the kinds of benefits that we have gained from oil and gas and other primary industries in this province, a focus on science and research is necessary and in fact should be a mandatory focus for us to see the business community and therefore the province thrive and grow.

It's been long a concern of mine that we do not put enough focus on value-added products in this province and that we never have given them the kind of importance they need. Ultimately we run out of those primary products, and it's in the value-added that the real gains for the people of this province lie, Mr. Chairman.

4:50

Having spoken to a number of people from the business community over the past couple of weeks, I know that this is an increasing focus for the business community, particularly in Edmonton. I say particularly there because those are the people that I've been speaking to. They think that the Premier is not giving enough attention to value-added products and a value-added focus in terms of economic development in this province at this time. They are hoping that he will increase that focus, and I am sure that with this minister's push and the focus on this bill, we can look forward to some announcements in the near future in terms of the leadership that this Premier and this government will be taking on value-added commodities, taking existing commodities and looking at their relative value-added components.

Certainly as we put a focus on science and research, that will help in that regard. No doubt if we do not see focus on value-added products and development within this industry, those people that I was talking to in business may decide to take their focus elsewhere, Mr. Chairman, so it's something that I think the Premier should be taking under direct consideration. It's leadership that's required at

this particular time. We are in a boom market in this province. It is the ideal time to take a look at what we can do to maximize benefits not just now during boom times but to level out the valleys that we have seen occur in the very cyclical nature that we have in this economy.

Mr. Chairman, I am hoping that this bill will be a first step that we will see in terms of leveling out those economic valleys we have seen, that we will see a sincere push on behalf of the government to value-added products so that all Albertans can continue to share in the growth that we see in this economy not just during this particular business cycle but in business cycles to come. Now, when there are lots of dollars in the economy, is the time to do it. We can't start to worry about these kinds of problems when we start to see the economy fall.

There wasn't a focus on this from '93 to '97 within this government that I could see at all. They were strictly looking at cost reductions. Well, now the story is different. There is a lot of money in the Treasury. There is an opportunity for the Premier to lift his head up and take some vision in terms of where he can take economic development in this province. Truly there are a number of people who are looking at his performance in this regard, who are looking for leadership on this issue, and who if they don't find the leadership will be looking elsewhere when it comes time to vote.

So with those few comments, Mr. Chairman, I will take my seat.

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

MR. SAPERS: Thank you, Mr. Chairman, and thanks to my colleague for Edmonton-Ellerslie. I think it's worth noting once again on the record that Bill 1 has received the quick approval of the Official Opposition, and that has in fact come about as a result of this bill being a good idea. The minister is to be thanked not just for the efforts that he and his staff have made in meeting with the Official Opposition, in meeting with other stakeholders in the process, but also for what would have been, I think, quite a challenge in cabinet. He's probably got scars that can attest to some of those fights, but good on him for doing it.

You know, we've had some general discussion about the strengths of Bill 1 and the establishment of the foundation. We've had a couple of cautionary tales. I won't bother repeating those. I will note that there are three opportunities at least for members of the public or stakeholder groups to become involved in what will become the Alberta heritage foundation for science and engineering research. One is on the corporation board itself, which is established under section 2, and I'll come back to that in just a minute. There is also of course the science and engineering advisory council, which is established under section 19, and then the international board of review. Now, I hope that the same care and attention will go into establishing the advisory council and the board of review as we've seen with the Heritage Foundation for Medical Research.

I'm also hopeful that the nonpartisan, arm's length from government approach to collecting names for candidates to the appointment of these bodies will be handled in the same way as the search is being conducted right now for members to the foundation board. I did receive the letter from the search firm asking for input into the foundation board, and I'm happy to tell the minister, through the good graces of *Hansard*, that I will be providing names. I hope that they'll be fairly considered. You know, I don't know whether I should just quietly provide the names or formally provide the names. I don't want my endorsement to be seen as a disincentive to the minister, because the men and women that I'm going to suggest to him are more than capable of the public service they'll be called upon to do. I hope they'll have a chance. [interjection] The

minister says, through the chair, that maybe I should just encourage them to provide their own names straight through.

The advisory council intrigues me because the foundation will develop all of the terms and conditions about the appointment of its members, the terms of office, remuneration if any is called for, whatever. They'll also make all of the rules for procedure governing the calling of the meetings. I'm a little concerned that we're a little shy on guidelines here in the bill. What I would ask the minister to do, because I don't want to prolong debate, is when this rule-making is done, if that can be brought forward in the form of a report to the Assembly. I'm assuming that the minister is going to be looking for many opportunities to keep his colleagues informed as to the progress of the foundation. This would be one of those opportunities. Let us know about how we've filled out the details on the rules around the advisory council.

I'll make the same comments about the international board of review. However, I understand that this international board of review is going to be made up of some of the top minds and brains in science and engineering from around the globe. I think we'll be lucky to have their services and will be, obviously, well served. Still, we're enshrining into legislation a process that allows for a certain loss of accountability, and to overcome that loss of accountability, I would just ask the minister to keep us posted and to perhaps, when it comes to some of the decision-making, present members of this Assembly with an opportunity to provide input. We'd be happy to do that. It doesn't have to happen necessarily in the formality of a debate, but certainly we can take the opportunity to provide the input and provide a little bit more direction on what is, after all, not a partisan exercise at all but something that is going to benefit Albertans for generations to come.

Now, back to section 2, the section which establishes the foundation itself. I note that the foundation board will be established by Executive Council through the Lieutenant Governor appointing a number of trustees for five-year terms. As I read the act, the terms are renewable and cannot exceed five years, but it's not clear that they will all be five-year appointments. So that is a question I have for the minister.

I would also like to say that while I'm happy to see that a member of the board of the University of Alberta, a member of the board of the University of Calgary, and a member of the board of the University of Lethbridge will be appointed, I'm not sure that we have all of the representation we need from the technical institutes and colleges. I recognize this also shows some movement on the part of the minister, because my understanding is that originally there wasn't going to be a designated position for the council of board chairs of the public colleges and technical institutes. I'm glad to see that that's been included, but I'd like to keep my eye on this, because as colleges and technical postsecondary institutions around the province begin to have program expansion and growth in the science and engineering fields and while there's increasing specialization, we may find that we want to specify a particular board member from a particular institution in the future, so I'm hoping that this is going to be open for second thought.

5:00

There already has been some discussion in second reading on the inclusion of professional engineers and agronomists and the suggestion that perhaps other scientific specialties should have been named, and I appreciate the difficulty in doing that. Again, I would say: let's keep our eyes open and our ears open and get the feedback to see whether or not we have weakened the foundation by excluding somebody from a named position.

Most importantly, what I would like to focus on is subsection (g),

which mentions that "not more than 6 other individuals" will be named to the board. It may go without saying that the intent behind the "not more than 6 other individuals" is that we would be able to capture some of these other scientific specialties and subspecialties, that we would be able to capture any oversights from other technical institutions or organizations, and of course we may be able then to bring in some members of the general public, those taxpaying Albertans that are, after all, in one way or another footing the bill for all of us here. While it may go without saying, I'm not happy leaving it without saying. While this section does give the flexibility to appoint up to six others, I guess I would like to be more specific to ensure that two members at least of the general public – so two members of the board should be comprised of men and/or women who don't have a particular vested interest, don't represent any other organization or group of professionals, and in fact are there for no other reason than their willingness to provide public service for the public good to the people of Alberta and support an initiative that is one hundred percent worthy of support.

With that in mind, I'd like to move an amendment to section 2(1) by striking out the existing clause (g) and adding a new clause (g), and I'll just pause for a moment to make sure that all members of the Chamber have a copy of the amendment before them, and then I'll continue my remarks.

THE CHAIRMAN: The amendment that is being circulated to all members is that which is moved by the hon. Member for Edmonton-Glenora and will be called A1. I believe we've nearly caught everyone. I say "nearly." I guess we'll wait a moment.

The hon. Member for Edmonton-Glenora.

MR. SAPERS: Thanks very much, Mr. Chairman. I believe that all members have a copy of the amendment now, and as you can see, it's a very straightforward amendment. I don't recall whether I formally moved it or not, so if I didn't, I will. The amendment is as it's printed before you, that section 2(1) is amended (a) by striking out clause (g) and substituting the following, "(g) two members of the general public;" and (b) by adding the following after clause (g), "(h) not more than 4 other individuals."

The purpose is, as I stated in my earlier comments, just to ensure that there is a public voice heard that is not identified with any particular stakeholder group, still allowing the inclusion of up to four other individuals, which may be drawn from those other groups or organizations that I earlier alluded to. I believe that this will strengthen the public support of the foundation. I think it's definitely within the public interest. I hope that all members of the House will agree that it's important to leave in the legislation to demonstrate the leadership that we place in Albertans and to recognize the importance of having a public voice on all of these government-created entities.

Mr. Chairman, I'll see whether or not there's any response from other members of the Chamber, and then we'll carry on with committee stage of the bill.

THE CHAIRMAN: The hon. Minister of Innovation and Science.

DR. TAYLOR: Yes. I've seen this amendment, and I think it makes good sense because it guarantees in perpetuity that there will always be two members of the public on the board. I would thank the member for this amendment. I think it's a good amendment. It makes sense. I would encourage all my members that are paying attention to please vote in favour of this amendment, particularly the ones that don't seem to be paying attention on the other side of the House. Please support the amendment.

[Motion on amendment A1 carried]

MR. SAPERS: Well, I want to thank the minister and I want to thank members from both sides of the House. Mr. Chairman, it's an unusual experience that I'm having right now, so I won't let it go to my head. I do have some suggestions for some other bills, and hopefully we'll have the same level of co-operation and support. [interjection] Yeah, I was going to say – well, I won't say it.

Anyway, that was an amendment from a member of the wing nut club, you could say, Mr. Chairman. The bill as amended, I believe, will set the stage for a foundation that will bring Alberta the same international reputation and the same standing in science and engineering research as the Alberta foundation for medical research has brought us when it comes to the life sciences. I would hope that the minister continues his efforts to press his colleagues into understanding the importance of fostering science and engineering research. I hope that that awareness and acceptance will spill over into a new understanding of the importance of supporting basic research and our postsecondary institutions. I hope that we are truly looking at the beginning of a new level of political support for advanced education in this province and that we are going to be able to quickly recover from the days in the mid '90s when we saw funding erode library collections and funding erode laboratories and funding diminish to the point that our salary levels were no longer competitive and we were losing bright young men and women to other jurisdictions.

So I'm hoping that this government's support of this bill does signal in fact a new era and that we'll be able to stand on both sides in this Assembly in support and in recognition of a government that truly understands the importance of not just lifelong learning and education but specifically the need to invest and foster and encourage primary research. Again, I will say that it is my hope that the research is not just being sought for its commercial value, that we're not just going to be encouraging research that can be quickly commercialized but that in fact we're going to encourage scientific exploration because that in itself is the promise of our future, the application of the scientific method to understanding the world around us and all of the potentials and possibilities that it has to offer.

So with those few comments, Mr. Chairman, I'll take my seat.

5:10

THE CHAIRMAN: The hon. Member for Calgary-Buffalo.

MR. DICKSON: Thank you very much, Mr. Chairman. A couple of observations I wanted to make with respect to a bill which I think is going to potentially have an enormous impact on my constituents and indeed, I think, on all of Alberta.

A couple of observations I wanted to make, Mr. Chairman: firstly, a concern with respect to patience. Patience is something that I think we don't see a lot of from our provincial government, patience in terms of recognizing that the most enduring rewards and achievements are things that don't often happen overnight. It takes a clear vision, a lot of discipline, and a lot of focus. Those, in my view, are prerequisites to achieving a measure of success in terms of important areas like education and other government services. It seems to me that there's a glimmer of hope with Bill 1 to take and build on the Alberta heritage medical research program, which has been so outstanding. That, in fact, is one of the most positive achievements of the Lougheed era and something I think all Albertans can take pride in.

We have a different government now. This is not the government that brought in and created the Alberta heritage medical research

organization. This is a government that's been characterized too often by short-term decisions, a focus on how you can deliver a service as cheaply as possible. I mean, those are the hallmarks of the government we see now. I may not have persuaded the Member for Calgary-Foothills, Mr. Chairman, but, you know, I think there are a lot of Albertans that from their own experience see and understand what I'm talking about.

Mr. Chairman, I want to make the observation that when I hear the responsible minister speak, there are times it's clear that he's sort of, to speak colloquially, got religion. He's animated and he's excited and he talks about the bill. I've heard him speak at McDougall Centre when he's spoken at news conferences. I've heard him speak in the House, and he's very, very excited about the future that this kind of research can provide for the province of Alberta. But every now and again I hear that minister lapse into sort of government speak, which is all about short-term measurements to the extent there are measurements at all. It's about: what difference is it going to make in the current budget year?

I don't think you can talk in those terms, and my concern is that this government has created a bit of a paradigm, that's been manifest since they've been in power, going back to 1993, a paradigm that values things that may show an illusion of energy and progress and action and discount almost completely long-term investments, where the rewards are not going to be seen for some time.

Now, Mr. Chairman, you wonder why I'm rambling on like this. What's the point, and how is this relevant to the bill we're dealing with? Well, let me try and come to the point as crisply as I'm able.

The observation would be this, Mr. Chairman: I'm very apprehensive that this government is going to be focused on applied research, on applied engineering. I'm sure it's been said before that all of the great advances in science, virtually all of those great advances, have come from not applied science but from pure science, from more academic research, where things have been developed and applications have been discovered after the fact, after a process has been discovered and identified and catalogued.

I'm hopeful that in the application and the rolling out of Bill 1 we're going to see that sort of disciplined commitment and focus on pure research, because it's very tempting to turn this into simply a vehicle to meet the short-term interests of large corporations that do some research work in the province that will offer to give some money or a secondment or some gifts in kind to create some short-term research. But that's not going to ultimately provide as many high-skill, high-pay jobs, which is what I want and my constituents want for their children, as a very long-term commitment that may not show immediate economic results.

I mean, it may be a long time before some new processes, some new inventions, some new industrial designs, some new applications are found. I want to make sure, Mr. Chairman, that government will find the patience to see those kinds of things nurtured, and for once I want to see this government say: we're prepared to invest beyond the current fiscal year, the current budget year. So that's a concern I've got.

Now, the other one: as a graduate of the Faculty of Arts at the University of Alberta I was very struck by the value of the commentary provided by Kenneth Norrie, who's dean of the Faculty of Arts at my alma mater, the University of Alberta. I think that Dean Norrie makes a compelling argument. [interjections] Mr. Chairman, I know people are excited with the commentary they're hearing now, and they want to chat vigorously about it with their neighbours in their seats, and that's okay too.

The point I wanted to make is that I think this is a bit narrow. I've called in the past for Alberta at the postsecondary education level to

use the model for health research and expand it, but I'd hoped it would be expanded more broadly than what we see in Bill 1.

We've done some amazing work, and we've had some amazing projects, and we've provided some huge progress and innovation through the University of Alberta, not in that wonderful engineering faculty they've got or their biosciences section or necessarily in their medical faculty but through other faculties. There's a very strong arts program here, whether we're talking classics or history or political science or English. You know, the English department at the University of Alberta has produced probably more award-winning and best-selling authors – some of the best writers this nation has ever seen have been produced here and have worked through the University of Alberta. I want to see those concerns also addressed.

Mr. Chairman, is that abstract? Well, you know, that is no more abstract – in some respects it's more concrete – than some kinds of research that will be done in the area of science and engineering. I know that this is a matter that's been spoken of I think in compelling terms by my colleague who's responsible as the opposition critic for advanced education and for Learning, but I just wanted to reiterate some of those comments.

I might just finish with the commentary from Dr. Norrie in *Folio* magazine, produced by the University of Alberta. This will be the February 18, 2000, edition, where he said:

This is what we need to guarantee our society remains flourishing, economically productive and socially beneficial to the vast majority of its citizens.

What he's talking about is research that goes beyond technology and technical know-how to deal with the humanities, the social sciences, the fine arts. Those are also areas where we have been leaders in the past. We can be even more dominant leaders in the future, but it takes a much broader sort of mandate than anyone will have with Bill 1.

5:20

I support Bill 1. You know, we have here the Member for Calgary-Varsity, and I'm thinking to myself that if there's any member that should appreciate the value of an expanded role for education, it would be that Member for Calgary-Varsity. He has that outstanding University of Calgary campus smack in the middle of his constituency. I'm not sure, Mr. Chairman, whether he's had an opportunity to talk about the importance of taking the Bill 1 model and expanding it further. I didn't hear that in the throne speech. I haven't seen it in the budget. I'm waiting to hear his comments before we vote on this bill. I know the Member for Calgary-Varsity, the Minister of Gaming, is not so shallow as to be focused only on gambling and gaming. I know he's interested in making sure the University of Calgary is a much stronger institution. So I'm looking to see some leadership from him and many other members in the Assembly as well.

Those are the comments I wanted to make before we get to vote this bill out of committee. I will be voting in support, Mr. Chairman.

Thank you very much.

[The clauses of Bill 1 as amended agreed to]

[Title and preamble agreed to]

THE CHAIRMAN: Shall the bill be reported? Are you agreed?

HON. MEMBERS: Agreed.

THE CHAIRMAN: Opposed? Carried.

THE CHAIRMAN: The hon. Government House Leader.

MR. HANCOCK: Yes, Mr. Chairman. I would move that the committee now rise and report Bill 1.

[Motion to report progress on Bill 1 carried]

[The Deputy Speaker in the Chair]

THE DEPUTY SPEAKER: The hon. Member for Medicine Hat.

MR. RENNER: Thank you, Mr. Speaker. The Committee of the Whole has had under consideration and reports Bill 1 with some amendments. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

THE DEPUTY SPEAKER: Does the Assembly concur in this report?

HON. MEMBERS: Agreed.

THE DEPUTY SPEAKER: Opposed? So ordered.

The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. In light of the hour I move that we adjourn until 8 this evening, at which time we will reconvene in Committee of Supply.

THE DEPUTY SPEAKER: The hon. Government House Leader has moved that we now adjourn until 8 this evening and that when we reconvene, we do so in Committee of Supply. All those in support of this motion, please say aye.

HON. MEMBERS: Aye.

THE DEPUTY SPEAKER: Those opposed, please say no. Carried. Accordingly the House stands adjourned until Committee of Supply this evening at 8 o'clock.

[The Assembly adjourned at 5:23 p.m.]

