

## Legislative Assembly of Alberta

Title: **Thursday, May 4, 2000**

**1:30 p.m.**

Date: 00/05/04

[The Speaker in the chair]

head: Prayers

THE SPEAKER: Good afternoon.

Let us pray. Our Father, we thank You for Your abundant blessings to our province and ourselves. We ask You to ensure to us Your guidance and the will to follow it. Amen.

Please be seated.

head: Presenting Petitions

THE SPEAKER: The hon. Member for Wetaskiwin-Camrose.

MR. JOHNSON: Thank you, Mr. Speaker. I'm pleased to file a petition signed by 65 constituents from Wetaskiwin-Camrose and neighbouring constituencies. They are urging "the Government of Alberta to re-instate the front license plate on all vehicles registered in Alberta."

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

MR. WICKMAN: Thank you, Mr. Speaker. I have a petition today signed by 180 Albertans from Edmonton, Onoway, and St. Albert. It reads: we "urge the government to stop promoting private health care and undermining [the] public health care [system]."

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

MS LEIBOVICI: Thank you, Mr. Speaker. I have a petition this afternoon to table as well. It asks the Assembly to "urge the government to use its legislative powers to help resolve the labour disputes at the Calgary Herald."

Thank you very much.

MR. SAPERS: Mr. Speaker, today with your permission I'd like to present to the Assembly a petition that has been signed by 171 Albertans. The petition calls upon the Legislative Assembly to maintain Kananaskis Country in a natural state, to deny development approval for projects proposed for that region, and to create a wildland park in the Spray and Kananaskis valleys.

Thank you.

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

MS CARLSON: Thank you, Mr. Speaker. I would like to present a petition today signed by 162 Albertans from Sherwood Park, Morinville, Barrhead, Westlock, Beaumont, Fort Saskatchewan, St. Albert, Stony Plain, and Edmonton. They are all urging "the government of Alberta to stop promoting private health care and undermining public health care."

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

MS BLAKEMAN: Thank you very much, Mr. Speaker. I have a petition to present today signed by 80 Edmontonians who are reaffirming their support for the five basic principles of medicare and urging the government of Alberta to "uphold the letter and spirit of these principles," opposing two-tier health care, and urging the government of Alberta "to maintain an adequate system of public

hospitals and to not permit the development of private, for-profit hospitals in the province of Alberta."

Thank you.

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

MR. MacDONALD: Thank you very much, Mr. Speaker. I would like to present to the Legislative Assembly this afternoon a petition signed by Calgarians. These Calgarians are asking "the assembly to urge the government to use its legislative powers to help resolve the labour dispute at the Calgary Herald."

Thank you.

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

MS OLSEN: Thank you, Mr. Speaker. I have a petition to present to the Legislative Assembly that states:

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.

It's signed by 160 Albertans from Edson, Niton Junction, Peers, Whitecourt, Hinton, and Carrot Creek.

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

DR. PANNU: Thank you, Mr. Speaker. I have two petitions to table today. The first petition reads as follows:

We, the undersigned, ask the assembly to urge the government to use its legislative powers to help resolve the labour disputes at the Calgary Herald.

This petition is signed by 111 Calgarians.

The second petition reads as follows:

We the 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.

This petition is signed by 664 Albertans, bringing the total number of signatures on this petition to 21,725.

Thank you, Mr. Speaker.

THE SPEAKER: The hon. Member for Little Bow.

MR. McFARLAND: Thank you, Mr. Speaker. I would like to present 87 signatures from Hanna and the counties of Newell, Wheatland, Vulcan, and Lethbridge urging "the Government of Alberta to re-instate front license plates" on all registered vehicles.

MR. TANNAS: Mr. Speaker, I'm pleased today to present a petition on behalf of 46 constituents from rural Calgary, Cayley, Okotoks, High River, Black Diamond, Priddis, and De Winton.

We, the undersigned residents of Alberta, petition the Legislative Assembly to urge the Government of Alberta to re-instate the front license plate on all vehicles registered in Alberta.

Thank you.

THE SPEAKER: The hon. Member for Innisfail-Sylvan Lake.

MR. SEVERTSON: Thank you, Mr. Speaker. I'd like to present a petition signed by 20 residents from the Innisfail-Sylvan Lake constituency. It reads:

We, the undersigned residents of Alberta, petition the Legislative Assembly to urge the Government of Alberta to re-instate the front license plate on all vehicles registered in Alberta.

head: Reading and Receiving Petitions

THE SPEAKER: The hon. Member for Whitecourt-Ste. Anne.

MR. TRYNCHY: Thank you, Mr. Speaker. I request that the petition I presented on May 2 be now read and received.

THE CLERK:

We, the undersigned residents of Alberta, petition the Legislative Assembly to urge the Government of Alberta to re-instate the front license plate on all vehicles registered in Alberta.

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

MRS. SOETAERT: Thank you very much, Mr. Speaker. I would ask that the petition I brought forward yesterday regarding the undermining of public health care be now read and received.

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-Centre.

MS BLAKEMAN: Thank you very much, Mr. Speaker. I would ask that the petition on osteoporosis I presented on Wednesday, May 3 now be read and received.

THE CLERK:

We, the undersigned residents of Alberta, petition the Legislative Assembly to urge the Alberta Government to take an enlightened preventative approach and add the newer and more effective medications and therapies to the Alberta Drug List to ensure the health of an aging society.

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 Assembly on Wednesday, May 3 regarding the long, disruptive labour dispute at the *Calgary Herald* now be read and received.

Thank you.

THE CLERK:

We, the undersigned, petition the assembly to urge the government to use its legislative powers to help resolve the labour disputes at the *Calgary Herald*.

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

MS OLSEN: Thank you, Mr. Speaker. I request that the petition I presented yesterday be now read and received. It states:

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 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. leader of the third party.

DR. PANNU: Thank you, Mr. Speaker. I request that the petition I presented yesterday signed by 4,566 Albertans be now read and received.

THE CLERK:

We the 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: Tabling Returns and Reports

THE SPEAKER: The hon. Minister of Agriculture, Food and Rural Development.

1:40

MR. LUND: Thank you, Mr. Speaker. I wish to table today a letter that was written to the Prime Minister by our Premier. It's urging the federal government to get on with accepting the Estey/Kroeger report, thereby saving Alberta farmers up to a hundred million dollars.

THE SPEAKER: The hon. Minister of Human Resources and Employment.

MR. DUNFORD: Thank you, Mr. Speaker. I'm pleased to table with the Assembly eight copies of my response to Motion for a Return 46.

THE SPEAKER: The hon. Minister of Infrastructure.

MR. STELMACH: Thank you, Mr. Speaker. I'm pleased today to table the requisite number of copies of the list of 52 major health facility infrastructure projects and well over 200 upgrading projects that the province has funded in the last eight years. Since '92-93 that's almost a billion dollars spent on these projects that have been completed, are under construction, or are in the design and planning stage.

Thank you, Mr. Speaker.

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

MRS. MacBETH: Thank you, Mr. Speaker. I'm pleased to table a letter from the mayor of Drayton Valley outlining the concern of the council of Drayton Valley about Bill 11 in its present form.

Secondly, I'd like to table a one-page report and interesting reading on the evolution of someone from a staunchly Conservative family to a Bill 11 detester.

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

MR. SAPERS: Thank you, Mr. Speaker. I have three tablings today. The first is a report prepared by the Liberal opposition research titled *Alberta vs Ontario: Who Really Has the Lowest Personal Income Tax Rate?* Attached to this report is a copy of a page from the Treasury business plan for the current year which states that the target for the province of Alberta is to have the lowest personal income tax load in Canada. Of course, the analysis shows that that's no longer the case.

The second, Mr. Speaker, is a summary of the 2000 Ontario budget produced by the Ministry of Finance for that province. It highlights the tax-on-income system that maintains a progressive system, has three different tax brackets, and of course provides fair tax cuts for middle-income earners in that province.

Finally, Mr. Speaker, I have a copy of correspondence from Mr. Scott Kennie. It's a very personal and moving observation on his battle with cancer and his fears about a private health care system.

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

MS LEIBOVICI: Thank you, Mr. Speaker. I have four tablings this afternoon. The first is a letter from Mr. Harold Moore to the hon. Member for Dunvegan asking him not to vote for Bill 11.

The second is the president's update from the Alberta Association of Registered Nurses entitled What's Wrong With Bill 11?

The third is a letter from Mr. Rankin to Mr. Marshall with regards to Professor Levy's memo on the Canada Health Act and Alberta's Bill 11 indicating that it will provide for two-tiered health care and contravene the Canada Health Act.

My last tabling, Mr. Speaker, is the summary of five investigative stories which will become available on Calgary Lab Services. It asks: who approved the Calgary Lab Services?

Thank you.

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

MR. WICKMAN: Thank you, Mr. Speaker. I have two tablings this afternoon with the appropriate number of copies. The first one is a study showing that for-profit hospitals are lower quality than not-for-profit hospitals.

The second is the results of a public inquiry poll that shows 92 percent believe there's sufficient evidence of conflicting interests at the Calgary regional health authority to warrant a public inquiry into its operations.

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

DR. PANNU: Thank you, Mr. Speaker. I have three different letters to table today. Each one of these letters details the reasons why the writer is opposed to Bill 11. The first letter in the form of an e-mail is from David McVean of Calgary. The second letter is from Ruth Vander Wonde in Edmonton. The third letter is from Astrid Blodgett, also of Edmonton.

Thank you, Mr. Speaker.

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

MS BLAKEMAN: Thank you, Mr. Speaker. I have two tablings this afternoon. The first is a letter from a constituent, Irene Rheinwald, who asked me to table this letter registering her "outrage at Bill 11, its ramifications" and with the Premier's "inability to produce any empirical evidence to support his claims."

The second is a thesis project by Kate Hibbard on The Role of Changing Together: A Centre for Immigrant Women in the Well-being of Its Clientele; A Qualitative Evaluation.

Thank you, Mr. Speaker.

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

MRS. SOETAERT: Thank you very much, Mr. Speaker. I have five tablings. They are all letters expressing concerns about private health care and Bill 11. They are from Leona Sambor, Linda Harasewich, Tenille Harasewich, Mark Pouliot, and Doug Thomson.

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

MR. BONNER: Thank you very much, Mr. Speaker. I would like to table the appropriate number of copies of a report compiled by an injured worker. It includes a judge's decision that the Appeals Commission cannot set the terms of reference for an appeal, only the board of directors. It also includes a number of recommendations. It's quite timely in that there is a review of the Appeals Commission at this time.

Thank you.

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

MS CARLSON: Thank you, Mr. Speaker. I have three tablings today. The first is a copy of a petition bearing 68 signatures of Albertans "expressing their support for the permanent protection of the Spray and Kananaskis Valleys and their opposition to any developments in the Spray Valley." The original copies went to the Premier.

My second tabling is a letter from Kristian Kiml, who is also opposed to having any further development around Spray Lakes.

The third tabling is a letter from Ken Topham, who is also opposed to the proposed development of Spray Lakes by Genesis Land Development Corporation.

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

MR. MacDONALD: Yes. Thank you, Mr. Speaker. I have two tablings today. The first is a letter I've received from the Minister of Municipal Affairs regarding the \$375,000 raised through the power engineers registration fee. I'm very grateful for that information.

The second tabling this afternoon is five copies of an e-mail from Naomi Lakritz. She is an editorial writer who is currently on strike at the *Calgary Herald*, and she's looking desperately for a way for this dispute to be resolved and leadership from the government.

Thank you.

head: Introduction of Guests

THE SPEAKER: The hon. Member for Medicine Hat.

MR. RENNER: Thank you very much, Mr. Speaker. As you know, it's not very often that I get an opportunity to introduce a class of students all the way from Medicine Hat. It's really quite a major undertaking to bring students up from Medicine Hat. I met with the group at noon today. They will have been on the road for three days by the time they get back to Medicine Hat, after traveling up to Edmonton yesterday, spending today here, and then traveling back to Medicine Hat tomorrow.

It's indeed a real pleasure for me to introduce to you and through you to members of the Assembly a group of 96 individuals who have traveled from Medicine Hat to join us here this afternoon. They are students from Crestwood elementary school. They are accompanied by teachers Wade Lawson, Kathy Western, Jackie Sehn, Karen Shaw, Gary Ziel and their principal, David George, and teaching assistant Miss Nameth. Also with them are parent helpers Lois Higgins, Glen Smeby, Wayne Schlenker, Deb Gomke, and Guy and Janie Rouse and bus drivers Greg Penner and Vic Nickel. They're in both the members' gallery and the public gallery. I would ask all of them to rise, and I'd ask all members to welcome them.

MR. GIBBONS: Mr. Speaker, my class will be coming in after 2, but I'll be introducing them beforehand. It's a school from my end of town. I'd like to introduce to you and through you to the Legislative Assembly the grade 6 classes of the northeast Edmonton

Christian school. There are 34 students, and they're accompanied by eight parents: Mrs. Hilda VanHaren, Mrs. Carol Gurnett, Mrs. Wilma Binnema, Mrs. Helen VanBoom, Mrs. Audrey Vandeborn, Mrs. Henny Schenk, and Mr. Will Ryks. They're also accompanied by their teachers, Mr. Peter Prinsen and Mr. Greg Gurnett.

I'd like to note that teacher Greg Gurnett and one of the parents, Mrs. Carol Gurnett, will be watching very closely as their daughter, the ever-smiling Erin, one of our pages, will be delivering stuff around the room. They'll be here just after 2, and I'd ask that they receive the warm welcome of this Assembly.

1:50

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

MRS. SOETAERT: Thank you very much, Mr. Speaker. I have two introductions today, if I may. The first is Mr. and Mrs. Hugh and Esther Rigney. They are from the Bon Accord area and are great community people, involved in a lot of things. Certainly of interest is that Mr. Rigney taught the Member for Redwater and the Member for Edmonton-Manning. Edmonton-Manning tells me he was the favourite, but that remains to be seen. I would ask that Mr. and Mrs. Rigney please rise and receive the warm welcome of the Assembly.

I would also like to introduce two great volunteers who put in countless hours for many of us here. They are Lesia Kozak and Evelyn Butler. I would ask them to please rise and receive the warm welcome of this Assembly.

THE SPEAKER: The hon. Minister of Human Resources and Employment.

MR. DUNFORD: Yes. Thank you, Mr. Speaker. On behalf of the Minister of Children's Services I would like to make you aware that there will be a school class joining us sometime after 2 o'clock, and I would like to introduce them. There will be 29 grade 10 students and one adult. The teacher is Mrs. Sherry Rourke. They are from Archbishop Jordan high school. It's a little premature, but if we could have an acceptance of them, I'd appreciate it.

Thank you very much.

THE SPEAKER: The hon. Member for Lac La Biche-St. Paul.

MR. LANGEVIN: Thank you very much, Mr. Speaker. It is my pleasure this afternoon to introduce to you and through you 39 grade 6 students from Glen Avon school in St. Paul. They're accompanied by four teachers: Mrs. Linda O'Neill, Mrs. Patricia McRae, Mrs. Joan Brodziak, and Mr. Dave Doonanco. Our guests are now touring the Legislature, and they will be here after 2.

Thank you.

head: Oral Question Period

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

### Voting on Bill 11

MRS. MacBETH: Thank you very much, Mr. Speaker. The future of medicare in this province and in fact in Canada will be decided in this Legislature within the next few days. Yesterday I asked this Premier to sign a pledge that he will allow a free vote for his MLAs on this critical issue. My first question to the Premier is: has he taken the pledge?

MR. KLEIN: No, Mr. Speaker. I haven't take the Liberal pledge, but I did take an oath of office to represent my constituents and the people of this province both as an MLA and as a member of Executive Council.

MRS. MacBETH: Well, Mr. Speaker, why won't the Premier allow his MLAs to represent the constituents they were elected to serve by offering them a free vote?

MR. KLEIN: Well, Mr. Speaker, we can go through the exercise again. Does anyone here want a free vote?

SOME HON. MEMBERS: Yes. Yes.

MR. KLEIN: Oh, you all want a free vote? Okay. Fine. Do you vote freely to support the government's position? I don't know. [interjections] Right. Absolutely.

MRS. MacBETH: Okay, Mr. Speaker, if they're all ready to take a free vote, then will the Premier think again and sign the free vote pledge? We've got one here made out in his name so that he could.

MR. KLEIN: Mr. Speaker, I have no intention of signing a contrived, phony Liberal pledge. I don't pledge myself to that party. That's the last thing on the face of the earth that I would do.

### Private Health Services

MRS. MacBETH: Mr. Speaker, the Premier has presented no evidence to refute the fact that his health care policy will cost more and will lengthen waiting lists. In the absence of any evidence Albertans are wondering why the Premier and his government are so determined to proceed with this health care policy. Once again it becomes the central question on everyone's mind: who benefits from the Premier's health care policy? My questions today are to the Premier. Will the Premier confirm that his health care policy is the result of the pressure being put on the Calgary regional health authority by private operators to increase the volume and variety of contracted-out services?

MR. KLEIN: There were two questions there, Mr. Speaker.

Absolutely not. What we're doing relative to policy and law is in the best interest of Albertans and in the best interest of the publicly funded health care system and in the best interest of fulfilling our commitment to the Canada Health Act. That's what it's all about.

MRS. MacBETH: That's interesting, Mr. Speaker. How does the Premier explain the following statement from a November 1998 Calgary regional health authority study on contracted-out services, which I am happy to table? It says:

The Surgical Advisory Committee has been under considerable pressure from private providers to enter into long term agreements for existing contracts, and to contract out greater volumes and additional procedures to them.

MR. KLEIN: Well, Mr. Speaker, I'd like to answer that question in a very generic sense and perhaps have the hon. Minister of Health and Wellness supplement.

Mr. Speaker, you can well imagine that if we were to put back into the conventional hospitals as we know them all of the surgical facilities that are existing now, performing something like 152 different procedures, some 20,000 procedures a year in 52 clinics, 30 of which were up and operating and approved under the leader of the Liberal opposition's watch when she was minister of health in the

Conservative government – you don't have to be a rocket scientist to figure out what kind of pressure that would put on the hospitals that we have today.

MRS. MacBETH: Mr. Speaker, how does the Premier explain the following statement from the same study by the Calgary regional health authority revealed today that says, "This pressure has come both from providers with whom there are existing contracts, as well as new providers"?

MR. KLEIN: Well, Mr. Speaker, all the more reason to support the legislation that is before us, because it simply provides the health authority with the option under very strict circumstances to contract out. For the first time we are putting rules and regulations around the operation of surgical clinics.

Now, the Liberals are opposed to this. They voted against this. Mr. Speaker, if they were really, really concerned, they would be with the government and vote for rules and regulations relative to the contracting of surgical clinics.

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

MRS. MacBETH: Thank you, Mr. Speaker. Well, obviously the answer is that the beneficiaries of the Premier's health policy are private providers.

Will the Premier now request that his handpicked Calgary regional health authority release all cost-benefit analyses of its contracted surgical facilities and services before this government's health care policy is rammed through this Legislature?

2:00

MR. KLEIN: Well, Mr. Speaker, again, I find the question to be very strange indeed, because the legislation addresses precisely that point and they voted against it. They don't want it.

MRS. MacBETH: Mr. Speaker, what is this Premier so afraid of in those documents that he doesn't want Albertans to see before he passes his legislation?

MR. KLEIN: Well, Mr. Speaker, all of these questions can be addressed in the legislation. It was quite obvious during the debate during committee stage that they did not want to see these safeguards put in place. They voted against everything we wanted to do to make sure that contracting out is open and transparent, that it's cost efficient, that it will reduce waiting lists, that it will be to the benefit of Albertans and to the benefit of the protection of public health in this province.

MRS. MacBETH: Mr. Speaker, how can Albertans trust anything that this Premier says on health care policy when he is afraid to release existing evidence?

MR. KLEIN: I'll have the hon. Minister of Health and Wellness supplement my answer, but when it comes to a matter of trust, Mr. Speaker, Albertans trusted us in 1993 because we did what we said we were going to do. They again enhanced their trust in this government in 1997 because we did what we said we were going to do. Come the next election, I am confident beyond all doubt that once again the people of this great province of ours will enshrine their trust in the Progressive Conservative Party and in this government.

MR. JONSON: Mr. Speaker, I'd just like to supplement with two comments. First of all, we are operating in full compliance with legislation as it currently exists with respect to confidentiality and privacy in this province. That was legislation that, if I recall, the members across the way voted for with respect to the protection of privacy. The provisions of Bill 11 make it possible, make it very legal, make it a requirement that the content of contracts be released. That is why we need Bill 11. As has been pointed out already, the members across the way do not support that particular provision.

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

### Public Opinion on Bill 11

DR. PANNU: Thank you, Mr. Speaker. The Premier claims to have received thousands of letters and e-mails in support of the government health care privatization scheme, yet he hasn't provided any evidence to support his claim. This isn't surprising when the government hasn't provided a shred of evidence to back up the claim that its scheme will shorten waiting lists and save money. My question is to the Premier. If the government won't table the letters and e-mails it has received, will it at least provide a detailed accounting indicating the total number as well as a breakdown of what percentage supported Bill 11 and what percentage opposed it? If so, when?

MR. KLEIN: Mr. Speaker, when this bill is given third reading and when it is given Royal Assent and when it is proclaimed, I'm confident the people of this province will say: what was all the fuss about?

Again, I find it very, very strange that the leader of the third party, just like the Liberals, would be talking about approval processes and what evidence there is. He also voted against the bill in committee, and the bill specifically addressed the fundamental question of health authorities needing to provide evidence beyond reasonable doubt that it will reduce waiting lists, that it will provide efficiencies, that there will be cost savings. This hon. member voted against those requirements, Mr. Speaker, and that's a shame.

DR. PANNU: Thank you, Mr. Speaker. Why won't the Premier admit that the reason his government refuses to do a detailed accounting of responses is because it would show overwhelming opposition to the health care privatization scheme?

MR. KLEIN: There is no privatization scheme, Mr. Speaker.

DR. PANNU: Thank you, Mr. Speaker. Denials won't change the fact.

Why won't the Premier admit that the reason his government is deliberately delaying a detailed accounting of responses is because they will show overwhelming opposition to the health care privatization scheme?

MR. KLEIN: Well, I don't know what kind of responses he's alluding to. If he's talking about the co-ordinated campaign of malicious misinformation and all the postcards that have come in and all the loaded questions that have come in, Mr. Speaker, yes there have been thousands.

But the good-thinking people of this province, you know, the remaining 2.9 some odd million people, are saying: "We're quite satisfied with this government. We like what you have done for this province. We like what you have done for the economy. We like what you have done for taxation. We understand and know that

you're doing your very, very best to address the critical issues of health care, the issues of education, the issues of sustaining an economy, the issues of agriculture, the issues of labour, the issues of justice, the issue of protecting consumers, the issues of providing good solid infrastructure, and the issues of making sure that we have good community facilities and a good quality of life." Mr. Speaker, Albertans are confident that this government is doing a good job to address those issues.

### Provincial Tax Regime

MR. DOERKSEN: Mr. Speaker, Budget 2000 committed Alberta to a bold path of tax reform. This bold path includes the introduction of a single rate of tax instead of a progressive system of taxation. Other provincial governments have not followed Alberta's lead. Would the Provincial Treasurer tell this Assembly why we have chosen this taxation route?

DR. WEST: Well, Mr. Speaker, some time ago we had a Tax Review Committee that asked Albertans through many questions what type of tax system they would like and some of the problems with it, and we had 80,000 responses on that plus all of the other submissions that were made as the review committee went about the province. One of the things with the act and the changes that we're bringing in is that Alberta will delink from the federal income tax system by switching to a tax on income rather than a tax on tax. Tax on income improves Alberta's policy flexibility by allowing the province to have its own brackets and rate structure and varied levels of nonrefundable tax credits to meet its own objectives.

Now, Mr. Speaker, the principles of why we're taking this approach and why it's superior. We believe that low-income Albertans should pay no tax. Our single-rate system allows us to liberate thousands of low-income Albertans. We believe that you should not be punished for being educated, hardworking, and innovative, and that is why Albertans will pay the same proportion of their income after they have deducted their newly enhanced deductions.

The single-rate system removes a complicated . . .

THE SPEAKER: Thank you very much, hon. minister. Normally we deal with principles of bills in the debate at second reading.

MR. DOERKSEN: Well, Mr. Speaker, could the minister please address the concern that a single rate of tax is not fair to all income levels?

DR. WEST: Well, Mr. Speaker, one of the other things that came forward, of course, was that families in Alberta were being discriminated against based on their choice of how they raise their children. By making the spousal deductions equal to the personal deduction and by moving to a single rate, the gap in taxes between a two-income family and a one-income family will be drastically reduced.

Now, one of the things that happened recently is that there's been some criticism of our rate of tax coming forward, and the Premier and this government promised that we would address any changes that the federal government made to their tax brackets. One of those was in the middle-income group, where they changed their rate structure, and therefore today I'd like to table a draft amendment that would change the rate from 11 percent to 10 and a half percent and would raise the spousal allowance to \$12,900 from \$11,622.

2:10

MR. DOERKSEN: Thank you for that.

Would the Treasurer tell us what this groundbreaking change will mean to the average Albertan?

DR. WEST: Mr. Speaker, this will take another 58,000 low-income people off the tax roll permanently. This change along with the surtax removal in the next two years will leave \$1,320,000,000 in the taxpayers' pockets. That extra 58,000 brings the low-income off the tax rolls to 190,000 Albertans.

One other thing I want to say is that I'll give you a few examples, and then we can sit down and let the debate start.

THE SPEAKER: Hon. members, there is actually a part in the Routine called Ministerial Statements, which hon. members might want to just apprise themselves of.

The hon. Member for Spruce Grove-Sturgeon-St. Albert, followed by the hon. Member Wetaskiwin-Camrose.

### Peace River Hospital

MRS. SOETAERT: Thank you, Mr. Speaker. Provincial and municipal planning for interchanges to keep the Peace River stretch of highway 2 part of the national highway system has been under way for 10 years. That's good; there's lots of activity. As well, everyone is pleased that a new community health centre is being built for Peace River. Unfortunately, the site chosen for the new Peace River hospital on the west hill across the river means that the interchange plans for the same location have been scuttled. My first question is to the Minister of Infrastructure. Why was there no consultation between health, public works, and transportation so that the choice of the hospital site didn't scuttle years of transportation planning and jeopardize the future of several Peace River business owners?

MR. STELMACH: Mr. Speaker, there was a considerable amount of consultation, and once again the information that's presented today is totally wrong. [interjections]

MRS. SOETAERT: I've hit a nerve, I think.

My second question: why did the government approve the use of the 15-acre west hill site when so many Peace River residents were opposed to that location for the new hospital?

MR. STELMACH: Mr. Speaker, there are a number of contributors to the final decision. That includes the regional health authority, the minister of health, previously the minister of public works, and all the staffs. They reviewed all the information and made the decision.

Thank you.

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

MRS. SOETAERT: Thank you, Mr. Speaker. Finally, can the minister confirm that a co-owner of the new hospital land is also a partner with the Premier in the Eagle Point fishing lodge? That's the reason.

MR. STELMACH: Mr. Speaker, this ministry is responsible for co-ordinating over 52 major projects in the province of Alberta, over 200 minor upgrading projects. I don't have all the information carried here in my head as to who owns every parcel of land there is in Alberta. There are a heck of a lot of people living here, over 3 million, and many of them own property.

If she wants to put some kind of accusation down in writing to me, I'll personally address it, and I'll deliver this information in the House.

## Privilege Allegations against a Member

MR. KLEIN: Mr. Speaker, as much as I hate to rise on a point of personal privilege, I think that I will on this particular issue. First of all, the member has not named this individual. She has made some implications that somehow there is a conflict, that somehow I was involved in the decision relative to the point in question. That is absolutely false. It is irresponsible, and, Mr. Speaker, I'm going to ask the hon. House leader to speak on my behalf when this matter is raised.

Thank you, sir.

THE SPEAKER: The hon. Member for Wetaskiwin-Camrose, followed by the hon. Member for Edmonton-Meadowlark.

### Cattle Identification Program

MR. JOHNSON: Thank you, Mr. Speaker. My question is to the Minister of Agriculture, Food and Rural Development. I've been speaking with a number of producers in my constituency who have some serious reservations about the new cattle identification program. They believe that they haven't been well-informed about how the program will work and why they need to participate. They're concerned about the increasing costs and the potential for increased liability. It is my understanding that Alberta Agriculture is supporting this program. I would like to ask the minister: why does the Alberta government support the new federal cattle ID program?

MR. LUND: Thank you, Mr. Speaker. Maybe I should give a little history on where this came from. Currently the consumer is becoming more and more concerned that food be safe. The Canadian Food Inspection Agency does a great job of inspecting all our plants, our processes and making sure that food is safe. This is extremely important to foreign buyers, and of course when you talk particularly about beef – and this is the area that it affects – we export anywhere from 70 to 80 percent of that product out of Alberta. So the market is extremely important to us.

The Canadian cattle association in conjunction with the Canadian Food Inspection Agency recognized that it was important to have a mechanism so they could trace back if there was a problem. So the Canadian Food Inspection Agency set up another agency, the Canadian Cattle Identification Agency, that will be administering a program whereby there will be an identification put on a animal where it is raised. Then, of course, that tag, that identification will follow through to the slaughter plant, and currently they have a track-back from the slaughter plant out to the consumer.

Now, it will take some period of time in order for the whole process to be put in place because an animal will change hands maybe four times in the life of the animal, and eventually it needs to be tracked all the way. What this will do is allow, if there is a problem – and mad cow disease is a good example of what it's done in some other jurisdictions and how it has destroyed the industry in the whole country. We need to have some way of getting back as quickly as possible and possibly isolating into a region or area if in fact there's a problem.

So this way, with this identification, the plant knows where the animal came from, so they can go there. If they know where the animal was born, then they can go back and start moving in the other direction, and that way they double the effort.

THE SPEAKER: The hon. Member for Wetaskiwin-Camrose.

MR. JOHNSON: Thank you. To the same minister: given the cost of the program and the concern about how an incident might affect the producer, can the minister explain how this new program will impact Alberta's cattle industry?

MR. LUND: Certainly any time you implement a major program like this, there is some cost, and there's no denying that. However, I think we have to look at the bigger picture, and that is to look at this implementation as a preventative measure. The fact is that in the countries that have had a major outbreak of disease, their exports have been cut off completely. If we have some way of tracking back really quickly and identifying where the problems lie, then of course we may have a very small area that would be quarantined instead of the whole industry being shut down. So I think that's where the payoff is.

MR. JOHNSON: Finally, I'd like to ask the minister how Alberta producers will be protected under this new legislation.

MR. LUND: In a number of ways. Of course, with a quick track-back not only does it protect to some extent in the marketplace, but also if it is a disease that is quite contagious, you can then very quickly isolate the area where the disease is found and stop the spread of it. So in that forum it would be a protection to the individual farmer.

THE SPEAKER: The hon. Member for Edmonton-Meadowlark, followed by the hon. Member for Redwater.

2:20

### Mental Health Services

MS LEIBOVICI: Thank you, Mr. Speaker. According to the Canadian Mental Health Association the shortage of psychiatric hospital beds in Calgary is of crisis proportions. Currently there are 56 fewer acute care beds in Calgary than in Edmonton, and as a result patients in Calgary are forced to go over 200 kilometres to Alberta Hospital Ponoka for treatment. My questions are to the Minister of Health and Wellness. Given that the Calgary regional health authority's recent budget only calls for an additional 15 short-term acute care beds, what long-term plans does the minister have to address the ongoing critical shortage of inpatient services in Calgary for individuals who are in need of psychiatric help?

MR. JOHNSON: First of all, Mr. Speaker, I would like to indicate that one of the joint initiatives of the Calgary regional health authority and the Provincial Mental Health Board has been to work together more closely to have a joint appointment, I think it would be called, in terms of a co-ordinator for overall mental health services in the region, and that seems to be going very well. There are also under consideration plans for implementation with respect to expanding the acute care psychiatric bed component in Calgary.

We should not be given the impression in this House, Mr. Speaker, that there are not acute care psychiatric facilities, though, in Calgary right now serving the people of Calgary. We acknowledge that that number has to be expanded, and action is being taken to do so.

MS LEIBOVICI: So can the minister, then, explain how spending \$95 million on Alberta Hospital Ponoka is going to address the very real requirements in Calgary, where there is an acute care bed crisis right now?

MR. JOHNSON: Mr. Speaker, first of all, with respect to what are in

the language of mental health called emergency or crisis beds, I have acknowledged that we are working on expanding that particular capacity in Calgary.

With respect to mental health treatment beds, yes, those are being planned to be rebuilt in Ponoka. I should point out, Mr. Speaker, that the overall number of beds at the Ponoka facility is, however, being reduced.

I would like to also add, though, that there should be acknowledgment of the fact that there are other programs at the facility in Ponoka, one of which is the brain injury treatment and rehabilitation program, which serves both north and south in this province, Mr. Speaker, and I might say, although I do acknowledge that it's in my constituency, that this particular program is a very good one. There is also an alcohol and drug abuse treatment centre in Ponoka which serves central Alberta. I could go on with some of the other programs, including a psychogeriatric one, et cetera, that is part of that overall complex.

MS LEIBOVICI: Given that a stable home environment with families and a support system are crucial to the recovery of mental health patients, when can mental health patients in Calgary expect to be treated in their own city as opposed to having to travel 200 kilometres away?

MR. JONSON: Well, Mr. Speaker, first of all, I think that traveling distances are part of getting specialized care in every part of the health care system. The other thing that I think is important here is that one of the impressions that is sometimes given about mental health treatment and is perhaps particularly pushed inaccurately by certain people is that once you go to a mental health hospital you stay there forever. That is not the case. The period of time that mental health patients on the active treatment side are in hospital has been steadily coming down.

Alberta Hospital Ponoka and Alberta Hospital Edmonton can show the reduction in length of stay as far as individuals are concerned and their transfer back to the community if – and this certainly is not always the case – there are family members or friends that can support and help the individual. Otherwise, transferring them to another location where there is no one there that they know doesn't make a heck of a lot of sense. Mr. Speaker, that is the situation.

Mental health, I think, does not yet get the credit they should for the advances they've made in the treatment of mental health in this province, and that is being pursued.

THE SPEAKER: The hon. Member for Redwater, followed by the hon. Member for Edmonton-Centre.

#### **Royal Alexandra Hospital Neonatal Unit**

MR. BRODA: Thank you, Mr. Speaker. Yesterday the Royal Alexandra hospital in Edmonton opened a new neonatal intensive care unit for critically ill newborn babies. A significant portion of the capital costs of this project were raised by the Children's Health Foundation of Northern Alberta and the Royal Alexandra Hospital Foundation. To the Minister of Infrastructure: what if any was the government's contribution to this project?

THE SPEAKER: The hon. Minister of Infrastructure.

MR. STELMACH: Thank you, Mr. Speaker. It was a great pleasure yesterday to open another new world-class health facility in the province of Alberta. The new neonatal ICU took four years of

intense planning and consultation and construction to incorporate the latest technology. The latest technology they gave us a bit of an example of yesterday was the electronic transmission of diagnostic imaging.

The Capital health authority, the Royal Alex Hospital Foundation, and the children's foundation contributed over \$6 million, and that was for new equipment. Our participation from the province of Alberta was 8 and a half million dollars to completely gut and renovate the fifth floor of the Royal Alex, bringing the total cost of the unit to \$14 and a half million dollars.

THE SPEAKER: The hon. Member for Redwater.

MR. BRODA: Thank you, Mr. Speaker. To the same minister: *Maclean's* magazine recently rated the Capital health authority as the best health region in Canada. Will this neonatal unit serve only the residents within the Capital health authority?

THE SPEAKER: The hon. Minister of Infrastructure.

MR. STELMACH: Thank you, Mr. Speaker. The Alex treats 1,200 babies per year, and about 30 percent of the babies come from other parts of western Canada. Now, the centre itself will be a centre of excellence for northern and central Alberta but will also be servicing the needs of critically ill babies from northern B.C., Northwest Territories, and Saskatchewan. So, really, Albertans are generously sharing their infrastructure with other Canadians.

THE SPEAKER: The hon. Member for Redwater.

MR. BRODA: Thank you. My final question to the same minister: can other regional health authorities expect to receive funds for similar neonatal units?

MR. STELMACH: Mr. Speaker, one of the great benefits of regionalization of health authorities of course is the ability of the RHAs to make the best use of their resources. There have been a number of centres of excellence created in parts of Alberta: Edmonton and Calgary and some in rural Alberta as well. We will continue to work with the RHAs to ensure that we continue to develop these centres of excellence.

I will say that we've invested about a billion dollars in health facilities throughout the province since '92-93, when this Premier took over. We do have quite an aggressive program, about \$324 million over the next three years in health facilities.

Thank you.

THE SPEAKER: The hon. Member for Edmonton-Centre, followed by the hon. Member for St. Albert.

#### **Mental Health Services**

*(continued)*

MS BLAKEMAN: Thanks very much, Mr. Speaker. In December the Alberta Mental Health Board announced the withdrawal of funds from a number of community-based organizations in central Alberta. Due to these cuts, groups such as the assertive outreach program, Red Deer crisis services, the Central Alberta Women's Emergency Shelter batterers' program, and other programs have seen their funding discontinued. Objections to that decision have come from former patients, family members, community organizations, the United Way, the FCSS board, and Red Deer city council. My questions are to the Minister of Health and Wellness. What is



the policy of the minister regarding the contracting of services with voluntary community organizations?

2:30

MR. JONSON: First of all, Mr. Speaker, as far as funding, one of the premises on which this question seems to be based is inaccurate; one might say blatantly false. The commitment of dollars in the David Thompson region – of course, Red Deer is the major population centre, but the service is to the whole area. The overall community mental health funding to that particular area has in fact been increased during this past budget and the budget before.

The second thing here is – and this particular question is kind of very ironic, because we're often accused in the health care system of not doing enough evaluation and providing for enough accountability in terms of the services provided. A procedure or policy of the Alberta Mental Health Board is to do a review of services on a periodic basis, Mr. Speaker, in consultation with their local advisory council from the mental health community. There was a decision made in the interests of improving services and better co-ordinating them to make some changes in terms of the agencies or in terms of the methods by which these services are being provided. So what you have is a situation where there has been, yes, a reconfiguration in terms of the delivery of services, but the region is being served.

As far as funding is concerned, it has in fact increased, Mr. Speaker.

MS BLAKEMAN: To the same minister: given that a stable home environment with families and a support system are crucial to the recovery of a mental health patient, can the minister explain why he has committed no new dollars to community mental health in the 2000-2001 budget?

MR. JONSON: Mr. Speaker, the statement is inaccurate. In the budget that has been placed before this Assembly by government and has been approved, there are additional dollars for community mental health.

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

MS BLAKEMAN: Thank you, Mr. Speaker. To the same minister: will the minister commit to instituting a plan proposed by the Alberta Alliance for Mental Illness and Mental Health that any funds used to rebuild or refurbish the Alberta hospital be matched on a 2 to 1 ratio with funding for enhanced and new community services?

MR. JONSON: Mr. Speaker, as the member knows, the question is quite ridiculous actually. When you build a particular hospital – let us talk about the neonatal unit which was recently inquired into, which is incidentally a very good initiative. If she's saying that you spend, let's say, \$30 million on a particular project in Edmonton to meet a capital need and then you have to automatically take that \$30 million and put it into your operational budget so it can be there forever, she knows very well that that doesn't work, and it isn't the way budgets are prepared.

THE SPEAKER: The hon. Member for St. Albert, followed by the hon. Member for Edmonton-Gold Bar.

### Cancer Treatment

MRS. O'NEILL: Thank you very much, Mr. Speaker. Some serious concerns have been raised with me this past week about waiting lists in the Capital region for cancer radiation therapy in Edmonton, especially for breast and prostate cancer. My question is to the

Minister of Health and Wellness. What is the situation, and what is being done about it?

MR. JONSON: Mr. Speaker, there is certainly a very serious situation in terms of waiting times for radiation treatment and other treatments being much longer than acceptable in the province. The Cancer Board is taking action to deal with this particular situation. This is something that unfortunately is not just isolated to one particular location but is almost a national situation. There seems to be a very severe shortage of cancer treatment technicians, particularly radiology specialists.

The Cancer Board has developed a three-point action program. One, of course, is to get concluded and get into effect a recent agreement with the workers there which should make their payment more competitive with, let's say, British Columbia or Ontario. Mr. Speaker, further, they are on a short-term basis bringing staff from Calgary to Edmonton to work here and to provide additional service until additional staff can be recruited.

So it is an issue not unique or specific to Alberta, Mr. Speaker. It is one where the Department of Health and Wellness and the Cancer Board have worked together, developed an action plan, and are following through.

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

MRS. O'NEILL: Thank you, Mr. Speaker. Can the minister tell this House how soon this three-point plan can come into effect?

MR. JONSON: Mr. Speaker, the Cancer Board, as indicated in their news release of yesterday, are putting that plan of action into place right now. They're acting upon their overall three initiatives.

We are still not in a situation that is as serious as other provinces. That's nothing, of course, to be complacent about, and we are working hard on resolving the problem.

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

MRS. O'NEILL: Thank you, Mr. Speaker. While these solutions are being put in place, does the Alberta Cancer Board have any plans to send patients to the United States for radiation treatment?

MR. JONSON: Mr. Speaker, while it is the case that other provinces have been sending significant numbers of patients to the United States for treatment, there are no current plans to do so in Alberta. It is our view that with the actions that are being taken, we can deal with this situation in Alberta, and as I've said before, it is a priority of ours to do so.

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

### Private Health Services (continued)

MR. MacDONALD: Thank you, Mr. Speaker. In the United States, with its two-tiered health care system, investor-owned surgical facilities, nursing homes, home care companies – the list goes on and on – an estimated \$100 billion a year is lost in fraud. More and more, whole sections of state departments of health and social services have been created to fight frauds that have developed or are coming from private health care providers attempting to maximize their profits. Since 1993 under this government's master plan hundreds of millions of dollars of public health care assets and

contracts have been handed over to government friends and political contributors who own private health care services. My questions are to the minister of health. Given the proliferation of investor-owned home care, laboratory services, and surgery companies under this government, how many people do the department and the health authorities have employed to root out health fraud and protect public taxpayer dollars?

MR. JONSON: Mr. Speaker, as has been the case since the beginning of public health care in this province, our system has been made up of three basic components in terms of the delivery system. Part of it is owned and operated directly by the government; secondly, we've had the voluntarily sector, the nonprofit sector, primarily based in the churches of this province, who have provided service, albeit they want to make sure they balance their books and perhaps have a little left over too; and thirdly, we have the private sector. That is the way it has been for decades. It still is today.

We do not have a fraud unit. We've not had any reason to have a fraud unit. The records and documents of the regional health authorities, being part of Alberta Health and Wellness in terms of financial responsibility, are reviewed by approved auditors, in many cases directly by the Auditor General's department. The Auditor General's department has to be satisfied that there are proper financial controls and proper monitoring in place, Mr. Speaker.

We in Alberta Health and Wellness do not have and have not had the need to have what is inferred as being some type of a department to deal with those types of things.

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

MR. MacDONALD: Thank you, Mr. Speaker. The hon. minister mentioned a health fraud unit. My next question is: what plans does the minister have for a health fraud unit once the current privatization expansion to investor-owned overnight surgical centres or private hospitals gets under way? What plans do you have for this health fraud unit?

2:40

MR. JONSON: Mr. Speaker, I won't go back to the business about this being misnamed and misrepresented by the opposition. The point that's really, really important in response to this question is that we have had a privately owned, private enterprise, if you will, component in health care in this province for a long time. In credit to those people who have provided that service over the last tens of years, I frankly can't quite remember any major case of fraud in the entire system with respect to the private-sector operators. Perhaps there were one or two, but they certainly haven't been on the front line of concerns. I think that's really a good argument for respecting the fact that these people and these businesses and enterprises have a place within the health care system and have been providing good service.

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

MR. MacDONALD: Thank you, Mr. Speaker. Given the concerns that have been expressed by the Auditor General in last fall's Auditor General's report regarding fraud or the possible occurrence of fraud in WCB billing by private health care providers, can the minister provide the Assembly with his department's estimate of how much public money is currently being lost to fraudulent billing by unscrupulous private health providers?

MR. JONSON: Well, Mr. Speaker, as I understand the question, he's

posing a question with respect to WCB. [interjection] Perhaps not WCB.

I have no indication that there have been any charges laid or any evidence that there has been any degree of fraud within the system. I will certainly check with the Auditor General's department in case there's something that we have missed in the reporting and documentation that they have provided. I think the question is really quite inappropriate unless there is really hard evidence, which of course we would be concerned about, if there was.

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

### Employment Standards Enforcement

MR. CAO: Thank you, Mr. Speaker. My question is to the Minister of Human Resources and Employment. According to the statistics released in the 1998-99 annual report from the former department of labour, employment standards complaints have risen from .47 percent to .57 percent. Why is there an increase in the amount of employment standards complaints?

THE SPEAKER: The hon. Minister of Human Resources and Employment.

MR. DUNFORD: Thank you, Mr. Speaker. Well, there are likely a number of reasons. The first one, I would think, would be the fact that there are many, many more people employed in Alberta. There's a huge number of new businesses that have been incorporated. Another reason is that we believe that we've certainly educated employees within the province to know about their rights and obligations. Of course, periodically there are companies that do go out of business, and behind them quite often is a trail of complaints.

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

MR. CAO: Thank you, Mr. Speaker. To the same minister: is an independent workers advocate group needed to justly represent employees' concerns?

MR. DUNFORD: Well, I don't believe so, Mr. Speaker. It's our department's responsibility to provide a level playing field between employers and employees, so in a way, of course, our department officials are advocates, then, for both sides.

We work continuously to see that there's compliance. We have educational activities that are ongoing. We want to focus where we see there are particular areas of concern, so we do some targeting in particular sectors. We now have an employment standards hotline where people can call us, and I understand we're getting something like 800 calls, which we're dealing with. So I would think that an independent workers advocate group would just be another level of administration.

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

MR. CAO: Thank you, Mr. Speaker. To the same minister: what is Human Resources and Employment doing about the chronic offenders who violate the Employment Standards Code?

MR. DUNFORD: Well, we're currently targeting sectors that have shown some degree of noncompliance, and a good example that I would provide to the members here today would be the Alberta

Restaurant and Foodservices Association. We're working very closely with them and, in fact, assigning an employment standards officer to work directly out of their office. Now, there's always the odd employer that just won't get the message though, so we'll speed up our investigative process on any complaints that come from that particular area. Hey, if all else fails, we have the legislation in place to prosecute, and we'll do it.

head: Members' Statements

THE SPEAKER: Hon. members, in a few seconds from now we'll call upon the first of three hon. members to participate in Members' Statements.

The hon. Member for St. Albert.

#### **Canadian Association of Statutory Human Rights Agencies**

MRS. O'NEILL: Thank you, Mr. Speaker. Today I rise as a member of this Assembly to speak of a very important conference that will be under way in just a few short days. It is important in that the topic affects each and every one of us. The conference begins Sunday, May 7, and runs through to May 9. It is the annual conference of the Canadian Association of Statutory Human Rights Agencies, or CASHRA. People from across Canada will gather in Banff to discuss human rights and diversity in our country. Fellow members, the hon. Minister of Community Development as well as the Member for Calgary-Montrose will be in Banff to welcome visitors to our province and to encourage their wholehearted participation.

Building a Human Rights Culture: Tools for Transformation is the theme of CASHRA's conference, which is a forum for Canadian human rights commissions to discuss human rights trends and issues that shape Canadian society and culture. This year Alberta is hosting the conference, and participation by the community at large has been encouraged.

The significance of this conference is twofold. First, the conference is a stage to demonstrate Alberta's human rights values and to promote the good work being done in our province. This conference and other educational initiatives are supported through the Human Rights, Citizenship and Multiculturalism Education Fund, chaired by the Member for Calgary-Montrose. Through grant-funding government and other sectors are creating partnerships that bring human rights awareness and action to many Albertans within a variety of communities.

Secondly, the conference will explore how we can actually live human rights and what tools and educational initiatives will help create a culture in which human rights are a way of life throughout Canada. Participants will look at strategies and successes in raising awareness and in encouraging positive action on human rights and diversity. It will be a valuable networking and learning experience for those who are already doing important work and leading change in this province and across this country.

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

2:50

#### **Lawrence Grassi Middle School**

MS CARLSON: Thank you, Mr. Speaker. Today I wish to acknowledge the excellent contribution of grade 8 students at Lawrence Grassi middle school in Canmore. They've made a contribution in raising awareness on environmental issues in their region. Spearheaded by Courtney Dyck and Guy McLintock, the students wrote more than 100 letters to elected officials. They ask for a halt to proposed additional development in the Spray Lakes area. They also

request an end to hunting grizzlies and the recognition of the grizzlies as an endangered species. A petition signed by 550 students supported these requests. As a result of these actions, these students won a competition sponsored by *Outfront*, CBC Radio One. The students will now be preparing a radio play based on the submission.

Mr. Speaker, 56 of those students gave me permission to table their letters in the Legislature. The letters are copies sent to the Premier, to the MLA for Banff-Cochrane, and to the Genesis Land Development Corp. These letters are excellent reading, being both thoughtful and thought provoking. I encourage all MLAs, particularly the Minister of Environment, to take the time to read them. I am tabling the letters along with a copy of their petition, which reads as follows:

We, the undersigned, students at Lawrence Grassi Middle School, 730 4th St., Canmore, AB, would like the government of Alberta to [do five things]:

- 1) Protect Alberta's wildlife.
- 2) Stop giving out hunting licenses for grizzly bears.
- 3) Employ more park wardens.
- 4) Preserve natural habitat.
- 5) Declare the grizzly bear a protected species [in this province].

These students are working hard. They are organized and forward thinking. They will be excellent stewards of our province in the years to come. On behalf of my caucus I thank them and encourage them to continue to voice their concerns on issues of importance to them.

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

#### **Nortel Networks' Westwinds Campus**

MRS. FRITZ: Thank you. Mr. Speaker, information and communications technology, known as ICT, is the world's strongest and fastest growing economic sector, making innovation more important than ever. It is my privilege today to congratulate one organization that is leading in this kind of innovation.

Nortel Networks, which employs over 3,000 people in Calgary alone, is extremely well respected by leading ICT companies and organizations around the world for being an innovator. I'm really proud to tell you, Mr. Speaker, that yesterday Mr. John Roth, president and CEO of Nortel Networks, in a groundbreaking ceremony announced the expansion of Nortel's Westwinds campus and facilities in northeast Calgary. This significant investment in excess of \$37 million U.S. is located in our area of the city, where development is very welcome. We are so pleased to know that the project at Nortel Networks' Westwinds campus will see the equivalent of 308 full-time, one-year jobs in construction and related activities for the Calgary area.

Mr. Speaker, Nortel Networks' expansion will add another 200,000 square feet to the existing facility. It really is another milestone in the new economy. It signals Calgary's success in attracting, growing, and building a world-class information and communications technology centre.

Thanks in part to companies like Nortel and their commitment to research, to their people, and to the future, we are quickly gaining an international reputation as a leader in ICT. Nortel's presence and commitment to its Calgary operations truly helps to put us and Alberta on the map.

I would ask that members of the Assembly join me in congratulating Nortel Networks on the expansion of their Westwinds campus and facilities in northeast Calgary.

head: Projected Government Business

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

MS CARLSON: Thank you, Mr. Speaker. I would now ask that the government provide us the projected government business for next week.

THE SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. Depending on progress from time to time, of course, and as always, on Monday, May 8, 2000, under Government Bills and Orders for second reading in the afternoon, bills 16, 19, and 20; for third reading, Bill 11 and as per the Order Paper.

At 8 p.m. on the same date under Government Bills and Orders for second reading, bills 16 and 19; third reading of Bill 11.

On Tuesday, May 9, at 4:30 p.m. private bills for second reading, Bill Pr. 3; Committee of the Whole, bills Pr. 1, Pr. 2, Pr. 4, Pr. 5, and Pr. 3; for third reading, bills Pr. 1, Pr. 3, Pr. 2, Pr. 4, and Pr. 5; Pr. 3, of course, with the unanimous consent of the House, if granted. Under Government Bills and Orders, Government Motion 18, as per the Order Paper.

On Tuesday at 8 p.m. in Committee of the Whole, Bill 17, Bill 3, Bill 13, Bill 15; third reading of Bill 11.

Wednesday, May 10, at 8 p.m. under Government Bills and Orders, Committee of the Whole, based on progress Tuesday; third reading of Bill 11 and as per the Order Paper.

Thursday, May 11, under Government Bills and Orders in the afternoon in Committee of the Whole, based on progress Wednesday; third reading of Bill 11 and as per the Order Paper.

THE SPEAKER: Hon. members, during the earlier Routine today notice was given to the chair about two items. One was a purported point of order and the other one a point of privilege. As has been the custom with this chair, the priority is given to the matter which is deemed to be of greater significance in the order of the House. Of course, without any doubt, a possible question of privilege takes that precedence.

Government House Leader, you advised with respect to this.

### Privilege

#### Allegations against a Member

MR. HANCOCK: Thank you, Mr. Speaker. Earlier today during question period, after a particularly odious question from the Member for Spruce Grove-Sturgeon-St. Albert, the Premier rose and indicated to you, gave oral notice at that time, as soon as it was reasonably possible, of a question of privilege to be raised under section 15 of our Standing Orders. The notice having been given orally, the requirement for written notice is not required under the rules.

It would be appropriate, Mr. Speaker, at this point in time, in our submission, after hearing such debate as you might desire, for you to rule that there is a prima facie case of privilege in this case and to ask the committee – I believe the appropriate committee is the Privileges and Elections Committee – to deal with the matter thoroughly.

A question of privilege, as you have mentioned previously in this House, is one of the most serious questions which can be raised in the House, because the privileges of the House and the privileges of its members are of utmost priority and importance if we are to be able to do our jobs in an appropriate manner. Nothing could be more important to our ability to do our jobs in an appropriate manner than to have the confidence of the public in the integrity of each and every member. There is nothing more important to a member of this House than that member's integrity and the public perception of that integrity.

It is my submission that the question raised by the member this afternoon, although it was directed to the Minister of Infrastructure, very, very clearly was intended to impugn the integrity of the Premier and, therefore, to interfere with his ability to maintain the public trust in his integrity and to maintain his ability to carry out his duties as a member of this House and as a member of Executive Council. I would suggest that it's not too strong to say that by doing so, it impugns the integrity of each and every member of this House.

This is something which is exceedingly important today, Mr. Speaker, because it is not an isolated incident. I am not suggesting that this member has on earlier occasions, and I am not going to cite earlier occasions of impugning the integrity of members, but we have seen in this House on a number of occasions allegations relating to suggestions that people were doing things in this House for reasons other than the representation of their constituents, for reasons of friends or otherwise. At this point that's all I'll say on that statement. I'll go back to the specifics of this particular situation.

I would refer the Speaker and this House to *Beauchesne* 64, which indicates:

The House has occasionally taken notice of attacks on individual Members. Most notably, [a situation where a member] while seated at his desk in the House, referred to a Member . . . as "a cheat and a swindler". Removed from the House, he returned twice more to repeat the charge and finally concluded with a written note to the same effect. For the offence, [the member] was judged guilty of a breach of privilege and was summoned to the Bar to apologize.

Mr. Speaker, I think that's precisely what should happen in this particular case. It is a case of that import. I'm reading from page 19 of *Beauchesne's Parliamentary Rules & Forms*, sixth edition, and I would advise you and the House that I paraphrased the rule that I read.

3:00

I would also refer you to *Erskine May Parliamentary Practice*:

Other acts besides words spoken or writings published reflecting upon either House or its proceedings which, though they do not tend directly to obstruct or impede either House in the performance of its functions, yet have a tendency to produce this result indirectly by bringing such House into odium, contempt or ridicule or by lowering its authority may constitute contempts.

I cite that not because it directly refers to a member's privilege but because there can be nothing more odious or contemptible than impugning a member's integrity and, particularly, doing it in a manner which does not afford an opportunity in any other legitimate way, I would suggest, than by bringing a question of privilege. A person's integrity, as I have indicated earlier, is the single most important tool that a member of this House can have.

Mr. Speaker, I'd also refer you to the *House of Commons Procedure and Practice*, edited by Marleau and Montpetit, which you provided to House leaders earlier this session. I'm reading from page 52, the fourth paragraph:

Any conduct which offends the authority or dignity of the House, even though no breach of any specific privilege may have been committed, is referred to as a contempt of the House. Contempt may be an act or an omission; it does not have to actually obstruct or impede the House or a Member, it merely has to have the tendency to produce such results.

Also, on page 53 in the first paragraph:

Either House can apply its rights to new circumstances, thereby in some cases creating new instances of contempt.

I cite that because as we read through it, the whole area of contempt is really an open area. We have in the past referred to the Legislative Assembly Act, where contempt and privilege were dealt with in a similar manner.

What I'm suggesting to you, Mr. Speaker, is that while we will not

necessarily find in any of the rules of order or the books of procedure under which we operate a specific reference which relates to this particular type of situation, I would again indicate that the single most important item that a member of this House has in terms of their ability to represent their constituents is their integrity.

Now, I would go further to suggest, Mr. Speaker, that we have purposefully put in place mechanisms and an officer of the Legislature to deal with those situations where it may be appropriate to examine actions or incidents to determine whether anything of any impropriety was undertaken. We have an Ethics Commissioner and we have a Conflicts of Interest Act. If there was ever to be a suggestion by any member of the House or any member of the public that something was done in an inappropriate manner by a member of this House for personal gain or for any personal reasons or reasons other than the reasons for which we were elected, to represent the electors in our constituency, that type of an allegation, because of its serious nature and because of the manner under which we have established the Conflicts of Interest Act and the role of the Ethics Commissioner to investigate those types of situation – there is a procedure in place, and they should be referred for investigation there.

I say that in order to say again that it's a breach of the privileges of a member of this House, then, to raise in an oblique manner in this House in a public context such an allegation, in a context which will leave or tend to leave or could have the possibility of leaving the public with the impression that a member has done an inappropriate act, has been corrupted or bribed or in any other way has done anything for the purposes of self-benefit rather than the benefit of their electors. The appropriate method, as I say, would be to take the allegation, if there was any suggestion that there was any merit to the allegation, to the Ethics Commissioner and ask for an investigation of it, not to make a public statement in the House or outside the House to impugn the integrity or the character of a member.

Now, specifically to the allegation that was made. The hon. Member for Spruce Grove-Sturgeon-St. Albert asked a question of the Minister of Infrastructure. I don't have the Blues, but you will have the exact wording of it. She asked a question to the effect of: was the Minister of Infrastructure aware that one of the co-owners of a piece of property which was purchased for a medical clinic or hospital in Peace River or in the Peace River area was a co-owner of a fishing lodge with the Premier?

Now, the question could be raised for only one purpose, I would suggest, Mr. Speaker, and that is to impugn the integrity of the Premier. That could be the only reason for asking that question in that way in this House at this time. If there was any suggestion or any concern by the member that anything inappropriate had been done, it would have been that member's responsibility, that member's duty to bring it to the attention of the Ethics Commissioner and ask for an investigation of it. If there was any evidence of that, it would be that member's responsibility to bring it to the attention of the Ethics Commissioner. The only purpose for raising it in the manner in which it was raised in the House is for the purpose of undermining public trust in our Premier, but it had the effect of impugning the integrity of our Premier, and as I've said on several occasions already, integrity is the most important thing that any member of this House can have. In fact, no member of this House can carry out their duties properly without their personal integrity and without the people's belief in their personal integrity.

One can always disagree with a member on a matter of policy. That is what we're all about: having discussions over matters of policy. But it should not ever come to this House where a member's integrity is called into question, a member's ability to represent their constituency, where there's a direct or indirect allegation that that

member has in some way benefited or in some way accepted a bribe or in any other way has been moved by inappropriate considerations to deal with the matter of government or of the Legislature.

Now, with respect to the specific allegation, the House should also know – and I do not have personal knowledge of this particular information; I've been advised of this information. I understand that the Member for Peace River does have personal knowledge of this information and could be called upon by you, Mr. Speaker, to give this House personal knowledge or to give the committee in due course personal knowledge, should you refer it to the committee. The individual referred to by the Member for Spruce Grove-Sturgeon-St. Albert, who owned or was a co-owner or had an ownership interest in the piece of land in Peace River, I'm given to understand, donated the piece of land in question to the local RHA for the purposes of building the hospital. So that individual, as I understand it, received no personal benefit for the transfer of that person's property to the RHA except perhaps in the context of the building of services to that property, which might otherwise assist with the surrounding property.

I'm also given to believe by the Member for Peace River that the person in question donated this land before becoming an owner in the fishing lodge to which the member referred and, in fact, before perhaps even any of the first meetings that he might have had with the hon. the Premier in terms of when they first met or, at least, first went on fishing trips themselves together. So there's no reason to believe that there would have been any benefit at all to the owner of the land other than, as I say, the fact that he owned other land adjacent and would therefore have benefited perhaps from some of the servicing to the new facility when it was built.

Also, it is clear to me from the information that I've received that at the time he made the donation he didn't know the Premier; the Premier didn't know him. In fact, I'm given to believe as well that the site selection for the hospital took place in the fall of 1997, that the purchase of the lodge happened in early 1998, that one of the original partners in the purchase of the lodge then sold their interest, and it was this interest that was sold that was acquired by a group of people including the individual which the member has mentioned.

3:10

So, Mr. Speaker, I think it's clear that we have a situation where the Member for Spruce Grove-Sturgeon-St. Albert, in bringing forward a question to this House, has done so with the clear intention of impugning the integrity of the Premier of this province and a member of this House and by impugning the integrity of the Premier of this province and a member of this House has attempted to interfere with that member's ability to do his job, because one cannot do this job if one is not perceived as having integrity, has done so in clear violation of the procedures which we have available and which this House has specifically made available by appointing an officer of this House as Ethics Commissioner and by passing an act called the Conflicts of Interest Act and by having an appropriate framework for dealing with questions of a nature which was raised. By not following that process and by determining to bring that question to this House at this time, she did so clearly with the intention of interfering with the Premier's ability to do his job as Premier and as MLA.

I cannot emphasize more how odious I believe that type of question, that type of conduct to be, how detrimental it is not only to the Premier but to every single member of this House, and I would ask you to find a *prima facie* case that there has been a breach of the privileges of the member, in this case the Member for Calgary-Elbow, the Premier of the province, and that the Privileges and Elections Committee be asked to investigate and bring a recommen-

dation of censure back to this House if in its investigation it is found that there has indeed been such a breach of privilege.

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

MRS. SOETAERT: I have no questions.

THE SPEAKER: I'm sorry. I want to hear from the hon. Member for Spruce Grove-Sturgeon-St. Albert why this is being done, please. [interjection] The hon. Member for Edmonton-Glenora is not the Opposition House Leader.

MRS. SOETAERT: He is today.

THE SPEAKER: Well, you stand up and tell me that this is the way you want it, because I don't want you to come back later and say that . . .

MRS. SOETAERT: Thank you, Mr. Speaker. If I may, I'd ask the Acting Opposition House Leader to speak, and then, if appropriate, I will after.

Thank you.

THE SPEAKER: Very well, and I'll certainly recognize the Acting Opposition House Leader in this regard.

MR. SAPERS: Thank you, Mr. Speaker. A question of privilege is very serious. It's so serious, indeed, that it is incumbent upon all members of this Assembly to only raise such questions on those rare occasions that the business of the Assembly or the capacity of an individual member has been materially impaired. I don't think that's the case today.

Now, I will review *Hansard* when it's available, and I may have more to say or the Official Opposition House Leader may have more to say at that time, but at this point I do not believe that there is a valid point of order let alone a breach of the privilege of the Member for Calgary-Elbow. The Premier has not been prevented from pursuing his duties, and there has been no interference with the operations of the Assembly. A sensitive question put to a member of Executive Council, which may make the government uncomfortable, is not a breach of privilege.

Now, I did not hear the Member for Spruce Grove-Sturgeon-St. Albert make an accusation. I did not hear that member draw a conclusion. What I heard was a question that required an answer. The question, as I understand it, was words to the effect of: can the minister confirm that a co-owner of the new hospital land is also a partner with the Premier in the Eagle Point fishing lodge?

Now, there was no reference to personal gain. There's no reference to anything fraudulent. There's no reference to anything under the table. There is simply a question asking about a relationship between the Premier and an Albertan.

The Government House Leader made several arguments, but in the course of those arguments he admitted that there is a relationship between the Premier and the former owner of this parcel of land. That was, of course, the object of the question. The Government House Leader may try to ascribe other motivations. He may try to pretend there was more to it than that, but really, Mr. Speaker, that's what it boils down to.

The Government House Leader made reference several times to the ability of all members of this Chamber to be able to carry on their duties based on their standing in the community, their reputation, their integrity. Then he suggested that by asking a question

which doesn't go to the issue of integrity or standing in the community but simply asks about a relationship, the Premier has somehow been diminished. But every day in this Assembly, Mr. Speaker, during question period, during debates, hon. members ask pointed questions of one another regarding government policy and the manner in which the government of Alberta operates.

Mr. Speaker, we've had the Premier nearly every day in recent memory stand in this Assembly and accuse the Leader of the Official Opposition of purposely spreading malicious misinformation. Now, if that doesn't impugn reputation and standing . . .

THE SPEAKER: Please, hon. Acting Opposition House Leader. If such be the case, I would entertain a member rising on a point of order or a point of privilege. Right now we have a specific point of privilege before the House, and that is what we will discuss in this very serious matter.

MR. SAPERS: Thank you, Mr. Speaker. Part, of course, of the argument about privilege, as I review *Beauchesne* and *Erskine May*, is context, and that's simply what I am trying to establish, context.

So what we have in the Assembly every day are members making allegations and suggestions, and no points of privilege are raised, Mr. Speaker. In this case we don't have an allegation or a suggestion; we simply have a question. I believe that a review of *Hansard* will confirm that.

Mr. Speaker, the Government House Leader makes it very clear that the question upset at least him, if not the Premier. But his mere discomfort, I don't believe, is a prima facie case of privilege.

I would ask, Mr. Speaker, that you consider whether or not there is a reason to rule today. I would like an opportunity to review not only the question as it is recorded in *Hansard* but also the Premier's comments immediately following the question and, of course, the Government House Leader's submission on this matter. Now, at that time the Official Opposition House Leader may have additional pertinent observations. A ruling of a question of a prima facie case will not be impaired by waiting until Monday, and I would appreciate your consideration unless, of course, you are of the opinion that no breach of privilege has in fact occurred.

Thank you.

THE SPEAKER: The hon. Member for Peace River on this point of privilege.

MR. FRIEDEL: Yes, Mr. Speaker. That an attempt is made by the Member for Spruce Grove-Sturgeon-St. Albert to invent a controversy or worse yet to suggest some kind of an impropriety is probably typical of what we expect from the opposition and particularly during question period.

THE SPEAKER: Again, hon. member, I want us to deal with the context of this point of privilege. This is not a time for speech-making. This is the time to deal with a very serious matter raised by the Government House Leader.

3:20

MR. FRIEDEL: Thanks, Mr. Speaker. Part of the point of privilege is that the Member for Spruce Grove-Sturgeon-St. Albert made a statement against a very respected person in my constituency, who cannot be here to defend himself in this House.

I want to substantiate the statements that the Government House Leader made in respect to the order of events. The site of the Peace River hospital was selected by the regional health board in conjunction with the town of Peace River, surrounding communities, and

considerable input from local residents. After the site selection was made, the person who owned the land, Mr. Lovsin, could easily have sold this property to the health board. Instead, he chose to donate it. Some people would consider that kind of a donation as very commendable rather than to make such a despicable accusation.

I'm personally aware that Mr. Lovsin is a partner with the Premier in a fishing lodge. I'm also personally aware that that partnership occurred at least a year after the land transaction took place, and I would like to suggest that that transaction was very much an open process. The community was involved, the town of Peace River was involved, the Peace regional health authority was involved, and I don't think there's anything in the documents that could be considered underhanded or in any way linked to some impropriety with the owner and certainly not with the Premier.

I am certainly defending a constituent who cannot be here to speak for himself, and also I believe I would make this point on behalf of the Premier, who for no good reason at all is being dragged into some kind of a made-up story, you know, just as a political attempt to besmirch someone's character. I would certainly ask that you take strong steps to censure this member or whatever else could be done to prevent this kind of action in the House in the future.

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

**MRS. SOETAERT:** Thank you very much, Mr. Speaker. To me this was an infrastructure plan that was in place, and there were huge expenditures on it, so I asked the question about why the site was changed. I have now received information about that last one. I got that from the House leader's information that he gave us. I do apologize if anyone interpreted the question to mean any more than it was.

**THE SPEAKER:** Hon. Member for Spruce Grove-Sturgeon-St. Albert, I'm going to ask you to do something more than what you've just done. There are two things that happened here today. I may make a ruling or not make a ruling depending on how the hon. member chooses to deal with the request made from the chair.

Time and time again statements are made in this House by members with respect to individuals outside this House. Now, in this case no name was mentioned. However, because all of us have to file with the Ethics Commissioner on an annual basis a complete disclosure of who our associates are, it's public knowledge who that individual in question would be by simply going down to the Ethics Commissioner and asking. It's public knowledge. So there is the question of the reputation of the individual outside this House that the chair is also concerned about, and it's not the first time the chair has said that.

The second point has to do, then, with – I gather the apology was directed to the member of the House. So I'll sit down and invite you to in fact consider extending your apology.

**MRS. SOETAERT:** Mr. Speaker, I most definitely extend that apology to the person outside of this House as well.

**THE SPEAKER:** Hon. members, it's my view and it has always been my approach to try and deal with these matters as they come and try and deal with them as quickly as we possibly can and not defer matters and the like.

I'm going to make a number of comments. We've certainly had a point of privilege raised, and quite frankly my conclusion in my head is that it is a valid point of privilege. I'm quite prepared to basically say that under Standing Order 15(6) I'll find this a *prima facie* case of privilege for the following reasons.

Number one is that members have to be responsible for what they say in this House, absolutely responsible, and there's no shirking of that responsibility. I remember a sage old parliamentarian many years ago telling me: you know, it's a lot easier to talk your way out of this House than it is to talk your way into this House. How true that is. The point about dealing with people who are not inside this House is a very serious one for any member to make any aspersions, innuendo, or anything else.

Secondly, the reason why I would come to that conclusion has to do with the very nature of the question itself and the importance of it all in recognizing that. The Government House Leader is absolutely correct with respect to this. It is this Assembly that had a debate in it, passed legislation, and made a decision that there should be an independent office of this Legislature, an office called the Ethics Commissioner, who should deal with any and all questions that members might have about any and all other members with respect to any kind of dealings.

Further to that, there is an all-party committee which governs the performance of the Ethics Commissioner. Members of all parties sit on it. The Ethics Commissioner has the right, incredible legal authority, has all the documents with respect to everybody's associations, and if there's any suggestion of wrongdoing by any member to another member, they have the responsibility to go to the Ethics Commissioner. Why else would the Assembly have taken all this time, made these decisions, passed legislation, put public dollars into this question if not in fact to ensure the integrity of the House?

So the chair has great difficulty – great difficulty – with respect to this matter and doesn't understand the motivation. The Blues are very, very clear. First question, basically after some preamble:

Why was there no consultation between health, public works, and transportation so that the choice of the hospital site didn't scuttle years of transportation planning and jeopardize the future of several Peace River business owners?

Okay; a valid question. Certainly, the future of several Peace River business owners sort of suggests that somebody got hurt financially.

Then going on:

My second question: why did the government approve the use of the 15-acre west hill site when so many Peace River residents were opposed to that location for the new hospital?

Okay; a valid question, but what it has to do with the future of several Peace River business owners – the chair can't find a connection to that one, so fair game.

Third question:

Finally, can the minister confirm that a co-owner of the new hospital land is also a partner with the Premier in the Eagle Point fishing lodge?

Well, again, it's public information who the Premier's associates would be. Nothing secretive about that. Absolutely open to the public. But what's the purpose of the question other than to perhaps create some aspersions? It's on that point that the chair is really, really concerned, because someone now rose on a point of privilege, and it means that it has to be dealt with.

Now, the positive to this is that the Member for Spruce Grove-Sturgeon-St. Albert did rise and extend an apology. Then on a second occasion the Member for Spruce Grove-Sturgeon-St. Albert was given a further opportunity, and the hon. Member did rise and extend an apology. I would hope that in fact the matter would end there.

3:30

Now, the acting House leader of the Official Opposition said in his remarks that it may be that the Official Opposition House Leader would like to make some comments. But he's not here. Of course, I can't say that, but the fact is, reality is, he's not present in the

House at the moment, so I can't hear from him today, which means I cannot possibly hear from him until Monday. So the choice is to deal with this now and wrap it up or delay it until Monday.

Hon. Member for Spruce Grove-Sturgeon-St. Albert, you heard what I said. I really am greatly reluctant to say that I'm going to find a *prima facie* case of privilege. I think there is greater honour if you just do it one more time and extend an apology to the member outside the House and withdraw your comments, and we can move on. I'm giving you the honour to exit with dignity. Your choice.

MRS. SOETAERT: Sure, Mr. Speaker. I apologize. You know what? I apologize to the member in here and to the . . . [interjection] No, no, to the entire House. This is serious. I apologize to the entire House, to the Premier, and to the person outside of this Assembly as well.

THE SPEAKER: That matter has now come to a close.

Now, hon. acting House leader of the Official Opposition, you wanted to rise on a point of order.

### Point of Order

#### Ministerial Statements in Question Period

MR. SAPERS: Thank you, Mr. Speaker. I am going to rise under *Beauchesne* 317, which can be found on page 96 of the sixth edition. It reads:

Points of order are questions raised with the view of calling attention to any departure from the Standing Orders or the customary modes of proceeding in debate or in the conduct of legislative business and may be raised at virtually any time by any Member, whether that Member has previously spoken or not.

I am referring to an exchange between the Member for Red Deer-South and the Acting Provincial Treasurer.

I will note, Mr. Speaker, that at some point during that exchange you yourself rose and suggested to the Acting Provincial Treasurer that there is a place in Routine for ministerial statements, because it certainly sounded to this member that that's what was being provoked from the Acting Treasurer, a ministerial statement about tax policy.

Mr. Speaker, in the answer to the question that was put by the Member for Red Deer-South, the Acting Provincial Treasurer made reference to tabling draft amendments to a bill which was on the Order Paper to be discussed at some future point by this Assembly, very irregular and unusual. Not only was it the ministerial statement aspect of the answer that caught my attention but, in fact, the breach of procedure and protocol by introducing the tabling of draft amendments on a bill of such importance during question period.

I will note that if I understand the intent of those amendments, it would lower the tax rate on income tax that Albertans were required to pay, and the purpose expressed was to keep in line with another provincial government's tax regime. Unfortunately, that lowering of that tax rate won't do the job that it was purported to do. My information is that the tax rate would have to be lowered in combination with the personal exemptions being increased to over \$14,000 before we even got close to appreciating the flow through of the federal tax cuts and keeping pace with the government of Ontario.

So, Mr. Speaker, it's really three separate issues here: one, the misinformation that was provided in the context of the answer; two, the obvious device on the part of the Provincial Treasurer to use question period to hijack time from question period to make a ministerial statement when he has ample opportunity to do that. Of course, the only thing I can suggest is that the reason why the minister wouldn't use Ministerial Statements is that the Official Opposition gets an opportunity to respond, and he didn't want that

to happen, I'm sure. Thirdly, of course, is the very inappropriate use of question period to table amendments to pending legislation, to a bill that's before the Assembly.

So I would ask that you formally call the minister to order on this particular set of breaches. Thank you.

THE SPEAKER: The hon. Government House Leader.

MR. HANCOCK: Thank you, Mr. Speaker. I'll be very brief on this. First of all, the question as to whether the information was good information or misinformation is really in the eye of the beholder. Obviously, the Acting Provincial Treasurer put forward information which he thought was in response to a bona fide question from a member of this House who is known for asking questions about taxes going down, has developed a reputation in this House for asking questions about taxes going down, who has made a point in this House of raising questions about taxes going down, and the hon. Acting Provincial Treasurer responded by giving good news in that context. [interjections]

Mr. Speaker, as is my wont, I sat quietly and listened to the presentation made by the Acting Opposition House Leader, and I now find that they haven't got the respect for members of this House that we have.

The comment that was made by the Speaker about this being more appropriately a ministerial statement, which has now been picked up by the Acting Opposition House Leader, I would suggest has been taken well out of context. You, Mr. Speaker, on many occasions encourage ministers answering questions to be brief, and I believe your comment relating to this more appropriately being a ministerial statement was more in the context of the length of the answer rather than where it would be appropriate for the minister to give that information. In any event, it is quite appropriate for a minister in this House being called to account for government policy by a private member in this House to give the information which is being requested, which is what the hon. Acting Provincial Treasurer was doing.

With respect to tabling amendments, Mr. Speaker, while we've had discussion earlier this year about bills coming before the House and the timing of bills coming before the House and that sort of thing, there is no obvious protocol of that nature relative to amendments. In fact, it's quite appropriate. I've asked as Government House Leader on many occasions for the opposition to bring forward their amendments long prior to them being brought into the House so that they could be appropriately reviewed in context so that we can determine whether or not they can be supported. The hon. Acting Provincial Treasurer clearly indicated that what he had was a draft of an amendment that he was proposing to bring forward. The draft of the amendment clearly could have been brought forward if the opposition had not brought forward a motion which I consider to be in the nature of a hoist motion, but I understand that it is being considered to be a reasoned amendment at second reading of Bill 18.

I think it's quite appropriate for the hon. Acting Provincial Treasurer to give the House such information as may be helpful to the House in its determinations, particularly when asked specifically about it by a member of this House who makes it his business to ask those questions on an ongoing basis and when that particular item is not on the Order Paper for discussion on that particular day.

Bill 18 is not on the Order Paper, so having the Acting Provincial Treasurer take the opportunity of a good question to provide information to the House which the House can use in doing its further consideration at a later date of a bill before the House is entirely appropriate.



THE SPEAKER: The hon. Member for Red Deer-South on this point of order.

MR. DOERKSEN: Absolutely, Mr. Speaker. Because I was the member who asked the question, I think I have an obligation to speak here. I raised the question on behalf of my constituents. In fact, when we're talking about taxes, it's on behalf of all Albertans. It is important for Albertans to know what the flat tax policy really means in its rollout and implications. I, in fact, have had several individuals from Red Deer who have contacted me, given me their personal financial information, and said: please calculate what the impact is going to be under your new tax system. So I consider that it's a member's privilege to be able to ask questions. I can't predict what the minister is going to answer or how he's going to answer.

3:40

Furthermore, Mr. Speaker, I'm a little perplexed as to why the hon. Member for Edmonton-Glenora would raise a point of order, because in his tablings today – and I'm reading from the Blues – he made at least two tablings which refer to this tax rate, to the very issue that we were discussing in my question. In fact, if one were to reflect on past behaviour, a tabling of that nature normally would be foregoing to a question that he would probably be raising later. Now, it didn't happen today, but quite often a tabling prompts a question later on in question period. So this question may in fact have been on his mind for him to ask the minister, but I got to it first, and I'm pleased that I did, because it's a very important question to the people of Alberta.

MS CARLSON: Mr. Speaker, on the point of order. The point of order was with reference to the nature of the answer that was received on the question, not to the nature of the questions themselves.

As you, Mr. Speaker, pointed out yourself at the end of that ramble that we heard this afternoon, there is an opportunity for Ministerial Statements on the Order Paper, and we would expect ministers of this government to respect the Order Paper and to adhere to the process that is listed for us every day. If somebody has a problem with following it, they have the Order Paper in front of them every day.

In fact, the answer to that question was at least a ministerial statement if not a complete platform that could have easily been put forward in a news release or other venues. It was not a short answer to a question, which is what you repeatedly ask for in this Assembly. It was nothing more than a full and complete statement, a platform for him to get his point across, and there are far more appropriate venues for the minister to do that in rather than in the limited time in question period, when we do solicit answers to questions that do not have a venue to be asked in a timely fashion in other manners.

So in that particular instance I would say that the points brought forward by the Member for Red Deer-South were not appropriate to this point of order.

THE SPEAKER: Hon. members, this point of order arises as a result of an exchange between the hon. Member for Red Deer-South and the Acting Provincial Treasurer, and the time frame for those series of questions was five minutes, which is just a few seconds above the norm for the day, so close but not an issue.

There was an intervention from the chair. All hon. members saw the chair rise and caution the hon. Acting Provincial Treasurer that the question period was not a time for ministerial statements, nor was it a time to debate principled issues with respect to a particular bill. That having been said, whatever the issue is, whatever the bill

is is totally neutral to the chair. The chair is looking after the process. The appropriate time to table a document is during Routine, not during question period. The hon. Acting Provincial Treasurer, however, is not the only person in the House to have violated that. Tablings should be where we have the tablings situation, and we should not be using the time of the question period to debate a section in the bill.

It's a valid point, but we're not going to tar and feather anybody, the same way we didn't tar and feather the previous individual that there was a point of privilege associated with.

head: Orders of the Day

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## Bill 15

### Business Corporations Amendment Act, 2000

[Adjourned debate April 20: Mrs. Sloan]

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

MS CARLSON: Thank you, Mr. Speaker. I'm happy to have this opportunity to speak to Bill 15, the Business Corporations Amendment Act. It's been a little while since it was on the floor of the Legislature, and it is a bill that for the most part we do support.

[The Deputy Speaker in the chair]

For those who don't remember, I will refresh their memories in terms of the object of this bill. It's to remove the requirements for corporations to meet a solvency test before giving financial assistance by means of loans or 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," which is in section 42, Mr. Speaker.

This is a technical bill. It addresses a technical issue of concern to a number of organizations, and it has been brought forward by a number of stakeholders, Mr. Speaker, who have been reviewing this issue for a long time, since about the mid-1980s, if I recall correctly.

Stakeholders who have been responsible for the development of the work here have been the Alberta Law Reform Institute. Over time they have issued three different discussion papers, in the mid to late '80s and then again in 1996, which called for changes to section 42. Industry Canada also issued a March 1996 discussion paper on this recommending changes to section 44 of the Canada Business Corporations Act, all parts that have been incorporated into this bill.

Once the bill was written and brought forward to a variety of stakeholders, there were a few more concerns that were brought forward, and a number of other organizations came forward in the development of amendments. That brings me to an issue of concern that I have with this bill and with other bills like it.

Drafting this kind of legislation, which should be relatively minor in nature once the various stakeholders have been approached and advised, should not then subsequently result in additional amendments, Mr. Speaker. What should happen is that a thorough review should be made prior to the tabling of legislation so that all concerns are brought forward and we don't have to see potential changes to the principle of the bill coming forward at other stages. Faith in the government and their ability to bring forward good, strong legislation would be enhanced by making sure that it was good and strong in the first instance and didn't require changes to it. So that is a bit of a concern that I have, that we continually see instances where legislation is brought forward that isn't up to par, but having said

that, what we see at this stage is satisfactory in light of the fact that we'll be seeing amendments coming forward later.

In the object of this bill there's also requirement for full written disclosure to shareholders and creditors within 90 days of financial assistance provided by a corporation to shareholders, directors, and other associated parties. This is very good, Mr. Speaker. We fully support this. It will allow shareholders and creditors to seek existing remedies available under the act, and should it be determined that the corporation, the shareholders, or the directors have entered into a transaction that is inappropriate and not in the best interest of the corporation, then those shareholders will have remedial action. Always important.

You know, we can see in corporations sometimes where there is a necessity for those kinds of transactions to occur or where it's in the best interest of the corporation for those kinds of transactions to occur, but it's the kind of transaction also that lends itself to activities that may not always be in the best interest of the corporation. So who should always have the final answer in a situation like this are the shareholders and the creditors.

In the past, without the 90-day provision, shareholders and creditors may be ultimately advised of what's occurring but not in a timely enough fashion to take any kind of remedial action that would be beneficial. If creditors don't find out the information until the next tax return is filed or the annual return is done, the same being said for shareholders, the kind of action taken by the corporation may have jeopardized their operations to a point where the corporation itself can't recover.

If this kind of information is disclosed in a timely fashion – in this case it's decided that 90 days is a timely fashion – then that's excellent. There's time to recover from transactions that have occurred that may financially harm the viability of the organization. Ninety days, I am assuming, has been the time determined in consultation with the various stakeholders that have been involved here. I know this bill has been run by the Law Society of Alberta, the Institute of Chartered Accountants of Alberta, the Canadian Bankers' Association, the Canadian Federation of Independent Business, and the Alberta Chambers of Commerce. Those stakeholders unanimously approved the proposed legislation with the amendments, and that's excellent, Mr. Speaker. We also would like to thank all of those associated groups for their work on this legislation and subsequent amendments that we'll see after we're out of second reading.

3:50

I am assuming that they also, then, fully approve the 90 days and that they find it a reasonable time frame for shareholders and creditors to be apprised of any kinds of financial assistance provided by the corporations to directly affected parties and enough time to respond to that. To my way of thinking, 90 days is a bit of a long time line, perhaps not in large corporations, but certainly it's an issue for small corporations where a three-month operating time line can make the difference between the viability and the nonviability of an organization.

Should the shareholders or directors or any other associated parties have the intent to profit themselves first and the organization second, a lot of damage can be done in 90 days, Mr. Speaker. I have personally seen instances of this over the course of my 25-year career working with small businesses in this line of work in helping them secure credit and then negotiating different kinds of loans internally, within organizations, and outside of those organizations. In three months a lot can happen. I am hoping that when we get to committee, the Member for Calgary-North West, who sponsored this bill, will be able to give me a little bit of background in terms of that 90-day stipulation.

I would like to hear the kinds of comments and suggestions that

were made by the various stakeholders, with a particular emphasis on small business operators, in terms of the length of time and how it can affect the cash flows in their organizations. It can be an eternity if there isn't enough cash flow in the organization to operate, so I think that is something we need to take a look at. If you withdraw a large chunk of cash or secure loans that have obligations to be met that aren't met by the original shareholder or director or affected party and the organization itself has to come up with the payments or restructure the debt, I would anticipate that that could adversely affect many organizations.

I know that the stakeholders whom you contacted with regard to this do have a fair representation of small businesses and microbusinesses, so I would like to know what those comments were, the discussions that were held, and if there was any consideration given to two different time lines: one for larger organizations, which have a longer turnaround time in terms of how significantly cash flow can be affected and the time it takes to actually apprise shareholders of changes in their operations, but also for those microbusinesses for which a very small change in cash flow can have a significant effect on their operations. If you could answer those questions for me when we get to the committee stage, I would certainly appreciate that.

When we take a look at the Business Corporations Act and the current section 42, it seeks to protect creditors and shareholders by prohibiting corporations from making loans or guarantees to shareholders and related parties subject to a solvency test. This prohibition applies to loans and guarantees made in relation to a related party in share purchase transactions. Related parties, as I see it, are spouses, children, direct relations, other corporations in which the person is a major shareholder, that kind of thing. The current solvency test is, by everybody's observations, unworkable and increases the transaction costs for businesses in order to approve the beneficial transactions designed to improve the financial viability of the corporation. We certainly agree with that. It's a cumbersome process, and it really just doesn't work. The elimination of the solvency test doesn't weaken available remedies to shareholders, in our opinion. In fact, it reduces the transaction costs for businesses, and that's a good thing.

Certainly I know from my experience over the years and since being elected that in listening to these various organizations who were original stakeholders, anything that government can do to reduce regulation and regulation-associated filing costs, the better it is for the business. We hear a number of numbers being tossed around in terms of the hours businesses spend doing just government-related paperwork, and often it's as much as eight hours a week, which is a full working day, not a full working day for a small business owner, generally speaking, but a generally accepted full working day. The costs associated with the variety of hours of labour put into filling out forms and transaction fees and so on are prohibitive, so anything we can do to assist businesses in that regard is a benefit.

In fact, I would like to see a complete review done of the kinds of regulations that affect businesses and see a substantive and committed approach to reducing those kinds of costs. There is an MLA charged with taking a look at the regulations, but that process seems to have stalled and has for regulations in general. Specific to businesses, I think it would be an excellent process to undertake. Perhaps the Member for Calgary-North West could be the person to chair that kind of a process, given that he has done good work on this bill. With his technical background he is certainly in a position to understand how adversely affected organizations can be because of these kinds of costs. It would be a progressive move and something that people on this side of the House would support.

Perhaps we could take a look at an all-party approach to it so that as you go through the process, any concerns could be addressed at that stage. When we brought changes to a variety of forms of legislation that would be required, it could follow a very speedy process here in the Legislature. I think that would certainly be a win/win situation for everybody, a good example of how government and opposition can work co-operatively together. There have been a few in the past, since I was elected in 1993, but certainly not enough. I think for the most part it isn't because we haven't been prepared to work co-operatively on a variety of issues. This would be an excellent issue to bring forward in that regard and to put in a sunset clause in terms of the reporting process so that it isn't the kind of problem that carries on for a long period of time, so that it's got a time line in it, a beginning and an end, so that businesses, organizations, and other stakeholders can see that their time would not be wasted in participating in this kind of review.

Certainly I know that we have seen any number of proposals from the Canadian Federation of Independent Business, over at least the last 10 or 15 years that I've been reading their information, suggesting different kinds of regulations that could be eliminated, that could have sunset clauses attached to them or be adapted in a manner that would be more conducive to conducting business, such as this one was here. We still have the kinds of checks and balances in the system that I think we need with these kinds of loan transactions, but definitely by changing the nature of them, we've improved the ability of businesses to operate by reducing their transaction costs, and that's only a good-news story.

4:00

I'm wondering if the Member for Calgary-North West would also comment on that suggestion when this bill gets to committee. I think it certainly merits attention. It would be good for industry to see that we can work co-operatively and that everyone in this Assembly is supportive of business at all levels of activity within the province and that we want to ensure they can get on with providing their product and selling it in the marketplace and contributing in a global marketplace rather than being deskbound by filling out forms and paying registration fees. I think that's something that certainly needs to be looked at in the near future.

There are already a number of remedies available under the act 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, but, once again, the elimination of the solvency test doesn't weaken these remedies. It's beneficial to improving the financial viability of the corporation as I read it, and I wouldn't mind having the sponsor of the bill refer to that, too, when he is next able to speak to the bill.

This bill improves disclosure requirements, I think, by requiring the terms and conditions of financial assistance to be provided to all the shareholders within 90 days with the exception of the microbusinesses and very small businesses that I referred to. It may still be a fast enough turnaround, and I'll look forward to comments on this. This is certainly a major improvement over what we had there before, which was disclosure only at year-end in the annual financial statement. I think that was a very poor setup. It set up a system for abuse and didn't benefit anybody, certainly not shareholders, who didn't get the benefit, and certainly not any creditors there.

That just about concludes my remarks. I think I have one more question that I would like the member to address when he speaks, and that is that we'd like to know about the status of the negotiations with the Alberta Securities Commission to extend these provisions to public companies and reporting issues. I think that's a very good idea, and we think you should be moving forward in that regard as

fast as possible. In fact, if there are any public documents, some detail available on that, we would certainly like to see them if not tabled then at least referred to us so that we can take a look at them.

I look forward to hearing the comments from the Member for Calgary-North West when we get into committee, and I look forward to seeing the amendments. I have no doubt at all that we'll be supporting the bill in its amended form when we get to the end of committee.

Thank you, Mr. Speaker.

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

MR. MacDONALD: Thank you very much, Mr. Speaker. I listened with interest to the hon. Member for Edmonton-Ellerslie and her remarks regarding Bill 15, the Business Corporations Amendment Act. This amendment, as presented by the hon. Member for Calgary-North West, I think is certainly worthy of support. I noticed from the hon. member's remarks that the stakeholders involved in the consultation as the bill was developed, as the amendments were developed were the Alberta Law Reform Institute, the Law Society of Alberta, and the chartered accountants. In my remarks a little later, particularly around the professional groups, the Law Society and the chartered accountants, and the discussions on section 42 and the solvency and asset tests, I will have some questions for the member who brought this bill forward. I'm looking forward, as is the hon. Member for Edmonton-Ellerslie, to hearing from that member regarding this.

Certainly we want to promote an environment in this province that is going to be comfortable for business to operate in and operate efficiently, not only business that's here now but also in the future. Alberta, we all recognize, has had the fastest growing economy in Canada over the past five years, and we're very lucky in this. I hope that this continues, and I hope that Bill 15 in a small way will be a positive contribution to future growth. I'm not so certain that individuals who are contemplating setting up a business in this province are going to have a look at this amendment and that that is going to be the reason for their decision to locate in this province. I would like to hope that perhaps in some small way this will, in effect, make the economy of this province more noticeable for investment.

We all know there is a need for capital investment in this province. We look at northern Alberta. We look at the Fort McMurray area in particular, and we see the investment that's going on in heavy oil. An abundance of natural advantages, one of them being the tar sands and the abundant supply of oil that's captured in them, is the foundation for our flourishing economy, and this positive investment climate has allowed Alberta businesses to compete successfully not only with each other but in the global economy. We look at encouraging the diversification of our economy and what that will do for job creation. This could go on even when the commodity prices for natural resources, whether it be ethane, whether it be heavy oil out in Lloydminster, whether it be synthetic crude, whether it be conventional crude – what will this amendment do whenever conditions are not favourable or there is a downturn in the economy? Will this amendment in a small way encourage enough diversification of the economy so that there are not these dips where there is a great deal of unemployment?

Now, what will this amendment do to help attract corporate headquarters to this province? We see that Calgary already has the second highest number of head offices of any city in Canada. If we look at Toronto, Toronto has approximately five times the population of Calgary, but on a per capita basis Calgary exceeds any city

by far. Where does Edmonton rank in this? Well, unfortunately, if you look at the top 10 in the country, Toronto would have the highest number of corporate offices, Calgary would be second, and Edmonton would be 10th. Now, I'm sure the hon. Member for Calgary-North West had that in mind when he not only went through his extensive consultation on this bill but also as he spoke to the various stakeholders.

The growth in business and in the number of businesses in this province since 1995, Mr. Speaker, has been the fastest of any province in Canada. This tells us something about the Business Corporations Act, and it also tells us about this amendment. Maybe this is the foundation that we need. This is symbolic because it displays to the business community that Members of this Legislative Assembly are listening and are reacting to their concerns. Now, it is interesting to note that in 1999 the number of businesses in Alberta increased by over 4 percent. That is also the strongest among the provinces.

4:10

Earlier I was mentioning section 42 and the solvency and asset testing under section 42. I understand there is no accepted definition of the value of assets. There is also uncertainty as to what should be included as a liability here. Now, this resulted in a certain unwillingness by CAs, or chartered accountants, to give an opinion as to the value of a corporation. They did not want to do this. They felt cautious. Of course, this required companies to hire legal counsel, and these are expensive costs. As I'm told, it could be anywhere between \$3,000 and \$50,000 – and this is per transaction – to ensure that these transactions are in accordance with the requirements of the Business Corporations Act.

Now, the uncertainties created by section 42 raised transaction costs for businesses and prevented them from undertaking transactions beneficial to their shareholders and to their creditors. Word of this is obviously going to get out. We think of the provincial corporate income tax rates in this province. We think of the provincial small business corporation income tax rates everywhere. The Alberta small corporation business income tax rate is competitive. It's 25 percent lower than Ontario's. This amendment will also make businesses more competitive. Will it mean, Mr. Speaker, that there is a greater competitive advantage? I don't know, but certainly it would be one thing that we could look at.

Lower operating costs. Certainly, for some businesses at least, this is going to lower operating costs. We think of lower operating costs for businesses, and we also think of lower operating costs for households. When it comes to the cost of living, Alberta is the place to live. You would think that hon. members across the way would be talking about this, but they're silent. The best ambassadors of this province, Mr. Speaker, are businesses when they travel and are looking for new markets or looking to have product development. We need to talk about the prices of goods and services and our utilities. Oh, I shouldn't have said utilities, I believe, because they're going up.

Alberta is an attractive place to live and to do business. Costs, as I said earlier, are certainly competitive with the rest of Canada and the United States. We look at our combination of taxes, our skilled workforce, and the well-established infrastructure. In some places it needs improvement, and hopefully these improvements are going to be made in a timely and economic fashion.

We look at initial investment costs if, for instance, a business is to locate or relocate. Hopefully we would get our share of relocations. Of the largest cities in Canada for initial investment costs, Edmonton is in the top 10. I believe it's ranked second. Calgary is ranked seventh. This is good news for both cities.

Now, we look at the annual location-sensitive costs. We look at Edmonton and Calgary. They're both ranked in costs. Edmonton is second, and Calgary is fourth. That's good, but what will this bill do to that in the future? Well, it's going to help. We are now going to be on a level playing field with Saskatchewan because similar legislation has already been in force in Saskatchewan since the early 1990s. There are no cities that I can think of, even Saskatoon and Regina, that can compete with investment costs or location-sensitive costs like Edmonton and Calgary can. Ontario has recently introduced amendments to their Business Corporations Act, and the federal government, as the hon. Member for Edmonton-Ellerslie said earlier, is also examining changes to the Canada Corporations Act.

Now, we look at another indicator of how businesses are welcomed in this province: office rental rates. I don't know if many of the businesses that are going to start up are going to have the capital to just buy property. You look at Edmonton and Calgary. They're both well placed. Edmonton has the lowest overall office rents among major Canadian cities, and Calgary's rates are down, as I understand it, from last year. This is going to be further good news for the business community.

In conclusion, Mr. Speaker, as we look at diversifying the province economically for the future, this is just one small stepping-stone to that. It is going to be a good bill in a small way. As I close, we need to highlight just exactly what we are going to accomplish with this piece of legislation. Certainly there will be the requirement of the written disclosure within 90 days to shareholders of the terms and conditions of any financial assistance between a corporation and its shareholders or directors, the removal of the requirement to meet the solvency testing, which I believe we were concerned about in section 42, before giving financial assistance or loans or guarantees to shareholders, directors, and other associated parties or individuals while adding the requirement that any financial assistance must be "in the best interest of the corporation."

I'm certainly going to support this amendment to the Business Corporations Act. The amendments are designed to enhance legitimate business activities that are deemed to be in the best interests, as I said before, of the shareholders, the directors, and the creditors. This is one more small step in welcoming business and using their expertise to diversify our economy. We are going to no longer have all the spikes that come with commodity prices, not only in petroleum and natural gas prices but also in grain prices and beef prices. We shall see how this works. I'm sure it will. I look forward, as my colleague the hon. Member for Edmonton-Ellerslie said earlier, to the remarks from the sponsor of this bill.

With that, Mr. Speaker, I will conclude my remarks at this time on Bill 15. Thank you.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Mill Woods.

4:20

DR. MASSEY: Thank you very much, Mr. Speaker. I'm pleased to speak this afternoon in favour of Bill 15, the Business Corporations Amendment Act, 2000. It's a bill that provides a good example of where government plays a valid role in regulating the free-market economy. We hear much these days about the benefits of a free-market economy, and we hear from the proponents of free markets, some of whom feel that an unfettered market would be the best in terms of future directions. This bill reminds us that that's not true, that unfettered free enterprise would carry with it a great number of difficulties, and we would all suffer for it. It provides a good example of where as a community and through our elected government we step in and say that these are the kinds of rules that will be

used to try to bring order and stability to the marketplace; in this case, the dealings in terms of corporations and the activity of corporations vis-a-vis buyouts and the relationship with shareholders and the board of directors.

It's an interesting set of amendments when it's viewed in the context of what we saw with the behaviour of Onex and Air Canada buying out Canadian Airlines. I think that for a lot of us, who don't spend a lot of time examining the details of those kinds of operations, it provided a bit of insight into the kinds of difficulties corporations can find themselves in when they're looking at buyout bids, when they're looking to sell their assets. We learned in that instance about poison pills, something I hadn't heard of, in terms of a corporation setting in place such staggering future obligations that it could be used as a mechanism for fending off takeover by a competitor.

We've had a look at the system to the south, the American, in recent weeks with the government there trying to regulate or to curtail the interests of the Microsoft Corporation and what the government believes is a company that is not operating in the interests of the public. So it's rather timely that we have this legislation in front of us and have an opportunity to think about corporate behaviour in our province and how those corporations can be helped and can be enabled to operate in the best interests of their shareholders and, of course, in the best interests of the public.

There seem to be at least five major principles that undergird Bill 15. One of those principles, of course, is really self-evident, and it's one of the reasons why the bill is before us. That principle would state that businesses should be able to operate in a timely fashion in the best interests of shareholders and creditors and boards of directors. The legislation that this bill amends had encumbered corporations and tried to fulfill that obligation. It made the solvency test really curtailed and made inflexible a company that was trying to raise money, that was trying to secure funding for buying other businesses.

It wasn't that it was just a provision in the act. It was that that provision was almost impossible to act upon, and proving that a company, a corporation was solvent became a very onerous task. Companies, corporations would have difficulty finding accountants, finding experts who would attest to the solvency of the corporation, in some cases, unless that solvency was so overwhelmingly evident. With corporations, many of which have a variety of assets, this really slowed down their operations or made the kinds of things they often wanted to do almost impossible. So that principle, I think, is supported by Bill 15, and I think it's a valid principle and one that we need to make sure all of our legislative changes support.

A second principle that seems to be endorsed by the bill is that legal restraints should not unfairly curtail the operations of corporations. We've heard this time and time again, that the kinds of regulations, the kinds of laws governing corporations should be those that are fair but certainly not those that are unfair in terms of curtailing their operation. It's a principle I think everyone would endorse. Let's make sure that the regulations and the laws that are put in place don't prevent corporations from doing those things they should logically be able to carry out were it not that they were being constrained by a law governing their operations.

A third principle is the principle of best interest, and this is an interesting one, Mr. Speaker, because the principle that corporations must operate in the best interest of that corporation and the shareholders and the public, for that matter, is one that I think again has general support. Yet we have, I know, coming before us when we get to the committee stage of the bill an amendment, because although the words "best interest" sound good and they're in this version of the bill that we have in front of us, it's been pointed out

by some of the stakeholders that best interest in itself is open to wide interpretation. The bill removes a set of restrictions in terms of solvency, but if we were to include in the bill the words "best interest," the feeling by those stakeholders is that we would then impose another whole set of restrictions and an even more difficult set of restrictions in terms of trying to prove what is in the best interest and what isn't in the best interest.

Again, I understand that the government intends to bring forward an amendment when we get to the committee stage of the bill that will remove that term "best interest." I found it interesting because when I first read the bill, it was a term that I found very attractive, and I was only reminded by one of the stakeholders that the kinds of difficulties involved in trying to prove best interest could really, really work to the detriment of corporations and shareholders.

4:30

I think another principle that this bill supports is that corporations must be able to use a wide range of tools, if you will, to operate successfully in today's financial climate. That again, for those corporations and the shareholders in it, is an important principle, that they are given maximum freedom to use the tools at their disposal to work in the interests of the corporation and the corporation's shareholders. Again, it's a sound principle. It's a principle that operates within our notion of corporations being good corporate citizens, as are most of these principles that underline the bill. We see, with the kind of knowledge-based economy we have and the speed with which assets can be transferred and liabilities undertaken, that corporations really have to be flexible, and they have to be in a position to use a wide variety of tools to be successful in today's climate. It's a good principle. It's a principle that the amendments to Bill 15 support.

I think another principle – and it's a more general one – is that there has to be a legal framework that protects the interests of corporations and shareholders and creditors. We've added to that framework in this province over the years, and it's a framework that is being constantly adjusted to accommodate changing marketplace conditions and changing ways of doing business. It goes back to my opening comments about the need for government to play a role in regulating and making sure that the free-market economy that we have serves all of society and not just special interests or special segments of that society. In that way Bill 15 is, I think, a good move in terms of strengthening that legal framework and strengthening the kind of protection that we provide for those involved in the marketplace.

A further principle that I think Bill 15 supports and that I think is an important one is that there is a public interest in a stable and a disciplined corporate climate. I think that's a principle that we would all defend very, very strongly. Yes, these amendments are directed at corporate behaviour, but let there be no mistake that there is a huge public interest in making sure that that corporate behaviour is such that the marketplace is stable, that it's a marketplace in which people around the world can have confidence they can come and be part of and the rules of fairness and equity will prevail. That public interest is an important principle and, as I said, one that's supported by the bill.

Those are really most of the comments I'd have about the principles of the bill. When the amendments are brought forward, Mr. Speaker, and there's more detailed discussion of the bill at the committee stage as it proceeds through the Legislature, I look forward to supporting it. I think the government has done a good job of consulting and responding to the interests of stakeholders and the marketplace. These kinds of changes to the Business Corporations

Act are changes that are for the better, and I think we'll all profit from them.

Thanks very much, Mr. Speaker.

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

**MS LEBOVICI:** Thank you, Mr. Speaker. I, too, rise this afternoon to address Bill 15, the Business Corporations Amendment Act, 2000, that's been sponsored by the Member for Calgary-North West.

It's my understanding that one of the highlights of this particular bill is to remove the requirement to meet the solvency test before giving financial assistance to shareholders, directors, and associated parties while adding a requirement that any financial assistance must be in the best interest of the corporation.

An additional highlight is that there's a requirement for a written disclosure within 90 days to shareholders of the terms and conditions of any financial assistance between a corporation and its shareholders and directors. This in fact will allow shareholders and creditors to seek existing remedies available under the act should it be determined that the corporation, its shareholders, or directors have entered into a transaction that is inappropriate and not in the best interests of the corporation.

The Member for Edmonton-Ellerslie I think rightly pointed out that this is a technical bill. It's not a very large bill in the number of pages, but it is a technical bill that has come about as a result of a fair amount of consultation with some of those stakeholders that were involved in the development of these amendments to the Business Corporations Amendment Act: the Law Society of Alberta, the Institute of Chartered Accountants of Alberta, the Canadian Bankers Association, the Canadian Federation of Independent Business, and Alberta Chambers of Commerce.

I know that the government is sometimes fond of indicating that the Official Opposition is not in support of private business. In fact, Mr. Speaker, we very much stand on the record as being supportive of industry in our province. We do, however, draw the line when it comes to industry entering the field of the provision of public health care. But in this particular case it is an issue that I will most likely support, in terms of the amendments, because they are designed to enhance legitimate business activities that are considered to be in the best interest of shareholders, directors, and creditors.

From the consultation that was undertaken with the stakeholders, it soon became apparent that the current solvency test under section 42 is unworkable and increases the transaction cost for business in order to approve beneficial transactions designed to improve the financial viability of the corporation. Although there are already remedies under the act available to shareholders and creditors if they feel that a financial transaction approved by the directors or some shareholders is not in the best interests of the corporation, the elimination of the solvency test won't actually weaken any available remedies but will improve the requirements that are within the act.

What I find surprising, however, having been in this Legislative Assembly now for seven years, is that it almost seems to be a habit by the provincial government, in bringing forward legislation, that amendments seem to occur even though there has been a fair amount of work that was provided on a piece of legislation. It's my understanding that when this particular act is passed from second reading into Committee of the Whole, there is already an amendment that will be brought forward to section 42(2), I believe, as well. We just had an example today, where on Bill 18, the Alberta Personal Income Tax Act, the Acting Provincial Treasurer tried to bring in his amendment through question period. Even though there are vast resources the government has at its disposal, it seems to be,

as I indicated, almost a habit that legislation is provided in this Assembly and, lo and behold, there are amendments that occur at the Committee of the Whole stage.

4:40

What is even more surprising is what occurs with regards to closure in this Assembly, where bills are rushed through this Legislative Assembly. It has happened 26 times in the last seven years that bills are rushed through. There's not adequate debate. There's not adequate time provided in that Committee of the Whole stage, and lo and behold, sure enough, what occurs is that the government either in the same year or in the following year brings in amendments. I can remember in particular one instance where the amendments were larger than the bill that was passed. I believe it had to do with an education act.

We have in front of us a living example of that with regards to the private health care bill that recently closure was brought in on. What we have in fact is the situation where there were amendments brought in, and I guarantee that if that particular bill is passed and if that bill is not laid aside and withdrawn, we will be back in this Legislative Assembly in the very near future trying to amend the holes that have been created and the problems that have been created by that particular piece of legislation.

Bill 15 is another technical piece of legislation. In listening to the Member for Edmonton-Gold Bar, he indicated that it was very important to the business sectors within our province and that what in fact is required are some amendments to the Business Corporations Act in order to ensure that Alberta is indeed open to business.

Two main issues that have been brought forward by Bill 15 are with regards to the solvency requirements, the solvency test, as well as the requirement of a full written disclosure to shareholders. This is similar to legislation that we see in Saskatchewan and Ontario, and in fact even the federal government is examining some changes to the Corporations Act. As I indicated earlier, this issue has been the topic of extensive review since the mid-1980s, and there were three discussion papers that were issued calling for these changes to section 42, so the issue does seem to have been studied at fair length. I wonder why it did take so long to enact some of the recommendations that have been put forward as a result of these extensive reviews, and I'd be interested in hearing a little bit more as to what the background was and what the holdups were in terms of providing the amendments to the act.

I did hear and would also be interested in finding out – the Member for Edmonton-Ellerslie had asked about what the status is of the negotiations with the Alberta Securities Commission to extend these provisions to public companies and reporting issues. That would be interesting to find out as well.

The Member for Edmonton-Mill Woods as usual was very succinct in his comments in dealing with the principles of the bill and looking at the fact that the bill appears to support the public interest and is involved in dealing with some of the issues around regulating the market economy.

The issues that we see within this particular bill have been reiterated in terms of the solvency and asset tests that were a difficulty under section 42 and that there is no currently accepted definition of realizable value of assets. There's also uncertainty as to what should be included as liabilities. The result, therefore, is that chartered accountants were often unwilling to give an opinion as to the value of a corporation, and this required companies to hire legal counsel, at a cost of \$3,000 to \$50,000 per transaction, to ensure that these transactions were in accordance with the requirements of the Business Corporations Act. The uncertainties created by section 42 raised transaction costs for businesses and prevented them from

undertaking beneficial transactions for the shareholders and creditors.

We would never want to be accused of standing in the way of having a smooth process whereby transactions could occur and having unnecessary limitations to corporations and companies in terms of additional costs that are a burden and not required. So the amendments that are put forward are considered to be in the best interests of the corporation and, I would assume, also in the best interests of the consumers. In looking at the bill – and I realize it's the Business Corporations Amendment Act – I would appreciate any comments that the mover of the bill has with regards to any potential impacts on consumers.

There is a fair amount of discussion that has occurred with regards to shareholders, directors, and other associated parties, but even in the list of stakeholders that I have here in my notes, it does not appear that the Consumers' Association was involved, and perhaps there is no role for the Consumers' Association. But I would appreciate knowing if in fact there had been any thought given to involving the Consumers' Association and if not, why not, just to be assured that there is no real impact that could in fact be downloaded to any consumers who are partaking in or involved with any of these corporations. Again, because it is a technical bill that seems to deal with a very specific area of business dealings, it may be totally irrelevant in terms of the impact on consumers, and they may not have been considered as part of the other associated parties that are involved in terms of any of the amendments that are put forward. I believe in always looking and seeing whether there is a flip side to a coin and ensuring that there are no unintentional effects as a result of any changes that occur.

From what I understand, the consultation appears to have been fairly thorough. The input seems to have been taken, and what we have is a bill that, as I indicated, is not very long but potentially could have some impacts on businesses within Alberta and hopefully some positive impacts on businesses.

4:50

The only note of caution again is, as I indicated earlier, that we sometimes have bills that are brought forward in this Legislative Assembly that in fact are very complicated. They may be long, they may be short, but what occurs is that somewhere in between – and I have mentioned this before with regards to some of the other bills I have addressed – when we look at some of the issues and the consultation that occurs and then the movement from the consultation process to the wordsmithing, sometimes what ends up occurring is that the words mean something different than what the stakeholders had intended. Perhaps that's why we now see that there will be, as I indicated at the outset, an amendment brought to the Committee of the Whole stage, which, I would assume, we will be moving into in the near future.

The whole issue is one of ensuring that legitimate business activities within this province are enhanced and that individuals are protected in terms of ensuring that the best interests of shareholders, directors, and creditors are met.

So with those few words, I will take my place. If there are any other comments, I would be more than pleased to listen to any of the comments that other members may have. I also look forward to hearing from the mover as to some of the issues that not only I have brought up but the Member for Edmonton-Gold Bar, the Member for Edmonton-Ellerslie, and the Member for Edmonton-Mill Woods. There may have been some other members that I missed and didn't quite hear what their comments were. I think we have discussed this issue, as we do issues in our caucus, to try and come to a full understanding, and there are some questions still that, as I indicated,

I would appreciate the mover providing comments on. The comments do not have to be long, but I think it would help to provide a full understanding of what Bill 15, Business Corporations Amendment Act, is attempting to rectify.

I'm just checking to make sure I've covered all of the areas under the bill – I think I have – and the points that I wished to make and will now take my place. Thank you very much.

[Motion carried; Bill 15 read a second time]

### Bill 17

#### Fair Trading Amendment Act, 2000

[Adjourned debate March 20: Mr. Hancock]

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

MR. BONNER: Thank you very much, Mr. Speaker. It is indeed a pleasure this afternoon to speak to Bill 17, the Fair Trading Amendment Act, 2000. I'd like to commend the hon. Member for Bonnyville-Cold Lake for the work he did on this legislation. It is legislation that I can certainly vote for, and I would hope all members of the Assembly would vote for it.

There are certainly a few observations I would like to make on the bill, Mr. Speaker. It is a bit of a housekeeping bill, and the few amendments that will be made certainly will help to strengthen this bill. They will help to clarify the intent of the bill. For those reasons I think these changes are not too controversial, and some of them in fact are very good.

Now then, there are amendments in sections 43(e), 45(3)(b), and section 109(b). I would like to look at these and do a brief analysis by section.

In looking at section 43(e), what we see here is that this is part of the credit and personal reports section of the act. As the legislation currently stands, the reporting agency must furnish "reports for gain or profit or on a reciprocal non-profit basis, and" must be "designated by the regulations." That amendment would change this "and" to an "or," meaning that a reporting agency that fulfills the first set of criteria set out in subsection (i) can be considered an official reporting agency without being designated in the regulations. It also means that the minister can designate a person a reporting agency without having to meet the first set of criteria in subsection (i). So we see by this amendment, Mr. Speaker, that simply by changing the word "and" to "or," we are ensuring that the reporting agencies are covered by the act as soon as they are established.

The second amendment that is included in this particular act is section 45(3)(b). Now, section 45 is also part of 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 the reporting of debts. As it currently stands now, Mr. Speaker, "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 periods" by stating that unfavourable information about a debt cannot be reported if it has been more than 6 years since the last payment on that debt or more than 6 years since the debt was incurred. I understand that this part of the legislation is consistent with other provinces.

Now then, the amended section only mentions "debt" and deletes "actions" and "accounts." Under section 45(3)(b) this would come into effect on March 1, 2000. So all this information on the debtors, Mr. Speaker, will have to be purged from the records of Alberta debtors after two years. This does cause some concerns in that Alberta is changing with this new limit of actions, and in some

respects this will put us out of step with other provincial jurisdictions.

Then the last section that is amended by this act is section 109(b). In section 109(b) this amendment changes the term "a person" to the term "an individual" in the definition of "collector" in the collection practices section of the act. Interestingly, Mr. Speaker, the previous section, section 109(a), defining "collection agency," in which the term "a person" is also used, is not similarly changed. Legally the word "person" includes under the current legislation corporate bodies, which was not the original intent of this legislation. So the amendment to the act will make it clear, Mr. Speaker, that only licensed individuals are to be covered.

5:00

So with those few comments I would like to conclude what I have to say here on Bill 17, and I would urge that all members of the Assembly do support this bill and these amendments. Thank you very much.

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

MS CARLSON: Thank you, Mr. Speaker. I, too, have a few brief comments that I would like to make on Bill 17, the Fair Trading Amendment Act, 2000. It's interesting to see that this bill is not substantive in nature, in my opinion. We've got a few sections that are being amended and really overall, to me, reflect slight changes and are providing some clarification. The changes that are being affected here in a general sense speak to streamlining the process and addressing some of the concerns that we have heard from businesses and corporations in the past and those associated stakeholders involved with them.

This is an excellent bill to be discussing after Bill 15, because in many respects they have similar overall concerns when we talk about reducing regulations and streamlining processes for businesses doing business in the province of Alberta. This is another good example of the kind of legislation that could be addressed through an all-party committee, because what we really need to do is address the overall concerns that organizations have in this province about the kind of regulation they have and how very small changes in words can make a big difference to the requirements they have to adhere to, sometimes requirements that are excessive, duplicated, or just simply not necessary.

Section 43(e) would fall into that category. As part of the credit and personal reports section of the act as the legislation currently stands, reporting agencies have to furnish "reports for gain or profit or on a reciprocal non-profit basis, and [also be] designated by the regulations." When you change that from an "and" to an "or," then you start to get into a situation that is much fairer for organizations. To have them have that kind of duplication is not reasonable, and definitely we want adequate reporting standards but not excessive ones or requirements that will become a burden for organizations. So this is, in one very small section with one very small word changed, an example of how we can accomplish this and still mean that reporting agencies will fulfill the sets of criteria as set out in the subclause in the appropriate section, Mr. Speaker. That's a good-news story.

These are the kinds of small changes that can make a huge difference to organizations and that we should take a look at doing in a more substantive manner to lots of regulations, not just a few of them. We've seen two before us in the House this session, and it would be my wish that we would see many more than just two, because we need to seriously address the concerns that we're hearing from outside organizations.

What also happens with this change, Mr. Speaker, is that the

minister can designate a person or a reporting agency without having to meet the first set of criteria in subclause (i), which once again makes it a slightly more streamlined process and gets rid of some of that horrible paperwork that organizations not only find tedious and onerous but can't find any relevant use for or applicability to their organization. So, once again, good news. [interjection] It is good news, and it's nice to be able to agree with something that this government has done, however small it is. It's a small change, but it's good.

Section 45 is also part of the credit and personal reports section of the act, and here it deals with information that cannot be included in the report. One of the subsections deals with the reporting of debts, and under the current legislation we find that accounts or debts cannot be reported if they cannot be pursued because the limitation period has expired. This amendment clarifies the term "limitation periods" by stating that unfavourable information about a debt cannot be reported if it has been more than six years since the last payment on that debt or more than six years since the debt was incurred.

The section only mentions debt underneath "actions" and "accounts." This is good news on a number of fronts, Mr. Speaker. Let's talk about it just from a tax perspective. If you're listing a debt on your books, it has to be a reasonable time period before you can write that off against your income as something you can never clarify. I have seen some instances in years past where Revenue Canada has deemed it still collectible even though the debt is very old and it's been many years since any collection has been made on it.

So it's excellent to be having a clarification of this ruling for many purposes, not the least of which is income tax purposes. If Revenue Canada decides they don't like a particular company, they can be quite oppressive in terms of their requirements and the meeting of the letter of the law. To them an accounts receivable is an accounts receivable even if the owners of the organization believe it can never be collected. So for us to see an amendment here clarifying the term "limitation periods" is very good from that perspective. It also gives some operating guidelines to businesses new and old who don't know how to handle these things or what they should do or if there is a rule of thumb or a standard practice or some piece of legislation that they are bound to have to follow. This sets this out quite clearly.

I'm not sure what the government's intentions are in terms of the reporting requirements for this. How will they be notifying organizations? Is there some current agreement that stakeholders who are involved in the process of putting this bill through will undertake to talk about these changes in their publications, or has the government undertaken some sort of role in the information-sharing process? It would be nice to have had those answers for us here; we don't have them yet. Perhaps we could have an undertaking by the government to provide those answers, because while these are small changes, they are substantive to some organizations, and they should get to know what it is in terms of what the requirements are going to be for them and once again share the good news about regulations being changed.

5:10

Finally, Mr. Speaker, I'd like to talk a little bit about the changes happening in section 109(b), where the amendment is changing the term "a person" to the term "an individual" in the definition of "collector" in the collection practices section of the act. This is also good, because to be accurate, it wouldn't always be a person who would fall under the definition of a collector and in fact in most cases it isn't. It's an organization, it's a company, it's a department, or something of that nature. It isn't definitively a person. A small



change, but it makes it more accurate and correct than what we've seen in the past, so that's good.

It's surprising to me though, Mr. Speaker, that we haven't seen the previous subsections defining collection agency also changed to provide some consistency throughout the bill. I would expect that having had this shortfall in the legislation pointed out to them, the government will undertake to make these changes in a miscellaneous statutes act, if not in time for this spring then in the fall sitting. It's a minor change, but it cleans it up a little bit, and if we're going to be doing some work on that, then we should do the work completely. I think that would be a very good idea.

I think that concludes all the remarks I have on Bill 17 at this

time. Once again, minor changes that we can agree to, so good work on the part of the sponsor of this bill. Once again, I would like to see this kind of legislation referred to a more substantive committee that would review these kinds of regulatory changes in a more comprehensive fashion and better address the needs of businesses that operate throughout this province and provide a substantive amount of tax revenue to this government.

So with those remarks, Mr. Speaker, I will conclude.

[Motion carried; Bill 17 read a second time]

[At 5:12 p.m. the Assembly adjourned to Monday at 1:30 p.m.]

