

Legislative Assembly of Alberta

Title: **Tuesday, March 25, 2003**

8:00 p.m.

Date: 2003/03/25

[The Speaker in the chair]

The Speaker: Please be seated.

head: **Government Bills and Orders**

head: Third Reading

Bill 30

Appropriation (Interim Supply) Act, 2003

The Speaker: The hon. Minister of Justice and Attorney General to move.

Mr. Hancock: Thank you, Mr. Speaker. It's my pleasure to move Bill 30 for third reading.

We've had quite a bit of discussion already on interim supply, and as soon as the spring break is over, we'll be coming back to do the regular supply, so I won't add any further words at this time.

The Speaker: The hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you, Mr. Speaker. Happy to have an opportunity to speak for the final time to Bill 30, which is, of course, the interim supply bill, where we are approving for this government's use \$5 billion without having any backup paperwork. We've had an opportunity to voice our concerns on this particular piece of legislation being brought in the way it was. We fully understand the financial commitments that the government has to its operations on a day-to-day basis, being ongoing programs, grants that are thankfully given at the beginning of every fiscal year, and salary and commitments to the staff who work for the government in all the various departments, and we know that those have to be and should be paid and of course paid on time.

Our concern all along has been that this government prolongs the bringing in of the budget to such a time in the year when people and organizations, all of those NGOs that rely on government financial support, have to start their planning for their year without really knowing for sure how much money they're going to be getting. Why don't they know how much money they're getting? Because we haven't seen a formal budget yet. As the Government House Leader stated, that budget will be coming in at the end of the first week in April, but that is already well into a lot of organizations' planning schedules, and there's no reason for it to be brought in that late. We've heard arguments from the government's side that they had to wait until the federal budget came in and that they're still not sure what the allocations are, so that takes a long time to figure out, but in fact, Mr. Speaker, that is just so much kerfuffle that they use to throw in front of people to try and convince them that they have a really good reason for not bringing in a budget.

In fact, there have been many instances in this Legislative Assembly when there has been no federal budget in the first six months of any year, so the government makes the estimates that they need to make based on what their projections are from the federal government and carries on. They plan their budget, they bring it in, they designate it, we scrutinize it, it gets voted on, and that's what happens in many instances. This year they're saying that they had to bring it in so late because they were being held up by the feds, really not an appropriate debate to have had because it isn't accurate. So we would like to see them change the process next year.

What we do need to see is a Legislative Assembly that comes in

at a standardized time every year. We at one time, while I was a member of this Assembly, had a House leaders' agreement that stated that the House sat prior to February 15 of each year. That was a pretty good process because what happened then is that we were able to at least see the budget prior to the beginning of the fiscal year, which is April 1, and usually had some time to spend scrutinizing it, asking questions of the various departments, comparing the business plans from one year to the next, taking a look at what their forward projections were, and generally had a fairly good understanding of what the government's direction was for the year. That isn't the case now. We're just shooting in the dark.

When we see a request come in for \$5 billion and a government who is so arrogant that they choose not to provide any information and are mortally offended when we ask questions about how they're going to spend the money, that isn't the proper way to run a government. You wouldn't run a business like that, and we shouldn't run a government like that.

When you're taking a look at a quarter of the budget year of the moneys we expect to be allocated being portrayed over three pages of information with ministers who are for the most part very reluctant to back up their requests with any substantive detail, we have a problem. We want to be able to know where the government is heading when they start into the year. We want to know that before half the year is over. We want to be able to ask some questions on behalf of our constituents and organizations that are receiving the funds, because that's the proper way to handle a government budget. It should be scrutinized, it should be available to people, and debate should be had at least in some detail prior to us making approvals for these kinds of supply requests. That's not the way this government chooses to do business. It's very unfortunate. I hope that they will see the error of their ways and take a look at restructuring that for the new year.

It isn't that their government officials couldn't be ready. We know that they start their budget planning process in September of every year, so there's absolutely no reason why it takes from September until the end of March for them to be able to figure out how and where they're going to spend their money. They say that they don't know the accurate figures, that many of the costs have been hard to determine in terms of particularly the revenue flow, but that is also, I believe, an unsubstantiated argument because what we see are what I think are pretty good projections on behalf of the government of what their revenue stream is going to be, including the volatile oil and gas prices. What we have seen traditionally in the past few years is that the surplus revenues they get when oil and gas prices peak or jump beyond what the expectations are is the surplus that the government uses to divvy up for its little pet projects over the course of the year and never would have been incorporated into the general planning strategy anyway. So that argument also doesn't hold any water as far as I'm concerned.

There is no good excuse for a government with this many people on their front bench and the number of staff that they have supporting them behind, all of whom are very excellent and well qualified and do a good job in terms of following their ministers' orders, no excuse at all why they can't have a budget ready earlier in the year, why we can't see some detail, and why we can't have put at least the biggest spending departments under scrutiny on the floor of this Legislative Assembly before we take a look at advancing them dollars for the first quarter of the year. So for that reason, we are not very happy with this particular budget, and we expect the government to act in a more responsible manner in the future.

With that, Mr. Speaker, I come to the close of my remarks, which makes, I see, all the government members very happy. Be happier to return to this particular debate when we see the formal budget.

The Speaker: The hon. Member for Edmonton-Strathcona.

Dr. Pannu: Thank you, Mr. Speaker. I want to make some brief comments on Bill 30, Appropriation (Interim Supply) Act, 2003. I raised several questions during an earlier stage of the debate on this bill in this House, and I heard a very spirited defence from the Government House Leader, the Minister of Justice and Attorney General. He was trying to defend what I think is the indefensible; that is, an unexplained and unjustifiable delay in bringing forth the real budget for fiscal 2003-2004 before this House by now.

Since the government failed to act in a timely fashion in bringing forward the budget for the next year as a whole, it found it necessary, therefore, to bring Bill 30 forward, asking the House to approve close to \$6 billion, according to my count on that evening, without really providing information that's normally required by Assemblies such as this one before its members can based on good information vote for or against the bill. That information not being there, it's difficult, therefore, to really debate the legitimacy of various items in this bill and have a discussion back and forth on whether or not the moneys requested, the amounts indicated here in the bill, are indeed justified and merit the support of members of the Assembly.

8:10

However, we are cognizant of certain other imperatives. The public service employees have to be paid. The Assembly's expenses have to be paid. There are bills there that await being paid. So the money is needed. There's no doubt about it. It's just the lack of appropriate and necessary information that will help us as members of the Assembly to scrutinize the requests made here. That's the issue.

As to the arguments given by the hon. House leader the previous evening when I raised some questions with respect to why the delay in bringing forward the budget for next year, the volatility of markets and the federal government's budget were two main reasons that were given, and neither of them was either compelling or convincing in any real sense. The federal government brought its budget forward quite some time ago, so that in itself is no reason why the provincial government here could not have prepared its own budget and brought it before the House by this day. The volatility of the markets continues, and that's in the nature of the markets given both the international situation and the normal speculative character of international markets in the current era of finances moving back and forth across national borders every minute of the 24-hour cycle of every day. So factors such as volatility, unpredictability, instability in the market are something that's normal, not something that's abnormal. If the normal fluctuations of the market are used to justify an unusual, an abnormal delay in the presentation of the budget, that isn't very convincing, and one can only say, then, that the government hasn't really done its job in a timely fashion.

The Minister of Finance will have an opportunity, I understand, on April 8 to bring forward the budget, and these numbers will obviously be blended into those overall numbers. We will hope that at that point there'll be adequate information provided in the budget documents for this Assembly to seriously debate the estimates and proceed to vote on those estimates.

So in the meantime to assist the government in its desire and ability to pay the bills that have to be paid – the budget may be delayed, but the payments can't be; that's recognized – I will be giving a sort of conditional support to the bill.

With that, I conclude my remarks on Bill 30, Mr. Speaker.

The Speaker: Hon. members, Standing Order 29 now is available.

[Motion carried; Bill 30 read a third time]

The Speaker: Before calling on the hon. Member for Edmonton-Ellerslie, might we revert briefly to Introduction of Guests?

[Unanimous consent granted]

head: **Introduction of Guests**

The Speaker: The hon. Member for Edmonton-Glenora.

Mr. Hutton: Thank you very much, Mr. Speaker. It's indeed a pleasure always to stand up in this House and introduce to you and through you to members of this Assembly constituents, but there's a family in the public gallery this evening that is a little extra special. It's our senior counsel's, Rob Reynolds', family. It's quite unique, and it is on public record that Ritu is due on April 8, and we'll see how close to the date we are. I would ask that Ritu Khullar and Samir Reynolds please stand up and receive the warm welcome of this Assembly.

head: **Government Bills and Orders**

head: Third Reading

(continued)

**Bill 3
Electric Utilities Act**

The Speaker: The hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you, Mr. Speaker. I am happy to have an opportunity to speak to Bill 27 for what will be the last time this evening . . .

The Speaker: Hon. member, the bill has not been moved.
The hon. Member for Grande Prairie-Smoky.

Mr. Knight: Thank you, Mr. Speaker. I'm pleased tonight to move third reading of Bill 3, the Electric Utilities Act.

Certainly, there have been a number of concerns and questions raised in committee. Hopefully, in the time we have allotted in third reading, we'll be able to address some of those concerns, and we look forward to some more constructive criticism and debate with respect to this bill.

Thank you very much.

The Speaker: The hon. Government House Leader.

Mr. Hancock: Thank you, Mr. Speaker. There was a slight error in my process tonight, so I would move that we adjourn debate on Bill 3 so that we can proceed with Bill 27 as was previously agreed with the opposition.

[Motion to adjourn debate carried]

**Bill 27
Labour Relations (Regional Health Authorities
Restructuring) Amendment Act, 2003**

[Adjourned debate March 25: Mr. Hancock]

The Speaker: The hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you, Mr. Speaker. We'd like to thank the Government House Leader for the small amount of confusion there. It's a good thing, I think, that this is the final week before we have a short spring break and everybody has the chance to get a little rest and recharge their batteries.

As I started out saying a few moments before, it's a pleasure to be able to speak to Bill 27. It's not really a pleasure that this is going to be the last opportunity we have to speak to it in this House at this time. We have had some concerns with this particular bill, as have been outlined over the few hours of debate that we have been entering into over the past week. This is one of those bills that we've truly seen get the bum's rush through this Legislature. It was introduced last week and is already coming out of third reading and may see Royal Assent by the end of this week. So this could be – we'll have to check and see the records; we haven't had time to check the records yet – the fastest passage of a bill that we've seen in this Legislature from the date of introduction to the time it gets Royal Assent. I see the Government House Leader looking quizzically at me. I'm sure that with his vast resources he'll be able to check that and correct me if I'm . . .

Mr. Hancock: I'm sure that'll be on top of my priority list.

Ms Carlson: Yes. Mr. Speaker, he's stating that it'll be on the top of his priority list, and I'm sure that it will be. Accommodating anything that I ask for is always at the top of his priority list as I have noticed over the past few years. Sadly not the case, although I have to say that when we do have important issues brought up, he does deal with them in a timely fashion, and we certainly do appreciate that.

With regard to this bill, it feels like a union-busting bill to us. It makes us ask the question: who's next? It makes us ask the question: why was this bill so quickly brought in and pushed through the Assembly? We haven't had those questions answered yet, and in spite of all the squawks we heard from the government side on the amount of debate that we've had on this piece of legislation, for such a substantive piece of legislation which will significantly affect health care workers in this province now and for the foreseeable future the amount of debate has been limited. For the most part, with the exception of this afternoon, it's been limited to squirreling away little hours of debate here and there after 9 o'clock at night in this Assembly, when most people in this province don't even know that we're at work.

8:20

So it's been a problem for us. It's been a real problem. We've tried a couple of amendments. We didn't have time, I don't believe, to get all of our amendments to this particular bill on the floor. Our colleague from Edmonton-Gold Bar, who has been shepherding this bill and the critique of it through the Legislative Assembly, will be tabling any amendments that we haven't had a chance to talk to. I do know that the amendments that were brought forward weren't dealt with in as great a depth as we would have liked. I don't believe anybody in this Assembly actually had the opportunity to do the last stage of review in committee, which is a line-by-line, section review of the bill. There just hasn't been time due to the time allocation motion that was brought in on this bill after very little debate. The Government House Leader talked about seven hours of debate, but that was on three bills in total during committee; that wasn't per bill.

Mr. Hancock: Eight point five two.

Ms Carlson: Eight point five two, he is saying, on this one so far.

Well, that's good. Now we're getting to something that's about halfway to what a bill of this stature should have in this Legislature. It doesn't do anybody any favours in the long run to rush these bills through. We've seen that over time.

A lot of people complain that governments move very slowly, and that's true. I used to really hate that, but then when I see the legislation go through in a quick fashion . . . [interjection] I hear some more comments from the Government House Leader that I'm quite sure he'll be happy to put on the record.

The problem that we have seen over time when these bills get rushed through so quickly is that they end up being flawed in some capacity. We see them being brought back into the Legislature for some kind of substantive change in that year or the year following their speedy passage through, and that's worse than having taken the time in the first instance to take a look at the bill, to be able to put it out to the various stakeholder groups and to give them time to react. These bills that we send out to stakeholder groups and that the government has consulted on are generally speaking not the highest priority on those groups' lists, so we need to ensure that we have given them enough time to actually take a look at the bill, have the substantive parts of it discussed adequately, reviewed by whomever they choose to have review it, and then give them time to give their feedback to us. That's an essential part of this process, and it seems increasingly to be a missing part of the process.

I can't count the number of times in the past 10 years that people have phoned us and said, "Please hold that bill up just another day or two; we've got a couple of questions" or "Please hold it up; there may be a big problem with it." And we've passed it the night before. Generally late at night it's been passed, and there's no opportunity left to do that. We hope we don't see that same thing with this legislation, Mr. Speaker, because it's going to affect a great many people in this province and a great many workers whom the public generally relies on, those being health care workers.

With that, Mr. Speaker, I would like at this point in time to introduce an amendment at this stage because we have not seen our concerns adequately addressed with regard to this piece of legislation. Do you want me to read it into the record while it's being distributed? On behalf of the Member for Edmonton-Gold Bar I move this amendment. Will it have a number? Will it be A2? I see there was one earlier this afternoon. We will call it A2. The notice of amendment reads as follows: that the motion for third reading be amended by deleting all the words after "that" and substituting the following:

Bill 27, Labour Relations (Regional Health Authorities Restructuring) Amendment Act, 2003, be not now read a third time because it is the Assembly's view that the bill discriminates against employees of regional health authorities by taking away the right to strike and the right to termination pay.

An Hon. Member: Is this a hoist?

Ms Carlson: This is not a hoist; this is a reasoned amendment. The hoist will come next.

Still our biggest substantive concern about this bill is how it discriminates against employees by taking away both their right to strike and their right to termination pay. We heard yesterday the minister, I think it was, explaining the reason why he was taking out the right to termination pay. He talked about what happens with the restructuring when employees get laid off and then are rehired really within the same organization but are then eligible for severance pay. He said that that was the reason why they wanted to have this particular part of the bill in it.

Inasmuch as it pertains just to those particular situations, we

understand his dilemma. We believe that there are other manners by which he could deal with this particular situation, and those are private agreements with those authorities given the nature of the changes and crossover bids, talking to the union leaders and getting an agreement, a tactical agreement on how to move forward as the restructuring happens. We believe that that's entirely possible to do. If both parties go to the table in good faith – and we have seen that kind of good faith evidenced by the unions; government needs to also do that – then we believe that there are other ways around that particular obstacle other than changing it in the legislation, Mr. Speaker.

When we see the government move to legislation to make that kind of a change, we have to ask the question: what else? What else is this here for? What else can we expect to happen in the near future? Why is it that they don't believe that they would be able to operate with the unions on a good faith basis to negotiate these kinds of agreements? That's our concern with this bill. We haven't seen that adequately addressed in any of the debate that we've seen here and certainly not by the minister who is responsible for this. It seems to be a question that he avoids. That does not build our trust with where they're moving on this bill, and I'm certain that it doesn't do anything to build trust amongst the unions that he's dealing with in that regard.

Then there's the part of this amendment that we believe discriminates against employees of regional health authorities by taking away the right to strike. We believe that the right to strike is a fundamental right and that those employees have the right to use that in their arsenal of bargaining abilities if the need comes to that. Health care workers are not hugely militant to the point where the first thing they want to do is go on strike. They spend sometimes years at the bargaining table trying to negotiate contracts that are fair for both sides and work in a reasonable fashion. In my years in this province – and this is the province where I was born and raised – I have not seen health care workers strike without having been significantly provoked.

What is wrong with the current process that is here, unless the government doesn't wish to abide with a fair bargaining process? We saw shades of that during the teachers' strike last year. Looks like that's the way this government want to operate in the future. We have a real problem with that, Mr. Speaker. These workers have every right to strike. It has been a part of their agreements, it has been a part of their ability to negotiate, and it should be a part of their ability to negotiate in the future. This government I believe does not have the right to hold that kind of a hammer over their head and take away that ability from them, and we have serious concerns with that and as such have brought in this particular amendment as the last possible hope to see this government recognize the rights of workers in this province, particularly health care workers.

I would strongly urge all members of the Assembly to support this particular amendment because it is really worthwhile taking a look at. In the absence of having heard any reasonable and justifiable discussion from the government on why they're going forward with this, I believe this is the only option available to us.

So with that, Mr. Speaker, I conclude my remarks on this particular amendment.

8:30

The Speaker: The hon. Member for Edmonton-Mill Woods on the amendment.

Dr. Massey: Yes. Thank you, Mr. Speaker. I would like to add a few comments in support of the amendment that we have before us. As the mover indicated, it is a reasoned amendment and as such is

allowed under our rules to be adverse to the principles that are actually contained in the bill. There are two major principles that are offensive to the opposition and to many Albertans, and the principles that are being attacked in Bill 27 are the right of a particular group of employees to strike and the right of a group of employees to termination pay. Those are two rights that have been hard won. It's taken a lot of years and a lot of negotiation and a lot of grief to have those two rights pretty well as givens in our province for the most part. I think most employers would respect the right to strike and the right to termination pay. So we see Bill 27 as being a backwards step, being an unfair step, and being a step that's unnecessarily confrontational with respect to the organized employees in the province.

Another characteristic, of course, of a reasoned amendment is that it may express an opinion. Certainly, the opinion that employees that are being denied the right to strike in Bill 27 and denied the right to termination pay – you didn't have to go much further than the steps of this Legislature to hear how passionately many Albertans feel about those rights and how passionately they feel about the government moving to take those rights away. It's unfortunate, Mr. Speaker, because it's so unnecessary. There was no attempt to consult with the groups that are involved, and you would think that that would be a basic piece of the process in drafting any legislation, that the government would have not only the courtesy but would sincerely want the input of groups of citizens that are going to be affected by legislation, and that hasn't happened.

I think it was on this bill that the minister indicated that after he had presented the bill, he immediately adjourned to a meeting with the people involved to inform them of the contents of the bill, and that's very unfortunate because that's consultation after the fact. It's one of the real flaws in this government's dealing with organized labour and with professional groups that often decisions are announced and then groups are approached, and it seems to me that it's putting the process backwards.

So this amendment attempts to rectify two of the most offensive provisions of Bill 27, and the amendment I think is very clear. Although the history of reasoned amendments and the success of reasoned amendments have not been great in the country, I'm hoping that colleagues in the Legislature will see fit to support this amendment.

Thanks, Mr. Speaker.

The Speaker: The hon. Member for Edmonton-Strathcona.

Dr. Pannu: Thank you, Mr. Speaker. I rise to speak on amendment A2 to Bill 27. I think it's moved by the hon. Member for Edmonton-Ellerslie on behalf of the Member for Edmonton-Gold Bar, and the intent of the motion is to give the government and the Assembly more time before this bill is passed so that further and necessary consultations can be held.

If this amendment is passed by this House, it'll also allow the government to develop necessary regulations that will really constitute the exact changes that are being sought by way of this bill. This bill is a shell to give the government and the cabinet the powers to make regulations as it pleases, and it's very difficult for the House to determine what the substance is of those regulations, in what both exact and proximate ways they will change the existing arrangements. The scope, the scale, and the nature of the changes are all unclear from the bill itself, so it's very difficult for me as a member and for the New Democrat caucus to even make an intelligent decision on this bill, whether or not to support it, because the detail, the substance is missing.

That being the case, the only plausible reason that I've heard from

the government side for rushing the bill through the House is that it needs to be passed by the end of this month because the contract with health care unions is running out. It runs out on that date; that is, March 31. Mr. Speaker, if it is indeed the case that this bill has no regulations accompanying it and the regulations are not yet even drafted, then how credible is it for the government to argue that it needs this bill in place in order for it to be able to use it as of the 1st of April to deal with the situation that will arise from the expiry of the existing contracts that health care workers have with the regional health authorities? It remains beyond me to believe that if the government has no regulations at this point, has not even done the drafting of those regulations – and if that's the reason why it's unable to share those regulations with us members of the House so that we could in an informed way assess, as I said, the scope, scale, and the nature of changes that the government plans to make using this bill, then the *raison d'être* for rushing it through for March 31 so that it's available to the government as a legislative piece to use to deal with the emergent situation doesn't make sense at all.

If there are no regulations at this point, then I can't see how this bill can be enforced come April 1 without those regulations because regulations are the essence of this bill. It's really a bill that should be called an act to enact regulations, I guess, rather than anything else. This may be about the restructuring of health care authorities, but there's nothing in the bill that gives me a reasonable amount of information as to the real intentions of the government on this.

8:40

One can speculate on this – and I have worked very hard to be careful in speculating what the bill is about in my previous remarks on the bill – but I think this amendment that's before us, the reasoned amendment, which will mean that the bill will come back, I guess, for further debate before this House after six months, is perhaps at this stage the best way to deal with the conundrum that we find ourselves in, which is that it's difficult for us to vote on this bill unless we know what the regulations are, because it really is an attempt to seek the stamp of this House for the government to engage in the development of those regulations. Again, it's the regulations that should be approved by this House, not just this bill. So unless the intent of this bill is really to sort of get back at the union movement in the health care field for whatever reasons the government has and to break the unions, there's no reason why we shouldn't wait six months.

In fact, the unions as employees must be in my view consulted in the development of the regulations, which will give body and substance to this bill once those regulations are developed. So six months from now the government will have, I hope, consulted with unions, consulted with the employee groups who are going to be dramatically affected by this bill, and if those consultations indeed are undertaken by the government honestly and in sincerity, then the regulations that arise from those consultations will make this bill much better and will make this bill something that this House can intelligently debate and vote on.

My concern is that if the government proceeds, as it seems determined to do, to push this bill through the House tonight or tomorrow when it doesn't even have the regulations ready or drafted or consultations undertaken with the employees' representatives, then the effect of that failure on the part of government to not have consulted with the employees' representatives or its failure to have even draft regulations on hand and have shared them with this House to get the benefit of the debate and the scrutiny of this House as to the appropriateness of those regulations – all of this will simply profoundly alienate the very frontline workers who we expect to deliver health care services to us when we are ill, when our families

are ill and in whose care we place our life and expect them to make sure that our safety, the quality of service that we receive remain their first concern.

Workers who feel alienated, workers who feel mistreated, workers who feel excluded, workers who feel marginalized in the workplace and find themselves in a situation where the employer has all the marbles and workers simply have to obey the orders and have no recourse collectively to engage in serious negotiations and bargaining with the employer are not happy workers, are workers who are angry, workers who feel excluded. Anyone who has done any work in the area of management knows that good managers make sure that their primary concern always is that employees are kept onside, that the employees are not pushed into a corner where they feel confronted with unacceptable conditions under which they are forced to work.

So in terms of considerations from the point of view of good, effective, efficient, humane management or from the point of view of good, transparent politics, it makes no sense to rush this bill through at this stage. This amendment certainly would help the House to pull itself out of this difficult situation where the government's determination to push the bill through has put us the members of this House; that is, to proceed regardless of the very considerations and the concerns that I have noted as to how the employees are likely to respond to this bill if it doesn't receive any input from them and if they are denied the opportunity to be consulted and have the opportunity to see the regulations. After all, it is those regulations that are going to affect their ability to bargain, the ability to have an opportunity to put their case at the bargaining table and to be able to make sure that as frontline workers they have the working conditions and the workloads that will permit them to provide health care services in a safe and nurturing way to people who, once they become ill, certainly are dependent on both the ability and the capacity of these workers to provide in a timely manner and in a professional manner the services they so badly need.

So for those reasons, Mr. Speaker, I support this amendment, and I hope that my colleagues in this House will also favourably consider supporting amendment A2 that's before the House. Thank you.

The Speaker: The hon. Member for Edmonton-Glengarry on the amendment.

Mr. Bonner: Thank you very much, Mr. Speaker, and it is indeed a pleasure to rise this evening and speak to the amendment. I welcome this opportunity because we are rushing a bill through this Assembly. It's a relatively small bill, but it's going to have a huge impact on what happens in this province.

We have heard time after time how there's been adequate debate, but I believe that if my math is correct, there were 74 members elected on the government side last election. Twenty-five of those are either ministers or yourself, Mr. Speaker, and that leaves 49 backbenchers who have spent next to no time adding input into this bill. I know that Albertans want to hear from these people. They want to hear about this amendment tonight. I would daresay that there isn't one member in this House that doesn't have at least one of those 7,000 union workers who are going to lose their right to strike in their constituency.

We have to realize that a strike is the last option. We also have to realize that for those workers – and I outlined yesterday when we were in Committee of the Whole how the employer has treated some of these union workers, people that started contract negotiations in 2001 because their contract was going to expire on March 31, 2002, and how even today, a year later, those people do not have a contract.

8:50

So we have a piece of legislation here that is poor legislation. As the hon. Member for Edmonton Strathcona, if I heard him right – I wouldn't be surprised if this piece of legislation were back on this floor and we were looking at amendments to it because it is such poor legislation, because it does lead to provocation, it does lead to illegal strikes. Certainly, if we are concerned about the welfare of those people, those most vulnerable people who are in hospitals, then we should be concerned that there is no interruption, that there should be honest and open and fair negotiation. But this amending bill offensive. The bill is offensive. The amendment is trying to make a bad situation a little bit better.

We only have to look at the examples in the world of where there has been peace between employers, peace between governments and unions, and where economies that were in far worse shape than ours here in Alberta have been able to turn around. I was reading the book *Road to Growth: How Lagging Economies Become Prosperous*, and this was written by Fred McMahon from the Atlantic Institute for Market Studies, AIMS, and I noted in here that in a state economies such as Massachusetts and Michigan they certainly didn't get into a confrontation with the unions. What they did in order to improve their lot was they lessened the size of government. It goes on to say:

In other words, Maine did not take the same cure as Massachusetts and Michigan – significant reductions in state government and taxes – and has not benefited from as strong an economic turn-around.

So we have many, many examples of what it is that we can do in order to have labour peace, what we can do to have productivity in this province.

We have two other examples from economies that have turned around, and I'm looking at the Irish and the Dutch strategies. To quote again from this book:

Yet the successful Irish and Dutch strategies were remarkably similar to what occurs in the United States, though motivated as much by policy decisions as by the market. While U.S. wages naturally tend down during economic weakness, in the Netherlands and Ireland, government, unions, and businesses worked together to get the same effect through planning.

I think that's quite important, and it's quite important particularly when we see the amount of consultation that went on in this particular bill. There was next to no consultation. As a result, we had people in the galleries; we had people that already are planning strategies as to how they're going to counteract the negative parts of this bill. It is unfortunate that we have to get to the situation where we do have labour unrest in this province where it will lead to job action, whether it's work-to-rule, whether it's very poor relations in the workplace. All of these are not productive, and it could have been avoided. That is the thing: it could have been avoided. But once again we rushed. Once again we did not go out and certainly consult with all stakeholders. How much simpler it would have been if we would have simply had those regulations ready to ease the suspicious minds that these unions have.

Certainly, they have been given good cause in this province, Mr. Speaker. I can think of shortly after we were elected how a strike at the *Calgary Herald* went on and on and on, yet we did not have any intervention. I can think of just recently where at the Shaw Conference Centre we had a strike, and it was allowed to go on for months as well, and it was to the point where Shaw Communications didn't even want their name associated with it. So we saw press releases coming out with the Convention Centre, not the Shaw Conference Centre, because, again, this was damaging to their image and damaging to other sectors of their business.

We have legislation in front of us that certainly is going to infringe

on the rights of 7,000 workers, and as a result, Mr. Speaker, we are going to have labour unrest in this province, and it's labour unrest that certainly could have been avoided. So I would urge all members of the Assembly to support this amendment. I would certainly ask all members of this Assembly not to support this bill that robs health care workers and their unions of their right to due process when it comes to basic labour relations.

Mr. Speaker, I certainly will cede the floor. I know that as I mentioned earlier, there are 49 other MLAs that have the opportunity to speak to this bill and to this amendment, and I do know that their constituents and especially those constituents who are involved in some type of union would love to hear their comments and their input on this particular amendment and this bill.

Thank you very much for this opportunity to speak to the amendment.

[Motion on amendment A2 lost]

The Speaker: The hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you, Mr. Speaker. On the bill?

The Speaker: Well, I do believe I've already recognized the hon. Member for Edmonton-Ellerslie to speak on the bill.

The hon. Member for Edmonton-Mill Woods.

Dr. Massey: Thank you, Mr. Speaker. I'm pleased to have the opportunity to speak to Bill 27. I would like to, if I might, introduce an amendment to Bill 27, the Labour Relations (Regional Health Authorities Restructuring) Amendment Act, 2003. On behalf of my colleague from Edmonton-Gold Bar I move that the motion for third reading of Bill 27, Labour Relations (Regional Health Authorities Restructuring) Amendment Act, 2003, be amended by deleting all the words after the word "that" and substituting the following: "Bill 27, Labour Relations (Regional Health Authorities Restructuring) Amendment Act, 2003, be not now read a third time but that it be read a third time this day six months hence."

The Speaker: The hon. Member for Edmonton-Mill Woods does have the floor and can proceed.

Dr. Massey: Thank you, Mr. Speaker. The amendment is, as all the members recognize, a hoist amendment, and the intent is to put an end to the discussion of the bill and in fact to let it die and not to become law in the province. There have been a number of speakers, I think, who have outlined very clearly the reasons why that should be the case. The bill, in essence, is unfair to a group of Albertans. It takes away their rights, and as a bill that does that, it deserves to die on the Order Paper. In fact, it should never have been before the Assembly.

9:00

I won't go over all the arguments that have been made in terms of what's wrong with the bill, but again the workers, the professions that are involved are very, very offended with the provisions of this act and rightfully so. They see this as a bill in which progress is being not only halted, but the clock is being turned back to an era where employees were often treated this way and in other jurisdictions where employees are treated this way to their detriment, Mr. Speaker.

So, again, speaking to the hoist amendment, it is intended that the bill, Bill 27, with all its provisions die and that things remain the same as they are. We had hoped that if the government has objec-

tives in this area, once the bill has been hoisted, they might then take the opportunity, as they should have in the first place, to consult with the groups involved and then bring forward a bill that better reflects both the government interests and the interests of the employees that are affected.

Again, as I said previously, it seems only fundamental in labour relations that you would spend some time talking to the people that are going to be affected by your decisions before you make those decisions and even more fundamental that you would before changing the laws of the land have, if nothing else, the courtesy to talk to those groups to hear their views, to not only hear their views but to look to them for help with solutions. I'm sure that were they given the opportunity, they would have been pleased to contribute to the dialogue and the solution of the problem, and it's a problem that only the government seems to have at this point.

With that, I think I'll conclude, Mr. Speaker.

The Speaker: On the amendment, the hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you, Mr. Speaker. I properly rise now to speak to the amendment, and this is, as my colleague has said, a hoist amendment. It is the last opportunity we have to try and get the government to pay attention to what we think is a substantive bill.

In third reading our choices of what we can do to bring attention to the issue at hand are limited. We can try to have a recommittal of the bill, which is what we did earlier this afternoon on this, send it back to committee so that we can finish up with what we were talking about in committee. When that fails before the House, then we have the ability to do a reasoned amendment in third reading, which is what we just talked about, where it takes out a piece of the bill that is particularly offensive to us. Of course, that also failed here this evening, so we are at the very last stage of this particular bill, which is a hoist.

[The Deputy Speaker in the chair]

The intent of the hoist can be, as my colleague said, to put it out there in the ether and let people talk about it and think about it and hope that the government never brings it back. People think that that's unreasonable sometimes, but in fact in this Legislature we have had cases where that has happened, not that a hoist has ever been successful in the past while I've been here, but what has been successful is talking out bills until the government decides to leave them on the Order Paper over the summer time period.

As they have these bills out there in the community for people to talk about and hash through, often they do find out, they are convinced, that the bills are flawed, often fatally flawed, so many of those bills never do come back in the fall sitting. Of course, then they die at the end of that particular legislative sitting, and that's a good thing. Those bills that we've seen that have died on the Order Paper or never have been brought back have been fatally flawed, and we think this is also a fatally flawed bill that should have the same kind of future for it.

At the very least what the hoist does state is "that it be read a third time this day six months hence," which would bring us back into session in – this is March; April, May, June, July, August – September, a little early for this government but certainly doable. They don't like to come in until the end of November so that we can be out in time for Christmas and nobody has to work too hard. But, you know, we could come in a little early this year. [interjection] Well, perhaps the Government House Leader works hard when we're in session, but I see a whole lot of pocketbook reading going on in

corners of this particular Assembly and a lot of chitchat happening and often not a lot of work.

Dr. Massey: And a lot of solitaire played on computers.

Ms Carlson: Yes, a lot of solitaire playing on computers, as my colleague from Edmonton-Mill Woods has also noticed. [interjection] Well, the Government House Leader has some comments to make about the work schedule of people, and it certainly isn't the Official Opposition that has to find paid jobs on committees for their members, because we're quite busy keeping an eye on what this government is doing, talking to the people about what they think about what this government is doing, and putting that information together to come back into this Assembly. The Government House Leader may not realize it, but Official Opposition members don't have the kind of staff complement that people on your side of the House do, not only in terms of direct staff but in terms of access to . . . [interjection] There's the Government House Leader chirping away again, and of course those records will also now be in *Hansard* for all and sundry to read, so keep it up. This could be fun. Lots of good stuff to ship out to your constituents.

Dr. Massey: I'm here. I'm listening.

Ms Carlson: Yes. One of your constituents and my colleague from Edmonton-Mill Woods is listening with rapt attention, and I'm sure you're also providing some interesting amusement for all of the great and wonderful staff who work at *Hansard*, who really have what must be one of the world's most boring jobs translating what we have to say. As much as we think that what we're saying is brilliant, there are moments when it could be a little draggy for everybody concerned. [some applause] It's nice to see so much applause from the Assembly. People are actually listening to what I am saying. I do appreciate that. [interjections] Well, I see that Calgary-Shaw and the Government House Leader and the Member for Edmonton-Castle Downs all would like to enter into debate on this hoist, and nothing could please us more than that happening and to have those comments that they've made be a part of the history of this province for ever and ever and ever.

Unfortunately, we don't have for ever and ever and ever on this bill. Shortly, in probably 10 or 15 minutes, we'll have a vote on this amendment, and I fear that it will suffer the fate that the other hoist amendments have suffered in this particular Assembly and that the government continues not to listen to what we think is a very good idea. Just set the bill aside for a little while, think about it over the summer, get some more feedback, talk to the unions, figure out a way to work out some of these issues in a less confrontational manner. This government has all the power anyways. They don't have to succumb to these kinds of tactics to get what they want.

We would just urge them to act with some reason at this particular time and encourage them to support the hoist amendment that we see before us today under the signature of the Member for Edmonton-Gold Bar, who has worked so hard and so diligently on ensuring that we fully understood the implications of this particular bill in this Assembly.

Thank you, Mr. Speaker.

The Deputy Speaker: The hon. Member for Edmonton-Strathcona.
9:10

Dr. Pannu: Thank you, Mr. Speaker. I rise to speak on this hoist amendment. I think it's an opportunity for this House to seize this moment and fix a situation that really is quite disturbing. It threatens

labour peace in our hospitals. It certainly threatens the long-established and democratic rights of employees to organize and be represented by a union and to have the right to strike. These rights are simply being swept aside by this so-called innocuous legislation which seeks relatively modest change, using the words of the minister responsible for the area of labour relations.

Mr. Speaker, it's a bill that really is quite radical and far reaching in what it will do. It will set back labour relations in this province by 30, 40, 50 years, and that's not what Albertans want, that's not what health authorities should want, and that certainly is not what patients want. Patient safety must always remain a prime concern of all of us. Health authority boards, frontline workers, health care unions, this Legislature, the Minister of Health and Wellness, the Minister of Human Resources and Employment, everyone should put first and give highest priority to patient safety.

If this legislation is passed, which will deprive over 7,000 frontline health care workers, employees of regional health authorities in this province, I cannot see how taking their fundamental rights away will contribute to improving the conditions which guarantee patient safety or improvement in the quality of services provided in our hospitals to those of us who become sick and become vulnerable as a result and dependent on the good judgment, good logic, professional ethics, and commitment of the people who provide us health services.

Giving extraordinary powers to the Labour Relations Board to impose settlements, to sign agreements unilaterally, and hand them down to employees makes absolutely no sense. Whether it's the case that the labour board will have the right to do it both to the employees and the employers doesn't cut the mustard here. It's a very, very extraordinary piece of legislation in that it empowers the board, just the chair of the board, to do all of these things either to the employers or to the employees, and I don't think that should be acceptable in a free and open and democratic society. No board should have that kind of unilateral authoritarian right to impose agreements. Just to say that it levels the playing field for both sides in my view simply isn't an argument worth our attention. It's no argument. It's a nonargument.

If this bill passes, it will look like an attempt to rule and that the government is determined to rule by defeat rather than through appropriate legislation which has been carefully drafted: all its ramifications and implementations by and large are clear from the wording of the legislation. That's not the case with Bill 27. Quite the contrary. It's flimsy, it lacks any detail, and it puts all the powers of this Legislature into the hands of the Executive Council or the minister of the Labour Relations Board. This should never, never be contemplated, much less allowed to happen. Legislatures must remain supreme in the role that they play in our representative democratic political structures. They have a role which should not be abrogated or surrendered to other legitimate segments of the government.

So the effect of this bill will be in fact to write a blank cheque to the executive branch of the government to do what it wishes with the restructuring of the health authorities, with the rights of workers, with the collective bargaining process, with the working conditions, which we can all spell out that are necessary to underwrite patient safety in our hospitals. Patient safety is simply not possible to contemplate without the full co-operation and without the assumption that there's a motivated workforce and set of employees who are not only dedicated to the work that they do but feel appropriately rewarded and recognized for the work that they do. And these two conditions have to be there together, the dedication of the workers and the recognition of the importance of their work, guaranteeing them the respect and dignity that they deserve and should have.

So this bill will in my view destabilize the context of the workplace, the working conditions in such a fashion that it will both jeopardize the conditions which need to be there for patient safety to be put first and foremost and, secondly, it will jeopardize or certainly put in question the question of labour peace. Health authorities and hospitals as places where we go to seek healing and treatment and recovery are places that need predictability, that need amicable relationships and reasonable working relationships between employees on the one hand and employers on the other. If we turn hospitals into places where confrontation rather than co-operation is assumed by legislation, then we are in very bad shape, Mr. Speaker. This bill will lead to confrontation rather than voluntary co-operation and goodwill between employers and employees.

9:20

If postponing the consideration of this bill by six months or so means that we work with the old rules and the restructuring transition must move more slowly and a little more painfully, so be it. I think it's a price worth paying for ensuring and for getting the conditions which are conducive in the long run to provide us, as patients and families of ill and injured and sick, the assurance that good care will be provided and patient safety will be the outcome of the conditions of work and the framework within which employers and employees work.

So I guess, Mr. Speaker, this hoist motion is well intended in that it will put this bill off the Order Paper for the next six or so months. It gives the government to reconsider its position, it gives the regional health authorities to reconsider their position, and it will give all parties to engage in a consultative exchange of ideas and positions out of which should emerge a much better piece of legislation, which we would hope will address the problems that I see arising if this bill is passed.

This bill in a way is inevitable, sort of part of the sequence of events that were contemplated when Bill 11 was passed. Bill 11 gave rise to Mazankowski, of the Premier's advisory committee, which produced the Mazankowski report, and the Mazankowski report anticipated this antilabour legislation which is before us now. It really is an implementation of the worst parts of the Mazankowski report, and I think the House should reject this attempt to legislate what in the judgment of most Albertans are the worst parts of the Mazankowski report. There are some good parts of the Mazankowski report, but they fade in significance when you compare them with the flawed parts of the Mazankowski report.

The only part of the Mazankowski report that has received full implementation up to this point, Mr. Speaker, as we all know, is the 30 percent increase in health care premiums. This is the second part that's coming up, and if this bill is passed, that will I think further worsen the situation in the health care field.

So I will support this amendment, and I hope other members will as well. Thank you, Mr. Speaker.

The Deputy Speaker: The hon. Member for Edmonton-Glengarry on the hoist amendment.

Mr. Bonner: Thank you very much, Mr. Speaker. Again I rise to speak to the amendments put forward by the hon. Member for Edmonton-Gold Bar, and in this particular case it is a hoist amendment. I think it's a very good amendment because it gives us a chance to look at this legislation. As I mentioned earlier, it is a simple piece of legislation, it's a short piece of legislation, but it's also very shortsighted. The benefits that we are going to reap in this province from this legislation are short-term because it will not in the long run lead to the very things that we wish it to, and that is

harmony between labour groups, between employers, between employees, between the general public at large and the government. And what an excellent opportunity for us when we do have changes in the health care system taking place at the end of this month, what a great opportunity for all parties to sit down and look at problems they're going to encounter as we work through this particular new set of health regions and what impact it's going to have on the various unions.

I can't help but think back, Mr. Speaker, to the time when Lech Walesa was the head of the union and what a great, great person he was – certainly, this was at a time just prior to the crumbling of the Soviet Union – and how a person, a very intelligent person, a person with foresight, went from the point of being in jail in 1980 to winning the Nobel peace prize in 1983.

An Hon. Member: That's quite a leap.

Mr. Bonner: That is quite a leap.

Again, when I think of the oppression that occurred in the Solidarity trade union in Poland and what came out of it, it was remarkable. And I think that this legislation right here in its own much smaller way with less impact is going to do the same thing here in Alberta, that we're going to set up leaders in this province who are going to be extremely powerful. These leaders of the trade unions are certainly going to be militant because this is exactly what this type of legislation is doing to their rights.

I have to look at a quote that Lech Walesa made, and it comes from a great little book, *Great Quotes from Great Leaders*, and he goes on: "Everyone wants a voice in human freedom. There's a fire burning inside of all of us." The last thing we want to do in this province, Mr. Speaker, is ignite those fires of union unrest, because we have, as the minister has said countless times in this Legislature, relative peace amongst the unions and the employers. There certainly have been bumps along the way and there always will be those bumps along the way, and to bring in a bill that is fraught with controversy, a bill that is regressive against the rights of workers, then we are simply looking for trouble down the road.

We have right now staff shortages in our hospitals. We have shortfalls in funding and financing of our health care system. We have workers who go to work every day who say they're at a track meet because they don't stop from the time they get there until the time they leave. Is this going to be the button that triggers job action?

As I mentioned earlier, as well, what a great opportunity this would be for all of those MLAs that were elected during the last election, particularly those that campaigned that they would be the people's voice at the table, yet we haven't seen those members get up and debate in this Legislature, especially on government bills. How refreshing it was this afternoon in this very House when the Member for Calgary-Montrose got up and certainly represented one of the injured workers in his constituency in a very strong manner. Certainly, I hoped that that would be a great, shining example to other members, other backbenchers who don't have to be stifled, because regardless of all the legislation that we pass in this Assembly, Mr. Speaker, we all realize that what is even more important is that this Assembly is a symbol of free speech in our democracy. To come in here day after day after saying to constituents that you're going to represent them, that you're going to be their voice, and then sit by and see a piece of legislation such as this go by without consultation, without even regulations being drafted so that the workers know what rules they're playing with is wrong, and that certainly isn't what those hon. members got elected for and what they thought they would have when they came into this Assembly.

They certainly thought they would have that opportunity to speak. As I said, I certainly do have a new respect for the Member for Calgary-Montrose because he did get up and he did speak.

9:30

As we look around our region, we hear how we have the great work that's going on at our hospitals, whether it be the University, the Royal Alex, Sturgeon general, Grey Nuns, the Misericordia, all those wonderful hospitals, and our regional health authorities. To think that every member probably has in his constituency a few that are going to be affected by this legislation, yet we haven't had consultation. So this hoist would certainly give us that opportunity. It would give every MLA the opportunity to go back and see what those constituents of theirs think about this legislation. It would give them the opportunity to bring those views into this House and debate them openly and have that record in *Hansard*. How important that is.

I look at this legislation, and again reading in this book, *Road to Growth*, I think, Mr. Speaker, that we have to call a time out here, that we have to look at this piece of legislation, and we have to realize that it is fraught with failure down the road. This is like the Ford Motor Co. in 1958 when they pushed the Edsel out, and this is our Ford Edsel of this particular session. It's a piece of legislation that certainly might have some good components, but it's going to be badly overshadowed by its shortcomings.

When I was reading, certainly, in *Road to Growth* about how lagging economies become prosperous, I was struck by another quote in this book. It goes on to say, "Modern research shows that even the length of Great Depression, though not its onset, was more a policy error – too-tight monetary policy and inflexible wages – than a natural outcome." How those words ring so true when we look at Bill 27.

So, Mr. Speaker, I would urge all members of the Assembly to vote for this hoist amendment. It will give them the opportunity to go back to their constituencies to do the very thing they said they'd do when they campaigned at those doors, that they would be the voice of those constituents inside this House, not in a caucus meeting where there are no records but certainly where all of us can share net wisdom, can share net input.

Mr. Speaker, I certainly do support the hoist amendment, and I encourage all members to also support it. Thank you.

The Deputy Speaker: The hon. Member for Edmonton-Castle Downs.

Mr. Lukaszuk: Thank you, Mr. Speaker. It's really disheartening to see how desperate the opposition must be to further their own political aspirations and causes that they would actually dig into books and misquote world leaders and try to draw some desperate comparisons between what's happening here with the bill before this House and what has happened in Europe and in Poland.

First of all, you know, I'm not sure if a little history lesson would fall upon deaf ears with the Member for Edmonton-Glengarry or if he has already expanded his cognitive abilities in his misquotes, but I'll give it a shot anyway.

Mr. Walesa, who he has been referring to, was indeed a union leader and quite an admirable character in our century. However, he was a character who has come to prominence because he was fighting against an oppressive socialist government, a socialist government that would probably resemble a government that one of the political parties across the aisle would form if ever given a chance, along the lines of the NDP perhaps or the Liberals. However, what is more important, Mr. Speaker, is to point out the

fact . . . [interjections] Obviously, the opposition is not interested in having some historical errors pointed out to them, but I will persevere.

It is of importance also to point out that Mr. Walesa, while trying to overturn this oppressive socialist or perhaps even communist government, was modeling himself on Canada and the United States, on North American governments much like ours, the one that we are sitting in here right now.

What also ought to be pointed out for the hon. Member for Edmonton-Glengarry is that when Mr. Walesa actually had managed to overturn the government and form a government himself, he had formed a government that was as democratic as this government is and had adopted many of the policies of our Canadian governments, federal and provincial. Mr. Speaker, it would be blasphemous to draw a parallelism between Mr. Walesa and any union movement here in this province. We do not have oppressive governments that would even resemble those governments of eastern Europe at that time, and the governments that have been formed in eastern Europe since are indeed democratic governments which are striving towards . . .

Ms Carlson: A point of order.

The Deputy Speaker: The hon. Member for Edmonton-Ellerslie, rising on a point of order.

Point of Order Relevance

Ms Carlson: Yes, Mr. Speaker. *Erskine May*, page 393, relevance. Is the member speaking on the hoist amendment?

The Deputy Speaker: Yes. The hon. member is speaking on a hoist amendment. I haven't heard anything directed to that, but surely you're going to tie this all in.

Mr. Lukaszuk: Well, obviously the ability to properly reflect on historical fact is as short as the span of attention of the hon. members because I was indeed getting to that point.

What needs to be said, Mr. Speaker, is that hoisting . . .

The Deputy Speaker: You were going to explain how what it is that you've been saying for the last few minutes is relevant to the hoist.

Mr. Lukaszuk: Indeed, Mr. Speaker. My comments are directly related to the hoist, as the opposition is arguing that this bill ought to be hoisted because the bill in itself presents such threats to the democracy of this province, parallel perhaps to what has been happening historically in eastern Europe. What I'm trying to exemplify is that there is no parallelism whatsoever and hence no need for hoisting.

9:40

The Deputy Speaker: I think, hon. members, that inasmuch as the hon. Member for Edmonton-Glengarry did bring this whole issue into his reasoning for supporting the hoist, we must bear with the hon. member for the opposite point of view, for opposing the hoist, which is what I presume the hon. member is doing. So I guess that one is as good as the other.

The hon. Member for Edmonton-Castle Downs to finish.

Debate Continued

Mr. Lukaszuk: Thank you, Mr. Speaker. Hence, since there is no parallelism, as I have, I imagine, clearly indicated, I would strongly urge this government to proceed with the bill before the House right

now and definitely vote against any amendment before the House to hoist this particular bill.

Thank you, Mr. Speaker.

[Motion on amendment lost]

[Motion carried; Bill 27 read a third time]

Bill 19

Gas Utilities Statutes Amendment Act, 2003

[Adjourned debate March 25: Mr. Mason]

The Deputy Speaker: The hon. Member for Edmonton-Mill Woods.

Dr. Massey: Thank you, Mr. Speaker. I'm pleased to have the opportunity to make some comments at this stage about Bill 19, the Gas Utilities Statutes Amendment Act, 2003. It's at this stage that the Assembly traditionally goes back to the principles of the bill and revisits them now that we've had an opportunity at second reading to speak to the principles and at the committee stage to look at the details.

It wasn't that long ago, Mr. Speaker, that the natural gas business in our province was pretty simple. I think most Albertans were pretty proud of the system that we had. It was reliable, it was low cost, and I think that, in general, Albertans felt good that we were using our natural resource for our own benefit. I even recall driving around the province and seeing signs that used to have arrows on them that pointed up to the sky and said, "You're looking at some of the cleanest skies in the world" because of our burning of natural gas. So I think there was a general satisfaction with the way things were going with the natural gas business in the province and, particularly, with respect to consumers.

I guess the question has to be asked: what happened? What was wrong with the system that we had in place, that most people were satisfied with, that was providing heat to our homes and energy for industry at a low cost? What happened to change things? I've heard answers to that question in a number of places. The most commonly given answer is that something happened south of the border, that it was actually moves in the United States and movements there towards competition that really were the spark that ignited a whole host of deregulation efforts across that country, and of course the explanation has spilled over into Canada. I guess the act that started it all was in 1978 when Congress ended the federal control over the price at the well. That seems to have been the beginning of the efforts to deregulate the natural gas industry, and as I said, it has spread north of the border, and we find ourselves with another bill related to deregulation.

They seem to be predicated on a number of principles, but there's one principle that underlies all of it, and that's a blind faith in the competitive market, that somehow or other the competitive market can do all and can provide low-cost, reliable service with respect to any commodity just given the right conditions. I think that that's questionable, and it's being questioned in a variety of places. It's certainly being questioned south of the border, where it first raised its head. The deregulation there has been characterized by a belief that competition will bring lower prices. One author has indicated that this seldom materializes for consumers, for those of us who have to have the supply of gas at our homes, that it may in some cases result in lower prices for industry but that it has yet to be proven for those of us who depend on it for heating our homes, that we'll be waiting a long time before it delivers lower prices for us and for a number of reasons. It seems that for every plan that's put in place – and that's certainly been the experience in our province – there are unforeseen market conditions that arise that prevent the price

reductions from coming into place, things like stranded costs that are passed on to consumers, and again it's usually residential customers that are the last, if ever, to benefit.

I looked at some of the summaries of the experience in the States, and they pointed out the real need for advocates, for families to be on top of deregulation legislation, and we really haven't seen or heard a lot of that in the debate. It's part of the problem that arises when legislation is moved through the Assembly as quickly as this legislation has been, that those groups who might speak for families, the conservation professionals, in many cases are not even aware of the legislation, certainly not aware of the provisions, and haven't had an opportunity to look at the kind of impact that it will have on residential consumers and customers. I think that that's unfortunate. I think that if you were going to predict anything, you could predict that we will be here at this same time next year or maybe even sooner, next fall, with some more amendments to the Gas Utilities Statutes Amendment Act, trying further to fix it, and again that will speak to the haste with which it's been pushed through the House.

It's rather interesting as you look at the bill, Mr. Speaker, that it is called a deregulation for the natural gas industry. If you look at the provisions of the bill and the kinds of regulations that can be made, starting with section 28.1(1), they lay out the regulations that the cabinet, the Lieutenant Governor in Council, may make. When you read that list, it's two and a half pages long, and it's astounding in what is supposed to be a deregulated market that there's a need for so many regulations. They go from "respecting the powers, duties, rights and obligations of gas distributors, default supply providers, retailers and customers" all the way through to "respecting records to be kept by gas distributors, default supply providers and retailers;"

- (h) establishing a code of conduct governing the relationship between
 - (i) a gas distributor and its default supply provider,
 - (ii) a gas distributor and its affiliated retailers, or
 - (iii) a gas distributor's default supply provider and an affiliated retailer,
 or any aspect of the activities of the parties in the relationship.

I mean, the provision for what is going to amount to just a whole vast number of regulations is set up in this bill.

Instead of making life simpler for customers – and in particular my concern is the residential customers – life is going to become a lot more complicated. They're going to end up having to make some decisions that many of them feel ill equipped to make and are going to be put in I think an unsatisfactory position of trying to work their way through a number of retailers who will be making various offers to them and trying to understand those offers and the long-term implications. We've already seen examples of the retailers in action and the kinds of abuses that can occur and the kind of distress that's it's going to cause residential customers. We saw that earlier last week, I guess it was, in the Legislature with the case of an elderly resident who had been approached by a retailer with some rather unsatisfactory results.

9:50

It's a bill and it's a move on the part of the government that, again, is hard to understand. Why are we in this whole mess? What was wrong with what we were doing? Is ideology, blind faith in a particular economic model, really good enough to explain turning the province on its head and putting the province through the kinds of contortions and convulsions that the deregulating bills, whether it's Bill 19 or the electrical, Bill 3, that we have in front of us – is it worth the kinds of problems that are arising as a result of the legislation? Has the government not really lost sight of whom they're serving in terms of the utilities and the best way of going about providing that service?

So I conclude, Mr. Speaker. It's unfortunate that we are involved in this kind of legislation. I think it's even, as I said, more unfortunate that it's been pushed through the House as hastily as it has. Again, as I said before, I think we're going to be back here not too long from now with another package of amendments to try to fix the kinds of problems that will occur as a result of the legislation that's going to be passed here in Bill 19.

Thank you, Mr. Speaker.

The Deputy Speaker: The hon. Member for Edmonton-Strathcona.

Dr. Pannu: Thank you, Mr. Speaker. I'd like to join debate in third reading of Bill 19, Gas Utilities Statutes Amendment Act, 2003. I have had the opportunity, I guess, of speaking to this bill before, a couple of times at least, and putting on record my very serious reservations about this bill.

This bill obviously tampers with existing legislation to facilitate, it seems, on demand, more or less, a new company being invited into the new natural gas market structure that's being put in place, the company's name being Direct Energy. I think it would have been far more appropriate to give transparency to the title of this bill and call it the Direct Energy activities bill or something. It really is a bill which might as well have been drafted by lawyers for this company, Direct Energy, which this government seems to be so desperate to see enter the Alberta scene without asking the hard questions either about the record of this company in terms of billing practices and failures, of which we have learned a few things from Britain, or whether or not the entry of this company essentially as a retailer will do anything other than add to the costs to consumers of the billing services, which will now have to be assessed both at the level of wholesale and retail. This duplication will lead to an increase in the cost to small consumers, household consumers in particular, and small businesses.

Mr. Speaker, it's a bill that is intended to deregulate completely the market, with the consequences that have been apparent for some time both in the utilities area in general, electricity in this province, and natural gas. Things are bad as a result of deregulation, very bad indeed. One just has to look at one's bills over the last year or two to see how bad the situation has become largely as a consequence of the deregulation policies of this government. This bill will make the natural gas consumers' situation worse. If it has been bad before, it will become much worse now as a result of this.

I was looking at a recent piece of communication that the Alberta Rural Utilities Association sent to its members. The Alberta Rural Utilities Association is made up of several groups. I can see that there are about seven of them: Federation of Alberta Gas Co-ops, Alberta Federation of Rural Electrification Associations, Alberta Association of Municipal Districts and Counties, Alberta Water Co-ops, Gas Alberta Inc., Prairie Power Ltd., and Rural Electric Services Ltd. Now, these companies decided to form an association as a response to the pressure that they were receiving from the government to sign onto its deregulation agenda. This association, in its recent newsletter that it sent to its members, says – and I'm going to quote here and there:

Members of the ARUA [Alberta Rural Utilities Association] are united in their concerns about the impact of electricity and gas deregulation on small consumers . . . The ARUA is currently informing provincial government officials and legislators of the broad opposition to some of the current provincial government deregulation plans.

Then I have another quotation here, Mr. Speaker, from Dan Asner, president of the Alberta Federation of Rural Electrification Associations. Mr. Asner says, "The consequences of deregulation for the small consumer are quite alarming." He goes on to say, "Some have estimated the costs at thousands of dollars per consumer, and the

people I talk to just can't afford it and they don't want it!" It's an interesting commentary by rural associations, which represent small consumers, their members, and these are nonprofit organizations which have successfully delivered natural gas, electricity, utilities to their members at the lowest cost on record.

10:00

Another major partner in ARUA is the Alberta Association of Municipal Districts and Counties. Its president, Jack Hayden, is close to the rural community and is also quite particularly concerned about the impact that utility deregulation will have on small consumers in rural Alberta. He says:

We have many challenges in rural Alberta – low commodity prices, high input costs, a devastating drought – and the last thing we need is uncertainty about our electricity and natural gas bills as well. The deregulation initiative hasn't demonstrated any benefits to rural Alberta so far, but one thing it has clearly shown is the importance of mechanisms to protect consumers from price instability and opportunistic business practices.

Now, further down in this newsletter, Mr. Speaker, I will quote a little more and then go on to make some other observations. I think it's important to put on the record the concerns of these small consumers represented by this rural utility association and their members. This is a statement in the newsletter.

Government is already seeing that electrical deregulation that was supposed to reduce prices through increased competition is resulting in exactly the opposite. A major utility has applied to the Energy Utilities Board for a temporary rate increase to cover a projected shortfall of \$15 million in distribution costs for this year.

Of course, these association spokespersons and this umbrella association representing all rural utilities is anticipating some criticism, so the newsletter says:

We may be accused of living in the past or being unwilling to change. That is not true at all. Rural Alberta has some of the most technologically advanced utility distribution and service systems in the world. We also have tremendous safety training and experience and the service we provide to our customers is second to none. Our utility systems are evolving every day.

And they're very good.

The next paragraph is significant here.

We may be accused of fearing customer choice.

That's the key rationale behind deregulation and Bill 3 and Bill 19, Mr. Speaker. So they're saying:

But that also is not true. What choice is it if one has to choose between company A and company B and one doesn't want to do business with either? Utility companies aren't like fast food outlets – there aren't hundreds of them to choose between – there are very few. Most of these are large corporations catering to shareholders who want profits. Their interest in customers is limited to how the customer can generate profits.

That's the essence of my concerns about this bill as well. This bill, as I said, is a bill virtually written by the lawyers of this new company, Direct Energy, to come into Alberta and enter the retail field. This is a company whose activities and work will not add a single cent of value to the commodity or to the service. All they promise is bundling services, that we already have in this province, available in abundance, under conditions of free and open competition provided by Alberta-based providers of these services, whether it's furnace cleaning or new furnace installation or putting humidifiers on our furnaces or selling filters for these furnaces. We can go on and on and on.

There isn't an absence of competition, but if company A and company B, as this newsletter says, regardless of which company is offering the service, isn't something that you want to do business with, then what's the point of so-called choice? Adding another company by tampering with the existing legislation and framework, which has served to give us both stability in terms of prices and low

prices, seems not only wrong-handed; it's intention does not seem to be at all to provide consumers with the protection or security and stability of low prices. The intention seems to be to assist a big marketer to come into Alberta and underwrite the risks for it to do business in this province. That's not what this government should be about. That's not what this Legislature should be concerned about. The job of big corporations is to be able to take risks and handle them themselves without the assistance of governments or Legislatures.

That's why, Mr. Speaker, it's a bill that needs to be rejected by this Legislature. It's setting a very, very bad precedent. If this Legislature becomes simply a rubber stamp for companies' wishes, expressed in the form of some draft legislation, that will be a bad day for the province, for the consumers of this province, and for our democratic powers that we as a Legislature have.

So I will not be supporting this bill and would urge other members of the House to consider doing the same. Thank you, Mr. Speaker.

The Deputy Speaker: The hon. Member for Edmonton-Ellerslie.

Ms Carlson: Thank you, Mr. Speaker. This is our last kick at the cat, so to speak, on this particular bill, Bill 19, the Gas Utilities Statutes Amendment Act, 2003. I think that on a bill like this we have to ask ourselves the question: why is it being brought in, who benefits, and why at this time? Seeing as we have had gas deregulation for some years now, the biggest reason I can see in all of the information that we have had presented to us is that they need this particular legislation so that new companies coming into Alberta can bundle services, bundle electricity and gas together along with other services and provide what is a more profitable package for them to give to consumers. It doesn't look to me like we see anything else more substantive than that as a reason.

So then the question is: does that help the people of Alberta? Does it lower their costs? Does it provide them with better service? In terms of service many of them will get one bill instead of two, so there's some streamlining in that regard, but they're going to be paying a high premium for that. They pay a service charge for that to be done. Plus we have seen through this whole deregulation crisis and mismanagement over the past number of years prices skyrocketing, not wholly because of deregulation but certainly in some contributing manner, Mr. Speaker, and that's a real problem.

Then in what happens to be one of the most substantive pieces of legislation, as a companion piece to Bill 3, and then as another substantive piece, Bill 27, we see this government take this hat trick of bills and shove them through the Legislature in a very short amount of time, where they bring in time allocation. I've got lots that I want to say about time allocation and what other jurisdictions do with regard to this and the other bill we still have under debate and also information that we weren't able to present in committee because of the shortage of speaking time and a whole lot of other good ideas, like the one we talked about earlier this week being the net metering, that I want to present.

Given the hour, Mr. Speaker, I believe that I will now adjourn debate and continue tomorrow.

10:10

[Motion to adjourn debate carried]

The Deputy Speaker: The hon. Government House Leader.

Mr. Hancock: Thank you, Mr. Speaker. In light of the hour I'd move that we adjourn until 1:30 p.m. tomorrow.

[Motion carried; at 10:11 p.m. the Assembly adjourned to Wednesday at 1:30 p.m.]