

Legislative Assembly of Alberta

Title: **Monday, September 27, 1993**

1:30 p.m.

Date: 93/09/27

[Mr. Speaker in the Chair]

head:

Prayers

MR. SPEAKER: Let us pray.

O Lord, grant us a daily awareness of the precious gift of life which You have given us.

As Members of this Legislative Assembly we dedicate our lives anew to the service of our province and our country.

Amen.

head:

Introduction of Bills

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

Bill 241

Public Service Pay Equity Act

MRS. SOETAERT: Thank you, Mr. Speaker. I beg leave to introduce Bill 241, Public Service Pay Equity Act.

This Bill will establish a system of pay equity in the provincial public service reflecting the government's duty to lead by example on the issue of pay equity.

[Leave granted; Bill 241 read a first time]

MR. SPEAKER: The hon. Member for Edmonton-Avonmore.

Bill 248

Amusement Amendment Act, 1993

MR. ZWOZDESKY: Thank you, Mr. Speaker. I beg leave to introduce Bill 248, the Amusement Amendment Act, 1993, which would make it an offence for pornographic movies to be rented or exhibited to minors.

[Leave granted; Bill 248 read a first time]

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

Bill 249

Employment Standards Code Amendment Act, 1993

MS LEIBOVICI: Thank you, Mr. Speaker. I beg leave to introduce Bill 249, the Employment Standards Code Amendment Act, 1993.

The purpose of this Bill is to ensure that provincial legislation is consistent with the federal Unemployment Insurance Act, extending present maternity leave by eight weeks and adoption leave by 10 weeks.

[Leave granted; Bill 249 read a first time]

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

Bill 252

Fatal Accidents Amendment Act, 1993

MR. DICKSON: Thank you, Mr. Speaker. I request leave to introduce a Bill being the Fatal Accidents Amendment Act, 1993.

Mr. Speaker, this amendment would expand the definition of cohabitant, expand the list of allowable expenses, and increase the

provisions on pecuniary damages available in the event of death, and in effect implements the recommendations of the Law Reform Institute in the province.

[Leave granted; Bill 252 read a first time]

Bill 253

Legal Profession Amendment Act, 1993 (No. 1)

MR. DICKSON: Mr. Speaker, I request leave to introduce a Bill being the Legal Profession Amendment Act, 1993 (No. 1).

The purpose of this Act, sir, is to ensure that all funds paid to the Alberta Law Foundation would be distributed in accordance with the board's decision in carrying out the objectives of the foundation and not diverting any of those funds to the legal aid plan.

[Leave granted; Bill 253 read a first time]

head:

Tabling Returns and Reports

MR. KOWALSKI: Mr. Speaker, pursuant to section 7 of the Tourism Education Council Act I am pleased to table with the Assembly today the 1991-92 annual report of the Alberta Tourism Education Council.

MR. DAY: Mr. Speaker, I'm pleased to table today four copies of the 1991-92 Alberta Labour annual report.

MR. DINNING: Mr. Speaker, I am pleased to file with the Assembly today an announcement regarding the establishment of the Tax Reform Commission, whose mandate is to answer the question: what can we do to improve our competitive tax position? It is under the leadership of chairman Mr. Jack Donald of Red Deer and includes members Ric Forest of Edmonton, Darol Hamilton of Calgary, Diane Hunter of Calgary, Dee Parkinson of Fort McMurray, and Michael Proctor of Peace River.

head:

Introduction of Guests

MR. SPEAKER: The hon. minister without portfolio responsible for the Health Planning Secretariat.

MRS. MIROSH: Thank you, Mr. Speaker. I'd like to introduce to you and through you to Members of the Legislative Assembly three very important people to the health roundtable process and on my team. We have with us Richard Wagner and Barb Samuels, who are coauthoring our book on health, and Dr. Norm Wagner, who is the moderator of the health roundtables. Tonight these three people will be here in Edmonton at our public meeting. Would you please rise and receive the warm welcome from the Assembly.

MR. SPEAKER: The hon. Member for Edmonton-Avonmore.

MR. ZWOZDESKY: Thank you, Mr. Speaker. I'm delighted to introduce to you and through you to this Assembly members of Alberta's most precious resource; that is, our students. I have the pleasure of having W.P. Wagner high school in my constituency, and I'm delighted that Mrs. Cairns and Miss Christensen have seen fit to bring so many of their students here today to witness our proceedings. I welcome them and would ask everyone else to join me in so doing.

Thank you.

MR. McFARLAND: Mr. Speaker, I notice today in the members' gallery a former school board member, city of Lethbridge alderman, sometime supporter of one of the political parties, and a friend of all down in Lethbridge: Mr. John Boras. Would you please give him our traditional welcome.

head:

Ministerial Statements

MR. SPEAKER: The hon. the Premier.

Centennial of Ukrainian Settlement

MR. KLEIN: Thank you very much, Mr. Speaker. This past Friday marked a highlight to the end of several years of celebrations across Alberta of the centennial of Ukrainian settlement in our province. Much of this land was untamed wilderness when the first Ukrainian settlers put down roots in Canada. They came seeking vilni zemli, or free lands. They arrived with very few possessions but great wealth of soul and character, for these pioneers brought an unshakable hardiness, enthusiasm, devotion, and cultural pride that would help define and build our province.

People who were born in this country can never fully appreciate how fortunate they are never to have endured the poverty, hardship, and oppression that the people of Galicia and Bukovina and other areas of eastern Europe experienced in their lives. In fact, many of the most beautiful and heart-rending tributes to this great province come from Ukrainians and others who left their world behind to begin a new life here.

From the beginning, when the first Ukrainian settlers arrived, men and women of Ukrainian heritage have made tremendous contributions to their communities, their province, and their country. To this day Ukrainians are active leaders, entrepreneurs, and volunteers. They are teachers, doctors, artists, nurses, millwrights, small businesspeople, and politicians. They involve themselves in every aspect of our society with all the passion, energy, and enthusiasm of their pioneering forefathers.

1:40

Over the past several years communities all over Alberta celebrated the Ukrainian-Canadian centennial in a variety of special ways from a Ukrainian Christmas display in Calgary and a 120-voice choir concert in St. Paul to a statue in Two Hills and a Ukrainian film festival here in Edmonton and about 100 other festive events. This past Friday some 2,000 Albertans gathered on the grounds of this Legislature for the unveiling of a magnificent monument honouring our Ukrainian pioneers.

At the close of these centennial celebrations let us never forget the devotion, determination, and unshakable courage of these pioneers. Let us draw inspiration from their desire to build a new and better home for their neighbours, their children, and their grandchildren and a better future for all Albertans.

Mr. Speaker, I would like to ask all of the hon. members of this Assembly and the Albertans we are privileged to represent to join me in doing two things: first, in saluting the Alberta Ukrainian Canadian Centennial Committee and the Alberta Provincial Council of the Ukrainian Canadian Congress for their enormous contributions toward sharing this special centennial with all of us and, finally, in honouring the memory of our brave Ukrainian pioneers, whose toil and soul made and continue to make a lasting contribution to the vibrant and dynamic province that we are so proud of today.

Thank you.

MR. SPEAKER: The hon. deputy Leader of the Opposition.

MRS. HEWES: Thank you, Mr. Speaker. I'm very pleased to echo the eloquent words of our Premier and to reinforce what he has said today. May I on behalf of the Official Opposition add my congratulations to the centennial committee and the provincial council for this outstanding celebration of Ukrainian heritage in our province. In fact, the hon. Member for Edmonton-Avonmore played a primary role in developing this celebration. Without doubt Ukrainian people have contributed in large measure to this province and to this nation.

If I could be permitted, Mr. Speaker, I'd like to say a special word about the role of the Ukrainian women pioneers, who came and toiled alongside the men with incredible hardship and loneliness, away from their neighbours in many cases by miles and miles, and who in large measure I believe were the primary initiators of school, of church, of health care in their communities and developed along with their families very healthy communities throughout our province. We are all richer for that contribution of the pioneers and their families, and they will continue to make it in our communities.

Finally, I'm pleased to see the monument on the grounds, Mr. Premier. That way the many memories will be treasured and valued and always kept in our minds.

head:

Oral Question Period

Magnetic Resonance Imaging

MRS. HEWES: Mr. Speaker, this government is prone to making capital expenditures and then refusing funds for operating costs. A primary example today is that Alberta health care dollars have purchased a magnetic resonance imaging machine, a diagnostic machine. It's at the Cross Cancer Institute, and it's only used two days a week. There's a six-month waiting list, a six-month waiting period for people who want this procedure. My first question is to the Minister of Health. Why would the minister allow private operators to set up commercial enterprises for the provision of MRI services when the already purchased, publicly owned machines stand idle?

MRS. McCLELLAN: Well, Mr. Speaker, two things in the question. The minister does not allow the privately operated clinic. I would remind the hon. member that public dollars are not expended in that clinic, so public dollars are not supporting that clinic.

Two, the question on the MRI unit at the Cross Cancer and the hours of operation. When the Cross Cancer MRI unit was put in place, it was funded for the two days that it was purchasing from the other hospital system. Those were the guidelines that were laid out for funding that they received from the Department of Health. There is nothing prohibiting the Cross Cancer to operate that for longer hours. They are quite within their ability to do that within their operating budget.

MRS. HEWES: Except, Mr. Speaker, that they have no resources, no funds to do it, so it sits there idle while people wait.

Mr. Speaker, the minister, then, it seems to me, must acknowledge that this is very tangible evidence that a two-tiered health care system is being reinforced by this government's abdication of responsibility for health care planning and delivery. One for the rich, and one for the poor.

MRS. McCLELLAN: Well, I don't acknowledge that at all. The province has in place MRI units. It has other MRI units that are coming on stream. The private units are used for nonmedical and in fact should take some of the pressure off our hospital-based

system, because they are doing such things as third-party insurance, workers' compensation, and so on that might have strained our hospital-based system. So I do not acknowledge that at all. I would say that when the last MRI that is being put in this year is on stream later this fall, we will have more MRI service per capita than any other province in Canada.

MRS. HEWES: Mr. Speaker, this is a senseless situation. We've made a capital investment, and now we can't utilize it. I want to ask the Premier: will the Premier now please correct this totally senseless situation? We've got taxpayers who have already purchased this equipment, and they're now forced to go to a commercial clinic, those who can afford it that is.

MR. KLEIN: Well, first of all, Mr. Speaker, I don't think it is a senseless situation. Secondly, I take issue with the hon. member's assertion that people are being forced to go to these private clinics. As the hon. minister pointed out, these clinics were set up to take WCB cases, third-party insurance cases, and they have been given the ability to accommodate those who want to pay at absolutely no cost to our health system.

MR. SPEAKER: The hon. Member for Edmonton-McClung.

Health Care System

MR. MITCHELL: Thank you, Mr. Speaker. In a recent interview in the *Health Care Advocate* magazine the minister responsible for health planning admits that while she doesn't have the numbers to back it up, she isn't afraid to conclude that 50 percent of doctors' billings are for nontreatment and for nonessential services. If this were true, it would amount to \$450 million per year. My question is to that minister. For once, just for once, would she please tell us what concrete facts and figures she has to back up this kind of serious allegation?

MRS. MIROSH: Mr. Speaker, during the roundtable discussions and through discussions with a number of people I'm coming up with all kinds of suggestions about the cost of the system. One of the areas that the hon. member is referring to with regards to nonessential service is the definition of nonessential service. I was asked that question: what do you mean by nonessential service? I explained that doctors themselves have been giving me these numbers. I don't have the stats in writing, but many of the doctors who are actually constituents of mine are giving me these facts and figures.

1:50

MR. MITCHELL: We all have to assume, Mr. Speaker, that the minister actually thought about what she was going to say before she said it.

I wonder whether the minister could itemize, clearly identify for us here and now or in moments later, if she could get the documentation after question period that would demonstrate what criteria she has utilized to distinguish between essential and nonessential medical services other than some anecdotal evidence that perhaps she picked up at some cocktail parties with some of her doctor constituents.

MRS. MIROSH: Well, you know, Mr. Speaker, the member across the way certainly is not very knowledgeable about the health care system, and he, too, is just learning. Perhaps he would like to come with me to some of these meetings and talk to the people I'm talking to. I've been in the system myself as a

professional person for 30 years, and the definition of nonessential medical service is clearly outlined.

MR. MITCHELL: Absolutely, Mr. Speaker. I will take the minister up on that invitation to absolutely any meeting she goes to anytime, anywhere. I will make it a priority. [interjections] Maybe for once we're getting some openness, Mr. Premier.

My question is: in saying so clearly that doctors are billing for nontreatment, how can the minister suggest that she is doing anything other than literally accusing doctors of billing for procedures and services that they don't provide?

MRS. MIROSH: Well, Mr. Speaker, I don't think the hon. member can keep up to me; I go seven days a week.

I want to tell you, Mr. Speaker, that this member here has to understand that the job of mine and others is to listen to all people. I'm not picking on anyone and especially doctors. These are issues that doctors themselves are discussing with me in trying to help curb the costs in the health system.

MR. SPEAKER: The hon. Member for Edmonton-Roper.

Premier's Remuneration

MR. CHADI: Thank you, Mr. Speaker. The Klein government talks about the need for fiscal restraint in order to get Alberta's fiscal house in order, yet the Premier says he doesn't have time to examine his own pay stub, which showed that he was receiving a \$5,000 per year allowance to update his wardrobe. [interjections] At least it's not taxpayers' dollars; I can assure you of that. It's not taxpayers' bucks.

Would the Premier now commit to this House that he will refund to Albertans the \$5,000 clothing allowance and the \$4,569 government pension contribution?

MR. KLEIN: Mr. Speaker, there has been an entitlement since 1979, certainly since 1973 . . . [interjection] Just a moment. Would you keep it shut just for a while?

MR. SPEAKER: Order. Order please. Through the Chair, please.

MR. KLEIN: You know, we used to have Chip and Dale over there. I see that we still have Dale in the front benches; now we've got Chip behind him.

Mr. Speaker, since 1979 there has been a provision. I'll read the Act. It was the Legislative Assembly Act to the effect that a representational allowance of \$5,000 a year be paid to the President of Executive Council. That was a motion that was passed not by this government but by the Legislative Assembly. Now, I wasn't aware of that particular Act, and I'm sure the hon. member wasn't aware of that particular Act. I openly and honestly declared what my full salary was in addition to about a \$4,900 item that apparently was a glitch in the computer relative to my pension. Those payments were never made to me, so I have nothing there to give back.

I will table today a letter to yourself, Mr. Speaker, and I hope you have it already. The essence of this is to "respectfully request that at the next meeting of Members' Services Committee, a motion be adopted" by that committee, be framed by that committee to allow an amendment to the Legislative Assembly Act "to cancel the payment of a Representational Allowance to the President of Executive Council."

MR. CHADI: Good. That's what we want.

MR. SPEAKER: Order please.
Supplemental question.

MR. CHADI: Thank you, Mr. Speaker. It goes far beyond what you're going to do today. Mr. Premier, if this is the right thing to do now, then why was it not the right thing to do before you got caught?

MR. KLEIN: Mr. Speaker, I really take the most serious objection to that comment. I tabled before the Committee of Supply – and representatives of that caucus were there – my full salary. When I receive something from the government, I assume that I'm entitled to it, just as Premier Getty before me and Premier Lougheed before Premier Getty were entitled to it. While we're speaking of special allowances, the Official Opposition House leader gets an extra \$10,000 a year to do what? The chief opposition Whip gets an extra \$6,000 a year to do what? The assistant opposition Whip gets an extra \$5,000 a year to do what? To buy clothes? [interjections]

MR. SPEAKER: Order. Order.
Final supplemental.

MR. CHADI: Thank you. What about the \$37 million that taxpayers of this province have to put up for the pensions that still have to be paid out? [interjections]

Speaker's Ruling Unrelated Supplementary

MR. SPEAKER: Order please. [interjections] Order please. [interjections] Order please.

SOME HON. MEMBERS: Sit down.

MR. SPEAKER: Order please. Order, hon. member. In case members have forgotten, when the Chair stands, members sit.

The Chair regrets making the ruling, but we've now moved off the representational allowance onto pensions, and the Chair doesn't see the connection between the two.

The hon. Member for Wainwright.

Physician Recruitment

MR. FISCHER: Thank you, Mr. Speaker. My question is to the Minister of Health. I would like the minister to update the House on the matter of recruitment of a physician for the Provost hospital in my constituency. I understand that the community has received expressions of interest from two physicians in Saskatchewan, but these physicians do not meet Alberta's licensing requirements because they do not have a two-year prelicensure training period here in Alberta. Could the minister help us get a practitioner in Provost?

MRS. McCLELLAN: Well, Mr. Speaker, I am aware of the situation in Provost and their desire to recruit a physician and their difficulty in doing it. The one issue that the member raises is the request for two physicians who are from Saskatchewan who do not meet our standards. Alberta does have a two-year prelicensure standard, and I should say that all other provinces are moving to meeting that standard. Certainly we do not want to reduce our standards, but in discussions with the College of Physicians and Surgeons they are looking at possible amendments to their bylaws that might allow them to investigate certain extreme or emergent situations where there could be some relaxation. However, we do

encourage that we recruit physicians into this province that meet Alberta standards.

MR. SPEAKER: Supplemental question.

MR. FISCHER: Thank you. I do appreciate the work that is being done to address this problem, and I would like to thank the minister. However, we still need a doctor in Provost, and I was wondering: can the minister encourage the College of Physicians and Surgeons that if excess doctors from the urban areas will not go to the rural hospitals, then recruitment requirements such as the two-year prelicensure training in Alberta be relaxed or changed to a one-year program?

2:00

MRS. McCLELLAN: Again, Mr. Speaker, through working with the college and looking at possible amendments, there could be a mechanism for appeal in emergency situations or extreme situations when communities such as Provost find themselves in difficulty in recruiting doctors. Again I would have to say that we would not encourage a lowering of standards in Alberta, especially in light of other provinces moving to our standards rather than away from them.

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

Anodontia

MRS. SOETAERT: Thank you, Mr. Speaker. Anodontia is a hereditary condition in which children do not develop permanent teeth. At the time when most children lose their baby teeth and they are replaced with adult teeth, these children are left with only deteriorating gums and mouth bones. They are unable to eat normal food. My question is to the Minister of Health. Anodontia is clearly a medical condition. Why is this medical treatment not being covered?

MRS. McCLELLAN: Mr. Speaker, the condition that is discussed by the hon. member is considered a dental treatment, and we do not insure dental treatments. We have a group who are working with our dental community to look at issues like this and make recommendations to us as to the appropriateness of their inclusion under our insured services.

MRS. SOETAERT: When a person requires reconstructive surgery after a car accident, that's considered medical treatment. How can you say that the only treatment available for a child who's unable to eat is nonmedical?

MRS. McCLELLAN: Mr. Speaker, I did not say that. I did say that that particular condition is under review. There is a committee of experts within the dental field and the medical field working with us in Alberta Health as to whether it should be included under medical treatment. It has been considered a dental procedure, and we do not insure dental procedures at this time.

MRS. SOETAERT: Madam Minister, review is a stalling tactic. Tell us now: will you do the right thing and insure this condition?

MRS. McCLELLAN: Mr. Speaker, again, we have a panel of people, very knowledgeable people, who are reviewing this situation, and they will give a recommendation to the minister, and I will take the recommendation forward. It is a difficult situation.

However, there are procedures that we can insure, and there are procedures that we cannot insure. My primary responsibility is to ensure that we can deliver reasonable access to a quality health care program in this province within our fiscal capability, and I have to be very conscious of that. So I rely very heavily on the expertise from the medical community and again from the dental community to answer this question.

MR. SPEAKER: The hon. Member for Calgary-Currie, followed by Edmonton-Glenora.

Diabetic Supplies

MRS. BURGNER: Thank you, Mr. Speaker. My question today is to the Minister of Health. On the weekend I had the opportunity to attend a Calgary-Varsity constituency meeting with seniors holding their own mini-roundtable at Confederation Park. They were asked in that context to make some recommendations and express their concerns regarding health care programs for seniors. The question was raised as to why in the city of Calgary – and I believe it exists also in Edmonton – there are free needle exchange programs available to drug addicts; however, the diabetic community must purchase their own needles. I wonder if there is a response to this concern.

MRS. McCLELLAN: Mr. Speaker, there are two programs in the province which are focusing on the prevention of HIV in injection drug users. These programs are administered by the boards of health in Calgary and Edmonton, and they are targeted to street drug users, a group that is being targeted internationally. A variety of methods are being used. Educational control measures are needed to halt the further spread of the HIV and AIDS virus. We're dealing with a very difficult group, but I should say that these two programs are offered and supported through the boards of health in Calgary and Edmonton, not directly by Alberta Health. They began as pilot projects in Calgary and Edmonton, cofunded by the federal and provincial governments and have been assumed by the boards of health in those two communities.

MR. SPEAKER: Supplemental question.

MRS. BURGNER: Yes. Thank you, Mr. Speaker. I want to inquire whether or not following this concern in my colleague from Calgary-Varsity's constituency there has been any effort made to encourage the health communities to offer a similar support program to diabetics who may not be able to attend to their own illness because of a financial situation. Surely they are also at risk.

MRS. McCLELLAN: Mr. Speaker, we do provide support for diabetic supplies in this province. It's via a grant to the Canadian Diabetes Association that we're able to assist people with diabetes who use insulin and have no private insurance. This program provides support of up to \$375 per year, per client, and they are reimbursed 75 percent of the cost of items up to this annual limit. This does provide support for syringes and needles but more importantly, perhaps, for testing strips, which are a much higher cost item. So it is administered through the Canadian Diabetes Association, but such a program and such support does exist.

Renal Dialysis

MR. SAPERS: Recently, Mr. Speaker, a doctor at the University of Alberta hospital speculated that it may be necessary to refuse dialysis to patients over 60 years of age. Now, as if that's not

horrifying enough, today we learned that the renal dialysis unit at the Edmonton General hospital is about to be closed and its patients transferred to the university. What guarantees will the Minister of Health give that renal dialysis will continue to be available to every Albertan that needs it for as long as they need it?

MRS. McCLELLAN: Mr. Speaker, I am not going to comment on speculation. There is a renal dialysis program in this province for all people of this province. The university hospital has been very proactive in their program in Edmonton, and I should say in Calgary in Foothills as well, in providing an outreach program which not only allows the opportunity for people in the larger centres to receive renal dialysis but also closer to their own communities, and I applaud the efforts of those two institutions for ensuring that renal dialysis is available to Albertans in areas outside of the major centres. The question is purely speculative.

MR. SAPERS: It's a matter of life and death, Mr. Speaker. It's not speculation at all.

In spite of anything that may be learned at roundtable discussions and knowing full well – full well – that dialysis will continue to be in high demand, has the minister determined the amount of dialysis treatment that will be needed by Albertans and how her department will meet this demand?

MRS. McCLELLAN: Mr. Speaker, there is a commitment to provide medically required services in this province through this department. We provide funding to our hospitals that are offering this program in their budgets. Renal dialysis is offered, and I frankly don't know what the member is getting at. There has been no question of removal of renal dialysis from medically required service in this province.

2:10

MR. SAPERS: Mr. Speaker, I'm getting at accessibility.

Now, given the lack of a definitive answer to the question of accessibility, my yes or no question to the Premier is this. Will he commit to all Albertans that there will be nothing less than full adherence to all of the principles of the Canada Health Act here in Alberta?

MR. KLEIN: Well, it seems to me that indeed we are adhering to those principles. To do otherwise would result in penalties, Mr. Speaker.

MR. SPEAKER: The hon. Member for Calgary-Fish Creek, followed by Edmonton-Norwood.

Culture Funding

MRS. FORSYTH: Yes. Thank you, Mr. Speaker. My question is to the Minister of Community Development. Would you please clarify how an increase of 30 percent in lottery money directed to arts and culture can be justified in light of our current policy to reduce spending by \$700 million this fiscal year?

MR. MAR: Mr. Speaker, these are difficult financial times, and cultural initiatives have not been immune from some of the changes that we've had to make and the impact of financial restraints. Spending on cultural initiatives has in fact been reduced in the 1993-94 budget, and I invite the member to examine the budgets. Perhaps more importantly, through streamlining of administration in the community services division of my depart-

ment, we've actually saved \$2 million in taxpayers' money. The 34 percent figure referred to by the hon. member reflects a change in the source of the funding. However, the amount of money spent on cultural initiatives has actually decreased.

I might ask if the Deputy Premier would be interested in supplementing that answer.

MRS. FORSYTH: I'm not quite clear. With lottery funds being increased to arts and culture groups, what effect will this have on our traditional lottery fund programs such as outdoor skating rinks, tennis courts, et cetera, which serve as an inexpensive means of recreation for kids and families of any social status?

MR. KOWALSKI: Mr. Speaker, the 1993-94 lottery fund estimates have been tabled just recently, and we would certainly look forward to having a review and a debate in the Legislature with respect to this. We should point out exactly one more time that in the document itself there's some nearly \$29.9 million that have been identified by the Provincial Treasurer under the category of Cultural Initiatives, and that is really significant, without any doubt. In terms of how it would impact other programs, I would refer the hon. member to page 7 of the 1993-94 lottery fund estimates to see the exact dollar allocations for the multitude of programs that are funded under Alberta's lottery fund.

MR. SPEAKER: Final supplemental?

The hon. Member for Edmonton-Norwood.

Workers' Compensation Board

MR. BENIUK: Thank you, Mr. Speaker. To the minister responsible for the Workers' Compensation Board. Last week I attempted to get an understanding of the extent to which the recommendations of the Horowitz report had been implemented. I will attempt to do the same today. As there are 52 recommendations and nine special recommendations in the Horowitz report, a public report paid for by taxpayers, will the minister make public his implementation strategy for these recommendations?

MR. DAY: Yes, Mr. Speaker.

MR. BENIUK: I thank you.

The question is: when will he be doing this?

MR. DAY: Within a matter of days, Mr. Speaker. Probably by the end of the week.

MR. BENIUK: I'm impressed.

Can one assume that these recommendations will include 27, 28, and 29, which deal with job training and educational upgrading?

MR. DAY: Mr. Speaker, I'm glad the member opposite is impressed. I know that he's not easily impressed, so I take that as a compliment.

Without having it right in front of me here, I don't want to be caught off guard giving a wrong number on those many recommendations. There are only a few that in fact are not being implemented or are not going to be implemented in the future, and there will be reasons given for that. I think it's four or five. Don't quote me exactly; I don't have it in front of me. It's just a very few. All the rest either have been implemented or will be implemented.

Barley Marketing

MR. McFARLAND: Mr. Speaker, I think it's laudable that on June 15 a Premier that many people in Alberta typified as being one that could relate to them would spend a Saturday working on a combine in Wainwright. [interjections] I've got this bug in my ear, Mr. Speaker. I think it's from farm equipment or else it's from a member on my left who is a wanna-be cabinet minister.

Mr. Speaker, because there may be the chance that the Premier heard about the North American continental barley market from some of the farmers he associated with, I would like to ask my question to the Minister of Agriculture, Food and Rural Development. Would the minister please update this Assembly on the current status of the September 10 ruling of the federal court on the North American continental barley market? [interjections]

MR. SPEAKER: The hon. minister for agriculture.

MR. PASZKOWSKI: Thank you, Mr. Speaker. I would indeed be pleased to update the House regarding the latest. [interjections] As of today the federal government had a news release that I think is quite current and quite important. It's unfortunate the members across the way aren't interested in hearing it, but it is important to the agricultural community. It basically indicates that through an order in council the barley trade will be resumed interprovincially, and this will be effective immediately, today. It's unfortunate that through the process of time many contracts are in limbo. We do have a situation where we've made 500,000 tonnes of contracts, of obligations that have to be fulfilled into the United States, and we are still awaiting a final decision. The federal government will be appealing this, and I'm pleased to say that the provincial government will be endeavouring to be part of this appeal process as an intervenor.

MR. SPEAKER: Supplemental question.

MR. McFARLAND: Thank you, Mr. Speaker. I'd like the minister to indicate to me what the response is so far from members of the prairie farm pool organizations who are suddenly finding that their moneys are being used by the pools themselves to fight this court decision.

MR. PASZKOWSKI: It is my understanding that the pools are the ones that have appealed the original proclamation that came forward as an order in council, and it is my understanding that they are still the ones that are continuing to appeal the process.

In Alberta we produce 51 percent of all the barley that's produced in Canada, and I think it's important to recognize that we are the major barley producer in Canada, as well as, by and large, in North America. Alberta producers have indicated through the process of a survey and continue to indicate as of today that they are in favour of this type of marketing process. So from Alberta's position we feel that we want the opportunity of enhanced export, of enhanced market opportunity, and we will continue to strive to achieve that on behalf of the Alberta barley producers.

MR. SPEAKER: Final supplemental.

MR. McFARLAND: Yes, Mr. Speaker. Are there any side effects to the other grain trading commodities that may be affected by a decision that goes against the North American continental barley market?

MR. PASZKOWSKI: It's always important that when a commitment is made, it be fulfilled. Unfortunately, with the state of uncertainty that exists today, the usual record of delivering that Canada has developed through the many, many years of successful grain marketing is really in review and being questioned by those who indeed have got involved in the contracting process. The overall is not a healthy sign for our markets and our market development process. So it is our hope and our wish that this becomes resolved as quickly as possible so that the barley producers can get on with the harvest and with the marketing obligations that they have committed to.

MR. SPEAKER: The hon. Member for Sherwood Park.

2:20

Air Quality

MR. COLLINGWOOD: Thank you, Mr. Speaker. The residents of my constituency in the vicinity of Refinery Row and indeed all Albertans are concerned about air pollution monitoring and management. These concerns surround the limited amount of independent monitoring, an action plan on public safety, the potential health risk of pollutants not presently covered in the air quality index, and generally the need for better air pollution information. My question to the Minister of Environmental Protection: with budget estimates of approximately \$10 million in environmental quality monitoring, air quality standards and approval, and pollution control, why don't Albertans have a complete and comprehensive air pollution strategy?

MR. EVANS: Well, quite frankly, Mr. Speaker, I take issue with the comment from the member opposite. Alberta has probably one of the finest record-keeping processes of any jurisdiction in Canada with respect to air emissions. In point of fact, we have taken the proactive approach of in-stack monitoring so that in Alberta, in Refinery Row and elsewhere in the province of Alberta, we take a constant monitoring of the emissions that are coming out of these stacks. Much of it is done by computer, and we in fact get something in the neighbourhood of 5,000 different pieces of information on air quality and air emissions throughout the year.

Contrast that with the province of Ontario, for example, which looked at this kind of a regime a few years ago and decided they couldn't afford it. So what they do is monitor the ambient air. They check to see what kinds of pollutants are in the air. That is a vastly inferior process because it's difficult in a setting such as Refinery Row, if there is a pollution problem, to identify where that pollution is coming from. We don't have that problem, Mr. Speaker, because we are monitoring the stacks themselves. If we know that there is a problem in the atmosphere, we have the data, we have it in our hands, and we can take the corrective action at that point in time.

MR. SPEAKER: Supplemental question.

MR. COLLINGWOOD: Thank you, Mr. Speaker. Record-keeping is certainly part of the plan, but my question to the Minister of Environmental Protection: what emergency response or enforcement action did your department take on January 16 of this year, when the sulphur dioxide emissions in one reading along Refinery Row were more than double the one-hour maximum standard and in fact were off the top of the scale on that reading?

MR. EVANS: Well, that's a very interesting example that the hon. member has brought to the attention of the House, Mr.

Speaker. In point of fact, on that morning we did get a reading that was off the scale, and quite frankly when we got that reading, we went out and investigated it immediately. A very extensive series of tests and reviews of that situation indicated that there was no problem. So in the final analysis the conclusion that we came to was that there was a problem with the monitoring equipment itself, rather than an air emission problem.

MR. SPEAKER: Final supplemental.

MR. COLLINGWOOD: Thank you, Mr. Speaker. I wish he had told my constituents before, not after, that it was a problem with the monitoring equipment.

Final supplemental. Where we are, Mr. Speaker, is that there's a need for an updated air emission inventory in this area, and that's critical. My question to the minister: will the minister now commit to the development of that new updated inventory?

MR. EVANS: I want to make a comment first, Mr. Speaker, on the member across making his comment about informing his constituents. Certainly, we've attempted to get that information out to those in Refinery Row and those living around Refinery Row. This isn't a secret. We wanted to assure the people who lived in that area and the businesses, in point of fact, that there was not an environmental problem.

Now, in terms of an inventory I understand that the city of Edmonton would be interested in a new inventory of the kinds of controls that we have and the monitoring that we have. We're looking at that carefully. We must consider in today's financially strapped world a cost/benefit analysis, and we have to look at the kinds of monitoring that we're doing now. As I say, our methods in the province of Alberta are vastly superior to most other jurisdictions. I'm taking seriously the letter that the mayor has sent. I'm looking at that carefully. We're going to analyze what the cost would be, and we'll be back to the mayor and to the hon. member and to all Albertans on this in the near future.

MR. SPEAKER: The hon. Member for Calgary-Varsity, followed by Calgary-North West.

Provincial Insurance Programs

MR. SMITH: Thank you, Mr. Speaker. Insurance programs, as they are defined in the private sector, are payments made over a long period of time to cover losses of extraordinary expense incurred in a short period of time. Some of the most abundant capital pools in North America reside with these insurance companies. In the public sector, insurance and subsidy seem to have become confused. For example, the Alberta health care insurance plan covers only 30 percent of total health care costs incurred by the insurance plan. The Workers' Compensation Board has incurred a yearly loss of \$131 million, with a total unfunded liability of over \$600 million. Alberta hail and crop has incurred a revenue deficiency of \$217 million.

SOME HON. MEMBERS: Question. Question.

MR. SMITH: I'm glad you asked for the question. My first question goes to the minister of agriculture. Will he review the hail and crop insurance program with the intent to either raise premiums or reduce benefits to more adequately reflect the actuarial realities of this corporation?

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

MR. PASZKOWSKI: Thank you, Mr. Speaker. It's certainly a very valid question and one that's of great importance not only to our agricultural community but to all taxpayers. The Alberta Hail and Crop Insurance and GRIP, of course, are part of our agricultural safety net program. We have committed to develop a program that will indeed enhance and maintain our agricultural community.

Reference is made to the losses of Alberta Hail and Crop Insurance in this past year. This was no doubt one of the most devastating years we have ever experienced in Alberta as far as grain production is concerned. But I think it's fair that I share with the House some numbers here. This past year the crop insurance was \$93 million in debt as a result of the terrible year we had. As a result of reinsurance, that number has been brought down to \$16 million today. If this year turns out to be normal – and obviously we have the benefit of a potential bumper crop that exists out there today – indeed this program will only be \$1 million in debt. It is a self-funding program. It works on the basis of a 10-year model. Of course the important ingredient, as the hon. member has mentioned, is that it is actuarially sound. We are constantly monitoring it to make sure that it is actuarially sound.

MR. SMITH: This one, Mr. Speaker, is to the minister responsible for the Workers' Compensation Board. How will the WCB deal with this continuing imbalance of revenue over expenditures as a funded company?

MR. DAY: Mr. Speaker, the question is good. Unfortunately, however, the figures being used by the member are almost a year old. I'm happy to report that at year-end of '92, in discussions with the then new CEO and president of WCB, we agreed that the unfunded liability at its rate of growth was simply unacceptable. So an aggressive plan put in place, which included significantly reducing administration costs, going after the injury rate through the workers' injury rate reduction programs, and really being aggressive about these areas, has yielded a positive result. We projected – and we have already seen that – by the end of this year going from \$64.9 million in an operating deficit to seeing at least a \$12.5 million surplus on the operating side. Going from about a \$600 million unfunded liability, which was accurate a year ago, we'll be down at around the \$450 million level. It's going to be in that ballpark. It's on track, and we're going to see it.

MR. SPEAKER: Final supplemental.

MR. SMITH: This one is to the Premier, Mr. Speaker. Will the Premier ask departments who are involved in insurance programs to review them immediately with the intent to more accurately reflect, one, the alignment of premiums and compensation and, two, an increased premium or reduced benefit structure that is more a current reflection of fiscal reality?

MR. N. TAYLOR: Go ahead and shaft the farmers.

MR. KLEIN: I'm not going to shaft the farmers, Nick.

MR. N. TAYLOR: That's what you're doing to them.

MR. KLEIN: No, no, no, no. I like the farmers.

MR. SPEAKER: Order.

MR. KLEIN: Well, Mr. Speaker, as you know, all departments in government have been asked to prepare three-year business plans, and certainly those departments that have insurance programs as their responsibility will be required to produce plans to make sure that those programs are actuarially sound.

MR. SPEAKER: The hon. Member for Calgary-North West.

2:30

Airport Vicinity Planning

MR. BRUSEKER: Thank you, Mr. Speaker. Any decisions that affect the Calgary International Airport ultimately affect the entire economic health of the city of Calgary. Over the weekend I learned that the provincial government is considering abdicating its responsibility for airport vicinity protection under the province's Planning Act. My question today is to the minister responsible for Municipal Affairs. My question is: why is the department discussing turning the responsibility for airport vicinity protection over to the municipalities?

DR. WEST: Mr. Speaker, we committed to open government and open consultation. We also said that we would be looking at the Planning Act in the forthcoming years, so we have initiated discussion around the province, and that is one of the issues that's on the deck. So, yes, we are discussing this, but it hasn't formed any policy direction yet, and we'll continue those discussions openly and forthrightly with each government.

MR. BRUSEKER: Mr. Speaker, my supplementary question then: has the minister considered the fact that we have huge investments in our airports around the province, and to allow the municipalities to take over the airport vicinity protection could place that huge investment at risk?

DR. WEST: Mr. Speaker, there are airport vicinity protection plans all the way from Hanna, Alberta, right through to the city of Calgary. We have also been in discussion under the new Municipal Government Act of transferring more autonomy to the local area that can make the decision best for that municipality. I hope the individual isn't insinuating that the city of Calgary or any other jurisdiction isn't capable of or responsible for looking at their planning and destination. I guess I find that context of that question against the philosophy that we in this province are growing up, and municipalities are going to take their rightful position.

MR. BRUSEKER: Well, it's an interesting position considering the municipalities asked the province to take it over in the first place. Obviously, he doesn't know his own history.

Mr. Speaker, since the minister talks about consultation, can the minister advise the House why he has not yet, as of Friday afternoon, had the decency and the courtesy to consult with the Calgary Transportation Authority, who on Friday afternoon represented concerns to me about the lack of consultation from this government that doesn't listen and doesn't care?

DR. WEST: Mr. Speaker, I find that question redundant in the context of the first answer.

MR. SPEAKER: The Member for Cypress-Medicine Hat.

Rural Physicians

DR. L. TAYLOR: Thank you, Mr. Speaker. From Alberta medical schools we graduate approximately 200 medical doctors

each year; of these in the last year 120 stayed in Alberta. Since the majority of the cost of educating these doctors is paid for by the taxpayer and since Alberta has a low number of doctors per capita and since the rural areas in Alberta have trouble recruiting doctors, will the Minister of Health consider putting a requirement on newly graduated doctors to serve five years in a rural Alberta community?

MRS. McCLELLAN: Mr. Speaker, the member is quite accurate in his comments. We graduate about 190 doctors from the University of Calgary and the University of Alberta medical schools, and about 120 of those doctors, or about 60 percent in actual percentages, remain in Alberta and establish practices here. I should say that we have about the fourth highest retention rate in Canada, so we're not the best, but we're also not the worst in retention either. Some have suggested that barriers should be raised that would disallow people from movement. Like other provinces Alberta has been committed to a national physician resource, and I'm working with my counterparts from across Canada on a national physician resource management strategy. I do not see at this time that Alberta would be considering introducing barriers either to prohibit doctors from coming into our province or prohibiting our doctors that we train here the freedom to practise where they wish.

MR. SPEAKER: Supplemental question.

DR. L. TAYLOR: Thank you, Mr. Speaker. Since one of the medical schools alone can graduate approximately 120 doctors per year and since that is all that stay in Alberta, will the Minister of Health consider working with the minister of advanced education to consider closing one of the medical schools as a cost saving device?

MRS. McCLELLAN: Well, Mr. Speaker, again, the ministers of health from across Canada a year ago embarked on a national physician resource management plan. In that plan we called for reductions in a certain number of graduates from our medical schools. We will continue to work with our counterparts from across Canada to ensure, one, that we are graduating sufficient doctors to meet our needs but, perhaps more importantly, that we are graduating doctors that meet the needs in practice areas and indeed in geographic areas. While we do have a goodly number of doctors in this province, we still have a difficulty in servicing some of the more remote and the rural communities. Obviously, we're beginning to address that with the rural physician action plan. The results of that have been very positive, although it's only going into its third year. At this time I think that the issue of one or two medical schools will be one discussed through the roundtable discussions, but again I think our concern is more on placement and specialities of physicians rather than numbers.

MR. SPEAKER: A final supplemental?
The time for question period has expired.

head: **Orders of the Day**

head: **Government Bills and Orders**

head: **Second Reading**

Bill 7

Alberta Energy Company Act Repeal Act

MRS. BLACK: Mr. Speaker, I rise to move second reading of Bill 7, the Alberta Energy Company Act Repeal Act.

The principle of this Bill is very straightforward. AEC has accomplished what it was designed to do. It is now a competitive private-sector company, and the government should treat it like a private-sector company. The legislative provisions of the AEC Act are not required and can now be repealed. I therefore move second reading of Bill 7.

MR. SPEAKER: The hon. Member for Redwater.

MR. N. TAYLOR: Thank you, Mr. Speaker. While I rise to speak on this and am in favour of the principle of the idea that we should be getting out of that business – should have long ago, as a matter of fact – I can't help but take a moment or two to register a little dissatisfaction on how we went about it. For a number of years the government has consistently refused, even when they controlled it, to say what the income and the salaries of the top managers of the company were. I think there was a great deal of evidence to show that ability being sufficient, blue and orange underwear helped to hold down some of the major posts. Nevertheless, as we go along a little bit farther, when the government did decide to privatize it, they did it over a weekend. Now, it's quite annoying when you stop to realize that although the government put together this plan . . .

Oh, I'm sorry, Mr. Speaker. I've been handed a note. Something very, very important happened about 55 years ago. On that day the Deputy Premier was born apparently. [applause]

2:40

SOME HON. MEMBERS:

Happy birthday to you,
Happy birthday to you,
Happy birthday, dear Ken,
Happy birthday to you.

MR. N. TAYLOR: Mr. Speaker, after leading that singsong, I hope it won't be another 10 years before I see a lottery grant.

Did you want the floor for a moment?

Actually, Mr. Speaker, too bad the cameras weren't on, because it does do away with one thought that's been circulating for some years: that it was impossible for a Conservative to blush.

Going back to the energy issue, I think the taxpayers were owed much more than a hurry-up overnight privatization, when you recall that the taxpayers were the ones that contributed the assets in the way of the Suffield gas rights and the Primrose oil rights way back in 1973 to make up half the Alberta Energy Company. In other words, the taxpayers literally handed over to the Alberta Energy Company all the oil assets that were the basis on which the Alberta Energy Company then went ahead and issued shares. It just shows you that since 1973, in 20 years, we forgot to express any form of appreciation to the taxpayers. So this thing was privatized over the weekend.

It makes it doubly sour when you realize that the shares were put out roughly around \$9 because of the down payment and that, and that they have increased by \$3. In other words, 25 million shares that were put out have increased by roughly \$3 per share. So as far as I can see, the taxpayers of Alberta for starting this company, nursing it through the years, asking no questions on its management, not even asking the management to report their salaries, were thanked with a \$75 million kick where I can't mention, Mr. Speaker. That \$75 million, \$3 a share, that they were done out of had no practical reason. The Treasurer at the time said: well, we had to do it in a hurry. Well, I know you sell things in a hurry, but it was a bought deal. In other words, the brokers took over the deal. There was a whole nest of under-

writers. The least we could have said: "Look, you got it Friday. You've got till Wednesday to give Albertans first crack at it." But no, it all went. A great deal of it went to foreign pension companies. A great deal of it went abroad. Albertans, who had nursed and stayed behind, took the risk and everything else for 20 years, were paid off with waking up one morning and finding out the whole thing had been sold without at least an admonition to the underwriters that they should give first crack to Albertans.

The second issue I'd like to touch on just briefly. I don't know if the minister can answer that, because I think she is clever enough to hand it off to the person a couple over to the right. Will the proceeds of this go to apply on the deficit, or will it apply on the debt? If it doesn't go either one way or the other, what percentage will go either way?

Thank you.

MR. SPEAKER: The hon. Member for Calgary-West.

MR. DALLA-LONGA: Thank you, Mr. Speaker. Well, the Alberta Liberal Party agrees with the philosophical intent of the legislation. We realize that it's the role of government not to be in business. Petro-Canada was an example of the lack of expertise that the government brought to the oil and gas business.

MRS. BLACK: Yeah, the Liberal government.

MR. DALLA-LONGA: Regardless of which government it was, that was then and now is now. [interjections] You're afraid, aren't you? In Alberta we only need to look at the wreckage of the \$2.1 billion that this current government helped bring about in the form of failed loans and loan guarantees.

Now, to say that Alberta Energy was a success is a bit misleading. Alberta Energy did receive, as I recall, substantial rights in the Suffield Block, and that was its primary area of interest, as well as the Primrose area. I had the good fortune when I worked for the ERCB of visiting a lot of those sites. So to say that it was a financial success is one thing, but it did have a little bit of help.

I guess the thing that we oppose is the manner in which this disposition took place. Our party's always supported the orderly disposition of assets. We support the disposition of, for example, the Alberta heritage savings trust fund, the disposal of it, as a means of helping to pay down our \$28 billion or \$29 billion debt, depending on which accounting figures you look at these days. While we support this legislation, we are concerned about the way the sale of AEC was conducted, as are members of the brokerage community. Their comments were relayed to me. The thing seemed to be just a big free-for-all.

Our opposition comes in about two or three areas. Firstly, the disposal wasn't given any advance notice. It was done over the weekend; it was announced on April 16. Brokers were busily taking orders over the weekend. While there is nothing really wrong with that, I think it gives the aura that something is amiss. It reinforces the image that the government is looking for a quick fix. It just happens to fall in this fiscal year; it just happens to be before the election. While I'm not pointing any fingers, it certainly looks funny.

Now, the other thing that I have a concern about – and the hon. Member for Redwater alluded to it – is that for years this province, the people of Alberta, bestowed upon Alberta Energy certain privileges. I mean, they've got the rights to drill in Suffield Block, Primrose. Therefore, this company really belonged to Albertans, and their right to acquire shares in that company was somewhat restricted. I know I placed an order for the stock. I bought some stock in Alberta Energy, but I didn't get all the

shares that I wanted to. I know a number of people that are citizens of Alberta that didn't get the shares that they wanted. So the rest of Canada was allowed to participate in this acquisition as well. While I understand that you have to have a market for your shares, you have to have wide dispersal, all that sort of thing, I think the people of Alberta should have had a little more time. That's not just my perception; that's the brokerage community's perception. Okay?

The second thing that I find disturbing about the sale of Alberta Energy is the less than forthright terms of informing Albertans as to where the proceeds of the asset sales will be applied. Our party will be taking this up in the future. There's a lack of openness. Are the proceeds from this sale going to go against the debt, or are they going to go against the deficit?

The last thing – and it's just a small concern – is that the rate of ownership was changed from 10 to 35 percent. Now, I guess the thing that we need to know from this government is: how are the proceeds of this sale going to be applied? How are they going to be accounted for? Will we on future disposals have a more orderly approach? Is there going to be advance notice? Will the public be allowed? Because if this government maintains this attitude of openness and full disclosure, as it purports to, it certainly can't go ahead and sell one of its major assets over the course of a weekend without any advance notice.

So, Mr. Speaker, we have three concerns. We have the manner in which the sale was conducted. How will the proceeds of this sale be accounted for? Thirdly, not that we necessarily disagree, but what were the reasons for the change in foreign ownership rules? I think it's the right of Albertans to know.

2:50

So in summary, we support the Alberta Energy Company Act Repeal Act. We realize it is time to allow the company the ability to compete with the private sector unfettered by government control. However, the way in which this sale was conducted and the recent announcement of the ALCB privatization is symptomatic of a government that doesn't appear to have a strategic approach with regards to the sale of its assets. It infers that the government is using these sales to deflect the criticism for a failure to get its spending under control. While the government may deny this allegation, we're asking the question. Give us the answer. How will this sale be accounted for? Why were certain things done? Why were they done the way they were done? After all, that shouldn't be any problem with a government that purports to be open. Or is this government just keeping its powder dry, keeping its options open with the intention that it might apply the proceeds of this sale against the deficit should it need to, should it not be able to accomplish its objectives under the Deficit Elimination Act? Is this a quick-fix solution at a time of financial crisis? Quick fix is not going to be the answer.

Thank you.

MR. SPEAKER: The hon. Minister of Energy to close debate.

MRS. BLACK: Thank you, Mr. Speaker. I'm pleased to close debate on second reading of Bill 7. I'd like to have a few closing comments. Alberta Energy Company has been one of the most successful companies that we have seen develop in this province. I'd like to say that when the original prospectus was laid out for Alberta Energy Company, it had two main principles: the first was to operate at a profit and in the best interests of all of its shareholders; the second was to encourage and enable Albertans and other Canadians to participate in the development of Alberta's industrial and resource potential.

AEC has achieved these objectives, and in fact it has grown into one of the most competitive, diversified, Alberta-based energy companies that we have. I'm very proud of the success of Alberta Energy Company.

Mr. Speaker, this government made a commitment on June 15: we said that the government would be getting out of the business of business, and we would be going back to letting private sector operate as private sector. In the springtime we divested our interest in Alberta Energy Company. The value of the sale was \$476 million, and it was a very profitable return on our investment. There was a question as to what happened to the funds from that divestiture. I believe if you will check the *Hansard* – and I don't understand why your research, with all the money you have in research, could not have gone back to the *Hansards* of the time – the Provincial Treasurer clearly laid out where the proceeds from the sale . . .

Point of Order Clarification

MR. N. TAYLOR: Point of order.

MR. SPEAKER: The hon. Member for Redwater is rising on a point of order.

MR. N. TAYLOR: The point of order was on the statement. That's why we ask it: because two different ministers said two different things. One said it was on the deficit; the other said the debt. The minister just said that we were applying it to the deficit. I don't think they know the difference between deficit and debt. That's what we're trying to get from her.

MRS. BLACK: I haven't said yet, so if you'll just listen, I'll tell you what happened with it.

Debate Continued

MRS. BLACK: Mr. Speaker, the Alberta heritage trust fund was reimbursed for the investment that it had in Alberta Energy Company, and the balance of the funds went to pay down the debt. I believe if you'll check with the *Hansard*, the Provincial Treasurer made that clear at the time of the disposition and divestiture of our interest in the company.

The hon. member alluded to the initial setup of Alberta Energy Company, as to the lands that were transferred over in the Suffield Block. Mr. Speaker, let's be very clear: these lands were in fact transferred over to Alberta Energy Company on the premise that it would be a start-up and that they would develop them. What happened is that payments and royalties of almost half a billion dollars were made to the Crown, and the company also invested an additional half billion dollars in exploration and development of these properties. The government has received fair market value for its shareholdings in Alberta Energy Company. This has been a success story all the way through.

I'd like to make one comment to the Member for Calgary-West, who alluded to the fact that the marketplace was not receptive to this share offering. In fact, it was very successful, and the market did respond very rapidly. The brokerage houses were busy for the entire week. One of the things that has always been a positive about the Alberta Energy Company, Mr. Speaker, is that Albertans have been able to participate in Alberta Energy Company all the way along, and this divestiture was no different.

So we're very pleased with this. The time is to let Alberta Energy Company operate as all other privately owned companies

do. We're very delighted with the heritage they've left in Alberta, and we wish them the very best.

[Motion carried; Bill 7 read a second time]

Bill 8 School Amendment Act, 1993

MR. JONSON: Mr. Speaker, I move second reading of Bill 8, the School Amendment Act, 1993.

Mr. Speaker, Bill 8 is essentially the former Bill 41, which, as some members of the House will recall, was discussed during the spring session of the Legislature. With the election call and dissolution of the Legislature the Bill died on the Order Paper. The introduction of Bill 8 on Wednesday, September 15, reflects this government's adherence to the direction of the courts and its commitment to Francophone parents, school boards, and other members of the education community to proceed with the implementation of the important provisions of this legislation.

I'd like to quickly go over some of the main principles lodged in this Bill, Mr. Speaker. Bill 8 deals with a number of significant areas in education. It extends to Francophone parents the right to manage Francophone schools. You will recall that the Supreme Court of Canada in March 1990 in the Mahé case confirmed that section 23 of the Charter of Rights and Freedoms includes the rights of management by Francophones of their schools. This decision was later confirmed – very recently, in fact – in a Supreme Court judgment dealing with the school system in Manitoba.

While the right to access a Francophone education has been in section 5 of the School Act since 1988 – and I might add, Mr. Speaker, that much progress has been made in the area of education in French and immersion programs – nevertheless Bill 8 will extend for the first time a scheme of management of Francophone schools by individuals voted into office by Francophone parents. This is a made-in-Alberta model which is based on a regional management scheme and which reflects the sliding-scale concept set out by the Supreme Court. It is expected that three areas of the province will have a governing structure or self-governance, because it is in these three areas that we anticipate that numbers will warrant full management. These areas are the greater Edmonton region, the Peace River-Smoky River region, and the St. Paul-Medley-Bonnyville-Plamondon region. This proving to be the case, school boards in these three regions, which are called “regional authorities” in the legislation, have all the rights and responsibilities of any school board in Alberta except the right to taxation and requisition.

3:00

In those areas of the province, Mr. Speaker, where there are fewer Francophones, the Act permits the establishing of Francophone co-ordinating councils, the members of which will be nominated by Francophone parents and appointed by the minister. Co-ordinating councils are not school boards but are advocates for Francophone parents dealing with school boards in the delivery of Francophone education. There are currently 3,000 Alberta children in Francophone programs throughout the province, and this legislation will allow the parents of these children more direct involvement in the operation of schools consistent with the meaning and spirit of section 23 of the Charter.

The second major principle, Mr. Speaker, reflected in Bill 8 deals with the establishment of regional school divisions. The legislation allows for a scheme of voluntary amalgamation of school boards to improve the quality of education which school

boards can afford and to increase cost-effectiveness. As members of the Assembly know, Alberta has the highest number of school boards of any province on a per capita basis. The legislation encourages a number of school districts, divisions, and counties to come together to form a regional school division with one school board which will be responsible for the delivery of education, busing, collective bargaining, requisitions, and the other duties typical of large school boards, and this would be applied within the entire area served by this amalgamated structure.

Albertans including school trustees have certainly made representation to the effect that they feel there are too many school boards in the province, and the principle of regionalization contained in this Bill assists us in addressing this issue. You will recall, Mr. Speaker, that the government took a very important step in this direction in August of this year by amalgamating 35, I believe it was, nonoperating school boards, both public and separate, thereby reducing the number of school boards to 157.

There are a number of other important provisions contained in Bill 8, Mr. Speaker, including the clarification of the right of school boards to charge instructional materials and supplies fees to parents. You will note that this particular provision is retroactive to December 31, 1988, the date of proclamation of the new School Act.

As well, section 6 of Bill 8 includes the right of accredited private schools to supervise home education. However, Mr. Speaker – and I've indicated this earlier – because of a number of concerns raised with respect to home education, it is my intent, subject of course to the agreement of this House, to delay proclamation of this section pending the passage of a new home education regulation and policy statement.

Mr. Speaker, also we should note that the School Act requires trustees who have a conflict of interest on a particular issue being considered by the board to declare their conflict of interest, abstain from voting, and leave the boardroom. In some cases, especially in dealing with teacher contracts, this may mean that the board does not have a majority of trustees left to meet the quorum requirements that are required under the School Act and to make a decision. To deal with those situations, section 13 of the Bill provides the Minister of Education with the authority to declare that fewer than a majority of trustees can constitute a quorum.

Finally, Mr. Speaker, there is one addition to Bill 8 which was not included in Bill 41. Section 39 of the School Act states that "a [school] board shall provide the students attending its schools with those health services that the board considers necessary." This provision has been in the School Act for decades and was designed to ensure that school boards could provide public health services to school-age children, such as immunization programs, hearing and eye tests, and so on. It was never intended to imply that school boards should be providing extensive medical or nursing services. Bill 8 therefore repeals section 39. The current Public Health Act provides adequate authority for the Minister of Health to designate school boards as public health units to deliver immunization programs and other public health services. The repeal of this section of course does not resolve the important issue of addressing medical needs of children attending schools. Ongoing discussions with the departments of Education, Health, social services, and Justice are continuing.

In closing, Mr. Speaker, in recognition of the concerns of the members of the opposition and some school boards with respect to inadequate consultation on Bill 41, I would like to inform the Assembly that an extensive consultation process took place between second reading of Bill 41 on June 29, 1992, and today's second reading of Bill 8.

With those brief remarks, Mr. Speaker, I encourage all members of the Assembly to give second reading to this important Bill.

MR. SPEAKER: The hon. Member for West Yellowhead.

MR. VAN BINSBERGEN: Thank you, Mr. Speaker. I'm in a little bit of a quandary here. There are aspects to this Bill that I like, and there are aspects that I don't like and some that I'm really a little hesitant about and would like to know a little more. So perhaps I'll just start at the top and deal with every item. I'm sure that my colleagues will go through them as well and perhaps into greater detail on some of them.

First off, the item on Francophone education. I think it's about time, Mr. Speaker, and I will commend the minister for finally executing this particular promise, which has been on the books since about March 1991, when the throne speech indicated that it was about to happen in that session. That promise was repeated by the previous Minister of Education in June 1991 and once again in May '92 and June '92 and on it went. So I'm glad to see it in finally, because it was well overdue, and I thank the minister for it.

On the matter of the regional divisions which will provide for the voluntary amalgamation of two or more districts, divisions, et cetera, et cetera, into a regional division, I'd like to point out that in no way does it solve the problem of fiscal equity or the lack thereof by any means. The minister is not suggesting that at all, but I'd like to point it out anyway. Probably the government may have to be more proactive in reducing the number of school jurisdictions by perhaps consulting and prodding and whatnot with potential partners in the regional division. This certainly is a beginning, and therefore I welcome it.

The third part of the Bill deals with the health item, and the minister has just referred to it in his opening statement. I'm still a little bit puzzled by it, because on the face of it it seems that boards have already got the power to determine how much or how little they will offer in the way of health services. So why does it need to be changed really if there isn't much in the way of actual difference, practical difference? I'll leave it at that. Perhaps the minister can give us a few more pointers on that score.

Number four, the section that deals with employees. I think it's safe to say that I'm having some serious questions here, because under Bill 41 there was a provision that all employees of dissolved boards would become employees of the regional division. Now, this provision does not appear in Bill 8; therefore, concern has been expressed already by several unions and associations. I'd like to know whether this is an oversight – anything is possible of course – or a deliberate change. I tend to think actually it's the latter, considering this government's rather cavalier treatment of the ALCB workers. It kind of fits the ad hoc approach to governing Alberta.

I'd like to go on, Mr. Speaker, with the next section, which deals with home schooling. I have a difficult time with this particular part of Bill 8, because under this change private schools can also get into the home schooling racket and augment their funds by offering to supervise home schooling students anywhere in the province. I would like to have seen a restriction here. In other words, the current practice of boards competing with one another by promising more funds to parents of home schooling students will continue, and the matter of qualified supervision of such students has not been at all touched on. To my knowledge students on home schooling could therefore still be visited only once or twice a year by a so-called supervisor who lives perhaps 800 kilometres away. Therefore, I think restrictions are needed,

limitations are needed in terms of distance, perhaps, in order to make this really workable.

3:10

Once again I would like to make the point that roundtable – maybe these were square; I'm not sure – discussions, anyway, have just been held in Edmonton and Calgary and Lethbridge on the subject of home schooling. It seems to me that the matter of supervision was not part of these discussions, or if it was, then it came after the fact because this Bill had already predated those discussions. Furthermore, there are still roundtable discussions coming up in October that could have had a bearing on this topic in my view.

Mr. Speaker, I stated before that home schooling itself needs to be tightened up from the point of view that it is being used and abused at times by students who hop back and forth between regular school programs and home schooling and thereby costing the taxpayers more than necessary. Let's make this change and charge them upfront – and I said this I think last Thursday – and rebate if they're successful. I kind of like that notion, and it will save us money.

Then there's the matter of the payment of school fees, section 12, forcing parents to pay school fees. I really feel that the school foundation grants should be such that parents don't have to pay these instructional materials fees. I think it is very degrading for low-income families to have to plead with the authorities to please forget about these fees. Now, here section 25 seems to infer that section 12 has come into force retroactively on December 31, 1988. If that is indeed the case, then some parents could be hit by five years of school fees which they have never paid before, which I think does not really make sense, particularly because these are usually the poorer parents.

So, Mr. Speaker, I concur with the Francophone education part and the regional divisions. I'm dubious about health – I'd like some answers there probably – employees, and school fees, and I don't like the home schooling aspect. So I haven't yet made up my mind. I'd like to hear more from the minister.

Thank you very much.

MR. SPEAKER: The hon. Member for Calgary-Currie.

MRS. BURGNER: Thank you, Mr. Speaker. I just want to make some inquiries with respect to the establishment and dissolution of the Francophone education regions that are highlighted in this Bill. My concern that I'm raising to the minister, first of all, is to support this initiative, and I've spoken to that before, both through question period and in private to my colleagues. I'm curious as to the process of what will happen to our current school systems which have facilities currently designated to this education opportunity.

I'm not sure whether it's just my own lack of understanding of the process of transfer of assets, but I am very anxious about what will happen to the colleagues who form part of a larger urban board who may now become, in a smaller sense, members of a very localized board and how they will be integrated into the larger school community with respect to their professional days and with respect to some of their opportunities for employee advancement. Certainly we have seen some problems in the immersion program where there is a serious lack of science and math teachers in the immersion program. As we go into Francophone education in a major way in the province, I am concerned how these teachers who are with that regional board or that local board will be able to move around, access professional days, find ways of stimulating their own professional need through

programs. It's in that context that I have questions about the implementation.

Secondly, we have some concerns certainly in the Calgary community with their facility about to be constructed, and I just don't understand the process of what happens to those assets. Perhaps if the minister had some sense of how that would transpire, I would appreciate hearing from him on this matter or at a later time. I don't mean my comments to impede in any way my support of it. It's just one of those questions that gnawed in my mind and my constituents have asked me to try and identify.

Most specifically I believe there is a tremendous amount of support, particularly in the Calgary community, for this initiative. As I said in my opening remarks, I am very pleased to see that it's now on the table and we will be bringing it to a successful resolution in this session.

Thank you, sir.

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

MR. HENRY: Thank you, Mr. Speaker. I'd like, too, to make a few comments on second reading of Bill 8. Bill 8, as the other speakers have identified, certainly the first speaker and the minister, deals with a variety of issues, both in terms of ensuring section 23, rights of Francophones to self-governance in education, as well as creating voluntary amalgamation opportunities, home schooling, et cetera. There are several sections in the Bill that I find myself quite comfortable in supporting and a couple of sections I'm quite excited about seeing. I congratulate the minister on those, especially the Charter issues.

However, there are some sections of the Bill that distress me greatly. I've been mulling this one over knowing that the Bill is going to come forward, having read the throne speech and heard the Speech from the Throne. I've been searching and searching for the words in terms of what dilemma this poses for me and what a problem, I think, it poses for everybody. I've scanned *Hansard* over the last couple of years, and I actually looked at some of the debate of the old Bill 41. There are two sentences made by the Member for Stony Plain that I'd like to quote that kind of sum up my frustration with this. The Member for Stony Plain on page 1623 of *Hansard* – that's June 24, '92 – talking about Bill 41 suggests, and I'm quoting:

I'm very, very distressed that the minister chose to convolute this very important Bill by introducing a variety of other sections. As I had indicated in question period yesterday, I felt very strongly that if the minister had been acting in the most responsible fashion possible, this Bill would have been split into at least two categories and preferably three.

I don't know if the Member for Stony Plain has changed his mind on that, but it sums up for me the problem that I'm having with the Bill.

I believe the Francophone community in Alberta, speaking to that section of the Bill – and if we're talking about the principle of the Bill, there are several principles or subprinciples in this Bill – deserves protection and deserves governance in accordance with the Charter of Rights and Freedoms. When the Charter of Rights and Freedoms was brought into Canada, when it was established in 1982, it had all-party support. It is incumbent upon all governments, number one, to recognize that there is going to be a difficult time in interpreting the provisions of the Charter and ensuring that all of our laws conform with the Charter provisions. I believe very strongly that as Albertans we have a responsibility to ensure that those of the minority official language in our province do have the governance rights protected as described in section 23 of the Charter.

I would also parenthetically indicate that I believe the government of Quebec has a similar responsibility for the English-speaking minority in its province. Frankly, as an individual who's been a proponent of individual and civil rights, I've been quite disappointed in the government of Quebec at times in the past and with our national government in pressuring the government of Quebec to respect minority language rights in that province. I'm glad that we're taking this step in our province. I think it should send a message to the government of Quebec.

Point of Order

Questioning a Member

MR. SPEAKER: The hon. Minister of Municipal Affairs is rising on a point of order?

DR. WEST: Yes. Would the hon. member entertain a question under section 482 of *Beauchesne*?

MR. HENRY: Mr. Speaker, if we were in committee, I'd certainly entertain questions. As I understand the rules, questions and answers are more appropriate for the committee stage, and I'd certainly do it at that point.

MR. SPEAKER: With your permission they are allowable at second or third readings.

MR. HENRY: In the interests of time – and I am running out of time – I'm going to forge ahead, Mr. Speaker.

3:20

Debate Continued

MR. HENRY: I'm pleased to see the government include a provision for voluntary amalgamation of school divisions in our province. I think members of both sides of the House agree, even the Provincial Treasurer probably agrees, that we have too many school boards in this province. I know the minister took the step earlier this year, in August, to amalgamate nonoperating school divisions. In the best of all worlds that would have been done on a voluntary basis, but we all know the dynamics of that, and perhaps that wasn't possible.

I'm pleased to see this section of the Bill encouraging and providing a mechanism for school boards that would like to amalgamate. One of my colleagues has also raised – and we'll be, I guess, dealing with this more specifically in committee – the concern that when a new regional division is established as proposed under the Bill, that not only the assets and liabilities of this school division be transferred but also the employees be transferred as well. I know it seems like a subtle change from Bill 41 to Bill 8, but it's taken out of a mandate a statutory requirement that the employees be transferred and put into a subject that would be part of the operating agreement of establishing a region. I think it's dangerous. Again I'm certainly not questioning the minister's or the government's motives here, but I think it can be misused to get rid of employees that perhaps a school division finds they'd rather not have and to circumvent the collective bargaining process in our province. If there is a problem with the collective bargaining process, if indeed there are problems where employees are being kept on that perhaps don't deserve to be kept on, then let's address that problem and let's fix the legislation in that respect. Let's not leave this door open for I think a fairly significant abuse.

As the minister said, section 39, I believe it is, of the School Act is proposed to be repealed in Bill 8. I recognize that that discretionary power for the boards to provide health services may

have been put in several years ago to address a particular situation. Maybe that's expired, but I am somewhat distressed. When I spoke with a few health unit authorities, they weren't aware of this. There are some potential implications here, and I'm simply flagging this because I think we need to have some discussion about it. There are some potential implications here that the boards, if we take away their discretionary power to provide health services, will then provide no health services, which could include some of the occupational and physical therapy services that are now being provided to special needs children. That's a concern, and I'm anxious to hear more from the minister and the government on that particular concern.

It begs the larger question which is: what is appropriate for Education dollars? If the intent here is simply housekeeping and that's the total intent and total effect, then I'm not going to have a problem with it. If this is an attempt to try to streamline Education dollars being used specifically for education and the dollars from the Health ministry being used for health and the Solicitor General's being used for the Solicitor General, then I think that's a larger question. I think we need to address that one directly, if that's the question being addressed here, and not through the back door.

I am a proponent that the school is the place where we have the most contact with children. It is the place where it is most logical to deliver most services to children. I am, however, also a proponent that Education dollars again should be used for educating the child, and if we need health services to be provided in that school's context, then we have to get better co-ordination with the departments and at the local level as well to ensure not only policy is integrated but service delivery is integrated as well. I think we all know examples of this.

Mr. Speaker, the section that deals with the ability of school boards to charge user fees or to charge incidental fees: in principle I have some difficulty with that. I'm not going to oppose that, because we do have a situation in this province where dollars are tight. They're tight all over. We do know that there's been a court ruling that indicates that there needs to be some housekeeping of the Act. In the best of all worlds I believe very strongly that education should be accessible to all and there should be no user fees in education. I'm talking specifically of younger children. I don't carry that to the postsecondary level at all. We need to ensure that every child in our province has equal access: equal access without shame, without feeling guilty, or without having to beg for that access.

I understand the motivation for fixing up that section of the Act, and I'm willing to support that. However, the retroactivity causes me some major problems. When the Liberal opposition in the last session brought in some very responsible legislation to make pensions retroactive, I remember hoots and hollers from the other side of the House saying: you can't do things retroactively; you can't pass laws retroactively. I heard it repeatedly. I heard it in the media. I heard it in this Legislature, Mr. Speaker, over and over again. Several of the members on the front benches were the ones who said that you can't do it retroactively. If this is to cover fees that are already collected, then there's a case to be made. I'd like a guarantee from the government that no school board will be allowed to go back to a parent and say, "You now owe us five years of fees." That's what we want to avoid. Let's fix the problem, but let's not create another problem by doing that.

The last issue that I'd like to address that's covered in this piece of legislation is the home schooling and allowing private schools to supervise home schooling. I acknowledge the minister has indicated that he's willing to delay proclamation of that particular section of the Act, but I would suggest that that isn't good enough.

Mr. Speaker, we have a serious problem in home schooling in this province. We have an acknowledged problem in terms of the supervision and monitoring of that. We have a situation that was created through history, and perhaps some mistakes were made. However, we have boards hundreds of miles away supervising students that are seen maybe once a year. That's a problem, and we shouldn't expand that situation and potentially expand the problem until we're sure that we have policies and regulations in place that ensure that children, number one, are indeed being educated and, number two, are being educated adequately and cared for as well.

I think it would be much more responsible for the government to bring revised policies and revised regulations in. Let's let them work for awhile, and then let's see if we were right on the mark and that in fact we do want to expand. I might point out, Mr. Speaker, that I believe in 1992 during debate the minister, either the current or previous minister, indicated then that he would be willing to delay proclamation of that section pending a review, but here we are months later and we've just had the review announced. I suggest that we're going too far too fast.

With respect, after the situation with policies and regulations is addressed, we need to address the principle of whether we want to support an expansion of private education in our province. Mr. Speaker, I believe every parent has the right to choose education for their child within certain limits. I believe every parent has the right to send their child to a private school. However, I believe public dollars should be for public schools. We have a situation in this province where we have provided some funding to private schools or independent schools, independent schools that are called private in the Act. I can share stories with the Member for Lacombe-Stettler about some of the independent schools in that jurisdiction when I lived there. There are some very good and very responsible schools in the independent school system. I would never advocate rolling back the clock. I think the moneys that we've allowed to the independent schools – I'm willing to continue to support that and ensure that that stays. However, Mr. Speaker, to expand that, especially when we're short of education dollars, I think is a major, major mistake. The independent schools provide an alternative. They provide a choice to parents, but I believe that parents and communities who make that choice have a responsibility to bear some of the cost of that directly.

3:30

The equivalent, Mr. Speaker, would be for me to suggest that some public service provided by the city of Edmonton – I wish I could say my garbage, but they don't do that; we pay for that separately but perhaps my road paving or my street cleaning. I think it would be an absurd situation for me to perhaps be able to go to the city of Edmonton and say: "I know somebody who can do it better; I know somebody who can clean my street more efficiently. Therefore, I would like you not to clean my street. I'll do it myself, but I'd like you to give me the money to do it." That's the difference. If I want to say I'm going to do it myself, then that's fine as long as I'm willing to hire somebody to do that and not expect the public taxpayer to do it.

Mr. Speaker, the public school system in our province allows for diversity. I point to situations such as the Talmud Torah school in Edmonton, which is governed by the public school division in Edmonton and operates under the global umbrella of the public school division and therefore has teachers supervised by that school division. I believe that's how those differences should be accommodated: within that system. I can't stress enough as a parent how important I feel it is that children have a very clear sense of who they are and where they come from, both religiously

and in terms of ethnocultural background, but I believe that that can be accommodated within our public system. We should not be expanding private schools with public money.

Mr. Speaker, I have said publicly that there is potential money to be made in the home schooling situation. The problem is that there is no money to be made if the home schooling system operates effectively. I acknowledge that the review may address these issues. Where the money is to be made is when a school board or, after Bill 8, a private school actually collects the dollars from the government and provides minimal service in terms of support and monitoring to the child. That's where some of the major problems are in terms of having this program a potential money-maker. Let's straighten out the program. Let's have adequate monitoring and support for parents who are home schooling, because that is a viable option. There are situations where a child needs to be home schooled or where it's preferable, whether those be physical limitations, whether those be geographical or otherwise, psychological, et cetera. Let's ensure the supports are there, and let's fix the current system before we start expanding the home schooling to cover the private school system. When we get into committee and third reading, I will have more specific comments to make and some amendments, I expect.

With that, Mr. Speaker, I'll close my remarks and summarize by saying that there are some good things in this Bill and some things that I want to support, but by having a Bill that covers such dramatic differences, it places members in a very difficult position, because there are some problems with this Bill. I'll wait to see some answers from the government and from the minister and reserve final judgment till then.

Thank you.

MR. SPEAKER: The hon. Member for Cypress-Medicine Hat.

DR. L. TAYLOR: Thank you, Mr. Speaker. Let me preface my comments by saying I believe that because the Supreme Court has ruled, then I must support this Bill. Let me also make one other further preface, which is that I support parents' rights to choose. I support parents' rights to choose, whether they choose private schooling or whether they choose home schooling or whether they choose the public or the separate system.

However, I have grave concerns about this Bill. One, I believe that this Bill provides further fragmentation of the public school system. What we are basically doing is establishing another private school system, a Francophone private school system, and it's a further fragmentation, as I've said, of the public school system. I believe that we are in danger of ending up like many urban areas in the United States, Mr. Speaker, where the public school system in urban areas is only for the poor. The people who can afford it no longer send their children to the public school system in many urban areas. As a result, they have a second-class schooling system in many public school areas in the U.S. They spend less dollars; they get lower results. With further fragmentation of the public school system, like this Bill proposes, I believe we are in danger of moving that way. If we wish to establish another private school system, which we are essentially establishing, then that private school system should be funded like every other private school system in this province. We fund other private school systems in this province at 75 percent. I would encourage the minister to consider the possibility of funding this private school system at 75 percent, like the other school systems are funded.

The other concern I have with this is the "where numbers warrant" concept. "Where numbers warrant" is a very difficult issue. We have one district in Alberta right now trying to run a

program with 35 or 36 children. That, to me, Mr. Speaker, is not "where numbers warrant." "Where numbers warrant" must be where numbers warrant and it is economically viable. We cannot run schools or school systems in this province with 35 or 36 children or even a hundred children and have them economically viable. We are in a day of reducing expenditures in education, reducing dollars in education. To establish another school system that's going to run with a hundred students or less makes no economic sense whatsoever. So "where numbers warrant" must include an economic indicator. I would suggest that upwards of 300 to 400 students is necessary to run an economically viable school or an economically viable freestanding facility. I can attest that in small schools and districts that I am familiar with, it costs up to \$2,000 per child extra to educate students in small schools. So I'm very concerned about that concept as well where numbers warrant.

The other thing I would comment on with the Bill is the amalgamation. Amalgamation is a very good idea, but there is no incentive in this Act for any school board to amalgamate. I do not believe, on the whole, that school boards will amalgamate unless there's some kind of financial incentive to encourage them to amalgamate. I think that we need financial incentives to encourage boards to amalgamate where boards are of small geographic size and have a small number of students. So those two indicators I think are necessary: small geographic size and a restricted or a small number of students. In cases like that I think there need to be financial incentives for boards to amalgamate. There's no reason why we need superintendents in school districts with less than 300 students. Perhaps we should be looking at a number of 800 to 1,000, and boards smaller than that perhaps might need to amalgamate.

If we do these things, Mr. Speaker, we can save considerable dollars in education without reduction in services. Hopefully, I will at third reading stage bring forward an amendment to cover some of my concerns.

Thank you.

MR. SPEAKER: The hon. Member for Edmonton-Mill Woods.

DR. MASSEY: Thank you, Mr. Speaker. I would like to raise a number of questions related to the content of Bill 8. Before I do, I would like to revisit the history of school boards in our province. I think when we start tinkering with school boards, we'd be well reminded that they were created before municipal boards in this province in most districts. In the case of our own school district, it was created in 1892, some years before there was even a concern for the province. I think school boards are a level of government closest to residents, and I think that residents and citizens have an emotional attachment to school boards that they don't have to other levels of government. I think of my experience as a school trustee in trying to close a school as bearing witness to how intense that emotional attachment can be.

One of the questions I have is: are we creating another level of municipal government? I, too, say: if we are, is it a good thing? I think that the spectre of another level of government in the Edmonton or the greater Calgary region is not something that people would look to rather happily.

3:40

I, too, question what incentives there are going to be to entice boards to unite under divisional status. If you look back at the centralization of schools in this province, in rural parts of the province it wasn't sold to residents on the notion that there would be better education. Centralization was sold to them because they

thought there would be better highways to accommodate the buses that were going to be required for centralization. So I really wonder what the incentives are going to be here.

It seems also that the government is somewhat paranoid in its approach to school governance. If you look at the last School Act, there was a push to try to have parents more involved – those affected by decisions more in control of the decisions – with the institution of school councils and, in the case of Edmonton public, the previous minister mandating a ward system where there wasn't one. So there seems to be a bit of paranoia in terms of governance.

A second question I have is: what has been the experience elsewhere with superboards? I think Ontario has had some recent experience. If my information is correct, the citizens there feel that the superboards make their representatives even more remote than they were when local boards were in place. So I think that that whole notion of how those superboards, or the regional divisional boards, are going to relate to citizens and their concerns is going to be a real issue.

The third question I have has to do with the whole notion of "resident student." "Resident student" was in the last School Act, and it's carried into this Bill. The whole notion of a student being born into a school district, which is basically the resident student concept, is going to be even more difficult to administer under this Bill. Resident students right now cause school boards difficulties. Boards have difficulty identifying exactly who their residents are, because parents have to declare their religion, and I know in the case of one school district when that question was asked, a goodly number of parents refused to answer. I think the resident pupil notion presents boards with all kinds of difficulties trying to identify who their students are, and when it comes to fees, it's a horrendous exercise trying to bill other boards for nonresident students. I think that if we go back and revisit the whole notion of a resident pupil, it was put into the previous School Act for some rather questionable reasons. That had to do with the funding of special-education students. I still think, and I think a number agree with me, that we would be better off with the notion of students served and boards operating on the notion of the students that they serve, not those that are supposedly born in their school district.

I think one of the omissions in the Bill, something that should be looked at, is the whole notion that regional divisions are not going to be required to be geographically contiguous. If the arguments are that grouping boards geographically makes some sense, what happens to the economies of scale if you can have boards strung out or not even connected geographically? I think that there are some questions to be raised there. Also, I wonder how wise it is to allow wards to withdraw once they have been part of a division. I think if you look at our history with annexation of school districts in the urban areas, what would happen if one of those annexed areas today tried to withdraw? The kind of difficulties we have with capital assets that have been situated within districts and the whole planning of delivery of student services – it would be, again, a horrendous problem if one of those former boards tried to withdraw. I think this Bill is setting up for future boards the same kind of problems.

I'd like to conclude with a caution. It seems that the deeper the department and minister get into home schooling, the worse it's going to be. With that caution, I conclude.

Thank you, Mr. Speaker.

MR. SPEAKER: The hon. Member for Rocky Mountain House.

MR. LUND: Thank you, Mr. Speaker. I'd like to make a few comments, things that have been brought to my attention by many

of my constituents. The first area I would like to comment briefly on is the special-needs students. Many teachers are very concerned about the level of care that is needed in the schools, and I would sure hope that these amendments will assist in seeing that particularly the health needs are met not necessarily by the teachers but by those that are more qualified to give that kind of assistance.

The establishment of the regional boards I think is a very important issue. I believe the minister is certainly taking the right approach here by allowing it to happen as opposed to forcing the issue, because trying to marry two that wouldn't willingly co-operate I think is just sure to fail. I believe that probably down the way we're going to have to come up with some kind of incentives to see this happen. I'm not sure how willing those with a lot of means are to join with those that don't have the means, but certainly we're going to have to work hard. As my hon. colleague for Cypress-Medicine Hat mentioned, the structure that we have in place currently, where we have a number of superintendents and then the administration that goes with that serving a small population, makes absolutely no sense.

The private school issue. I certainly believe that parents should have the right, and I'm not too upset about the home schooling and the private schools that we have outside of the public system. I would never advocate that they should have the same opportunity of funding as our public school system, but certainly in the Rocky Mountain House constituency the private schools are doing an admirable job. The issue with the home schooling and allowing the private schools to supervise that instruction I think is a good move. I'm not sure that it addresses my big concern with home schooling, and that's where we have boards that are supposed to be providing that service hundreds of miles away from the student. I guess it's even more offensive when I hear the fact that these boards are paying to the parents fairly large sums of money. I think there are one or two things that are wrong if that's happening, and that's the case of either we're giving that board too much money or they're not providing the service that was intended for them to provide.

The last issue that I want to mention briefly is one that causes me major concern with this Bill, and that's the setting up of the Francophone schools. I know that the court has ruled that we have to do this, but certainly my constituents are really concerned. No one has ever built a province by having two separate languages, and English is the official language in Alberta. I really have a problem with it from that point of view. I think it's not going to be building; it's going to be divisive. If parents want their children to learn French, we have a very good French immersion program in this province, and that, in my opinion, should fill the bill. Furthermore, the cost of doing this in a time of restraint, the cost of setting them up and then the costs of operating are going to be prohibitive. So I really have trouble with this, but because it's the ruling of the court, and this government has always obeyed the law and we have to do it now, I guess I will simply hold my breath and hold my nose and vote for this Bill.

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

3:50

MR. BRACKO: Thank you, Mr. Speaker. Although there are some excellent and timely changes in Bill 8, I have some serious concerns about section 11, the repeal of section 39 of the School Act, which states that "a board shall provide the students attending its schools with those health services that the board considers necessary." The issue: who is going to provide these services?

Health is essential to the well-being and progress of any student. Without proper nutrition and health coverage, students are unable to fulfill their potential. This then wastes the tax dollar. At this time there is so much duplication of services, confusion of mandate, and turf protection. This is something I am sure all members of this Assembly want changed. We have the roundtables on health. Who is going to provide the health to the school system? Is it Health? Is it Family and Social Services? They also have health concerns and problems that affect our students. The justice system? Again, there are health concerns involved with this. So we have to look at the direction that comes from above. I guess what I see missing is the integration of services from all these departments.

As the values and norms in society have changed and are changing, the problems are also changing and becoming more complex. When I started in education 25 years ago, you spent your time teaching instruction in the class. This has tremendously changed. Instead of just being a teacher, you're a parent, guidance counselor, counselor, and many other roles that you have to play during the day. For example, one of the changes that have taken place in society: 25 years ago a single-parent family was the exception. Today a young child came home from school crying. His mother asked what the problem was. He said: "How come I have two parents? Everyone else in our class only has one parent." He was the exception, and it became stressful for him in this situation.

To provide a healthy community and healthy educational atmosphere, we can look back to our aboriginal people, who used the medicine wheel as a means of a balance in the complete person: where the spiritual met with the physical, and the intellectual also met with the emotional. All of these had to be in balance. As we see this, this also would continue over to the various departments: Health, Education, Family and Social Services, and Justice. Where's the balance in the provision of services, where we can eliminate duplication? Another example of this is the integrated student. Right now I believe the schools are funded to provide the health services of these students. Does this now go back to Health and to the health units, or does it remain in the schools?

Also, mental health: who provides for this? I know there are school counselors, but sometimes it's deeper. We need an overall strategic plan for this. My other concern in the delivery of health in this province is that there are 27 health units; however, within each health unit there may be three different mental health boundaries. So you're running around duplicating services. The social services boundaries may also differ within a health unit. The probation boundaries or the justice system boundaries may also be different.

There's a lack of co-ordination. There's a lack of being able to get rid of duplication and improve the system and co-ordinate these services. Again, the school districts may vary. There may be three or four different school districts in a health unit. It doesn't make for easy and efficient use of the co-ordination of services that are needed. I believe that an overall plan is needed. We need to get rid of the hit-and-miss lack of plan that is inefficient and costly. The technology is there. We need to use the latest computer technology and have the co-ordination between different departments meeting the needs of our students: education in the education system. I guess my question is: where's the plan for this? I'd like to see it. My constituents would like to see it. They don't want more changes made without making sure that the system is being made more efficient, not with more rules and regulations that will take away and hinder this process. So until

there's a co-ordinated plan, I have serious reservations about the repeal of section 39 of the School Act.

Thank you, Mr. Speaker.

MR. SPEAKER: The hon. Member for Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Speaker. Yes, I, too, would like to make a few comments regarding Bill 8. One of the sections in the Bill, amendment 17, deals with school construction. One of the curiosities about the Calgary-North West constituency is a school construction project, the Hawkwood elementary school, wherein under the previous Minister of Education a rather unique approach came about as a result of trying to solve the educational school needs of two communities, one being Hawkwood in the constituency of Calgary-North West and the other one being in the south end of town. That unique approach was that each of the communities got half a school, in a sense: half a school from the idea of a core school to be built and then surrounded by or added to by portables to bring it up to the total number needed in the community. The Hawkwood elementary school in Calgary-North West has now got its first half of the school I guess is the best way to describe it, in that the core facility is open, in fact is operational now. I'm wondering, under this proposal in here, what the plans are now for the second half of, I guess, both schools: the portables to be built in Calgary-North West and added on to the Hawkwood school and the core school in the other south end of town. It's a rather novel approach, because there are two areas of the city of Calgary that are growing very rapidly, that being the northwest corner in my constituency and the south end down in the south end of the constituency.

MR. JONSON: How does this relate to the Bill?

MR. BRUSEKER: Well, it relates to the Bill because amendment 17 talks about adding on, doing an addition to a school. I'm wondering if the addition to the school is in fact going to occur under this particular Bill. So I'm putting that forward to the hon. minister in a sort of a question form, even though it is in second reading stage.

Mr. Speaker, the Member for Cypress-Medicine Hat talked about parents needing the right to choose, and I agree with that concept. I think that's the right way to go, but there are some issues of concern, at least to me as an educator for 10 years, with respect to home schooling here. The issue here that I'm concerned about, I guess, is accountability. I'm wondering how the minister is going to ensure that accountability with respect to home schooling does occur, because the amendment we see here allows for accredited private schools to also do the monitoring of home schooling situations. The Member for Cypress-Redcliff talked about fragmentation.

DR. L. TAYLOR: Cypress-Medicine Hat.

MR. BRUSEKER: Cypress-Medicine Hat. Sorry. The old constituency was Cypress-Redcliff. My apologies. Former name.

The member talked about fragmentation, and I'm wondering with respect to home schooling if the minister has looked into whether or not there is an increase in the number of home schoolers, I guess, for lack of a better phrase, in the province of Alberta. If there is, I'm wondering why that is the case. We hear many people expressing concerns about the public education system. By public education I mean both the public and separate systems because those are both public systems. I'm wondering, if there is an increase in home schooling, why we're seeing that and what the

minister is doing to address it. I'm not saying we should take away the right of parents to home school their children should they so choose, but I think it is a concern, and I'm concerned about private schools, accredited or not, being the monitors of what's happening in the home schooling situation.

4:00

Much of what happens in our schools in addition to the educational aspect of things, and also an important side of school, is the social aspect: how does your child interrelate with others in his or her classroom? I guess in a sense what this Bill seems to do is promote home schooling. It seems we are going to be fragmenting our society more and more. One of the things schools can really promote simply by bringing children together in large numbers – several hundred, as in most of the schools I've had the opportunity to teach in – is bring kids together from different parts of the world with different linguistic backgrounds, with different religious backgrounds, all of which, Mr. Speaker, helps to promote understanding that there are differences in the world.

A promotion or increase in the amount of home schooling seems to me to be the wrong direction to go, so I'm wondering if the minister has looked at that particular issue. I'm wondering also: if he has, what particularly is going to be happening to try to persuade more parents to put their kids into the public school system? I don't think we want to see a decrease in our public school system, because they do a terrific job across the province.

Mr. Speaker, I do believe parents should have the right to make their choice whether it's home schooling or private schooling for that matter, but I guess I'm a little concerned that if we see an increase in home schooling, particularly in some of the more remote areas, the supervision alluded to in this Bill may in fact not be sufficient to ensure that the educational product, if you will – if I can describe it that way – that is being offered to these children is in fact adequate, appropriate, and in sufficient hours. I'm sure the minister is well aware of the time commitments schools are under, that they must offer X number of hours, for example, of language arts instruction and Y number of hours of science, math, social studies, et cetera. I'm concerned that kids getting their education at home may in fact not be getting sufficient instruction to really prepare them to enter into higher grades.

With respect to home schooling, I'm wondering also if the minister has looked at the ages of children that are being home schooled. Are the majority of children that are getting home schooling elementary age? Are they junior high school age, are they senior high school age, or is there a pretty even distribution across the spectrum? I'm sure the minister is aware that as a child progresses from kindergarten and the early grades through to the high school grades, the level of technical expertise required by the parents, or by the instructors, I guess, becomes much more onerous on the instructor. I'm sure that any teacher who thinks back to his or her first year or two teaching a new course recalls very clearly sometimes when they're just a page or two or a chapter or two ahead of the students themselves. Now, if you have a parent trying to teach a grade 12 student all levels at the 30 level of instruction, it seems to me it becomes very difficult to offer a quality product to the child. I guess I'm expressing some real concerns about that.

Mr. Speaker, one of my colleagues from St. Albert, I think it was, raised an issue of concern regarding repealing of – I forget the exact section; it's 39 in the Act, if I recall correctly – health services considered necessary. That section is now repealed. I think back to my teaching experience wherein school boards and teachers in the classrooms were being required to do more and

more and more things for the students. The fact of the matter, of course, was that levels of expectation were increasing beyond reality. So I think this is a step in the right direction, Mr. Minister. I think teachers and school boards and schools need to focus on education and not health care delivery, because of course teachers didn't get into education to be health care providers. But it does raise a question, and there are some students that do need health care services. It's one thing to say in this piece of legislation that that section is being repealed. Is it being taken up by some other health care service provider, I guess, for lack of a better phrase, so that children that have special needs – whether they are hearing impaired, visually impaired, or anything else – are going to be able to get the level of education they've had?

So, Mr. Speaker, there is no doubt that sections of the Bill are definitely a step in the right direction and an improvement. I think there are other areas where there are a number of questions, which I hope the minister will address in his closing comments when he gets to them.

Thank you, Mr. Speaker.

MR. SPEAKER: The hon. Minister of Municipal Affairs.

DR. WEST: Yes, I would like an opportunity to address this Bill, also. I add support to areas of this Bill, but with caveats. I've just listened to comments about home schooling from the Member for Calgary-North West, and I have to say I agree with him. I want to add to the record also that I support home schooling in the direction it was intended to go many years ago. I want to also say that I totally, unequivocally support the public school system.

In this highly complex society we have, many of us, although we may have taken the direction to home school, do not have the time or necessarily the capabilities for teaching our children at home. In order to keep the fabric of this society going, we must have a public school system we can direct our children to. Originally home schooling was made for those that perhaps could not consistently access the public school system. Perhaps they were in the armed forces; perhaps they were traveling across the country in the Royal Canadian Mounted Police; perhaps they were in isolated areas doing other services for this country; and perhaps they were in locations that would have made it inconvenient to travel to access the public system at the time and had life-styles that made it better if they could home school.

What I see today is a direction – and I hope this Bill doesn't augment that direction – that perhaps would promote home schooling at the expense of our public school system and therefore jeopardize many citizens of this province in outlying regions, jeopardize their access to the public school system. After all, if you do not have enough students to support a public system and long distances to a public school system, school closures may indeed take place. So I'll end on that comment, just saying that I have concerns that home schooling is left for self-determination and right to individuals and does not become a replacement for the public school system. If the public school system has problems, let's work together to correct those rather than just siphon off students at the present time because we can't fix the public school system.

The next issue in this Bill that I'd like to address is French language rights as addressed under section 23 of the Charter of Rights. It is law today. Therefore I'll support this Bill with the caveat that I don't believe what we did under the Bugnet report in that decision was right, but we are complying with the laws that are set out in the Charter of Rights today. Any time you start to isolate special interest groups within our society and give them special rights over and above the mass or the majority, you start

discrimination in itself. When I went to school back in the '50s, I accessed total French language education. It was in a public school system. The courts of this land could have addressed that and could have directed French language education for those that wanted it in immersion within the public school system, but they didn't. They again isolated small percentages of our society, almost, I think, to discrimination, and gave them rights that not only would again stress the public school system, as I was just saying in home schooling, but also would stress the economic fibre of this country and its educational system.

I trust, like other people here have said, that this Bill does not jeopardize the public system. But I'll watch with a wary eye a court decision that I think didn't bear witness to where this country is going. We had a referendum in this country that was a statement in some sense on duality and where we wanted to go, and it was turned down. It was turned down. I wish the courts would look at that as a social direction for the future and understand that the statement made in that referendum was to look at the French language issue, the duality of this country, and not to split this country any further by segmental rights.

4:10

The next area I would like to address – and I don't want to take much more time – is school board amalgamation. We have some tremendous problems evolving in this province where the numbers don't warrant keeping a school open in rural Alberta. School closures are causing tremendous stress not only on the tax base to the landowners in order to sustain a public school system but also on the distances students have to drive.

[Mr. Deputy Speaker in the Chair]

I have in my own constituency a concern. A school closure was in force, but the corridor of life for the parents and the students wasn't in the direction the children would have had to go. Therefore, they chose to go to schools north and south where they do most of their business. But it wasn't in their tax base; therefore, they did not have tuition to go to these other schools. For a period of time they accessed these other school jurisdictions, which didn't charge tuition. Now the other two jurisdictions, because of stress economically and because they can't put any more taxes on their ratepayers to accommodate any more students coming to their schools, have effected some large tuitions of some \$2,200 a year and another one of \$1,200. What are these parents supposed to do now, some of them with three or four children? Pay this money, maybe \$8,000, or go back to the school district they have and get on a bus and travel outside their corridors of life to a region they do not wish to take their students to? Yes, by law, the school jurisdiction there that isn't paying tuition is within their rights. But looking at the decrease in population of students in that whole corridor, I wonder if future amalgamation wouldn't be a benefit to the students, the parents, and our society.

We are going to have to let up the turf, folks. We're going to have to start looking across the borders in our school districts and our taxation districts and giving up, letting go, and amalgamating some of our school boards and school districts and doing what's right for the citizens of this province: delivering them commonsense schooling consistent with their corridors of life where they do business, where they live, and where they pay taxes. I trust this Bill is strong enough – and I've heard that here before – to make those school boards and jurisdictions come to their senses and either follow the student with tuitions or change the boundaries by amalgamation or discussion with those local boards beside them. I don't know that it is, but I know that before we go

into the 21st century, we'd better address that or we're going to have some open conflict between our school system, our elected representatives, and the people who pay the taxes in this province.

Thank you.

MR. DEPUTY SPEAKER: Redwater.

MR. N. TAYLOR: Thank you, Mr. Speaker. I've heard some very good debate this afternoon on both sides of the House. It's almost as if it were an open issue without a Liberal or Conservative side to it. All the ones who spoke previously, even though I may not agree with them all, should be complimented because they put their points forward very articulately and certainly with a point of view that needs to be said.

I want to touch a bit more on something that hasn't been touched on too far, the Francophone education. I have a large Francophone community in my constituency. In fact, in my constituency some of the public schools are really separate schools somewhere else. In other words, they are Catholic public schools, and some schools did have French education. We have a problem with Francophone education because we have such a deeply installed and committed immersion program. There's a feeling that the immersion program suffers when Francophone education comes in because it takes the seed or what's going to keep the immersion program of high quality and moves it over to the Francophone area.

I think it's wise to also remember, Mr. Speaker, that as part of Canada some years ago, in order to avoid us sliding off into the American embrace, we did put together a school system where both languages had to be honoured. When one stops to think – and I'm not right up to date on my figures – that there are as many English-speaking people in the English-speaking system of Quebec, in other words the minority, as there are English-speaking people in the majority of Alberta, we know what a big issue we're talking about. It's a quid pro quo. I'll agree, they don't always live up to their end of it, but I'm sure on their side we haven't lived up to ours either. I think it would be ridiculous to classify Francophone education over private schooling or other types of challenges we run into in our public school system. In other words, Francophone education is part of the public system; it is not something off. I think that's something to remember. I've heard people moan about the courts and the referendum. I've just come back from a parliamentary conference with the Speaker, as you know, Mr. Speaker, and it depended who you were talking to. I think there were a hundred and ten of us there, and I believe there were a hundred and ten different reasons why the referendum failed. Each one picked their own reason. Some people may think it's Francophone; others, the other area.

But the fact that this government has finally approached the Francophone issue: I appreciate that, and I commend them for it. However, I would like to see a little more explanation of just how it will be financed, because he who pays the piper plays the tune, Mr. Speaker, or so it has been for some years now. Secondly, how do the Francophones get governance? How do they get their input in? Are they going to rely on members like the Minister of Municipal Affairs, his kindness, to decide what should be good in Francophone education? Just how are we going to set up governance? Just what input will the Francophones have, and how will it be taken out? There may even be some Conservatives they could put on a Francophone governing board, but there may not be. There should be some way they shouldn't have to owe their allegiance or their governance to which hand they kiss or how often they kiss it. It would be nice to think they had some input themselves.

One other area. I know the minister is a good-thinking person and thinks things over quite deeply. I notice that in the Bill he touched on – and it bothers me a bit – native education. The highest percentage of our native children now are not on reserves. They are coming out of our cities, Calgary and Edmonton. Input in the way the system is structured – I think native input is depending too much on charity rather than the actual rights that they have. Because there again, we made a deal. We made a deal way back in the late 1800s. We said, "Natives, we'll take all your oil rights, we'll take all the good farmland, and you can have all the hunting rights and the poor land up in the mountains." Now we're wondering whether we did that smart a deal. We want to switch it around a little bit, especially our moose hunters. So the question comes in here that we have a high input and we agree to give native . . . One of the treaty rights natives acquired was a symbolic right, expressed at that time with bullets, and methods to keep their living style going. But that living style today in the 20th century may well mean education and does mean education, a lot more than the natives got at that time. I think that was the thrust behind the native treaty: that they be given the ability to earn a living and keep up. We talked about a plow in those days, not a mule – I think mule is down east farther – and we talked about some horses and talked about some grain and talked about some bullets and flour and salt, if they needed it, but today all those things can be equated into a method of earning a living. I don't see it touched on here. I'm just wondering if the minister has done any thinking here, because that's a huge minority we have developing in Alberta, and it lives in our cities and towns to a much greater degree than out on the reserves.

I know there are other people that would like to say more, so thank you.

4:20

MR. DEPUTY SPEAKER: The hon. Member for Clover Bar-Fort Saskatchewan.

MRS. ABDURAHMAN: Thank you, Mr. Speaker. I also have a concern with regard to this Bill. I have to agree with the Member for Vermilion-Lloydminster and also the Member for Cypress-Medicine Hat that we could see further fracturing of our public school system. I reflect back to 1968 when I arrived in the province of Alberta with a family of four and my husband and found it incredible that we had such a credible public school system. Indeed, we did not have any class system like we'd left back in Britain. Unfortunately, since 1968 many things have happened to see a fracturing of that public school system.

Certainly the courts have decided with regard to Francophones, but once again the economic reality has not been addressed. I would suggest that wherever possible we have to look at the economics of setting up a separate Francophone system where it can be incorporated within our public school system – and I certainly have grandchildren that are in French immersion – or indeed the children being taught outside a French immersion program in a purely French language I think should be considered within our public school system, looking at economics.

The whole accountability with regard to public expenditures once again has to be looked at when we're looking at home schooling. I would also agree with the Member for Cypress-Medicine Hat. The way private schools are funded at the present time should not change. In other words, I don't see us going to 100 percent funding. I think then we will once again have some accountability. I also question whether the private schools should be doing the supervision for home schooling.

An area that I don't believe has been adequately addressed, Mr. Speaker, through to the minister, is when we're looking at regional authorities. Something that's disturbed me deeply is the division that has been created throughout our county school system. This has not been addressed, and it's been an ongoing problem. I know from past experience that when Fort Saskatchewan was looking at becoming a city, it became an obstacle in achieving that, because at that time the County Act didn't allow for a city to be part of a county school jurisdiction. We lobbied for amendments to the County Act, and that was achieved, but unfortunately it has not addressed the ongoing conflict. I know that the minister is aware of some of this ongoing conflict between the municipal jurisdiction and the large school trustees that are elected. I don't think that issue is going to go away. In fact, I'm gravely concerned within my own constituency that the resolution being suggested in some quarters to the ongoing conflict in the county of Strathcona school board is that Fort Saskatchewan look at its own jurisdiction. This would go contrary to regional authorities. We have a regional authority there at the present time, but because of that ongoing difference of opinion – and it's been going on, I would say, for 15 or 20 years – it has not been adequately addressed. I think, further, that we will see division happening, and that's not what we want at all.

Speaking to health, we have to be quite clear who's going to pick up the cost of health-related areas within our educational system. It's certainly been an ongoing problem and one that is causing our educators extreme difficulty. We addressed speech therapy a number of years ago by putting it within the health units of the province of Alberta solely. But indeed, it didn't really address the problem, because what we're still seeing in that area is the ability to diagnose but not treatment for these unfortunate students on an ongoing basis. When we have one-on-one support having to be given, whether they're physically or mentally disabled or handicapped, coming out of our educational funding, that's a further weakening of our educational system. We can't allow that to continue.

We've also seen the inability of, I would suggest, our educators having authority within the classroom for disciplining. We look at our whole social fabric, and unless that is brought back where we empower our educators, I see our whole society being weakened further and further. I would urge the minister to be quite clear in the ongoing discussions on Bill 8 as to who will pick up the health costs within our educational system.

I would also suggest that within our Justice budget, rather than passing the responsibility to the education system for looking after mentally disturbed children, where often they're supervised on a one-to-one basis, that really, truly is a clinical area. If it falls within the young sex offenders Act, that's where it should be looked after. Then these young adults or young adolescents would get the clinical treatment required but at the same time be allowed to participate fully in the educational system with no cost to the educational system, because that's not where the cost belongs.

I think the thing we have to learn when we're looking at regional authority – and it goes back to the hon. minister, the Member for Vermilion-Lloydminster – is we've got to learn the art of compromise in doing what is right for all Albertans. This gets back into your tax reform commission and looking at the best utilization of our education dollar.

Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: Calgary-Egmont.

MR. HERARD: Thank you, Mr. Speaker. I'm pleased to rise in support of Bill 8 passing second reading. I look forward to the

debate in committee to debate many of the issues that have been raised by both sides of the House.

I'm pleased that the Francophone governance issue will finally comply with the wishes of the Supreme Court, not because we particularly have a need to comply in terms of the history of Francophone language instruction in this province – I think we have a very good record of Francophone language instruction – but because it brings us in line with the court decisions. In terms of the history of French instruction, I have first-hand knowledge because I am a Francophone and was educated completely in French but as part of an English public system. Now, the hon. Member for Leduc will know that the little hamlet of Beaumont, where I lived when I was growing up, was part of an English public system, yet we had a separate French school, and it worked very well. There was no need for a separate Francophone board; everything was running very smoothly. As the hamlet grew, more English-language people moved in, and pretty soon we had a bilingual school in place, a public, bilingual school. So we had the best of both worlds. There were no problems. Every once in a while, maybe every 10 years or so, some groups of militants decided that maybe a separate board should be in place. But every time that happened, the people voted it down because there was no need for a separate board. The system was working just fine, thank you.

So what I would say to my fellow Francophones is: just because you now have the right to have your own school board, do you really have the need to have a separate board? I would urge my fellow Francophone friends to look very closely at what exists today to see if it doesn't in fact work very well for them. I'm confident that in these turbulent times, in terms of financial restraint and so on, people will look at all these particular options and won't simply run to create a new entity that is not needed.

Thank you very much.

4:30

MR. DEPUTY SPEAKER: Edmonton-Meadowlark.

MS LEIBOVICI: Thank you, Mr. Speaker. I, too, would like to speak to this Act and would like to indicate that I have some concerns with the Act.

When we look at the various sections, one of the sections that does jump out is in terms of Francophone education, and this is an area where the Francophone community has been waiting for a long time. I'm surprised that the arguments we are hearing today are still in place. We are talking about section 23 parents, and these are parents who are afforded the opportunity for Francophone instruction under the BNA Act. This is not something that we can just wish away. It is not something we can say would be nice but . . .

I think that when you look at the chronology of what's happened in this particular Assembly, this is an issue that's been going on since 1990, and the government has repeatedly said they are going to put in place legislation that will cover the issue of Francophone education. I'd also like to make it clear that when section 23 parents are talking about Francophone education, they're not talking about immersion. They are talking about education where their children are not competing with children who are learning English. These are Francophone students that we are talking about.

Again, if you look, there was a working group in 1991, and there were recommendations made. There was a throne speech in March of 1991 saying that "my government will . . . amend the School Act to recognize minority language education rights." In May of 1991 there was a working group. I don't intend to

bore anyone in this Legislative Assembly, but I would just like to bring the point home that again this is not something we can wish away. This is something this government has consistently said they are going to pass and that there would be two regional authorities, one for the Edmonton area and another for the Peace River area. In June of 1991 the hon. minister of finance again tells the Legislature that the government had hoped to introduce legislation in this session, but it's not possible. May of 1992, again: We're going to introduce legislation concerning Francophone education. In April of 1992 the then Premier indicated that Francophone legislation would be introduced. June of 1992 - I'm sure by now we're getting the picture. Here we are; it's September of 1993 and Bill 8 is introduced, and Bill 8 is a bit different from what Bill 41 was at that particular point in time.

There are other areas that I have concern with as well in terms of Francophone education, and I'm going to skip to the section that deals with employees. One of the things I have heard from parents is that their best teachers are being swayed away from the current Francophone schools. The reason that's happening is that there doesn't appear to be anything in the legislation that allows for those employees to be protected. What we're seeing is a situation much like we're seeing with the Alberta Liquor Control Board and that potentially we may be seeing with other areas of privatization, and that is the fact that there is not the ability to have the provision that employees of one board are recognized as employees within another board. In other words, it's the ability to have successor rights, and that is something which is in our Employment Standards Code, which is in our labour code right now. For some reason this government seems to forget that it's there. So to my mind this is a real issue: that the employees of dissolved boards may not become employees of the new boards.

When we look at the issue of health - and several members have spoken to that issue - at one point in time I was a school social worker. That meant I dealt with various professionals in the school system. One of the professions that I felt had a large role to play was the public health nurse. I don't know how many of you here will say that you are old enough to remember those days when the public health nurse gave you your shots, when the public health nurse looked at your ears to make sure you could hear, and when the public health nurse was the one who screened so that you could see. This is one of the areas where I'm not sure - and perhaps the minister will let us know - what exactly it means when he says that section 39 will be repealed. I understand the cost implications, and I know that those cost implications may have to move into another area. The question is: will those services continue to be provided? Will those services be expanded as well?

One of the things the public health nurse does do within the school system is look and find whether children have been abused. Again, as a former school social worker in one of my past professional lives, that was something the public health nurse did bring up and could see, because the children would end up being sent to that individual. She would be able to see whether there were signs of potential abuse. That's one area that I would be very loath to see there would be no jurisdiction over. I think it's a grave concern, especially with what we've seen with the child advocate's report that's come out recently.

In terms of home schooling, I too believe that parents should have the ability to teach their children at home if that is what they wish. I too, however, believe that if we are looking at having the private schools supervise that, the government may in fact be abdicating some of their responsibility. This is a responsibility that I think should remain within the public sector and not be moved into the hands of the private sector.

I think in terms of retroactivity, we have seen in the Legislature in this sitting that there are problems in terms of parents who are unable to pay. Again, this section seems to say that nonpaying parents may be faced with as much as five years' accumulated fees. I don't know if that is what the intent of that particular amendment is. I think if that is the intent and given the fact that we are seeing today that there are many parents who cannot pay for this year's fees, how can a parent be reasonably requested to go back as far as five years?

This government has continually said that the school system should be accessible and the school system is accessible to all children. I think by putting in an amendment such as this last one I was referring to, that could indeed be a problem.

Thank you.

MR. DEPUTY SPEAKER: The hon. Member for Wainwright.

MR. FISCHER: Thank you very much. I noticed you looked at me with a little bit of a frown, but I would just like to stand and go on record as being very reluctant to support Bill 8, even though I realize that in order to uphold the government's credibility, we do have to abide by the court decisions and abide by the law. We can't expect anyone else to abide by laws if we don't. I do say - and it's been mentioned and said many times here today - that there are a lot of things that maybe the dollars could be spent on rather than expanding our system. I truly believe that somebody must tie some dollars to the cost of putting our French school boards into place. Possibly it could be addressed at committee stage with some amendments, but I would just like to go on record.

Thank you.

4:40

MR. DEPUTY SPEAKER: The hon. minister in summation.

MR. JONSON: Thank you, Mr. Speaker, and I'd like to thank all the hon. members that participated in what I certainly feel was a good and thorough debate of principles of Bill 8 and also quite a number of other topics as well.

I will try and centre my remarks, Mr. Speaker, on the remarks that were made during second reading debate on what might be said to be principles within the Bill. I, however, also certainly recognize that there are a number of specific questions with respect to specifics within the amendments, which I would like to elaborate on in a bit more detail during Committee of the Whole.

First of all, with respect to student fees. I recognize that in this debate this afternoon, Mr. Speaker, many people have commented on whether there should or should not be student fees and the extent to which there should be fees. The point of this particular amendment is that for a long time in the School Act there has been reference to fees, but because of a court decision of a short time ago, the question of whether it was the student or the parent or who it was that was responsible for the fees was raised. This is just to make it clear that the parent of a student is responsible for paying the fees.

Secondly, I'd like to refer to section 39. I think that here, Mr. Speaker, hon. members have certainly raised some valid concerns with the whole area and, first of all, for the need for co-ordination in our school system with respect to departments and community services. That has been recognized by the government. We have our pilot projects in community co-ordination that are ongoing right now, and I hope we can report some progress with respect to that initiative. Other local communities are looking at this on their own volition, and I commend them for working in this direction.

So I fully acknowledge that we need to work harder in that particular area.

As I indicated in my opening remarks, Mr. Speaker, with respect to the relationship between Education and Health, the two departments are working on defining the areas of responsibility there. I know that Health is certainly looking at being sure they would be providing health services to students that would be equivalent to health students if the student was in the community or at home, so that is certainly recognized there. However, subject to debate in committee, we feel it is very, very important that we clarify, for instance, that schools are not equipped to get into the areas that would be the normal purview of the doctor or of the nurse unless those particular services are available. This particular section of the Act is leading to considerable problems at the present time in terms of what can be guaranteed under that section of the Act.

I'd like to comment on private schools and home schooling. There's been considerable debate with respect to the whole area of home schooling, the need for a look at the regulations that pertain to home schooling, and some very good debate I think upon the view that members have of the philosophy that is or is not involved in the establishing of a home schooling program. But there are two points that I'd like to make with respect to this Bill. First of all, the existence of home schooling in the province is a fact of life. We have a court decision of a fairly short time ago, at least in terms of judicial decisions, which was clear on two points. One was that home schooling is something that must be a choice for parents. Secondly, it stated that the provincial government, being the level of government in Canada ultimately responsible for education, has a compelling interest to be involved in supervising the overall home schooling situation.

In Bill 8, Mr. Speaker, the change that is proposed – and it was clear that this was the intention of the government going back to the beginnings of this particular set of amendments to the School Act, and that decision was made after weighing the viewpoints on this particular topic. It was the decision of the government to put into proposed legislation the provision that duly accredited private schools which are supervised by Alberta Education would be able to become a supervising jurisdiction with respect to home schooling. I think that with the proper overall revision to home schooling regulations and the sense of responsibility that I feel our private schools have, this particular provision should work well and meet the concerns of hon. members.

Mr. Speaker, with respect to the amalgamation of school boards, here I've found the debate certainly an education for me, because I hear a number of different proposals or suggestions being made. One is – and I think many hon. members made this point – that, yes, this is voluntary amalgamation; however, what should be the next step? What is going to be the incentive? Well, I would hope that the first and foremost incentive would be the fact that in many parts of this province amalgamation has the promise of improving the quality of education for students. Secondly, it has the promise of providing for monetary savings. In these times, those two things going together should be a pretty powerful incentive to bring about amalgamation. But I do recognize . . . [interjections]

MR. DEPUTY SPEAKER: Order. Order. If we could let the minister continue without interruption. Thank you.

MR. JONSON: I do recognize, however, and certainly will take under consideration the points members have made with respect to perhaps there needing to be a step beyond the provisions of Bill 8 with respect to either some other legislative change with respect to encouraging or providing for and ensuring amalgamation or

some type of very strong financial incentive or disincentive if it does not occur. However, that would have to be weighed very, very carefully, Mr. Speaker. I think in the debate that will go on beyond this Assembly in the roundtables and other meetings, the government will be listening very carefully to the trend of that particular debate and considering the direction that may be needed.

Finally, Mr. Speaker, I would like to refer to the Francophone education section of Bill 8. First of all, it is a decision of the Supreme Court. I'd like to just go on a little bit further, because there was a reference the hon. Member for Calgary-Egmont made, I think a very good overall description of the situation as he's experienced it. With respect to the specific school jurisdiction he referred to, it's interesting that in a recent Manitoba court decision it was very clearly decided that it was not a decision for the majority of the minority, with respect to exercising section 23 rights with respect to Francophone education, but it was a decision even for the minority of the minority. So the court decisions have become quite definitive with respect to this particular topic.

Mr. Speaker, some members have expressed reservations about the extension of governance in Francophone education, particularly, as I understand it, given the times of financial restraint that we have to face. I would like to just reflect on this for a moment, and that is that we have a parallel situation in Quebec. Recently I was glancing over an article where it appears that the government of Quebec, which is now as one of its initiatives going into a linguistic division as far as school jurisdictions are concerned, is as well struggling with the appropriate governance structure. I noticed in a very recent article that they, too, are beginning to consider what "numbers warrant" is going to work out to be. So it is not a challenge unique to Alberta; it is one facing Quebec and other parts of the country as well. It is part of the Canadian fabric that we are going to have these particular challenges to meet with respect to education and many other issues.

4:50

Finally, there were questions raised on the issue of Francophone education dealing with financing, assets, the place of federal funding. Mr. Speaker, perhaps it will suffice to say at this particular point in second reading that there is a federal/provincial agreement pending with respect to sharing in the costs of financing Francophone education, and I will elaborate on those to a greater extent in my introduction to Committee of the Whole.

Thank you.

HON. MEMBERS: Question.

MR. DEPUTY SPEAKER: Do you have a motion?

MR. JONSON: Mr. Speaker, I did move second reading of Bill 8 at the beginning.

[Motion carried; Bill 8 read a second time]

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

[Mr. Tannas in the Chair]

Bill 5 Financial Administration Amendment Act, 1993

MR. CHAIRMAN: Any comments, questions, or amendments? The hon. Member for Edmonton-Whitemud.

DR. PERCY: Thank you, Mr. Chairman. I'm rising to discuss the amendments that were passed on Tuesday the 21st and to bring forward yet another amendment. I want to lay out in some detail why I am subjecting us to this, because I think that it is very important and there are fundamental issues at stake here. I'm going to walk you through some of the issues very briefly and lead you to the same conclusion that I reached, that there is a need for an amendment here. So please bear with me. I would appreciate it.

The Financial Review Commission on page 29 in its report mentioned that one of the recommendations was to strengthen control over agencies and funds. You'll find this on page 29. Basically what the Financial Review Commission said was:

The regulation and accountability of all government-owned, funded and controlled corporations, funds, boards and agencies (including those with 50% ownership or more and all educational health care institutions) should be made consistent. The financial activities of these organizations should be controlled and coordinated wherever possible through the Treasury Department.

Now, those are laudable objectives. We do need greater disclosure. We need far greater accountability. What I'm going to suggest to you is that in hindsight when we look at these amendments, we've gone beyond disclosure and accountability. We have now entered into the realm of control, which I believe eviscerates and undermines the autonomy of these duly constituted boards. That is the case I'm going to make to you.

The Bill was introduced, and subsequently the Provincial Treasurer brought in amendments to that. It's somewhat surprising that after a Bill is introduced, it is the government side that brings in amendments rather than the opposition side. These amendments seem to have been brought in in response to a letter from the Auditor General, Mr. Salmon, to Mr. MacNicol, the Deputy Minister of Executive Council, regarding salary restraint. I'll just quote through two paragraphs from this letter that I believe has been distributed. In the letter the Auditor General says:

I believe that the autonomy given board-governed institutions was never intended to result in diminished accountability for the use of public money. The following recommendation is designed to improve public information about the use of public resources, thereby contributing to more informed decision-making.

It is recommended that the government require each board-governed provincial organization to include a note in its published financial statements which provides such information as is necessary to understand the benefits, including salary, provided to members of the board, the chief executive officer, senior management, and other employees.*

This is laudable. It ought to be law that we have complete financial disclosure as to who is drawing what and the perks included. It was very clear from reading the Auditor General's recommendation that he was concerned with the issue of financial disclosure and thereby accountability.

When we look at the amendments to Bill 5 that were brought in by the hon. Provincial Treasurer on September 21, 1993 – you will recall these. It's a one-paragraph outline with no annotation as to what it does. If you go through them in some detail – again, I'd like to do this to give you the context from which I'm coming – it's interesting. Basically the amendment says:

Section 2(5) is amended by striking out "sections 18.1, 76.1 and 81" and substituting "sections 5, 6, 7, 17(3), 21.1, 76.1, 77(2), 80.1 and 81."

Now, when you go through those in detail, what you find is that by and large what these amendments have done – and it was carried in voice vote – is sensible. Section 6, for example, ensures that provincially controlled organizations will now be

required to submit pertinent information to the Treasury Board in regard to the performance of its powers and duties as an organization. This certainly enhances and proves accountability to the taxpayer. Absolutely no problems with section 6.

Section 17(3) is also a good amendment. Section 17(3) requires that these organizations now will be required to furnish financial statements to the Provincial Treasurer on request. This is 17(3). These financial statements would be filed in the public accounts and would present such information as financial position at a particular date, result of changes in financial position, statement of accounting policies, and other information the Provincial Treasurer may require. Again, financial disclosure is really enhanced by 17(3). There is no doubt that we need this.

Section 81 would ensure that these organizations would only be able to borrow money and incur debt with the approval of the Provincial Treasurer. Once again I suspect, you know, that this is an amendment we have to support wholeheartedly.

Section 80.1 would ensure that these organizations could not be dissolved, liquidated, or wound up without the approval of the government. It would also prevent the incorporation of new organizations without the approval of the government. Again, in light of what we've seen with UniCare, in light of what we've seen with some of the other types of entities that have occurred out of publicly funded hospitals, this is something we must support.

Section 21.1 I support as well, though with some reluctance. Section 21.1 now allows for net budgeting provisions, would allow the establishment of revolving and regulated funds, and would also require these revolving and regulated funds to report to the Treasurer. That way we could keep track of what was occurring, and we would not see the type of fiasco we saw with UniCare, where the income from a revolving fund was used to finance a business entity at the expense of funds that ought to have gone into operating. So I support that.

5:00

What I do worry about, and of course is something I've mentioned before, is the incentives that arise out of net budgeting are a bit perverse. I think all funds should go to the Treasurer to be allocated as required and that entities should be able to set their user fees independent of where the revenues go. I don't want to debate that point now. However, this is where I have concerns, and this is where the amendment that I'm introducing has force.

What I'm concerned with is section 5 and section 7. If you look at the other sections of those amendments, they do not require section 5 and section 7. Section 5 states that "the Treasury Board may formulate general management policies relating to the business and affairs" of these organizations and ensure that these management policies are carried out. The government through order in council may "order, amend or revoke" any action of the Treasury Board.

Section 7 states that

the Treasury Board may make regulations and issue directives that it considers necessary in connection with the exercise or performance of its powers and duties under this . . . Act.

Sections 5 and 7 are very broad in applicability. It's as though you're giving government a blank cheque. I would argue with you that one of the reasons we now have a gross debt of \$31.5 billion is that we did give a blank cheque to previous governments, the Getty government. The cost of giving that blank cheque was an absence of accountability, executive government, and we were not able to monitor government as it went out, incurred more loans and guarantees – we lost \$2.1 billion that way – and ran up the

*This quote could not be verified at the time of publication.

debt. So the point I'm making with sections 5 and 7 is that they remove accountability from the board. They give the Treasury Board almost a carte blanche for day-to-day interference in the operation of duly constituted boards.

My view is that it was never the intent of the amendments introduced by the hon. Provincial Treasurer to somehow provide the potential of day-to-day interference into the operations of duly constituted boards. That is why we have a board in place. If the issue is the performance of the responsibilities of the board, they should be addressed, then, through amendments or changes to the Universities Act, the Technical Institutes Act, and the like to deal with removal or dismissal of boards or whatever process is required. That is why we have boards in place.

After going through discussions with lawyers and legal authorities as to the force of these amendments, it's clear to us now that you do not need sections 5 and 7 to achieve what is required: disclosure and accountability. What sections 5 and 7 do is take us that extra step towards control from the Treasury Board when the issue really ought to be disclosure and accountability, and those are covered in the other sections of the amendments. So I think this is a very core issue, and I would hope that it was not the intent of the Provincial Treasurer to do this.

I will now just quote from the Blues of the meeting of the subcommittee for the department of Treasury. This is September 24, 1993, page 1. This issue came up very early in the discussions at the subcommittee on Treasury, and it arose about the issue of accountability. Again, I don't want to bore you, but I have the Blues in front of me, so I'll just read them out for your edification.

With that on the floor,
and it's not clear what was on the floor,

Mr. Chairman, I am delighted to . . . as the Premier indicated yesterday in question period, that the Financial Administration Act probably should apply, and we're going to consider whether it should apply to the University of Alberta, the University of Alberta hospitals, and the likes of SAIT, NAIT, Grant MacEwan, et cetera, et cetera. There will be a debate over that. There certainly has been a debate heretofore by those promoting academic freedom at the university, but there is no way on God's green earth that the provincial government should cast its net that far, that wide.

I agree wholeheartedly with the Provincial Treasurer, and in the amendments that I propose and that have been distributed – I believe the council has distributed them – if you look at what the amendment does, it simply clarifies the applicability of sections 5 and 7. What it does is say that sections 5 and 7 should not intrude upon the autonomy of those boards, because ultimately the boards, whether appointed by government or elected, have responsibility, and you cannot give responsibility to a board and at the same time not give it control. If the boards are not performing their tasks adequately – the other sections of this amendment which deal with performance indicators, for example, section 6 to which these institutions would be applicable requires these entities to submit pertinent information to the Treasury Board in regard to the performance of its powers and duties as an organization. So that's covered there in terms of accountability and performance.

In terms of disclosure 17.3 deals with the issue of disclosure. Section 81 ensures that they can't borrow and incur debt without the consent of the Provincial Treasurer. Section 80.1 prevents the emergence of new entities as with UniCare or the entity that emerged out of the Peace River hospital. Section 21.1 ensures that the revolving and regulated funds fall under the scrutiny of government, so we would never again see a UniCare emerge because we would have the ability to focus and assess on it, and disclosure would be there.

It is my view that if we're concerned with accountability, if we're concerned with disclosure, we have that without recourse

to sections 5 and 7. So what my amendment does is clarify what I certainly hope is the intent of the Provincial Treasurer, being that the role of sections 5 and 7 is to ensure proper governance and accountability to boards but not to give the Treasury Board the ability to intervene on issues on a day-to-day basis.

Again, my explanation of that is very simple. I think governments are incapable of running large entities on a day-to-day basis. The very fact that we are \$31.5 billion in debt would lead one to believe that they're not necessarily a hands-on organization with a keen eye to detail. Similarly, their ability to enter the marketplace and try and generate additional revenue and jobs would be belied by the fact that we have a \$2.1 billion loss in loans and guarantees.

So what I'd hope would emerge, then, is that this would be viewed as a friendly amendment which in a sense constrains the applicability of sections 5 and 7 to issues of financial management and ensures that the Treasury Board would not be concerned with the day-to-day issues of governance of either hospital boards, university boards, colleges, technical institutes, and the like. That is why I have brought forward and introduced the amendment which I now bring forward and move as an amendment to Bill 5.

Thank you.

MR. CHAIRMAN: Any comments on the amendments?

DR. WEST: Just a few comments on the amendments as proposed. I cannot support these amendments as proposed by the hon. member. I think that without more scrutiny and detail put into the study of these amendments, they on the surface appear to be, I would say, frivolous in their nature in order to stall this Bill and not contribute meaningfully to the discussion.

Certainly revolving funds and other types of tools used by governments in order to facilitate the smoother running of departments and administering some programs have to be kept under careful scrutiny. There is no absolute doubt about it. Whether that scrutiny is meaning that all moneys flow through to the Treasurer is questionable. There are other situations that arise, and we'll be discussing a Bill called the Alberta registries that will be coming forward, and I'll be interested to hear the hon. member's comments as we set that Bill up, which will indeed collect a tremendous amount of revenue from the public in fees and services and then operate as essentially a revolving fund, turn a certain amount of those revenues back to the province, and carry on.

DR. PERCY: But I agree with those provisions.

5:10

DR. WEST: Yes. Well, there will be ample time to discuss those as they come forward. At the present time this Bill has been brought forward, which has a lot of good, strong points. As we move forward in our fiscal plan to balance the budget in '96-97, it will help facilitate that direction. I'll appreciate all comments that come forward, and I'll carry them forward. I'm sure the Provincial Treasurer will look at your debate with keen interest, but at the present time I have to stand opposing these amendments and ask that we go forward in that light.

MR. CHAIRMAN: Thank you.

I wonder if we could have a clarification from Edmonton-Whitemud. It's my understanding that you moved both of these. Is that not so?

DR. PERCY: No. The one amendment that I spoke to. The second amendment, in fact, I did not introduce. The amendment

that I introduced was to sections 5 and 7 to clarify their applicability. That is the amendment that I brought forward. I had given those to the counsel, and I had also provided them earlier to the Provincial Treasurer so that he would not be caught off guard. So it is only the first amendment.

MR. CHAIRMAN: Could you please stand?

DR. PERCY: I'm sorry, Mr. Chairman.

The amendment that I brought forward was to section 2(5), amended by the following after clause (h), which simply confines the scope of sections 5 and 7. Again, as I stated, the purpose of my amendment was in fact friendly, and its intent was simply to clarify how broadly applied sections 5 and 7 would be and to ensure that the autonomy of boards was not undermined.

MR. CHAIRMAN: Thank you.

On the amendment, Edmonton-Mill Woods.

DR. MASSEY: Thank you, Mr. Chairman. I'd like to speak in favour of the amendment. I believe that the issues raised in sections 5 and 7 as amended by the government make this kind of amendment extremely necessary. Sections 5 and 7 raise some real issues and certainly a question, because as I read section 5 of the Financial Administration Act it says, and I quote:

The Treasury Board may formulate general management policies relating to the business and affairs of the Crown and Provincial agencies and do any acts it considers necessary to ensure that those policies are carried out.

That applies in this particular case to universities.

If you look at the Universities Act, that seems to be in direct contradiction to the powers given to universities. The Universities Act, section 17(1) states:

Except as otherwise provided in this Act, a board has the management and control of the university and of its property, revenue, business and affairs and in particular, but without restricting the generality of the foregoing, a board is empowered

and it goes on to list the powers. Clearly the Universities Act gives management and management concerns to the universities, so I'm not quite sure how you reconcile the government section 5 with the current legislation in the Universities Act.

I think the Universities Act goes on to make some major exceptions in section 3, but certainly those exceptions are very, very limited and I don't think ever had envisioned the kind of sweeping powers that the section 5 amendment would give them.

Secondly, it appears that the proposed government amendment without clarification points out that boards are at this point accountable to no one for their actions. The Liberal Party has asked for the way that boards of governors are appointed to be changed, that it become accountable in some way. It seems that the truth of our position is in the government's amendment to section 5. I think the way those boards are appointed and the accountability is really at the root of the kind of proposal the government is putting forward.

Closely related to that: is the government's putting forward of section 5 really a vote of nonconfidence in boards of governors across the province? Because surely if it was felt that those boards were doing their jobs, no such amendment would be necessary to actually move in and manage their affairs. More importantly, certainly for those people who have a concern or who are interested in the autonomy of our universities, I think the possible incursions into the daily operations of these institutions by the passing of sections 5 and 7 really is very disturbing. I think the notion that a government can from its position here actually

micromanage a university in some part of this province is really asking a great deal.

If you look back at the history of the universities and the department of advanced education, I think that history has seen the latter seeking more and more control over universities and colleges. I think this amendment is a Damocles sword, which, even if it's never used, would render universities very vulnerable and call into question their ability to act autonomously.

Thank you, Mr. Chairman.

MR. CHAIRMAN: Stony Plain.

MR. WOLOSHYN: Thank you, Mr. Chairman. I would never want to impute false motives to any member in this House, especially not the Member for Edmonton-Whitemud. However, in his sincerity to find problems with legislation he's certainly gone above and beyond the call of duty.

It appears to me, Mr. Chairman, that this sudden desire to amend a very good piece of legislation, namely Bill 5, was brought about – and the hon. member can correct me if I'm wrong – by certain amendments that the Treasurer brought in to comply with a particular letter which was circulated by the Auditor General. Now, in this letter from the Auditor General there were concerns that some of the, shall we say, financial dealings to do with staff, with some of our personnel in the institutions, could perhaps be reported more openly so that the public would be more aware of what in fact was happening, primarily in the area of salaries. Hence we introduced amendments that would make this possible; namely, financial disclosures.

The member opposite quoted from the Blues of the subcommittee meeting, and he alluded, I guess, to references the Provincial Treasurer had made in that committee with respect to debates coming up on academic freedom. Now, I would suggest that these quotations – I didn't write them down verbatim – perhaps were taken a tad out of context or their intent was not fully understood by the hon. member. Certainly, Mr. Chairman, we would in no way want to start legislating or getting involved in what would be somehow known as academic freedom. That's one aspect.

The other aspect that we are actually talking about here is financial disclosures. Under Bill 5 and its amendments the universities, in this case, that the member was referring to would be requested, directed, whatever you wish, to make particular financial disclosures. I stress, Mr. Chairman, "financial disclosures." In the same section it goes on to indicate that if in fact these disclosures aren't forthcoming, Treasury Board through orders in council, which is quite standard government practice, would then be somewhat more direct in their directives. For the member to then surmise that because Treasury Board was attempting to extrapolate from an institution some financial disclosure which should be disclosed, somehow we are now entering into questioning the autonomy of these boards or these institutions I think is stretching it more than just a little bit. For example, I believe one of the other concerns that came forth in the debate was that the Provincial Treasurer through the Treasury Board and hence through orders in council in cabinet would then start to interfere with the day-to-day operations of these duly constituted boards.

5:20

Mr. Chairman, I find it very, very interesting to sit in my place here in question period and hear the questions that have come out in the past while: "Why did you let the board do this; why did you let the board do that? You should have directed them here; you should have directed them there." The government members

say: "By golly, gee whiz, these boards were constituted to act responsibly, and yes, they may have made a mistake. Yes, maybe they didn't predict what would happen in this particular transaction to do with the software that they had intended in good faith on selling." By golly, if that happens, the government should be in there just pounding on them and bringing them down and making them succumb to the will of the government. But, by gosh, when you want them to disclose something as simple as what they are spending their money on, all of a sudden we're going to be interfering in their day-to-day operations. Which way do they want it?

I would say that when the hon. member got up and first started, I was very, very proud of him. I found it difficult to be, but I was proud of him, Mr. Chairman, because he said this was good legislation. Had he stopped there, he would have been acting responsibly. But then something happened. I don't know what it was. His fingers started to do his thinking. He went to his typewriter or his word processor. He felt that he had to amend some perfectly good legislation because he is the hon. doctor from Edmonton-Whitemud who has to be the financial critic and has to amend good legislation. No matter how good it is, he thinks he can make it better. You know what, Mr. Chairman? He's wrong. He can't make it better.

This amendment was right in line, consistent with respect to the Auditor General. I would suggest that all hon. members refer to *Hansard* and listen to the number of times the members opposite would stand up and say, "The Auditor General's recommendations: follow them, follow them, follow them." Then we do, and what happens? We get criticized for it. I don't know, quite frankly, what the member is trying to do.

The other member gets up, and he starts to tell us that we're somehow amending the Universities Act through this little very innocuous hope that we can have some sort of financial disclosures which would make everyone happy. It would make all members in this Legislature feel comfortable that the bits of information which are frequently asked through the realm of written questions and motions for a return and questions in question period – they're always asking for information. Some of it the government could not provide because it was beyond their

mandate to access it. Now we're having a change to the Financial Administration Act which would make accessing some of this information easier. It would make the disclosure of this required, Mr. Chairman, and what do we have? We have a long-winded, rather frivolous amendment to what I would construe to be a very excellent piece of legislation.

In view of the time, I beg leave to adjourn debate, Mr. Chairman.

MR. CHAIRMAN: It has been moved that we adjourn debate. Is it the wish of the House to adjourn debate? All those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. CHAIRMAN: Those opposed, please say no.

SOME HON. MEMBERS: No.

MR. CHAIRMAN: Acting deputy House leader.

DR. WEST: Yes. It's been good debate, Mr. Chairman, and I'd like to move that the committee rise and report.

[Motion carried]

[Mr. Speaker in the Chair]

MR. TANNAS: Mr. Speaker, the Committee of the Whole has had under consideration Bill 5 and begs leave to sit again.

MR. SPEAKER: Having heard the report of the hon. Member for Highwood, all those in favour, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. So ordered.

[The Assembly adjourned at 5:27 p.m.]

