

## Legislative Assembly of Alberta

**Title: Tuesday, February 20, 1996**

**8:00 p.m.**

Date: 96/02/20

[The Speaker in the Chair]

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

### Bill 2

#### Alberta Economic Development Authority Act

THE SPEAKER: The hon. Member for Edmonton-Beverly-Belmont.

MR. YANKOWSKY: Thank you, Mr. Speaker. It is indeed an honour for me to rise and open debate on Bill 2, the Alberta Economic Development Authority Act.

THE SPEAKER: Order please. Some of the hon. members on this side forget that they're not sitting down in the other corner, and they make it impossible for the Speaker to hear what's going on. Please, hon. members.

The hon. Member for Edmonton-Beverly-Belmont.

MR. YANKOWSKY: Thank you, Mr. Speaker. To recap, this Bill will formalize the creation of the Alberta Economic Development Authority, which is a private-sector advisory body which, in partnership with our government, assists in shaping strategies to achieve sustainable economic growth and employment opportunities in Alberta. The Alberta Economic Development Authority has a mission statement, as most companies and providers of services do. The mission statement states that the Alberta Economic Development Authority is to provide Alberta with a proactive vehicle embracing both the public and private sectors for the development of economic opportunities both at home and abroad.

The Alberta Economic Development Authority was created by Premier Klein in 1994. This is a tribute to yet another one of the Premier's good ideas. The Alberta Economic Development Authority is a direct link and partnership between the Department of Economic Development and Tourism and Alberta's business community. It was created to determine proactive strategies designed to promote investment and employment within the Alberta economy.

The Economic Council has 80 volunteer – and I stress volunteer – council members, representing small and large businesses, municipal agencies, and industry associations. The board of management is chaired by the Premier and has a total of 20 volunteer members. There are also three co-chairs, who come from the cities of Calgary, Edmonton, and Fort McMurray.

The board of management and the Economic Council have defined responsibilities. The board of management is responsible for administration, budget preparation, government co-ordination, and evaluation. The Economic Council is responsible for the review and recommendation of economic strategy proposals.

The Alberta Economic Development Authority is made up of a talented and experienced group of senior business executives who voluntarily contribute in a private-sector/public-sector partnership. There are also some 19 task leaders that head up Economic Council subcommittees. Each is responsible for specific economic areas such as agriculture, education, external trade, interprovincial trade, petrochemicals, taxation, architecture, construction and engineering, energy, finance, manufacturing, value added,

regulatory matters, technology, transportation, communications, the environment, human resources, natural resources, small business, and the Toward 2000 initiative.

The members of the authority provide invaluable strategic input to help shape this province's future economic growth. The Alberta Economic Development Authority creates the opportunity for representatives of all sectors of the economy to come together under one umbrella to focus on ways to expand Alberta's economic growth and employment opportunities.

The authority provides advice to government on how provincial resources can be used to improve Alberta's competitive advantage and expand on a growing and vibrant entrepreneurial economy. The Alberta Economic Development Authority strives to be results oriented. It is designed as a model without complex operating procedures, and its success relies on the skill and commitment of its members.

The Alberta Economic Development Authority also has a number of goals. One is to encourage investment in Alberta, another is to develop trade and export sales, and the third is to deregulate the provincial economy. The authority represents a voice for small and large business throughout the province. It gives the private sector the opportunity to find solutions to problems that inhibit economic growth and introduce new strategies. The Alberta Economic Development Authority is the voice of businesspeople concerned about Alberta's future prosperity and willing to work with government to build the very best possible future.

Priorities for the Alberta Economic Development Authority include: industry and business development, industry investment by sector, export growth by sector, regulatory competitiveness, business tax policy, human resource development, research and science development, environmental and sustainable development policies, and economic policy competitiveness. By creating the Alberta Economic Development Authority, Alberta has forged a direct link and formal partnership between the private sector and government. The partnership and nonpartisan features of the Alberta Economic Development Authority are bound to a virtual revolution in our approach to economic development. We have replaced the old one-sided decision-making process because it no longer serves the needs of Albertans.

When you boil it down to the essence, the Alberta Economic Development Authority is all about building and marketing the Alberta advantage. This unique partnership is the first of its kind in Canada. No other province has such an authority. It brings the initiative, innovation, and experience of our private sector to the task of setting the province's economic development agenda and maintaining future prosperity for all Albertans.

I will relinquish the floor now and await further comments as the debate regarding Bill 2, the Alberta Economic Development Authority Act, continues.

Thank you, Mr. Speaker, for this opportunity to speak to Bill 2.

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

MR. BRUSEKER: Thank you, Mr. Speaker. I must say, following on that dynamic speech, I was certainly persuaded that this is a good Bill, but I did have a couple of comments I wanted to make on the Bill before we proceed to the vote on it.

The Bill does something peculiar. It allows for the creation of an Alberta Economic Development Authority which the member points out would be the first provincial economic authority. Now,

when I looked through the Bill, I did have a couple of concerns I wanted to raise with the member sponsoring the Bill, and hopefully he will be able to answer some questions when we get to the section in Committee of the Whole.

When we look at the appointment of the membership of the three different components of this economic development authority, none of those appointments is being created through the Legislature or even through a committee of the Legislature such as, for example, the Legislative Offices Committee. Mr. Speaker, I recognize that this is a volunteer committee, as the member has pointed out, a membership that has grown from 50 in its inception to, I believe he used the number of 80, currently. But when they're not appointed by the Legislature, and they don't report back to the Legislature – in fact when we look at the Bill, the membership of this economic development authority will basically report back to the Premier. So it then begs the question of why are we even bothering to proceed with this piece of legislation.

### 8:10

Another part of the Bill allows the authority in the future, assuming this Bill is passed, to create bylaws, but the bylaws are not going to be subject to the Regulations Act. So the question then is: why do we have a Regulations Act if this group does not have to comply with the Regulations Act already passed by this Assembly? To me that seems rather counterproductive.

I note also, Mr. Speaker, that there is somewhat of a sunset clause in this legislation in that it mentions that the Act will expire on March 31 in the year 2005 unless it continues by an order in council. So this could be simply renewed by an order in council rather than coming back to the Legislative Assembly once again.

So it seems curious, Mr. Speaker, that we are creating a Bill to do a variety of things which, quite frankly, are already happening. As the member has already pointed out, this authority was created in 1994 by the Premier. So the Bill we are proposing, as far as I can tell, is absolutely unnecessary. Quite frankly, everything that the Bill proposes to do or achieve is already being done. In fact, the first report of this committee came out on April 28, 1995, and they've already come forward with three recommendations.

The first recommendation talks about elimination of the machinery and equipment tax for educational funding once the provincial budget is balanced. So here we have, curiously, a Bill that looks like we're creating something new but in fact affirms an organization that is already in place and has already produced their first report.

I must say that I agree with the recommendation to eliminate the machinery and equipment tax from the standpoint of promoting business within the province of Alberta. I am a little concerned how we maintain educational funding and make it equitable for other property owners in the province. So the principle is interesting; the implementation, I suspect, will be even more interesting.

The authority has already come up with a second recommendation with respect to the environmental improvement process. They talk about improving clarification and "elimination of overlapping regulatory jurisdiction." That certainly is in agreement with the Member for Peace River, who heads up the deregulation committee. Certainly, I'm sure he was pleased to see that particular recommendation come forward. Also, it says in that second recommendation within the environmental approval process that "Legislative Acts should better define the scope of their authority" with respect to regulatory agencies. So that seems reasonable.

The third recommendation that they talk about is improving technology in terms of increasing the number of people who are able to commercialize technology, increasing the availability of risk capital, and increasing the development and commercialization of technology within Alberta.

So, Mr. Speaker, certainly the intention is noble, even if it is an idea that goes back to a previous life of the Premier when he was mayor of the city of Calgary. If the Alberta Economic Development Authority works as well, it should come along nicely. However, this Bill has a number of flaws in it with respect to, I suppose, how it will ultimately work. As I said before, this Bill will simply, I suppose, legitimize an authority called the Alberta Economic Development Authority that is already functioning.

The final question I would have to ask, though, is: with a minister responsible for economic development and tourism, why do we need to have both a Minister and a Department of Economic Development and Tourism and an authority as well called the Economic Development Authority? It seems to me that the government has said many times that they want to eliminate duplication and overlap. This looks like the creation of duplication and overlap. Therefore, one has to wonder why this Bill is coming forward at this time at all.

Thank you, Mr. Speaker.

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

MR. LANGEVIN: Thank you, Mr. Speaker. It is my pleasure this evening to rise and speak in support of Bill 2.

Following up the comments made by my colleague here, you will be interested to learn that a diverse group of people have been appointed to lead the authority. I would like to mention a few people from across Alberta. We have Charlotte Robb, the vice-president of the CIBC in Edmonton, who is heading the Economic Council, and also a fellow by the name of Eric Newell. He's chairman and president and CEO of Syncrude Canada Ltd., and this person chairs the board of management. There's also Mr. Doug Mitchell. He's the immediate past president of the Calgary Chamber of Commerce, and Mr. Mitchell is responsible for trade missions and follows up on authority activities.

So as you can see, there's a wide range of people from the province who are serving on this board. It's a wealth of experience. People are prepared to share their knowledge and their expertise on what they know about business, and they're prepared to pass that on to the economic board and to government to try and promote industry and promote this province. They're doing it on a volunteer basis, and I think that speaks well of Albertans, and it speaks well of this authority. If you have people in these capacities that are prepared to take some of their time and give it as a contribution to the province, I think we have to recognize that. It's much more than big city, big business interests because it's people from across the province. In fact there are representatives from the chamber of commerce, regional economic development groups, business, industry. So whether you live in Peace River or Paradise Valley or maybe Calgary-Fish Creek or Calgary-North West, as the case may be, chances are that your community is represented and your opinions and thoughts are being heard.

As my colleague briefly mentioned, the Alberta Economic Development Authority is all about building and marketing the Alberta advantage. Three major components of the Alberta advantage are a skilled and motivated workforce, a strong

technology base, and an abundant supply of resources. These three key attributes we have in spades, but let's turn to our main economic disadvantage.

The main challenge we must work to overcome is our small population base. We have a vast province, but we have a low population. At about 2 and a half million people Alberta is considerably smaller than many great world cities. Therefore, our economic strategy must build on Alberta strengths and advantages while mitigating our disadvantages.

We must create a business environment to attract investments in dollars. This is why it is so very important to link the development of economic strategy with the private sector. Government, as in the past, cannot do it alone. We need the private-sector involvement, and we will get it through this Economic Development Authority Act by getting the people from the private sector involved in decisions in this province. This is why the Alberta Economic Development Authority is such a strong component of the future economic development in Alberta. It is truly a partnership between private and public sectors. The Alberta Economic Development Authority is the voice of business-people concerned about Alberta's future, Alberta's prosperity, and is willing to work with our government to build the very best future possibilities for this province.

Prior to the Alberta Economic Development Authority, priorities included industry and business development, industry investment by sector, export growth by sector, business tax policy, human resources development, research, science development, environmentally sustainable development policies, and economic policies and competitiveness.

Mr. Speaker, let me reiterate that this is a unique partnership between the public and private sectors, the first of its kind in Canada. Alberta is the first province to go into such an arrangement with the private sector, and I think it has a lot to bring to our province. It brings private-sector initiative, innovation, and experience face-to-face with the knowledge and expertise of the public sector. Through this partnership we will address Alberta's future economic development strategy.

I urge all members of this House to vote in support of Bill 2, to vote in support of accepting the offer from private enterprise to work along with our government in promoting our industry, to work in support of these people offering their expertise, their volunteerism, and their commitment to our province. I think this is a Bill that will fulfill this.

Thank you, Mr. Speaker.

[Motion carried; Bill 2 read a second time]

8:20

### Bill 3

#### Lloydminster Hospital Act Repeal Act

THE SPEAKER: The hon. Member for Vegreville-Viking.

MR. STELMACH: Thank you, Mr. Speaker. I wish to move second reading of Bill 3, the Lloydminster Hospital Act Repeal Act.

This Bill, Mr. Speaker, will dissolve the Lloydminster hospital board so that a new arrangement can be put in place for the delivery of health care services in Lloydminster which would be compatible with the regional health authorities that we have put in place in Alberta and also compatible with the province of Saskatchewan legislation as it applies to their health districts.

I think the Bill itself is self-explanatory. Our residents on the Alberta side will still receive high-quality medical services. The

East Central regional health authority, region 7, will be contracting the services from the newly appointed health district board in Saskatchewan.

Thank you, Mr. Speaker.

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

MR. SAPERS: Thank you, Mr. Speaker. I'd like to enter into the debate on Bill 3. It seems like a very straightforward Bill. It barely fills five sentences. However, it has some considerable implications that I think should come to the fore during the debate on the Bill.

First of all, Mr. Speaker, the Bill that would simply eliminate the board and repeal the Lloydminster Hospital Act is very curious in its timing. We understand from the province of Saskatchewan that on February 5 that province issued a news release speculating about the passage of this Bill in this Assembly and at that time also mentioned the appointment of six Albertans who will sit on the board. It goes on to say that there will be elections involving candidates from both provinces at some point in the future.

Now, the timing of this I find very interesting, considering that it was released by Saskatchewan before we heard from our own Minister of Health regarding the future of the makeup of regional health authorities in this province. So obviously the government of Saskatchewan knew something about the government of Alberta's intent before the taxpayers of Alberta did, Mr. Speaker. I find that a little curious.

The other thing that I find a little curious, Mr. Speaker, is that we see that the East Central health authority is now going to have to enter into a new kind of financial agreement with the newly created district board in Lloydminster, Saskatchewan, and it's hard to understand exactly on what basis this financial agreement will be founded, considering that there is not at present a funding formula in the province of Alberta. So we're not exactly sure how the decision will be made on what the appropriate level of financial support is that will have to go to that region to purchase services from the government of Saskatchewan and how in- and out-migration will be dealt with, how excess billings will be handled.

Mr. Speaker, it's curious to know that in the Act that is being repealed – I believe it's in section 28(1) – there was a formula in place for the excess of expenditure that made some division of that excess between the city of Lloydminster, the county of Vermilion River, and the rural municipalities in Saskatchewan. There is no mention of how that will now come into play with the simple repeal of this Act. So I'm curious to know what arrangements are being made, whether this will be up to the Minister of Health. Will it come back before the Assembly, or is this going to be simply the responsibility of the East Central health authority, and what happens if they run into some financial difficulties as a result of it? That's certainly not been made clear, and I wish that the mover of the Bill would make it clear. I notice that he didn't take anywhere near his 20 minutes of time to inform the Assembly about the intent of the Bill that's sponsored under his name. It would have been nice if he could have taken some time, or perhaps now he could take the time between this stage of debate and the next to go and learn a little bit more about the Bill that he's sponsoring so he can properly inform the Assembly at the next stage of debate.

Mr. Speaker, the last item that I find a little bit curious about the Bill at this time is that it doesn't make mention at all about

what's happening with the Dr. Cooke extended care hospital in Lloydminster. We would like to see some discussion about the differences in approach between acute care services in the East Central region and extended care services in the East Central region and whether or not the repeal of the Lloydminster Hospital Act will have any direct bearing on how patients will flow back and forth and how in fact, if we see the East Central region developing some rather specialized or shall I say some services that may not be equally as accessible, that will have impact when it comes to people moving, not just simply between regions but in this case between provinces.

So I would hope that as this Bill proceeds through the Assembly the mover will take the time to shed some light on these issues. Thank you.

DR. WEST: Mr. Speaker, I stand to support second reading of Bill 3, the Lloydminster Hospital Act Repeal Act. This is in my constituency, and it is a very unique situation. Here we have a border city where the main hospital is on the Saskatchewan side and was supported by this province of Alberta in construction of that hospital there, and we have traditionally funded services for both the Saskatchewan and Alberta people of the Lloydminster area.

This has gone through extensive consultation in the city of Lloydminster. I can remember two years ago sitting down with the then hospital board to discuss the issue of governance in the future where you have two jurisdictions, Saskatchewan and Alberta Health, that have to fund services on a shared basis in facilities that are jointly used by both citizens.

It's interesting that the individual that just last talked knows very little about governance, of how the model of the health regions works in Alberta, let alone one that now will be a joint governance model between Saskatchewan and Alberta. It's very simple. Because they have a unique situation in Lloydminster, they will contract services both ways to the centre with a governance board in there called the Lloydminster hospital board, and if you start asking about long-term care and all of these other things, that's all encompassing for the health needs of the Lloydminster area as contracted through the East Central health region and Saskatchewan health region.

I stand here tonight because I think it's very important to get on with it. We are now two years into a governance model in Alberta, and Saskatchewan's been struggling there. Lloydminster needs the confidence of this Bill to get on so that they can be assured to deliver and continue to deliver the health services in that area. So I ask the Assembly to support this Bill on behalf of my constituency and the city of Lloydminster.

[Motion carried; Bill 3 read a second time]

8:30

### Bill 5 Racing Corporation Act

DR. WEST: Mr. Speaker, I stand today to ask for total support for second reading of Bill 5, the Racing Corporation Act. If we recall, this Act was introduced last session as Bill 49 and has been brought forward this time unchanged. I'm asking for the support to renew the horse industry in Alberta and to set it in a direction of self-regulation and self-destiny, if you like.

There's no doubt that horse racing has suffered over the last few years. I look at it as almost an agricultural industry. It probably supports 5,000 people in this province through their income and generates a tremendous amount of value-added in

everything from the breeding stock right through to all the equipment and that that's involved in and around this industry.

Bill 5 responds to key recommendations put forth in the racing industry's strategic renewal plans and will establish a new, private, not-for-profit organization, the Alberta racing corporation. The last time this was introduced, there were amendments that came forward. I want to stand here and say that this Bill comes forth not changed from the last time, but I'm certainly willing to look at the amendments in good faith on this Bill, because the industry is totally supportive of this. We have some events going on in the B circuit and that that need addressing because they're having trouble carrying on in Lethbridge and a few places.

So I ask for your support and will be willing to answer questions and, when it goes into committee, certainly look at levels of amendments that could be brought forward if people feel so.

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

MR. WICKMAN: Thank you, Mr. Speaker. It's my pleasure to lead within our caucus on Bill 5. I want to say right off the bat that in terms of the racing industry, you're not going to find a greater degree of support than you will in this caucus. There are many members of this caucus that are very, very familiar with the racing industry, including myself. Any young Albertan has had the opportunity of getting out to the race track, and there is not a more beautiful sight at times than watching those horses come down that main stretch heading to the wire.

Years and years ago when I first came to Alberta, I can recall just how healthy the racing industry was, and it became healthier and healthier. I can recall million-dollar days out at Northland. But in the last two years we've seen what's happened. It's come down, it's come down, and it's come down. Many, many different things have been attempted to correct it. We see betting in lounges and that throughout Alberta. We see races now beamed in from Phoenix, from Paradise, from Hang Kong, from Woodbine, all over. These are desperate measures that the racing industry is trying to keep the game alive.

Mr. Speaker, the minister did stand up and did admit that it was the exact Bill, the same as 49, the infamous Bill that our caucus spoke out very vigorously against. The minister, if I recall correctly, got up, tore the Bill in half, and said: you'll never see it again. Well, we didn't see Bill 49 again, but we certainly see Bill 5 again, the very same Bill that we were debating in the fall session. Now, we see what has happened with the racing industry. We see that it has declined. We recognize that it is in trouble, that there are difficulties. The minister responsible feels that Bill 5 is the solution, that Bill 5 is going to correct the ills of the racing industry. I don't agree, Mr. Speaker.

From the discussion I've had with individuals that own thoroughbreds, that own standardbreds, that are involved, the horsemen themselves, they say that there is one thing that is killing the racing industry, and that's the VATS. The competition from the VLTs, in terms of those machines sucking out the dollars, simply does not allow horse racing to compete. It's not the horsemen that wanted VLTs at Northlands, at Stampede park, because they recognize what's going to happen. It's a competition, an addictive type of competition that they simply can't compete against.

Mr. Speaker, I'm not saying that the minister has a hidden agenda, but wouldn't it be cute if this thing did pass, if this

nonprofit corporation was set up and horse racing really went down, down, down? The minister could say that, well, the horse racing industry themselves were responsible for their own downfall because they had control of their regulations or promotions. It could be a hidden agenda, because they see what's happening. Mr. Minister, while the VLTs are there, the horse racing industry does not have its shot. It doesn't. This isn't going to correct it; I think you realize that.

You could take this same philosophy, talk in terms of self-regulation, talk in terms of self-promotion, and so on and so forth. All the benefits, of course, all the dollars that are realized stay within that nonprofit corporation to control racing, to promote racing. Why not do that with the VLTs? Why not have the hotels get together, form a corporation, own the machines, run the machines, keep the profits on the machines? Turn it all over to them. How long do you think that VLTs would continue to operate in their present form? How long do you feel before some hotels would say that instead of paying back 69 percent – whatever they pay back on VLTs now; maybe it's not that high – 49 percent, whatever the case may be, they're going to adjust it downwards like they do in Vegas? So the payoffs are even less, Mr. Speaker.

Mr. Speaker, I believe that the minister's intentions may be good; I don't know. I really don't know on this particular one, because this Bill having come back after what we saw last fall really, really surprises me. The same arguments that were made last fall are going to be made again. I think most members that were here in the fall will clearly remember the solid, strong arguments that were put forward by the Member for Fort McMurray. If I recall correctly, it was those arguments that the minister could not get up and dispute. He didn't have an answer for them. If I recall correctly, that's when the Bill was torn up, and that was supposed to be the end of that particular Bill.

There was comparison and there will be comparison again that there are elements of the infamous Bill 57 in Bill 5, the turning over of government regulation to a nonaccountable body. When we look at the makeup of this body, it's the makeup of a body that's created, really, put in place by the racing industry themselves. I'm not saying that horse racing is bad by any degree, but like any other endeavour there is the opportunity for a couple of bad apples to get in. I'm not going to go over cases that we've seen in Alberta where there have been charges brought forward because of race fixing, in some cases drug use and that type of thing, and so on and so forth. If there's any industry, I believe, Mr. Speaker, that needs a degree of government involvement and government regulation, it is any form of gambling, whether it be horse racing, whether it be the dreaded VLTs, or whether it be scratch and win. You have to have it.

When we look at the Bill in detailed form, one of the major questions that was raised in the fall session was the ability of this corporation by definition within the Bill to allow many other activities other than just horse racing or pari-mutuel betting. We were never satisfied, Mr. Speaker. The minister never got up and fully satisfied us that the opportunity wouldn't be there to set up betting shops in the corner stores, for this corporation to go into other forms of gambling. We don't know that. That was never, never clearly defined. It was never clearly defined. In fact, it spells it out very clearly that this Bill exempts the racing corporation from the provisions of the Financial Administration Act. In this Bill we see section 9, where there are virtually no safeguards to ensure that Alberta taxpayers are not put on the hook if the industry reaches the point where it is not self-supporting.

Mr. Speaker, as we go through this, we're going to see that there are more and more areas in the Bill that need correcting, that need amendments. As to whether the minister is going to be prepared to consider those amendments when we get into the stage of second reading of the Bill, I don't know. It's going to take a great deal of amendments that would have to be considered and approved by that side of the House to make this Bill, I believe, workable, to make this Bill into something that serves the interests of the racing industry, serves the interests of the public at large. In its present form it doesn't.

Mr. Speaker, there are many others that are going to speak on this particular Bill. As I conclude, it amazes me that after the comments that were made in the fall session, the Bill came back in its present form. I'm not sure if it's only here for second reading or if the minister is going to delay the committee stage of the Bill. He hasn't addressed that yet, but somewhere along the line I guess we'll get a better idea as to what his intentions are.

On that note I'm going to conclude.

8:40

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

MR. DICKSON: Thanks very much, Mr. Speaker. I'm delighted with the opportunity to rise and join debate on Bill 5. I think I had the privilege of being the last speaker to Bill 49 at committee stage last fall. When I heard that the Bill was coming back, you might imagine, sir, that I immediately unearthed my old *Hansard*, because I wanted to see the concerns that had been raised by members of my caucus. I wanted to see to what extent the government had listened, had ruminated, had considered the various concerns that had been raised in good faith, doing our job representing the interests of those Albertans who don't have the privilege of sitting in this Assembly. I wanted to see to what extent those bona fide, good-faith suggestions had been incorporated by the hon. minister into the Bill.

Now, I might say parenthetically that I want to pay – and this isn't a grudging acknowledgment; this is a more generous acknowledgment to the minister. My office did get a call from this minister, I think about a week before the session commenced, soliciting amendments from me with respect to the Bill. Mr. Minister, through the Speaker, I appreciate the thought and the gesture in terms of contacting my office. Unfortunately, not only was I not the lead critic on the Bill, but there simply wasn't sufficient time to put together all of the amendments. So hopefully the communication that went back to the minister was that he was encouraged to look at *Hansard*, where the various concerns were set out in some detail. Hopefully, Legislative Counsel, working for the government, would be able to integrate those concerns, those suggestions, so that when we meet in the spring session, we're not having to rehash all of the issues that we had spent 10 pages at second reading in the fall session going through and verbally wrestling with.

So that was my expectation, Mr. Speaker, that we would have moved forward. I have to express some disappointment that when I look at Bill 5, it appears to be virtually unchanged. In fact, I heard the minister say that the Bill's been returned unchanged, close quote. Well, I have a difficulty, and the difficulty becomes this. When members on this side raise a number of concerns with a Bill, not only in terms of principle at second reading but then in committee – we went in and talked about some specific concerns – one would expect that a minister who wants to get a Bill passed in some expeditious fashion would have at least gone some

distance, maybe not all the way, to at least address those concerns.

If the minister chose for whatever reason not to move on some of those good-faith suggestions and remedial ideas, he might at least share with us his reasons for rejecting them. He might at least come forward and say: "Member for Calgary-Buffalo" or "Member for Fort McMurray" or even "Member for Cypress-Medicine Hat, the reason I can't make the change is for this reason: it's unconstitutional," or "It's covered in another piece of legislation," or "It's redundant and you people aren't reading the statute properly." We don't even get that kind of explanation, so where we're left, Mr. Speaker, is we deal with Bill 5 this evening.

We know that the minister hasn't adopted any of the amendments suggested, and we would be prepared to let him come back in and claim them as his if he were prepared to integrate some of those solid amendments. He hasn't come forward to tell us why he's not integrating any of those amendments. As I understand the hon. minister, what he says is: well, when we get to committee, we can have another look at that. Well, I'm sorry; that simply isn't good enough.

The minister has had the opportunity to deal with the amendments, to integrate them into the Bill or to give us an explanation as to why he wouldn't move in that respect, and when we look at it, it's not there. So it seems that the next time the Government House Leader stands up and says, you know, it's too expensive to run this Legislative Assembly - I'm sure he's got at the tip of his tongue now what the cost is for every hour we spend in this Legislature, for every day the Legislature sits. The minister can expect that he's going to get this kind of comment when he starts expressing his concern, as he's wont to do about two or three weeks into the session, about the cost. He can expect the retort: "Why don't you listen to what people say in the Legislature? Why don't you integrate some of those suggestions? Why don't you show that in fact this is a Legislature and not a dictatorship?" It seems to me that's the simplest and the most straightforward fashion for the minister to move forward and for his colleague the Minister of Labour, the Government House Leader, to be able to economize on time in the Legislature yet do the work outside the Legislature, so that when we come here, we're moving forward instead of retracing our steps and starting back where we did in October of 1995.

My concerns that I had at that time are still outstanding, and I'll go through and I'll identify one more time for the minister. Firstly, section 1(1)(d)(vii). We still have a "licensed activity," including:

- (vii) any activity specifically related to horse racing but not referred to in subclauses (i) to (vi) that is prescribed by the rules as a licensed activity;

That was a concern in the fall. Why? Rules aren't even subject to the minimal standards that regulations are. The rules are created over here by a stand-alone private entity. We've got delegated lawmaking, lawmaking that's not only not made in the Legislative Assembly and is not made by the Executive Council, but it's made by an independent corporation at arm's length from government. A legitimate concern in October of 1995, still a legitimate concern in the spring of 1996.

Another concern. I refer members to section 7. Again we have "The Financial Administration Act does not apply to the Corporation or any matter carried out under this Act." So it underscores the fact that this is a wholly private operation, and what we're dealing with is a matter that intrudes mightily into the whole arena of gambling.

I don't know what the hon. minister heard in his break since the fall session of the Legislature, but let me share with you, Mr. Speaker, some of the things I've heard. People in Calgary are concerned with government walking away, abandoning its traditional role in terms of ensuring public safety. Particularly they're concerned that the government is walking away from its role in terms of allowing gambling to not only have a toehold in this province but to have a stranglehold in Alberta. That's a concern to regular Albertans that, I'm sure, live in the minister's constituency as well as mine.

Moving on, to anybody who may stand up and say that we're talking about detail that can be dealt with at the committee stage, I just want to respond by saying that there's no object clause in this Bill. So when we look to try and determine where we're going with this instrument, we have to rely on what the minister tells us and what we can read within the four corners of the Bill. What we see are conflicting messages, Mr. Speaker. In fact, what we see in the Bill isn't even consistent with what the hon. minister says, and it's not consistent with what he told us in October of 1995.

#### 8:50

So I've mentioned section 7; I've mentioned section 1. I'd refer members to section 6(2). Once again we have bylaws being made. They're not even treated like regulations. They're not subject to the Regulations Act, so there's no control by the Legislature and there's no control by Executive Council.

Section 10 rears its ugly head again. We still have the provision:

Without limiting the capacity or power of the Corporation to enter into agreements, the Corporation, at the request of the Minister, may on behalf of the government enter into agreements with any other government, person or agency with respect to horse racing.

It's a curious thing, and it still has not been satisfactorily explained by the hon. minister. How is it that we create an entity that the government tries to distance as much as possible from government accountability, government responsibility, and yet the government still wants to maintain control through the back door, if you will? In effect, you still have the minister able to direct, because that's the effect of section 10, the corporation to enter into agreements. So you have the minister subdelegating his executive power to an unelected, appointed body, a body that's not subject to any kind of regulatory control, not subject to the freedom of information Act, not subject to the Financial Administration Act. You can't even ask questions about it in question period.

Mr. Speaker, I see that there are other familiar problems with Bill 5, formerly Bill 49. I'd refer members to section 11.

The Corporation shall operate in accordance with the laws governing gaming and the policies and directions of the Government with respect to gaming.

You still have an attempt by this government, which is illogical if not bordering on illegal, to incorporate by reference not regulations, not statutes, but policies and directions of the government.

Now, some of us have sat in the Assembly going on four years. We're still trying to discern and define some rational basis for the various directions of government. Somehow the corporation is going to be put in the position that not only must they try and discern the policies and directions of the government with respect to gaming, something most Albertans are waiting for, but they have to follow it and they have to operate in accordance with it. So a doubly difficult task, Mr. Speaker.

My favourite provision, though, is section 17 in the Bill. As I said on October 31 of 1995, it's a curious thing that in a House where we have people like the Government House Leader and we've got a number of other members in the Assembly on the government side who would like to see property rights enshrined in the Constitution, would like to see property rights given some kind of primacy – because why? Because I guess they don't trust the fairness or the boundaries of their own government. They think that Albertans deserve some special protection for things they own. Well, we look at section 17, and what we've got now is a provision for this unelected, irresponsible corporation to be able to effect seizures, to be able to interfere with private property rights of Alberta citizens. How does the minister reconcile all of that rhetoric we heard two years ago about enshrining property rights in the Constitution . . .

MR. GERMAIN: It's irreconcilable; that's the answer.

MR. DICKSON: It may well be. My colleague suggests it's irreconcilable. I'd like to give the minister credit that he wouldn't possibly bring in something that made so little sense without having some more solid reasons for it. So I'm challenging the minister to share with us and to share with Albertans what those reasons are why he thinks private-property rights can be trampled, can be ignored, can be simply run roughshod by this unelected, unaccountable, irresponsible corporation.

The same problem exists when we go on to look at section 20. We've got a whole noncompliance provision that makes little sense and will be the subject of amendment when we get back into the committee stage, if the Bill gets that far. So those are some of my basic concerns.

I think that the minister still has the opportunity, before this Bill goes further, to maybe take it back to Legislative Counsel, put in a proper object clause, address the other concerns that have been raised, and at least ensure that we have consistency with the various elements of the Bill. Because I think what we've got now are conflicting principles, a Bill that tries to do too many different things, and there's no clear value basis, no underpinning to this that makes any sense to Members of the Legislative Assembly.

I guess the other thing I would say is that representing a constituency that is as urban as any of the other 82, I think it's frankly mischievous for the minister or for any other member to characterize this as a Bill to advantage agriculture. I think you don't have to look very far in terms of looking at – we'll call on the horse racing industry in the province of Alberta to acknowledge that, yes, there are problems. I think every member understands that. But, you know, this so-called solution to save an industry – and that's the way it's been presented by the minister and by his colleagues – frankly misses the point. It goes in a very different direction, and really what we might call this is the racing and gambling corporation Act. Because when you look at the absence of boundaries and limits, when we've seen the extent to which this government is addicted to gambling in various multiple forms, why would we or indeed why would Albertans have any confidence that the government would choose to rein in a corporation – in fact, they won't have the power to do it – that takes a very aggressive approach to expanded off-site gambling in this province?

You know, for those of us who had an opportunity to see what goes on in the United Kingdom and a number of places where off-track betting is extensive, where you have some appreciation for some of the problems, the potential for unsavory types to move in

and take over an unregulated business, I think the fear is a realistic one. I think we have no assurance within the four corners of the Bill and no assurance indeed from the hon. minister that there would be safeguards to prevent that sort of thing happening.

So Bill 5 truly is the thin edge of the gambling wedge, and I'd encourage all members to consider what their constituents' concerns and needs are before voting on Bill 5 on second reading. I would encourage members not to support it. If indeed it's passed, then I can only hope that there are major, major amendments to it to circumscribe the power of the corporation and to ensure that rather than being distanced from government, it still continues to be subject to the powers and the limits of the government of the province of Alberta.

With those comments, Mr. Speaker, I'll take my place and look forward to further debate. Thank you.

THE SPEAKER: The hon. Member for Fort McMurray.

MR. GERMAIN: Mr. Speaker, thank you for allowing me an opportunity to again speak on Bill 5. For those individuals who feel that history does indeed repeat itself, they have no further to look than this particular Bill, which of course is a rewarmed version of the minister's last Bill on the same subject in the last Legislative Assembly.

One thing about this minister is that nobody will ever accuse him of not having courage or aggressiveness, because I cannot think of any other adjective, any other description that could possibly describe what has happened here in the reintroduction of this Bill. This minister knew last fall that there was tremendous anxiety in Alberta about this Bill. Now, they will, like the musk ox circling themselves, try to pretend that the anxiety was only from this section of the Legislative Assembly, but there was anxiety about this Bill in almost every riding in this province, sir. This Bill asks us to answer tonight, tomorrow night . . . [interjection]

**9:00**

Now the minister wants to start again, Mr. Speaker. I know he'll have his chance. I know he'll be able to speak again and again. This minister, by the way, introducing this gambling Bill, after just last week calling certain Members of this Legislative Assembly "morally bankrupt" – that was what he did. You know, I would love to see the Member for Calgary-Currie stand up in this Assembly and say that she favours bookie joints in the convenience stores around her schools in her riding in Calgary. I would like to see that. I would like to see the hon. minister of advanced education stand up and say: "I support this Bill. I favour licensed bookie joints in every convenience store and grocery store and liquor store and Safeway across this province." This Bill being introduced as it is by a Member of this Legislative Assembly that would call other members morally bankrupt is in my respectful estimation an oddity of human nature.

I want to say as well, Mr. Speaker . . . [interjections] I see that the hon. Member for Little Bow wants to get up and say that he will not allow gambling joints in his convenience stores and across from the schools and swimming pools of his community, and I know that he'll want to do that shortly. I know that he will, because I can feel his anxiety from over here as he chirps away from his chair, sitting there. Of course, others of this Assembly race to my protection, and that's how it escalates.

Now, Mr. Speaker, I try and pride myself – and some will disagree – on being a fair and reasonable person.

AN HON. MEMBER: I will.

MR. GERMAIN: The hon. member disagrees. She's welcome to. I wonder if the Member for Lesser Slave Lake will stand up and say that she opposes bookie joints in her community as well, and perhaps she will at the right time. But, you know, this minister and his colleague the hon. House leader are very, very apt in this Legislative Assembly to lash out at people who have differing points of views on the basis that they are wasters of time, on the basis that they are destroying democracy because they waste time in this Legislative Assembly debating issues.

I will not be able to express it as eloquently as the hon. Member for Calgary-Buffalo, but it seems to me odd – and I return to that phrase. It seems to me, with respect, Mr. Speaker, to be a perversity of human nature that close to a dozen useful amendments in second reading of this very same Bill last time around were introduced to the hon. minister, who today professes to want help in redrafting this Bill, and how did he handle that? He sat there in his chair, he grabbed the Bill, he ripped it up into pieces, and he said: this Bill will never see the light of this Assembly again. That is, I believe, a correct paraphrasing of the minister's words. That is what he said here in this Legislative Assembly, and this Bill was abruptly withdrawn.

Now, why was that, Mr. Speaker? This minister of courage and integrity wouldn't have done that simply so the House could end so that other scandals the government was concerned of flowing, of effervescing their way to the top would be uncovered. It couldn't have been . . .

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

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

#### **Point of Order Relevance**

MR. DAY: Mr. Speaker, the representatives of the people of Alberta have been patient in listening to this meandering diatribe that has been flowing ceaselessly.

SOME HON. MEMBERS: Citation. Citation.

MR. DAY: Yeah, on relevance, 23(i). Mr. Speaker, there has yet to be a reference on the Bill. The member has fantasized and mused about what other members might do with this Bill. Has he no mind of his own that he cannot direct his deliberations to the Bill? The principles of the Bill, please.

THE SPEAKER: The hon. Member for Fort McMurray on the principles of Bill 5.

#### **Debate Continued**

MR. GERMAIN: Thank you very much. I had thought, Mr. Speaker, that I had referred to offtrack betting on numerous occasions. [interjections] I'm sorry. Some of the members are suggesting I speak a little loudly. I apologize. I'm trying to speak over the din of their chattering.

AN HON. MEMBER: Why don't you talk to the Bill? That's what you're up there for.

MR. GERMAIN: Yes. All right. Mr. Speaker, some of the members suggest that I haven't been talking to the Bill. I've mentioned offtrack bookie facilities no less than a dozen times in the scant few minutes that I've been speaking already. I've mentioned the previous legislative history of this Bill in a different Bill number before, which I understand has always been part of the discussion of the principles of the Bill.

Of course, I'm going to continue to plow my way through this piece of legislation not in an argumentative way, not in a vitriolic way, but only in the hope that this Legislative Assembly will come to its senses before we get too far into this debate and will urge the honourable minister to again do this year what he did last year to put us out of our misery, and that is to rip the Bill up and say that it will never see the light of day in this Legislative Assembly again. That was the end result of last fall's session on this very important gambling Bill, and it would be a useful result again this year.

The rest of my comments so far have been on the issue of time wastage surrounding this Bill, which also speaks directly to the Bill and directly to the concerns of the Government House Leader, who is always attempting to move the proceedings along and urging members not to waste time. Well, if that is his philosophy and that is the philosophy of the members opposite, why did we waste all of that time in November getting all the way through the very, very well-crafted amendments on this Bill only to have it disappear?

Then to rub salt into that wound, Mr. Speaker, to rub salt into the eyes of those people who are looking for an explanation and looking for the truth – the minister had from November until February. He has a giant department set up to control gambling, set up to control liquor, set up to control transportation. In that giant department, Mr. Speaker, he cannot find one of the minister's minions that will take the *Hansard* from last session, plow through it, and make the amendments that would take this legislation and, if not make it good legislation, at least perhaps make it forgivable legislation on the part of that particular minister.

Now, what is it that brings our blood pressure up on this particular Bill, Mr. Speaker? Is it simply because we are against uncontrolled gambling? Certainly. I want to go on record as saying – and I don't mind, you know, if the minister takes my comments tonight and sends them to every single individual involved in the horse breeding industry in Alberta, because I'll tell them this myself – that I am against uncontrolled gambling in the province of Alberta, unregulated, uncontrolled gambling. Does that mean I'm against those men and women who make their money in this industry? No, I'm not. Does this mean that I'm against horses? No, I'm not. But it does mean that I am against uncontrolled, unregulated gambling.

Now, I accept the minister's protestations and those from members of the agricultural community that the individuals involved in this industry are upstanding, fine, responsible citizens. But this is still a situation where individuals are going to be allowed to gamble their hard-earned money away on an industry that will now be totally controlled by the very industry that is encouraging them to gamble their money away, and I want to suggest that that is a dangerous road for us to be going on.

The hon. Member for Edmonton-Rutherford and the hon. Member for Calgary-Buffalo both raised very good arguments about some sections of the Bill. I want to pick up where they've left off. I want to indicate that there is a wide range of difference between this legislation and some of the hecklers in the Assembly



that say, "Well, why don't we elect judges?" I believe one of the members of the Assembly, one of the Conservative government members, hollered out during the Calgary-Buffalo debate: why don't we elect judges? I think the Minister of Justice knows why he doesn't want to elect judges, and I think the Premier does as well.

9:10

DR. L. TAYLOR: All you lawyers are dying to become a judge.

MR. GERMAIN: Yeah. Now I see that another member, the hon. Member for Cypress-Medicine Hat, wants to get into the debate, as he always does, Mr. Speaker, but he wants to do it sitting in his chair instead of standing up and taking his turn, taking the time to put down his thoughts on paper, to craft his speech, to prepare his comments to deal with the issues.

DR. L. TAYLOR: It's obvious you haven't crafted your speech.

MR. GERMAIN: Yes. I thank the member sitting for giving me constructive criticism on how to give speeches. I know I'm not very good at this, Mr. Speaker, but I do want to persevere. I want to persevere so that I can be in practice when I go up there to the Slave Lake and Athabasca and Wabasca areas so I can talk about bookie joints in their drugstores.

Now, let's look first of all at the section of the Bill that creates the board, that creates the tribunal. Has there ever been in this Legislative Assembly a self-perpetuating board – a self-perpetuating board – where the board can appoint their successors? It's like the Minister of Health – and she smiles when I say this – getting to appoint her successor. She might choose her worst enemy sitting over there in the back row. Who knows? Or over here. Can you imagine, Mr. Speaker? It would be like the minister of transportation appointing his successor, the Premier appointing his successor, the Alberta Teachers' Association – some members of this Assembly are teachers, educators, a wonderful profession. It would be like their elected body appointing their successor. It would be like the legal profession appointing its successors; that is, the elected benchers simply appointing their successors.

SOME HON. MEMBERS: They do.

MR. GERMAIN: No. What we do in the legal profession, ladies and gentlemen, is we have an open and a democratic election once every two years.

DR. L. TAYLOR: Yeah, and the public has no input.

MR. GERMAIN: Yes, we do have public representation, because three of 20 elected benchers do represent the public interests at large and are not lawyers. Now, those kinds of elections are set up so that boards will not perpetuate themselves. I know the hon. Member for Cypress-Medicine Hat may not understand what a self-perpetuating board is, but it's like a grandfather turning down his . . . [interjections]

Mr. Speaker, I've learned the error of my ways. I'm going to refer to the hon. Member for Little Bow again. It would be like the hon. Member for Little Bow, if he was in a club or society and he was president, and it had come to the time when he should stand down. He doesn't have an election. He says: "Okay. You're going to succeed me as president." That's what a self-perpetuating board is. A board that is comfortable together will

appoint their successors. [interjections] The hon. Member for Little Bow now also wants to debate this Bill at the right time, and I know he'll stand up and tell us that he doesn't want bookie joints in his neighbourhood either.

So we have this self-perpetuating board, Mr. Speaker, that I suggest is simply wrong. I don't know how you salvage that. I don't know what amendments you come forward with for the minister that solves that self-perpetuating board, but it is simply wrong.

I also want to indicate that the initial board is appointed solely by the minister: no selection committee, no referral process, appointed solely by the minister. Now, we have again, Mr. Speaker, issues that we have raised in this Assembly time and time again, and that is secret, nonaccountable government boards, agencies, and tribunals, and in this particular Bill, right on schedule, we again see that.

The Financial Administration Act. Remember what that Act is. It obliges organizations to file their financial statements here in the Legislative Assembly. It seems pretty reasonable to me, Mr. Speaker. Every time an Albertan goes to a wicket at a horse race and puts his \$2 down on the exactor or the quiniela or to place or to show or to win, he is assuming that his money is going to be handled appropriately and with integrity. He is assuming that the administrative skim for the operation of that industry is reasonable. He is assuming that a certain amount in prizes is coming back so that the house advantage is minimized and is scrutinized by individuals other than those who have an advantage to gain by the house advantage. He is going to assume all of those things, Mr. Speaker.

Is it not reasonable for us in this Legislative Assembly to at least ensure that the financial statements of this organization are filed here each and every year? What is disruptive, what is inappropriate, what is meandering about that submission, I say to the Government House Leader. Is it not appropriate that organizations that handle pari-mutuel gambling money from the citizens of this province at least have to file their annual reports in this Legislative Assembly? But no, this government does not believe in that kind of open financial responsibility.

Now regulations. From time to time this organization will make regulations governing how horse racing is conducted in this province. Does the hon. Member for Olds-Didsbury not feel that it is reasonable for the regulations made pursuant to this particular piece of legislation to be filed in this Legislative Assembly and printed in the *Alberta Gazette*? The hon. Member for Calgary-Shaw, who himself is the chair of a committee on regulations, is he going to stand up and say that these regulations should never see the light of day and should not be published in the *Alberta Gazette*? That, Mr. Speaker, is simply wrong, and I think it is wrong for us to perpetuate this particular legislation. Rather we should give it the attention that it deserves by voting against it at second reading.

[The Deputy Speaker in the Chair]

You know, my friend from Calgary-Buffalo has already argued very eloquently about some of the other provisions of the Act, and others in this Legislative Assembly will argue about additional sections. Each of us on this side has our favourite piece of legislation in this Act. My favourite is section 20. Section 20 says that you can breach this control, you can cheat in this gambling field, you can disobey each and every rule that's provided to guarantee protection for people who are involved in

horse racing, but – you know what, Mr. Speaker? – you will not be committing a crime, and you will not be subject to any criminal sanction. You will not have a record, and that record will not follow you around from racing commission to racing commission across Canada. Why? Because we find in this legislation the most astounding proposition we have ever found in a Bill presented in this House in the time I've been here. That astounding proposition is that a “contravention of or failure to comply with this Act by a person does not constitute an offence.”

I asked the hon. Minister of Family and Social Services if he wants to be part of any legislation in this province that does not create an offence when you have breached the rules. I asked the Member for Calgary-Shaw, himself a man learned in the law and – I must congratulate him – a member with the Queen's Counsel designation reserved for those of eminent qualification in the profession of law in the province of Alberta, the same designation I must say that the hon. Speaker of this Legislative Assembly has. That hon. member, as a law-abiding member of a legal community, I'm sure is astounded to see that we're about to try and pass a piece of legislation in the province of Alberta that you can breach with absolute impunity from criminal prosecution. How does that particularly sit, Mr. Speaker, in your own riding, or in Fort McMurray, Lac La Biche, Bonnyville, Fort Saskatchewan, Calgary, or Lethbridge? Where does that fit?

Mr. Speaker, I will now conclude my comments because others are anxious to continue this debate. I thank you for the courtesy of your time.

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

**9:20**

**MRS. ABDURAHMAN:** Thank you very much, Mr. Speaker. I, too, rise to speak to communicate my grave concerns about Bill 5. They haven't changed from Bill 49; in fact, they've been heightened.

The one thing we seem not to learn is that if an industry is in trouble, legislation is the very last thing that will correct that disease or illness. In essence that's what happened to the racing industry. It has to change its image. Certainly, Bill 5 is not going to address that in a positive way.

It was interesting to hear the speaker on the Alberta economic development council recognizing that we've got a small population base in the province of Alberta. To suggest that through this Bill and allowing the reality of off-track betting to take place across this province would cure the ills of the racing industry is so shortsighted it's unbelievable. In fact I would say that would be the death knell of this industry. We know there are only so many dollars that can go around when it comes to gambling, and indeed the addictions as they grow become more costly to society as a whole. So instead of actually enhancing this industry, I would suggest Bill 5 will be the death knell of it.

Deregulation is not the answer to changing the image of this industry. We've got to shift the focus away, which unfortunately over the years in the province of Alberta has become a major focusing on betting. In fact if you look at how much of the revenue from horse racing goes to the bettors, it's 81 percent. When you start looking at what the horsemen's association and the racetracks get, you're looking at 13 percent. There's your problem. We've got an industry that's focusing purely on gambling. Now, deregulation through Bill 5 is indeed going to increase that focus, because some people believe that their

marketing ills will suddenly be resolved the way the government of Alberta has become dependent on revenues from gambling.

I would suggest, Mr. Speaker, that without Bill 5 the horse-racing industry needs to look closely at some of the things that have been happening in the province of Ontario and also look at their own Alberta Racing Commission when it's clearly stating that if they create better arenas and start to direct more of the revenues towards the horses and the jockeys, indeed you create a sports environment, and you get larger numbers of people coming out and supporting the horse-racing industry. That isn't what Bill 5 is going to do. Bill 5 violates the very principles of accountability and the foundations of democracy the way it's written up and been presented as Bill 49, and here again we have it under Bill 5.

I would rather see a government working with the horse-racing industry to make it a more credible economic entity and recognizing that VLTs were one of the nails put in the coffin of the horse-racing industry. What this government should do is acknowledge that and start to work with the Official Opposition to see the removal of the VLTs out of the province of Alberta, and we wouldn't need Bills like Bill 5 coming before this House.

We should also start looking at what has happened in the province of Alberta. It saddens me, from the time that I came to live in the province of Alberta in 1968, the focus government has on coming to depend on gambling revenues to pay for essential services. I find it sad, Mr. Speaker, to stand in this House and say that on the very same day that we paid respect to an incredible man, a former Premier of the province of Alberta, Premier Manning. To think that here in 1996 we are dealing with budgets that have become dependent on gambling revenue and to look at Bill 5 and see once again that we're talking about deregulation to allow an industry that's said it's in problems because of legislation and being overregulated, an industry that's dependent on gambling to this point in time, just tells us once again how morally bankrupt we've become.

It's like McDonald's or a restaurant that hasn't got customers coming into their stores saying, “The Public Health Act is preventing us from being an economic entity, so let's remove the regulations and we might get more customers; we'll suddenly become an economic entity.” Well, we all know that if that happened tomorrow, that indeed would be the death knell of those restaurants in the food industry.

I would suggest Bill 5 is in essence going to do that to the horse-racing industry. It certainly is a quick fix by a government to pass the buck back into the horse-racing industry without saying: “You have an image problem. Let's work together and put the focus on the horses. Let's work together to put the focus on the jockeys. Let's get away from betting. Let's clean up this industry so that it becomes to some degree more wholesome, and people will want to go back and attend horse racing.” That's the answer, not Bill 5 that undermines the whole relationship of accountability back to this Legislature.

### **Speaker's Ruling Exhibits**

**THE DEPUTY SPEAKER:** I apologize for interrupting the hon. Member for Clover Bar-Fort Saskatchewan. We seem to have a demonstration of what junior high may become should Calgary-Shaw be there. Calgary-Shaw is busy showing a variety of signs, and using them as exhibitions. So I want to just point out to Calgary-Shaw, that as the sign suggests, “kick me out,” that may be accomplished. I think in fairness to the debate, it would be

appropriate for you to exempt yourself from the Chamber or sit there and listen or sit there and do some work.

Clover Bar-Fort Saskatchewan.

### Debate Continued

MRS. ABDURAHMAN: Thank you, Mr. Speaker. It's indeed disheartening in this Chamber to be debating the horse industry and the reality of what gambling is doing to the province of Alberta, to find government members sitting adjacent to me ridiculing this Assembly. I certainly treat this Assembly with all seriousness. We're here to represent all Albertans, not to ridicule the process. If indeed government members believe that Bill 5 is not worthy of debate, so be it. I would ask them to behave in an adult manner.

Mr. Speaker, I have brought up from a philosophy perspective that this Bill 5 does not do what this government is suggesting it will do, and that is indeed to save the horse-racing industry. It will do the exact opposite, and at this time I certainly will not be supporting it.

Thank you.

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

MS CARLSON: Thank you, Mr. Speaker. It's a pleasure for me to rise and speak to the principles of this Bill, particularly since I was unable to speak to it when it was originally introduced as Bill 49, before the minister tore it up in this Assembly and ended debate.

We have to believe that when we take a look at the principles of this Bill, in fact this Bill is very misleading. It's misleading to the industry, and the minister has done the misleading by leading the industry to believe that this change in this Bill and change in the regulatory functions will solve the racing industry's problems.

### Speaker's Ruling Parliamentary Language

THE DEPUTY SPEAKER: Hon. member, just a word of caution. If I heard you correctly, we have ministers misleading. This is really unparliamentary and is like to elicit an interruption. Could you be a little more careful in your phraseology?

MS CARLSON: I'll be more careful in my speech.

9:30

### Debate Continued

MS CARLSON: So with regard to this Bill, then, really it's not a question here of changing the legislation with regard to the regulatory functions. Really what we have to speak to here is that changing the regulatory functions is not going to help at all. The problem they have is a downturn in their market. The shrinking of their market is not caused by regulation, and changing the way it's regulated will not solve the problem of market share. This is definitely a question of the gambling market in this province being oversaturated at this time.

If the industry really wanted to significantly address their problem and bring up their concerns with the minister, what they would be lobbying for is a reduction and eventual removal of VLTs in this province. There's only one size to this pie, and if they try to get more than the share that they already have without taking away some other gambling incentive, then what they're going to be doing is taking food out of children's mouths, the

shoes off their feet, and the shirts off their backs, because families only have a limited amount of dollars to spend. There's no doubt that there's only so much money in this province, and if you won't eliminate the VLTs or reduce them, then the horse-racing industry is going to suffer dramatically. You can change the regulations today and tomorrow and for the next 1,500 years, and it isn't going to make any difference to their industry.

This minister is prepared to offer tokenism to this industry and not a realistic and workable solution.

With those comments, I'll rest.

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

MR. BRUSEKER: Thank you, Mr. Speaker. I, too, want to make just a few comments on this particular piece of legislation reintroduced and resurrected as Bill 5. In the past we have talked about various pieces of legislation that have large sections that allow for regulations to subsequently be created at some point down the road, yet when we look at this particular piece of legislation, we see at least three different sections – those being section 6, section 22, and I believe it's section 28 – where we have following the end of a long list, in a couple of cases a long list of possible rules that may be created at some point down the road, a section that says that the Regulations Act does not apply in this case. So not only are we now not going to be working with legislation, but we won't even necessarily be working with regulations that are going to be subject to the Regulations Act. What that means, of course, is that we can get a change occurring virtually at any time in any area without any public debate. Now, that always, I think, should be an issue of concern for Albertans.

The long list of areas that we see under which rules may be created, I guess would be the best way to describe it – in section 22 there is a total of 28 possible areas under which the corporation, this racing corporation that is proposed to be created by this Bill, could make regulations or rules of some kind, and the rules are not subjected to the Regulations Act. So there are no guidelines, I guess, under legislation that would limit what it is this particular corporation would do.

The same thing applies to the appeals tribunal that is proposed to be created under section 28, and I know there's a section here that would probably really upset the Member for Calgary-Mountain View. Not only are we going to have unelected officials here, but we're going to have unelected officials appointed to an appeal tribunal that according to section 28 will “have the same power as is vested in the Court of Queen's Bench . . .” So we're going to have people in a quasi-judicial position that can compel witnesses to give evidence under oath, that has the same ability to work as the Court of Queen's Bench. And these people are going to come from where? Well, section 23 says that these people are going to be appointed by the minister, a single individual not schooled in the law at this particular point of the history of the province of Alberta, who's going to appoint three individuals under another section, set their remuneration, set their expenses, and allow them to operate as if they were a Court of Queen's Bench hearing cases.

Now, that to me not only is deregulation, but it takes authority away from areas in which we in this province of Alberta have vested the authority for evidence to be given in trial and in court and to be heard. Those individuals are selected by people who are schooled in the training of the law, who have risen to a certain

standard of eminence, shall we say, in their chosen profession, but this does not support that at all.

MR. DICKSON: Maybe the RHAs will have that power next.

MR. BRUSEKER: That could be a major issue. Perhaps the RHAs will be doing this next. Who knows how broad this new scheme could run.

Now, the minister who introduced the Bill has said that this corporation is not an agent of the Crown. In fact that indeed is one of the sections of the Bill. In fact, it's section 8, Mr. Speaker, but when we look at section 10, there is another section in this Bill that says:

Without limiting the capacity . . . of the Corporation . . . the Corporation, at the request of the Minister, may on behalf of the Government enter into agreements.

So even though this is not a Crown corporation, they could act like a Crown corporation if the minister gives the okeydokey for that to occur. The obvious question, then, is: if it's not a Crown corporation, why would the minister want the corporation to act like a Crown corporation by entering into agreements on behalf of the government? That's what the Bill says. The Bill says that these guys could act like they were an agent of the Crown. It says, "May . . . enter into agreements with any other government, person or agency." The difficulty is that the minister, when he introduced the Bill, did not clarify those two sections which appear to be in conflict with one another within the Bill itself. So those are issues that I think need some resolution within the Bill that we have before us.

The intent of the Bill, I guess, is for the government to get out of the regulation of the horse-racing industry, yet what this Bill seems to do is take any and all overseeing regulation on behalf of the government and simply hand it away *carte blanche*. It simply says: "That's it. We're washing our hands of this issue. We are no longer going to be involved with it, and suddenly things will turn around and get better." Now, that may be – may be – some kind of an admission by the government that the current handling of the racing industry by the government has been an abysmal failure, or it may well be that what we have here is a proposal that the government has been sold upon that will turn the industry around.

Quite frankly the government and the minister introducing this Bill haven't persuaded certainly this member that this will actually result in some real improvement. So I would hope when we get to committee stage or get to third reading stage on this particular piece of legislation that the minister will be able to convey some of the reasons why he thinks this proposal is going to improve the situation in the racing industry.

Quite frankly, Mr. Speaker, I don't have a lot of interests in terms of financial interest or involvement with the racing industry. I have been associated with some teacher colleagues who have had experience in the racing industry and who have expressed some concerns with it over time. I'm not persuaded that this rather loose piece of legislation that appears to deregulate and hand over the control of the industry to, as the Member for Fort McMurray said, a self-perpetuating board will in fact improve what is happening in the racing industry. Until the minister can I guess persuade me that that will happen or the amendments that come forward, I presume, at the Committee of the Whole stage improve the Bill to the point where I can be persuaded that we will see a significant improvement in the fortunes, if you will, of the racing industry, I have to say that at this point I will be voting against this Bill 5.

Thank you, Mr. Speaker.

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

9:40

MR. BRACKO: Thank you, Mr. Speaker. It's a privilege to get up and speak to Bill 5. We all know that Lazarus was raised from the dead. Now we see Bill 49 being resurrected from the dead in the form of Bill 5.

The horse industry is alive and well. In fact, Mr. Speaker, there are more horses now in North America than there ever were during the farming days. The racing industry on the other hand is doing poorly. The racing industry is a very important industry to our province. It creates many jobs: jobs for young people, jobs for older people who can excel at these types of jobs, develop their talents and abilities whereas in other jobs they may not. This government claims it is in favour of jobs, yet we can see that this may not be the case. Besides the track racing there are also the chuck wagon races that are very important to our province as they go around the different circuits around the province creating excitement. Also, the chuck wagon industry is looking forward to renewal, looking forward to improvement, to getting more sponsors, advertisers, to improve the industry.

Why has the racing industry gone down? First of all, we know it's because of the VLTs. The VLTs have competed with the racing industry and won out. Attendance is down at the race-track, betting is down, and we also see the loss of jobs. The government that claims it wants to create jobs has not looked at the significance of slot machines. There are always advantages and disadvantages of introducing gambling machines such as slot machines. The positive is: it gives more revenue to the government. The negative is: it competes with other industries, the loss of money to charities and also jobs in the racing industry. A province that should not be addicted to gambling is addicted to gambling.

Again, as we move on, the amendments should have been incorporated. They were in the *Hansard* from last time. Why weren't they looked at? Why didn't the staff in the minister's office proceed and go through them and acknowledge changes that need to be made instead of wasting our time going through these again and again? A government that's trying to say that they're trying to save money by shortening the time of the Legislative Assembly did not even have the ability to proceed to save time by doing this.

AN HON. MEMBER: Like a horse.

MR. BRACKO: It's not like a horse, because horses learn. This government doesn't learn.

Anyway, moving on to the delegated lawmaking. Again, instead of being responsible to the Legislative Assembly, it's being responsible to a private organization. Also, it's not subject to freedom of information, which it should be. This is why the Legislative Assembly's here: we protect Albertans.

We also know that the cap on VLTS was supposed to be 6,000. Now it's at 7,000. Pretty soon it'll be 8,000. We know that the changes will be made even though they made a commitment. The commitments are broken easily.

Also, breaching the laws. The industry can breach the law and there's no penalty, as mentioned earlier by other colleagues here. There's no penalty. They can continue. What type of role modeling is this for our younger generation? Break the law, do whatever you want: there's no penalty. Then they wonder why

there are so many young offenders. The role modeling is needed right in this Legislative Assembly.

Other sections are important. Section 7 exempts the provision of the Financial Administration Act from applying to the affairs of the Racing Commission, and therefore public disclosure of financial records of the Racing Commission would not be required. Again, this is not acceptable to Albertans. They want to know the finances of the commission, that should be responsible like other organizations.

Section 9, the safeguards that it won't cost the taxpayer more money. We've seen it cost the taxpayer more money when we were guaranteed it wouldn't: Swan Hills, many of the other different big-dollar costs, NovAtel, and so on. There are no provisions that will ensure that Albertans won't lose money as a result of poor management or financial loss.

Section 28: the regulations and/or rules made by the appeal tribunal and therefore not requiring regulations to be made public. They should be made public. You know that everyone wants open, honest government. That's what Albertans want. This is what the Liberal Party stands for: open, honest government, Mr. Speaker.

With these comments, unless there are drastic changes, I cannot support this.

THE DEPUTY SPEAKER: The hon. Minister of Transportation and Utilities to close debate.

DR. WEST: Yes. There's been good debate here tonight. It's instant recall from . . .

THE DEPUTY SPEAKER: Hon. minister, are you proposing to close debate?

DR. WEST: Yes.

THE DEPUTY SPEAKER: If that's the case, there was one other member who jumped up shortly after you did to enter into debate.

DR. WEST: I'd like to adjourn debate on Bill 5 tonight.

#### **Speaker's Ruling Speaking Order**

THE DEPUTY SPEAKER: Hon. members, normally we go back and forth, and since there hadn't been anybody for some time going in the back and forth, we had an indication that that was the end of the list. But apparently it was not. So the minister of transportation was recognized to close debate, at which time I then noted the Member for Edmonton-Manning getting up and then sitting down. I'm just not sure what these signals all mean to the Chair. Normally if debate is going to end, the end of the list is there. I didn't see you on your feet, hon. member, when I recognized the minister. The normal ruling would be, then, that if there is someone who wishes to continue debate, you could go. However, I think there was a clear pause, to the Chair anyway, and the hon. minister was on his feet when the Chair drew it to the attention of the Assembly that this was closing debate. So I invite the minister to close debate, unless you're prepared to yield, Mr. Minister.

DR. WEST: I yield.

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

#### **Debate Continued**

MR. SEKULIC: Thank you, Mr. Speaker, and I appreciate the minister of transportation and other gambling areas permitting me the opportunity to speak to this Bill.

I just recall the fall session when this identical Bill came forward, and I stood up to speak back at that time. The points and the questions that are raised have yet to be answered, Mr. Speaker, and that poses some concern to me that once again we see the Bill before us, yet the questions that were asked four months ago we have not had any reply to. So I would have to say to start off that the same questions I raised – I believe it was in October, perhaps November of 1995 – still stand, and I still expect that I'd receive an answer prior to progressing with the Bill.

I do want to point out and particularly emphasize one specific concern that I have with much of the legislation that's been passed in this Assembly in the last three years, and that is the movement away from government for decisions that pertain to taxpayers, be they through regulatory reforms or through legislative changes. Despite being elected to represent Albertans in this Assembly, despite engaging in debate, researching the different materials being brought by either side of this Assembly, more and more of the decision-making and power seems to be leaving this Assembly. To me, once again, when we see the power of the authority that would be created under Bill 5, the Racing Corporation Act, that this corporation could "enter into agreements with any other government, person or agency," this is just a signal yet of this dangerous trend continuing.

I think that's something that has to be addressed by the minister, that if there is any body or corporation or authority created by this Assembly, we don't provide it with the powers to enter into agreements with any governments, persons, or agencies on behalf of this Assembly and on behalf of the people of Alberta. I clearly believe that that is a role that we as elected officials were sent here to carry out. So that's the area of concern that I have that's probably the single largest.

#### **9:50**

The other thing is that I do think that when we see this Bill come forward and its theme of taking power out of the Assembly and putting it into the hands of nonelected officials, the saying that the more things change the more they stay the same really rings true.

So, Mr. Speaker, I hope that the minister in good spirit would respond to the questions that have been raised, both in October, November of 1995 and some of the concerns that were put here this evening, prior to progressing with the next stage of debate.

With those few comments, Mr. Speaker, I take my place, and I would request that we move to adjourn debate.

THE DEPUTY SPEAKER: The hon. Member for Edmonton-Manning has moved that we do now adjourn debate. All those in favour of this motion, please say aye.

SOME HON. MEMBERS: Aye.

THE DEPUTY SPEAKER: Those opposed, please say no. Carried.

**Bill 1**  
**Agent-General Act Repeal Act**

MR. DAY: Mr. Speaker, on behalf of the hon. the Premier, I'm happy to move second reading of Bill 1.

The thing I like most about this Bill is how long it is: five words. That's the way legislation should be written. Mr. Speaker, just going back historically, this Bill has been in place since about 1948. It no longer reflects the way we do business. It's now, we recognize, easier for business to do business with business, with government perhaps as a facilitator.

Alberta economic development and trade still has four international offices, being Hong Kong, Tokyo, Taipei, and Seoul. That's down from six offices a year ago and down from eight several years ago. The New York and London offices have been closed as of January 1. Houston and Los Angeles were closed earlier. But we make it clear that we're simply refocusing the way in which we are making opportunities available for Albertans. There's been a refocus. There's now a co-location of offices with the federal government and a greater use of consultants in the various foreign fields.

Actually the title "agent general" has even been phased out as of December 31, '95, and replaced with the term "managing director" to show a more businesslike approach. Economic development and trade funds consultants in places like Beijing and New Delhi, the chamber of commerce in Mexico City. Another exciting dimension is that the Alberta Tourism Partnership actually now takes responsibility for contracts in Los Angeles, Washington, New York, and London.

So we continue to reach out to the world, and we do it in a way that is more business friendly and in fact is more business oriented. For that reason, Mr. Speaker, we are looking at repealing the Agent-General Act.

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

MR. BRUSEKER: Thank you, Mr. Speaker. Just a few short comments on this particular Bill, Bill 1, the Agent-General Act Repeal Act. Indeed, it probably sets a record for being one of the briefest pieces of government legislation we have seen before this Legislative Assembly, at least in my time. I don't know that they could get much shorter than this particular Bill.

Having said that, Mr. Speaker, just a few comments. Of course, in commenting about the Agent-General Act Repeal Act, one must look at the Agent-General Act itself because it proposes to repeal that. So I will make a few comments about the Agent-General Act as it exists today and presumably soon will not exist, because the Bill will repeal that particular piece of legislation.

The Agent-General Act of course allowed for the position of agent general to be created and to represent the government of Alberta in the United Kingdom. Of course, that was our London office that we had, located in London, England, just to be clear on that, to represent the province of Alberta. Mr. Speaker, I guess I have been on record before in saying that if we can't justify and quantify the results of these agents general that we have had in the past around the globe, then indeed we should abolish them. From that standpoint, I have to say that I agree with this particular piece of legislation and therefore will be supporting the vote that comes forward.

Having said that, I would have to say that it's rather a surprise to see this as Bill 1, as being the Premier's most important issue that he could think of to bring in as his first Bill to this Legislative

Assembly, which is to repeal the Agent-General Act. Now, there's no question that that's a good idea. I would have to say that if that's the most important issue that this government has to raise in this Legislative Assembly in this fourth session, then of course my interpretation would be that this is a government, quite frankly, that is running out of ideas.

Having said that, Mr. Speaker, there is one section where I want to put a question forward to I guess the Government House Leader that is a potential issue, and that deals with section 5 of the Agent-General Act. That section of the Act allowed for the agent general to, it says, "acquire on behalf of the Government by purchase, lease, or otherwise any real or personal property." Now, that was allowed under the previous piece of legislation that we now propose to repeal. My question to the Government House Leader would be: is there any property that has been acquired in London, England, by the agent general on behalf of the government of Alberta that will now need to be disposed of in some fashion? That would be a question that I hope the Government House Leader or a representative of government could answer.

Other than that, Mr. Speaker, I think that this is a move in the right direction. I certainly agree with initiatives like the Alberta tourism partnership, which I believe was mentioned. This is a step in the right direction to accountability and moving forward. From that standpoint I will support Bill 1.

Thank you.

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

MS CARLSON: Thank you, Mr. Speaker. It's a pleasure to support this Bill at second reading. It's high time that the government took this action. We're happy to see that they have, and it's too bad they couldn't address our concerns in all of the other foreign offices while they're at it.

It does bring to mind some concerns, in terms of these offices, about what they don't do, what they don't provide to the people of this province. One of the things they don't provide is three-year business plans, which would give us some indication of what their mandate is, where they're going, and how they would expect to get there. We believe that these business plans should be brought down at the same time the provincial budgets are so that we have a chance to debate them here in the Legislature and see whether or not in fact they are cost-effective and that the people in this province are getting their money's worth.

When you talk about cost-effective, when you talk about these offices and the consultants that are working in them – apparently these are supposed to be part-time consultants – they receive very, very large salaries. The one that is drawn to my attention more than any of the others is the consultant Raj Sharma, who is in the New Delhi office. It's very interesting to note that his salary for a part-time consultant job is \$96,161. Now, you think that's a lot of money? Well, you haven't heard anything yet. Convert those dollars to rupees. How much does this fellow make in rupees, which is where he's living and the currency of choice there? It's over 2.5 million rupees a year.

**10:00**

The interesting thing about that is that the person in New Delhi equivalent to this kind of status, say a deputy minister, would only make 100,000 rupees a year. So you have to wonder what it is that this fellow's doing, the kind of business that he's bringing to Alberta by making this kind of salary.

It's totally outrageous and totally uncalled for and hasn't been addressed as an inequity in the principle of this Bill at all. I think

the minister who introduced this should stand up and address that issue, or perhaps any other member of the caucus would like to address the issue. It is totally outrageous, and we don't have any guidelines to determine what kind of positive feedback or outcomes we're getting as a result of this. In fact, I know a number of people who would be happy to do . . . [interjections]

**Speaker's Ruling**  
**Relevance**

THE DEPUTY SPEAKER: Hon. member, it sounds to me like we're in a budget debate, and I think we're just repealing an Act. Is this the gist of what we're talking about? It's the repeal of the Act, and you're going into all the budgetary detail. I'm not sure that that's the appropriate moment to do that.

MS CARLSON: Well, Mr. Speaker, I'm sorry if you didn't think that my comments were appropriate, but as Bill 1 of this government this is the most important Bill that the Premier has brought forward. If we're talking about agents general and repealing them or changing their names in some regard, which was in the news release that the Premier put out on this Bill, then I would think that these comments are appropriate in this instance.

**Debate Continued**

MS CARLSON: But with those comments I'll conclude my debate and bring them up when this goes to committee, which you may find more appropriate.

Thank you.

MR. DAY: Mr. Speaker, with the commitment that we'll bring forth information related to disposition of property, as has been raised by members opposite, I would now move on behalf of the Premier second reading of Bill 1.

[Motion carried; Bill 1 read a second time]

[At 10:03 p.m. the Assembly adjourned to Wednesday at 1:30 p.m.]

