

## Legislative Assembly of Alberta

Title: **Thursday, April 9, 1992**

**2:30 p.m.**

Date: 92/04/09

[Mr. Speaker in the Chair]

head: **Prayers**

MR. SPEAKER: Let us pray.

Our Father, we ask for Your strength and encouragement in our service of You through our service of others.

We ask for Your gift of wisdom to guide us in making good laws and good decisions for the present and the future of Alberta. Amen.

head: **Presenting Petitions**

MR. JONSON: Mr. Speaker, on behalf of the Member for Stettler, the hon. Premier, I wish to table petitions from 58 teachers representing seven schools from the Stettler constituency regarding the Teachers' Retirement Fund issue.

head: **Notices of Motions**

MR. McINNIS: Mr. Speaker, I rise under Standing Order 40 to provide notice of a motion, an urgent and pressing matter. I'll explain the circumstances when that matter comes.

That the Legislative Assembly recommend to the government that it take urgent action in support of a worldwide ban on trafficking in endangered species and endangered animal parts and artifacts and, in particular, ban the sale of such artifacts in the province of Alberta.

head: **Introduction of Bills**

### Bill 14

#### Motion Picture Development Amendment Act, 1992

MR. ELZINGA: Mr. Speaker, I request leave to introduce Bill 14, the Motion Picture Development Amendment Act, 1992. This being a money Bill, His Honour the Honourable the Lieutenant Governor, having been informed of the contents of this Bill, recommends the same to the Assembly.

Mr. Speaker, the purpose of this Act is to provide interim financing for the motion pictures produced in our province by the film community. Currently the Alberta Motion Picture Development Corporation can make an equity investment in motion pictures and can only provide loans for preproduction activities. Interim financing on the other hand covers costs incurred between the preproduction stage and the release of the finished product to the distributor. This Act would provide the corporation with the ability to charge an application fee, and the revenue would be kept by the corporation also.

Thank you, sir.

[Leave granted; Bill 14 read a first time]

### Bill 15

#### Universities Foundations Amendment Act, 1992

MR. GOGO: Mr. Speaker, I request leave to introduce Bill 15, the Universities Foundations Amendment Act, 1992. Sir, this being a money Bill, His Honour the Honourable the Lieutenant Governor, having been informed of the contents of this Bill, recommends the same to the Assembly.

Mr. Speaker, Bill 15 will provide to the Banff Centre, the college system of Alberta, as well as the two technical institutes the power whereby they can become for contribution purposes

agencies of the Crown, whereby those citizens interested in assisting in the postsecondary system of education may donate to those institutions through a foundation and receive credit for income tax purposes of a hundred percent of their contribution.

[Leave granted; Bill 15 read a first time]

head: **Tabling Returns and Reports**

MR. TRYNCHY: Mr. Speaker, I wish to file the response to Written Question 205.

Also, Mr. Speaker, it's my pleasure to table the 1990-91 annual report for Alberta Public Safety Services and the Alberta Occupational Health and Safety annual review.

MR. ADAIR: Mr. Speaker, as required by statute, I beg leave to table the Gas Alberta Operating Fund report for the year ended March 31, 1991.

MR. SPEAKER: Calgary-Mountain View.

MR. HAWKESWORTH: Thank you, Mr. Speaker. I'd like to file four copies of an offering memorandum dated February 25, 1992.

head: **Introduction of Special Guests**

MR. SCHUMACHER: Mr. Speaker, it's my pleasure to introduce to you and through you to all members of the Assembly Maj. Lloyd Graham, who is currently stationed at Canadian Forces Base Greenwood in Nova Scotia. Maj. Graham is a native Albertan from Forestburg, and he joins us today to observe our Legislature in action. Maj. Graham is sitting in your gallery, Mr. Speaker, and I'd ask him to rise and receive the cordial welcome of the Assembly.

MR. ISLEY: Mr. Speaker, I have the honour today to introduce to you and to the members of the Assembly the 1992 Premier's 4-H Award recipient, Miss Annette Polanski. She is seated in your gallery and is accompanied by her father, Mike, and her younger brother Charles. Annette and her family are from Thorhild, which is in the riding of the hon. Member for Redwater-Andrew. I had to twist his wrist to get this honour away from him. I'd ask that they stand and receive the welcome of the Assembly.

MR. ELZINGA: Mr. Speaker, it's my pleasure, sir, to introduce to you and through you to Members of the Legislative Assembly two groups, and I begin with the first group, from St. Theresa school. We have some 58 visitors. They are joined by their teachers Mr. Gesy and Ms Poschmann. They're in the members' gallery, and I would ask that they rise so that we could all extend to them a very warm welcome.

Mr. Speaker, I also have a group of some 21 visitors from Brentwood school. They are joined by their teacher Mrs. Shirley-Anne Hacking. They are in the public gallery, and I would ask if they could rise also so that we could extend a very warm welcome to them.

MR. SPEAKER: West-Yellowhead.

MR. DOYLE: Thank you, Mr. Speaker. Today we're privileged to have in the gallery a visiting guest from Edson, Alberta, Ursula Martin, who was a former practising midwife before coming to Alberta.

MR. SPEAKER: Edmonton-Centre.

REV. ROBERTS: Yes, Mr. Speaker. In the public gallery are 13 visitors studying at the Alberta Vocational Centre. They're here together with their teachers Ms Bev Cooper and Ms Atiya Siddiqui. I'd ask that they please now rise and receive the welcome from the members here today.

head:

### Oral Question Period

#### Provincial Debt

MS BARRETT: Last year about this time the Treasurer was flogging a so-called balanced budget in the Assembly, knowing full well that it was anything but balanced. Now, Mr. Speaker, we know this because just two months later that same minister manoeuvred a Bill through the Assembly that called for an increase in the debt of this province by \$2 billion. Will the Treasurer now tell Albertans if the \$2 billion deficit Bill that he manoeuvred through the House last spring is going to be enough to cover the deficit that this government has incurred in that time, or is he going to have to come back to this Assembly and ask for even more to cover last year's deficit?

MR. JOHNSTON: Mr. Speaker, yesterday afternoon I advised the Members of the Legislative Assembly, together with all Albertans, that we will be presenting our budget to Albertans on Monday, April 13. In it we will present a full accounting of what we have done to the fiscal year ended, our best forecast for March 31, '92, together with the budget forecast for the year '92-93.

The member makes an interesting connection between the request to the Legislative Assembly for borrowing limits and the budget. Mr. Speaker, what we do here time and time again is balance our position in terms of advising Albertans and getting approval of the Legislative Assembly for borrowing limits which match our position and provide some flexibility on the deficit side. We've done that for the past five years, since we encountered difficulties with the oil price. Because we have nothing to hide and are up front with our disclosure, we in fact will come back again for another Bill this year along the same lines, which will match our requirements for financing, providing the flexibility we need, and provide that full accounting to Albertans.

2:40

MS BARRETT: In other words, Mr. Speaker, the proper answer to the question is: yes, he's going to have to ask for more money to cover last year's deficit.

#### NovAtel Communications Ltd.

MS BARRETT: Mr. Speaker, contributing in no small way to last year's deficit is the mess that happened with NovAtel under the stewardship of the Minister of Technology, Research and Telecommunications. First of all, they had to buy it back from Telus for \$185 million; then they had to cover \$131 million in operating losses. My question to that minister is this: is the minister now prepared to sell this outfit, NovAtel, at some \$30 million, which would have the net result of adding to the taxpayers' cost of \$286 million? Is that what he's planning to do?

MR. STEWART: Mr. Speaker, the management committee of NovAtel continues to hold discussions with interested parties with respect to NovAtel. At such time as there is an announcement to be made, I will make that announcement.

MS BARRETT: Well, Mr. Speaker, now that the minister is back in the House, I'd like to ask him if he's going to help his Provin-

cial Treasurer partner here in attempting to reduce the deficit by as much as they can manage, and believe me, that isn't much given their track record. If he has to sell NovAtel at a bargain-basement price, is he prepared also to dump the costs that go with it - that is, the government underwriting of that company?

MR. STEWART: Mr. Speaker, it's not surprising that there should be some speculation with respect to NovAtel, given the process that I said is ongoing. I presume that there may indeed be further speculation, but I'm not going to comment on that speculation. I don't think that's helpful or responsible.

MR. SPEAKER: Second main question, Edmonton-Highlands, on behalf of the Official Opposition.

MS BARRETT: Thank you, Mr. Speaker. I'd like to designate that question to the Member for Calgary-Mountain View.

#### Canmore Golf Resort

MR. HAWKESWORTH: Mr. Speaker, this government has given a green light to a massive tourism development called Canmore golf resort. It's to be built in the ecologically sensitive Bow corridor without an environmental impact assessment and without public hearings by the Natural Resources Conservation Board. The promoter just happens to be the president of the Progressive Conservative Association in the Environment minister's riding. My questions this afternoon are to the Minister of Forestry, Lands and Wildlife. Given that the memorandum promoting this project clearly states that a major portion of the development will be located on public lands controlled by the minister and given his responsibility to protect wildlife in the province, how does he justify the decision not to require an EIA or NRCB hearings on this massive project?

MR. FJORBOTTEN: Mr. Speaker, with respect to the public land in the Bow corridor or anywhere else, I and my department take very seriously the concerns with respect to wildlife. There's an integrated resource plan in place. There have been a lot of negotiations, but any call for an environmental impact assessment or referral to the NRCB would have to come from the Minister of the Environment.

MR. HAWKESWORTH: The fact remains that we have a Conservative government selling and leasing government land to Conservative developers and at the same time waiving requirements for public environmental reviews. Mr. Speaker, will the minister acknowledge that his responsibility to protect wildlife, on one hand, conflicts with making a deal on these lands with the old boys' network?

MR. KLEIN: Well, Mr. Speaker, first of all, this project was put in place and was well advanced prior to the establishment of the NRCB. Indeed, it had received all its approvals from the town of Canmore, and it's located entirely within the limits of the town of Canmore. It received all its approvals from the municipality. It complied with all the tests that were required at that time by Alberta Environment. Indeed, the proponent played by all the rules that were in place at that particular time. Now, having played by those rules, is it proper then to submit that proponent to the new rules after receiving the initial approvals under the rules that were in place?

MR. HAWKESWORTH: Mr. Speaker, what's needed is a comprehensive review of all proposed developments in the corridor, especially on lands owned by the government.

From this offering memorandum, Mr. Speaker, it looks like this developer is going to make a million dollars off lands currently owned by the province. To the Minister of Forestry, Lands and Wildlife: how does the minister justify renting public land to this developer at less than \$2,500 per year or \$38 per acre?

MR. FJORBOTTEN: Profit is not a sinful word. With respect, Mr. Speaker, I would be happy to review the hon. member's numbers and will report back.

### Provincial Debt

(continued)

MR. DECORE: Mr. Speaker, instead of showing concern for Alberta's huge debt, the Treasurer says that taxpayers can afford the growing costs of deficits. He says that a reasonable amount of debt is part of everyone's business plan, and most extraordinarily he likens Alberta's debt to that of using a Visa credit card. I'd like to know: when is the Treasurer going to stop being flippant and even arrogant about this most serious of issues and put forward a plan to deal with this huge crisis?

MR. JOHNSTON: If anybody is arrogant, it's the Member for Edmonton-Glengarry. What we are doing here is providing a very evenhanded approach to the way in which we're managing the government of Alberta's business on behalf of the people of Alberta. We have a mandate to do that. We presented a plan to accomplish our end. Mr. Speaker, we have made a very up-front and, I think, open approach to how we are going to work our way out of the problems which struck Alberta in 1986-87.

In doing that, Mr. Speaker, all Albertans know that either you had to increase taxes or slash expenditures or use a reasonable amount of debt to accomplish those ends. We used the balanced position of all three: controlling expenditures, increasing taxes to some extent – they're still the lowest in Canada – but we had to borrow some money to smooth us through that period. Nobody likes to have debt; that's the clear, clear message. It is a reasonable and balanced plan that allows us to afford the debt in this province more than any other province in Canada and certainly more than the government of Canada can as well. That's the advantage we have in Alberta; that's the strength we have in Alberta. That's why we can, despite not wanting to have any kind of a deficit or debt, manage through this problem, unlike the member of the Liberal Party across the way.

MR. DECORE: Mr. Speaker, the Treasurer has suggested that Albertans can incur more debt; it's a nice message to send to everybody. He notes that homeowners can pay some 35 percent of their income on mortgages. Does this mean, Mr. Treasurer, that you expect in your plan to get Albertans up to that point where they're paying \$4 billion just to service the huge debt that you've created?

MR. JOHNSTON: Not at all, Mr. Speaker. What I said in the House before is that, for example, in the case of Ontario, which was under a Liberal administration for some time, until the people of Ontario came to their senses – not quite right, not quite right. They're on their way back to the Conservative Party again; we know that. In that province you have debt ratios which are very, very high. I have said in this House before that Alberta has the lowest debt ratio of any province in Canada with the one exception

of British Columbia, and we're probably one-third below any other province in terms of that debt ratio.

Don't forget, Mr. Speaker, that we are probably one of the few provinces that has a strong sense of assets in the form of savings in the Heritage Savings Trust Fund. We have the lowest possible tax levels right now in the province of Alberta, and we have reduced our expenditures accordingly. We have an eye on that deficit. We're controlling our overall business plan, and we're going to manage our way out of this. We're not going to put up the crisis flags the way the two socialist parties are. We're not going to scream and shout and run about as both of these opposition parties are. We have an evenhanded plan, and we're going to work it out with Alberta's help.

2:50

MR. DECORE: Mr. Speaker, the Treasurer has used the expression "a balanced amount of deficit." It's something that he has dreamt up. After seven deficit budgets, which we'll see on Monday, and a debt of \$17.7 billion, is this the definition of "a balanced amount of deficit," Mr. Treasurer?

MR. JOHNSTON: Mr. Speaker, Albertans know that they can't trust that member's words. I have corrected him time and time again in this House. [interjections] No. Time and time again I have set the record straight. He has continued to say that the debt of the province of Alberta is over \$17 billion. I have explained very carefully that that amount of money includes deficits which are including the Alberta Municipal Financing Corporation, which is a self-funded entity outside the province of Alberta providing debt to municipalities, not to the province of Alberta. The debt of this province – and I'll be confirming that more fully over the course of the next week – is between \$10 billion and \$11 billion. Any other statement is absolutely misleading. [interjection]

MR. SPEAKER: Order. [interjection] Order. [interjection] Order.

Banff-Cochrane, followed by Edmonton-Centre.

### Economic Policy

MR. EVANS: Thank you, Mr. Speaker. My questions today are to the Minister of Economic Development and Trade. Many Albertans may be unaware that approximately 70 percent of our provincial budget goes to people services: health, education, and social services. These services consume revenue; they do not generate revenue. In order to maintain these services, we must create income. To the minister. Elsewhere in this country jobs are being lost as a result of the global recession. What's this minister doing in Alberta to create jobs for Albertans?

MR. ELZINGA: Mr. Speaker, as the . . . [interjections]

MR. SPEAKER: Order. Let the minister begin, please.

MR. ELZINGA: As the hon. Member for Banff-Cochrane has stated, we are in a North American and a worldwide recession, but notwithstanding that fact, since 1985 in the province of Alberta there have been in excess of 120,000 jobs created. In 1991, last year, we saw in excess of some 14,000 jobs created in the province of Alberta. I would compare that to the province of Ontario, which saw a loss in excess of 100,000 jobs, and on a Canada-wide basis we saw a loss in excess of 200,000 jobs. That compares to our creation, whereby in the other parts of Canada they are losing jobs, and that's a direct result of the economic

diversification policies advocated by our Premier and our Provincial Treasurer.

Mr. Speaker, we've not only continued on as it relates to our own economic policies in this province, but we've also led, as the Premier has led, the fight against the rising dollar and interest rates, whereby we are seeing them coming to levels that are more realistic as it relates to production within this province and the job creation aspect. We work directly with our Alberta firms . . .

MR. SPEAKER: Thank you, hon. minister. Save a bit for the supplementary. [interjection]  
Banff-Cochrane, not Westlock-Sturgeon.

MR. EVANS: Here in Alberta, Mr. Speaker, we've depended traditionally on the agriculture sector and the oil and gas sector as our economic generators, and as everyone in the Chamber is aware, both of those sectors are extremely flat. What's the minister doing to expand Alberta's economic horizons to reduce that dependency?

MR. ELZINGA: Mr. Speaker, we just recently saw that the minister of public works was on a mission to Beijing whereby a substantial amount of business contracts were signed thus creating jobs in the province of Alberta, because we recognize that we are exporters.

I'm happy to leave the hon. member with a number of examples. Book publishing itself has risen some 300 percent since 1986. The value-added component in agriculture is in excess of \$4.5 billion, exceeding primary production. The electronics industry has grown some sixfold since 1981. The chemical industry has gone from a \$500 million industry to a \$3 billion industry. Our exports, Mr. Speaker, account for some 250,000 jobs within the province of Alberta. Tourism under our capable minister has more than tripled since our coming in office. Our forestry sectors have \$3.4 billion worth of investments creating some 12,000 jobs.

Mr. Speaker, these are just examples of the job creation within our province and our support for the small business community, whereby we have the lowest taxation rate for the small business community of any province in Canada plus our many programs to support them.

MR. SPEAKER: Edmonton-Centre.

### Pipeline Regulation

REV. ROBERTS: Thank you, Mr. Speaker. With every passing day we hear just how tough things are in the oil and gas sector in this province with prices falling, drilling reduced, thousands of jobs lost, provincial revenues slashed by billions of dollars, and investors getting less than 2 percent return on their investment. However, there are those in the pipeline business who transport the oil and gas as monopolies that are still getting a 12, 13 percent rate of return on their investment, often having little incentive for efficiency and continuing to charge high tolls to already hurting producers. In fact, the monopoly here in Alberta, Nova pipelines, set their rates behind closed doors and just high enough to turn around and give \$15,000 to the pockets of the Progressive Conservative Party and \$8,000 to the provincial Liberal Party: Alberta's two antimonopoly parties in this Legislature. I want to know from the Minister of Energy if he will agree to get Nova's rate-setting and high-tolling processes out from behind closed doors and to set tolls that reflect competitive costs of capital and of service.

MR. ORMAN: Mr. Speaker, I'm very pleased to know that the Member for Edmonton-Centre was listening to the debate yesterday on the Nova terms of service regulation because therein lies the source of information for his question. I pointed out in debate yesterday that there are producer committees that meet on a regular basis with Nova to deal with a number of issues outside of the regulatory arena. I should point out to the hon. member that it reduces the costs of going to the regulatory arena and, at the same time, has provided the opportunity for producers and Nova to come to common understandings on issues facing both the transporter of oil and gas and also the producers that ship on that system.

Mr. Speaker, another important point as a sidebar: it's the first time I've ever heard the NDP use the words "return on investment." I want to congratulate them.

Mr. Speaker, if producers have a concern with the tolling methodology or the rate of tolls that Nova levies against throughput, they simply have to make an application to our Alberta Public Utilities Board, and there will be a hearing.

REV. ROBERTS: Well, Mr. Speaker, the minister isn't going to get a very high rate of return on that answer, I can tell you. Producers have already taken this issue to the Public Utilities Board.

What I want to know from the minister, which he did not mention yesterday or anywhere in public that I've heard of, is whether he will follow the lead of the National Energy Board, which has announced recently that they want public consultations on this matter. Will the Minister of Energy follow their lead and have open hearings on a new approach, called incentive regulation of pipelines, which will have lower tolls, more efficient incentives for better service from the current ineffective and costly rate setting, which hurts the oil and gas producers but puts thousands of dollars into political parties on the other side of the House?

MR. ORMAN: Mr. Speaker, let me say that the hon. member is right. He is not in touch with the things that I've been saying or doing or that our government has been doing. I want to congratulate him for having one thing right in his question.

Mr. Speaker, the hon. member should know, if he doesn't, that I ordered a review of Nova before the Energy Resources Conservation Board that was public to the hon. member. He could have attended and listened to the debate on how Nova should relate to producers. I expect a report back from the Energy Resources Conservation Board in the middle of May. At that particular time, producers will have expressed in an open, public way before the ERCB their views about relationships with Nova under current circumstances. If producers want changes considered, this government will give it full consideration.

MR. SPEAKER: Westlock-Sturgeon.

### Bench Insurance Agencies Ltd.

MR. TAYLOR: Thank you, Mr. Speaker. Alberta has a disaster assistance program to cover disasters for Albertans that cannot be covered by any form of insurance or cannot be insured against. My question is to the minister in charge of disaster services. Now that Monarch Insurance has refused to back up Bench Insurance Agencies, will the minister guarantee this House that anyone that's suffered a loss which could not be insured against through the Bench agency failure will be recompensed? [interjections]

3:00

MR. SPEAKER: Order please. Order. [interjections] Order. [interjections] There's still a call for order.

The appropriate minister will now respond. Thank you.

MR. TRYNCHY: Mr. Speaker, thank you. Yes, I'll be discussing the matter with the minister of consumer affairs, and if there's some way that we can assist, we will look at it and report back to the House.

MR. SPEAKER: Supplementary, Westlock-Sturgeon.

MR. TAYLOR: Thank you, Mr. Speaker. It's a bigger disaster than I thought. They've switched ministers there.

This is to the Minister of Agriculture, the foreclosure-happy minister there. Since it's possible that some of the farmers that have suffered a loss that couldn't be compensated for by Bench going under, could be in a financial hard way to make payments to ADC, will the minister give assurance to the House that no one will be foreclosed on by ADC if their loss in income is due to Bench Insurance?

MR. ISLEY: Mr. Speaker, I could share with the hon. member and the House that the Ag Development Corporation does have an ongoing disaster loan program that can be used to respond to needs in the farming community where something happens beyond the control of the individual farmer. I can also share with the House that at least two farmers are carrying on discussions with ADC in connection with that program as a result of problems caused by the nonpayment of insurance claims.

MR. SPEAKER: Calgary-Fish Creek, followed by Edmonton-Strathcona.

#### Law Society of Alberta

MR. PAYNE: Thank you, Mr. Speaker. Several days ago in the Assembly the Attorney General tabled with the members the 1991 Annual Report of the Law Society of Alberta. I'd like to draw your attention and that of the members to a very interesting report within that document written by Vernon Morrison as a retiring lay benchner, a representative of the general public in the administration of the affairs of the Law Society. In his report Mr. Morrison quite properly acknowledges that public involvement in the society has been accomplished, in his words "to some degree." Then also in his words, "there is still a way to go." In that context he recommends that a lay benchner be appointed to the executive of the Law Society. My question to the Attorney General: would he be prepared to communicate to the Law Society his endorsement of this very interesting concept?

MR. ROSTAD: Mr. Speaker, I would like to take this opportunity in the Assembly to thank Mr. Morrison and Mr. Thibaudeau, two lay benchners, recently retired, who spent eight years as lay members to the Law Society. They have been replaced, and we also increased the lay benchners by one. An order in council appoints lay benchners. We don't have the capacity to appoint them to the executive of the Law Society. I'd be delighted to take that forward.

MR. PAYNE: Mr. Speaker, I appreciate the Attorney General's willingness to do that.

While we're on the subject of public participation in the affairs of the Law Society, I'm wondering: would the Attorney General

be prepared to invite the society to develop additional recommendations for involvement by public representatives in the society's disciplinary procedures?

MR. ROSTAD: Mr. Speaker, I'd be delighted to do that at my next meeting, although a recent amendment to our Legal Profession Act has opened up the discipline procedure to the public to show – I think, to quote the words of Mr. Thibaudeau – "that, in fact, the lawyers . . . have nothing to hide" during their discipline. Their interest is the public. Although the Law Society polices lawyers on behalf of the public, they are doing that.

MR. SPEAKER: Edmonton-Strathcona.

#### Bench Insurance Agencies Ltd.

(continued)

MR. CHIVERS: Thank you, Mr. Speaker. My questions are to the Minister of Consumer and Corporate Affairs. In a letter from the Alberta Insurance Council to Mr. Kelly Morton, one of the victims of the Bench Insurance fraud, which I have for filing and which is dated just one week before consumer affairs' consumer alert was issued, the Insurance Council of Alberta states:

We have conducted an investigation and there does not appear to be any violation(s) of the Alberta Insurance Act.

My question to the minister is: could he please explain to us how it is that just a week before the consumer alert was issued, the Alberta Insurance Council is on record as stating that there were no violations to the Alberta Insurance Act?

MR. ANDERSON: Mr. Speaker, I can't be sure what letter the member is talking about since he didn't file it during filings and hasn't sent it to me, but if it's the same one that I asked that question about, dated March 19 of this year, then the answer that the Insurance Council gave me and which I believe to be the case is that they were responding to specific complaints from Mr. Morton with regards to his own claim and the adjudication of that claim, not to complaints with respect to the viability or the legality of the entire company.

MR. SPEAKER: Supplementary.

MR. CHIVERS: Thank you, Mr. Speaker. The question is again to the Minister of Consumer and Corporate Affairs. I've been attempting to find out just exactly what the regulatory function of the Alberta Insurance Council is but have been unable to do so since their bylaws are not a matter of public record, and I've been unable to obtain them without the agreement of the minister, according to the council. I'd be interested in seeing this document. I think Albertans would as well, and I'm wondering if the minister would undertake to file with the Assembly a copy of the bylaws of the Alberta Insurance Council.

MR. ANDERSON: Mr. Speaker, the Alberta Insurance Council operates under regulations of the government of Alberta, and I'd be happy to give those to the hon. member. At any time, by the way, if he actually wants information, he's welcome to call and talk to me about that. I'll take his specific request under consideration. Personally, I don't know any reason why he couldn't have those bylaws.

MR. SPEAKER: Edmonton-Beverly, followed by Calgary-North West.

### Municipal Financing Corporation

MR. EWASIUK: Thank you, Mr. Speaker. Over the last few years the municipalities have been paying a very high interest rate on interest debentures from the Municipal Financing Corporation and have therefore created a large surplus in the fund. The legislation is very clear that any surpluses in this fund are owed to those who created it and it's their money. Municipalities are prepared to use this money for capital projects and infrastructure improvements which, of course, would create much needed jobs in this province. My question is to the Minister of Municipal Affairs. Will the minister agree to pay this money back to the rightful owners in a program designed to fight the recession and create jobs?

MR. FOWLER: There's no question, Mr. Speaker, that there has been a surplus created in the fund referred to by the hon. member. There's also no question that over the last 12 years this government has paid to municipalities amounts something like \$2.1 billion for debt reduction and interest reduction at that time. The fund that is being referred to is headed by a board of directors, who are sitting at this time studying the recommendations as to what will be done with the surplus that is in fact in that fund. We do acknowledge and I expect that within the next week there will be announcements made.

MR. EWASIUK: Mr. Speaker, the government has not yet committed funds to the AMPLE program and refuses to make commitments about the payment of the surplus of the MFC. Local governments just don't need another Premier's conference to look at the transferring of municipal funds. Will the minister commit to both the funding of AMPLE, that the municipalities are expecting, and returning the surplus MFC funds rather than grabbing them, rolling them into one program to help the government's bottom line, and eroding the quality of life in Alberta's cities and towns?

MR. FOWLER: Mr. Speaker, if I heard the hon. member say that there has not been a payout from the AMPLE fund or from the Alberta Municipal Financing Corporation, then he is clearly wrong, if that is in fact what I heard, because there has been a promise of \$500 million to be paid out of that fund to the participating municipalities over a period of years. That period has some years to run yet. However, the past years have been paid, and the promises of the government have been kept in regard to the payout from that fund.

MR. SPEAKER: Calgary-North West.

### NovAtel Communications Ltd.

*(continued)*

MR. BRUSEKER: Thank you, Mr. Speaker. My question today is to the Minister of Technology, Research and Telecommunications. News that the government is contemplating selling NovAtel for as little \$30 million raises some pressing questions. My first question to the minister responsible for NovAtel is simply this: is the minister aware that there's up to \$2 million of federal funding available from western economic diversification for the creation and the establishment of international markets for NovAtel provided the privatization is completed before the end of June this year?

**3:10**

MR. STEWART: Yes, Mr. Speaker.

MR. BRUSEKER: Now number two. After staking as much as \$925 million of taxpayer money on NovAtel, if this company is sold, will the minister guarantee Albertans that the 500 jobs in Calgary, the 400 in Lethbridge, and the technology that we've got in this plant will stay in Alberta?

MR. STEWART: Mr. Speaker, as I indicated earlier in my answer to the hon. Member for Edmonton-Highlands, the management committee of NovAtel continues to hold discussions with interested parties in relation to the future of NovAtel. At such time as an announcement is appropriate, then I will make that announcement at that time.

MR. SPEAKER: Athabasca-Lac La Biche, followed by Edmonton-Mill Woods.

### Forestry Projects in the North

MR. CARDINAL: Thank you, Mr. Speaker. My question is to the hon. Minister of Forestry, Lands and Wildlife. On Tuesday a proposal was announced to build a \$2.3 billion paper mill in northwestern Alberta. I understand that the new project will require at least 30 percent bleached kraft pulp for their paper structure. Thank God we didn't listen to the leaders of the Official Opposition or the Liberals, who wanted a moratorium on all pulp mill development two years ago. In fact, on Monday the leader of the Liberals said that Al-Pac was an embarrassment. Al-Pac will be putting \$2 million per day into the economy by July of this year. And they say we have a crisis in Alberta. That's why there is a crisis. Right there. My question to the hon. minister is: would the minister agree that this new proposal is a spin-off of projects like Alberta-Pacific?

MR. FJORBOTTEN: Mr. Speaker, there's no doubt that it has certainly contributed to other companies looking within the province of Alberta, recognizing that Al-Pac will be a producer of kraft pulp, and if the Grande Alberta Paper project were to proceed, they would have to be involved with respect to the purchase of pulp. There have been many, many spin-offs from the Al-Pac project.

The minister of economic development may wish to supplement.

MR. SPEAKER: Supplementary, Athabasca-Lac La Biche.

MR. CARDINAL: Thank you very much, Mr. Speaker. My supplemental again is to the Minister of Forestry, Lands and Wildlife. Will the minister give some assurance that projects like Alberta-Pacific will be given first priority to be able to sell their kraft pulp to these new proposed projects?

MR. FJORBOTTEN: Mr. Speaker, that would be a market-based decision of course by the company. However, I'm hopeful that the supply of kraft would come from local mills within the province of Alberta. That would certainly contribute to jobs and the value added that we've been attempting to provide to the province of Alberta over the course of the last number of months. There may be some response by the minister of economic development with respect to any discussions he's had with them with respect to the purchase of pulp.

MR. ELZINGA: Mr. Speaker, let me indicate that I thank the hon. Member for Athabasca-Lac La Biche for the aggressive nature with which he has pursued these issues so that we can have job creation in the province of Alberta. The spin-off benefits are

enormous as it relates to not only Alberta-Pacific but to the other direct involvements that we do have within the forestry sector, and this is a very important component of the 12,000 jobs within the forestry sector that I referred to earlier.

MR. SPEAKER: Edmonton-Mill Woods, followed by Edmonton-Meadowlark.

#### Asbestos Hazards

MR. GIBEAULT: Mr. Speaker, my question is to the Minister of Education. The other day in the Assembly the minister downplayed the concerns of Alberta teachers regarding the air quality problems in schools in our province. Yet Occupational Health and Safety just last November shut down a site of asbestos removal at an Edmonton school only months after the same board promised to clean up its act following earlier shutdowns by Occupational Health and Safety. I'd like to ask the Minister of Education: given that since that time at least five school maintenance personnel who have been exposed to asbestos in schools have been diagnosed with spots on their lungs, and we don't know how many students or teachers may have been exposed, will the minister tell the Assembly what steps he is going to take, if any, to ensure the safety of teachers, students, and workers in Alberta schools against this deadly substance?

MR. DINNING: Mr. Speaker, I'm going to make sure that the Edmonton public school board does its job.

MR. GIBEAULT: I'm glad to hear that. They certainly need some direction.

Let me ask a supplementary, then, to the minister of Occupational Health and Safety. Mr. Speaker, given that 10 out of 18 Albertans who died from workplace exposure to hazardous substances in 1990 died from exposure to asbestos, what assurance will the minister of Occupational Health and Safety give to the workers in this province that there will be much stricter enforcement of the asbestos regulation in this province?

MR. TRYNCHY: Mr. Speaker, with regards to the Edmonton public schools, our department received a concern, investigated the concern, and issued some orders. We will continue to issue orders to every industry and every workplace where there is a hazard. We'll continue to do that. All we have to do is know where it's at and have the complaint registered with us.

MR. SPEAKER: Edmonton-Meadowlark.

#### Clearwater River

MR. MITCHELL: Thank you, Mr. Speaker. Recognizing the ecological importance of the Clearwater River area, the Saskatchewan government has designated their portion of that river under the Canadian heritage rivers system and in fact has created a provincial park around it. My question is to the Minister of Tourism, Parks and Recreation. Has the minister considered setting aside a wilderness park along the Clearwater River from the Alberta border to Fort McMurray in order to mirror the park that currently exists on the Saskatchewan side?

MR. SPARROW: Mr. Speaker, on the Alberta side we already have the Whitemud Falls ecological reserve, which protects a portion of that river. I'm sure that in our forest management agreement lands will be set aside all the way along the river, as they are elsewhere, to protect the river into the future. There has

been a group that has made a trek through that area. Our department is reviewing it and will continue to review it.

MR. MITCHELL: Wilderness protection under a forestry management area. Mr. Speaker, Kurt Vonnegut couldn't have written that answer.

Since the Alberta government has done nothing but procrastinate over designating any river under the Canadian heritage rivers system, will the minister please consider recommending that Alberta's portion of the Clearwater River be designated under this program?

MR. KLEIN: The designation of heritage rivers is now under the Department of the Environment. Indeed, we had a task force report not so long ago on Alberta's entry into the heritage rivers system. Once the recommendations are firmed up, it will be taken to government, and it will be my recommendation that we enter the program and that the Clearwater be one of those rivers considered for designation.

MR. FJORBOTTEN: Mr. Speaker . . .

MR. SPEAKER: Briefly. [interjections] Order please so that we can hear the answer.

MR. FJORBOTTEN: There's presently, Mr. Speaker, an 855-hectare ecological reserve along the Clearwater River in the upper reaches near Whitemud Falls. The forest service also operates six recreational sites along there. I know the members of the Canadians for Responsible Northern Development are very interested in what more can be done. I would encourage them to be involved in the discussion on the forest management agreement ground rules.

#### Teachers' Strike

MR. JONSON: Mr. Speaker, currently a salary dispute involving the Battle River School Authorities Association and its teachers is resulting in some 22,000 students being out of class and 10 school jurisdictions being shut down essentially as far as education is concerned. While parents, students, and the general public are aware that this matter should be resolved through regional negotiations, they are increasingly concerned that no such negotiations seem to be taking place as the days go by. I wish to ask the minister, and I guess it would be the Acting Minister of Labour now: what efforts, if any, are being made through the department to bring the sides together?

MR. ORMAN: Mr. Speaker, I have had a conversation with the Minister of Labour on this issue. She advises me that her department has had discussions with individuals involved in this dispute. I understand that a mediator has been set in place, and I also understand that both parties have agreed to return to the bargaining table sometime this weekend.

3:20

MR. JONSON: Mr. Speaker, my supplementary question is to the Minister of Education. In these circumstances it's been customary for Alberta Education to provide correspondence courses and distance education services to grade 12 students. I would like to ask the minister whether or not he's received any requests in this regard and whether the department is able to deliver the services?

MR. DINNING: Mr. Speaker, I am advised by the Learning Resources Distributing Centre that four school boards – the county of Wetaskiwin, the county of Lacombe, the county of Camrose, and the county of Ponoka – have requested and in fact have received a number of sets of distance education materials. A relationship has been worked out between the centre and the Barrhead Correspondence School and those four school boards to ensure that students are able to get on track in their learning with these packages.

Mr. Speaker, I think it's important to note that there are some incredibly dedicated and hardworking people working to make sure that these kinds of correspondence materials are delivered to these school districts so that they can be put in front of kids as quickly as possible. In fact, on April 6 a request came in at 4:30 p.m. from the county of Lacombe. The order was packed by the following morning at 10 o'clock. The county of Lacombe office called twice during the morning and added additional material. They were shipped out by 12:10 that afternoon and received by the county of Lacombe office at 3:10 p.m. That speaks well of the dedicated and hardworking public servants in this government, who are there trying to help kids get their education during this very difficult time.

MR. SPEAKER: Stony Plain.

#### **Alberta-Pacific Pulp Mill**

MR. WOLOSHTYN: Thank you, Mr. Speaker. A spin-off of the Al-Pac project was supposed to be local jobs during construction and after it opened up. Residents of the Lac La Biche area are very concerned about being squeezed out of jobs at Al-Pac because they won't be qualified. Qualified workers are likely going to be brought in from British Columbia. Part of the problem is that AVC in Lac La Biche doesn't have the equipment necessary to train workers in the areas of power engineering, log hauling, or forestry trucking. To the Minister of Career Development and Employment then: given that Al-Pac has benefited from some \$275 million in subsidized loans from the heritage fund, what action is the minister taking to have Al-Pac provide the equipment necessary for training local workers, the same sort of co-operative arrangement that Lakeland College has with the Lloydminster upgrader?

MR. WEISS: Mr. Speaker, I'm so pleased to hear that the hon. member now supports the development and the building of Al-Pac. That's two in a row today in the Assembly. I can't believe it.

In fairness to the hon. member, though, he's raised some important questions, because they do need clarifying. First of all, I'd like to point out that Lac La Biche is not the only centre for training in northern Alberta. We have involved many other members of the Assembly, such as the hon. Member for Lesser Slave Lake, where we have mobile training facilities put in place as well. We have such things as the log hauling and trucking programs taking place in the Fort McMurray area as well as Lac La Biche.

I've had ongoing meetings with Al-Pac and their officials and the hon. Member for Athabasca-Lac La Biche, I might add, on a regular basis. We have commitments from Al-Pac for the hiring of some 150 local people for that specific job. In the very near future, as well, we're putting in a mobile industrial training centre right in that constituency to assist in the development and training of people in that area.

MR. WOLOSHTYN: Mr. Speaker, just because that government brings in foreigners without EIAs and whatnot doesn't mean that I want to see foreign workers or non-Alberta workers run those plants. I'm advocating on behalf of the local workers.

Now, the bottom line is that AVC in Lac La Biche, the closest training centre to the plant, does not have the facilities. The local people have not been given the opportunity to go elsewhere, and we do not have a consolidated plan of training workers to be ready for November. I again ask the minister: what specific plans, how many workers, at what schools in order to meet the requirements that are going to be coming up in November?

MR. WEISS: Well, Mr. Speaker, the question would be more appropriately put on the Order Paper, but I would like to try and answer part of it. First of all, there are many other programs. The hon. member referred to one, and that's the power engineering program that takes place at NAIT. The hon. Minister of Advanced Education, I'm sure, would like to point out that the facility was built to train people from northern Alberta. It's a very large centre, and as the former MLA for the area I can attest to how good the facility is as well. What we are doing, though, is ensuring that programs are being put in place throughout northern Alberta. I can assure the hon. member that the local hiring preference is first and foremost with Al-Pac as well.

MR. SPEAKER: Might we have unanimous consent to revert to Introduction of Special Guests?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried. Thank you.  
The Minister of Health.

#### head: **Introduction of Special Guests** (*reversion*)

MS BETKOWSKI: Mr. Speaker, seated in the members' gallery are 150 licensed practical nurses and members of their professional council who are visiting the Legislature today. Members will recall that licensed practical nurses used to be designated as registered nursing assistants, but an Act of this Legislature last year added a new word to their title. It made me think while I was sitting here that they've set a wonderful example for professions in this province, because just think of it: we could have practical teachers and practical doctors and practical politicians. I would like to introduce members of the executive of the professional council: Mr. Wayne Siewert, who is the president of the Professional Council of Licensed Practical Nurses; Linda Scarrow, the vice-president; Pat Fredrickson, executive director and registrar; and Julio Ravest, who is the president of the Canadian Association of Practical Nurses and Nursing Assistants. I would ask all our visitors to rise and receive a warm welcome from the members.

#### head: **Motions under Standing Order 40** **Trafficking in Endangered Species**

Mr. McInnis:

Be it resolved that the Legislative Assembly recommend to the government that it take urgent action in support of a worldwide ban on trafficking in endangered species and endangered animal parts and artifacts and, in particular, ban the sale of such artifacts in the province of Alberta.

MR. McINNIS: Mr. Speaker and colleagues in the Assembly, I'll just speak to the pressing necessity of this motion. In the province of Alberta, here in the city of Edmonton it's currently today possible to buy cowboy boots made of elephant hide. Now, international trafficking in wildlife parts and artifacts is regulated by the United Nations Convention on International Trade in Endangered Species and of wild fauna and flora, which has 200 countries' signatures including Canada. Under this convention, endangered species, parts and artifacts are routinely seized at the border in Canada, but there's a problem if the material does slip through the border: technically it's legal to sell them once they get passed the border.

The government of Canada has legislation before the House of Commons called the Wild Animal and Plant Protection Act, which is designed to remedy the situation, but I'm informed that the legislation has not reached second reading and is at least one year away. Meanwhile the products are now on sale to an unsuspecting public, who would assume that because they're advertised openly and sold, they're legal. Now, the difficulty is that it may soon become illegal to possess these items under federal legislation, and if a person is unfortunate enough to travel to another country, they could be arrested for having possession of illegal wildlife parts, and they almost certainly would not be able to bring their possession back into the country of Canada.

Now, I have a specific suggestion to make to the government, but I would like to ask members of the Assembly to give permission to deal with this urgent matter today.

MR. SPEAKER: Again for the benefit of those who are watching this for the first time, a Standing Order 40 request deals with the matter of urgency of debate but does not relate to the matter of what the motion itself is about.

So first I must ask the House, all those in favour of allowing the matter to proceed, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: The matter of urgency fails. Thank you.

head: **Orders of the Day**

3:30

head: **Written Questions**

MR. GOGO: Mr. Speaker, I move that the written questions on today's Order Paper stand and retain their places except for the following: written questions 147, 151, 154, and 155.

[Motion carried]

#### **Westcan Malting Ltd.**

147. Mr. Taylor asked the government the following question: With respect to the \$9 million financing package by the Agricultural Development Corporation for Westcan Malting Ltd., Calgary, were there any personal or corporate guarantees other than that of Westcan given for the loans portion of the package, and what were the terms of the preferred share issue granted as to the dividend rate and how it is tied to profits, redemption plan, if any, and conversion privilege to common shares and debentures, if any?

MR. GOGO: I reject the question, Mr. Speaker.

#### **Agricultural Development Corporation**

151. Mr. Taylor asked the government the following question:

- (1) How many cases of unpaid farm debt has the Alberta Agricultural Development Corporation reviewed each year since it was established in 1980, and
- (2) in each year
  - (a) what proportion of the cases reviewed resulted in foreclosure,
  - (b) what proportion was restructured to permit the producer to remain the owner, and
  - (c) what proportion was restructured to allow the producer to continue as a renter?

MR. GOGO: The government rejects, Mr. Speaker.

#### **Agricultural Land Use**

154. Mr. Taylor asked the government the following question:

- (1) How much class 1, class 2, and class 3 agricultural land in Alberta was taken out of agricultural production in each of the last three years, and
- (2) what percentage of the land in each year was taken by
  - (a) residential development,
  - (b) industrial/commercial development, and
  - (c) highway construction and road allowance?

MR. GOGO: Reject, Mr. Speaker.

MR. MITCHELL: Freedom of information.

MR. TAYLOR: It took you a month to think of this?

MR. SPEAKER: Order please.

#### **Soil Conservation**

155. Mr. Taylor asked the government the following question:

- (1) What was the total arable acreage in Alberta on which soil conservation measures were practised in the periods 1980-85 and 1986-90, and
- (2) what were the three main conservation techniques used, and on what percentage of the total conservation acreage was each measure practised?

MR. GOGO: Reject, Mr. Speaker.

#### **Speaker's Ruling Changing a Question to a Motion for a Return**

MR. SPEAKER: The Chair has been in receipt of correspondence from the Deputy Government House Leader relating to Written Question 284. The Chair needs to ask the Deputy Government House Leader if there was agreement from the Member for Calgary-McKnight that this matter proceed to be transferred.

MR. GOGO: No, Mr. Speaker. My correspondence to you was of the view that it should not be a written question but a motion for a return in that the government may consider an amendment.

MR. SPEAKER: Thank you for the information. I think under the circumstances I had best wait to deal with this matter on next Tuesday then.

Thank you.

head: **Motions for Returns**

MR. GOGO: Mr. Speaker, I move that the motions for returns appearing on today's Order Paper stand and retain their places except for the following: motions for returns 220, 223, 228, 229, 239, and 248.

MR. SPEAKER: Government House Leader, I wonder if perhaps you would read the list once more, please, because it's at some variance to the information I had received.

MR. GOGO: Yes, sir. I had sent it to hon. leaders of the opposition parties but did not send it to you, sir: motions for returns 220, 223, 228, 229, 239, and 248.

[Motion carried]

**Midwifery**

220. On behalf of Mrs. Hewes, Mr. Taylor moved that an order of the Assembly do issue for a return showing a copy of the Midwifery Services Review Committee report that was to establish guidelines and standards for the profession of midwifery.

DR. WEST: I will accept Motion 220 standing on the Order Paper.

MR. SPEAKER: Thank you. I guess there's no need for discussion.

Is there a call for the question?

HON. MEMBERS: Question.

[Motion carried]

**Home Care**

223. On behalf of Mrs. Hewes, Mr. Taylor moved that an order of the Assembly do issue for a return showing a copy of all recommendations and reports developed prior to March 31, 1992, by the working group of Alberta Health examining the home care options for children with high needs.

MR. GOGO: Mr. Speaker, on behalf of the hon. Minister of Health, the government will accept Motion for a Return 223.

MR. SPEAKER: Thank you.  
Call for the question?

HON. MEMBERS: Question.

[Motion carried]

**Alberta Terminal Canola Crushers Ltd.**

228. Mr. Taylor moved that an order of the Assembly do issue for a return showing for the chairman and members of the board of directors of Alberta Terminal Canola Crushers Ltd. the employment contracts, any other documents showing the terms of employment, and any termination agreement.

MR. ISLEY: A little research shows that last year the very same motion appeared under 219 and was dealt with in the House on April 30, 1991. I will read from *Hansard* the response to the hon. Member for Westlock-Sturgeon a year ago: "Mr. Speaker, it is my

intention to reject Motion 219." It's now my intention to reject Motion 228 on the Order Paper. The hon. Member for Westlock-Sturgeon should know very well that we do not share employment contracts and documents related to terms of employment on boards and agencies.

It would probably expedite matters if the hon. member would get a clear understanding of what is acceptable and what isn't and save us all a lot of time. I would suggest to the hon. Member for Westlock-Sturgeon that if it's his job simply to fill an Order Paper, he consult with me in advance and we'll help him work out some motions for returns that the House would find acceptable.

Thank you, Mr. Speaker.

MR. SPEAKER: The Member for Westlock-Sturgeon in summation.

MR. TAYLOR: Thank you, Mr. Speaker. I sometimes sort of feel that I'm fighting with Charlie McCarthy, because obviously he read the whole thing. I'd rather get at Edgar Bergen himself. If whoever wrote the letter for the minister is listening, I have a few comments that I can make back.

First of all, Mr. Speaker, for one that protects your authority, and I'm going to stand up for your authority in this case, I think it's your right to decide what's acceptable or not, not any of the cabinet ministers around here. That's the first thing.

The second, Mr. Speaker, is the fact that something was turned down last year doesn't mean that it is not a good question this year. If I didn't know better, I would have thought the minister was a lawyer, because they all hang their hats on precedents. It doesn't matter if it's right or wrong; if it was done 50 years ago, you've got to do it again. I was hoping that with a little more ingenuity on the minister's side - maybe you would call it knowledge or wisdom that he had gained over the last year - it would put him in a position to answer the question.

The argument that we cannot put employment contracts or termination agreements in on government employees is, I think, a very ridiculous one, Mr. Speaker. We've just gone through appointing an Ethics Commissioner to look at the question of principles being infringed on between members of the Legislature that quit to work somewhere else. Now we have the same thing, I submit, for senior civil servants. I'm not talking here about the fellow that's sweeping out the canola crushers plant or closing the door at night. I'm talking about the chairman and the members of the board of directors, which may or may not be employees. They may well be, and they probably are, some of them anyhow, carriers of blue and orange cards that guarantee them against unemployment in this province. I just want to know how well guaranteed they are against unemployment. As a matter of fact, one of them really got so worried about the canola plant surviving that he ran for office. Lucky for him he made it but may not last as long as the directors.

The point is this: I don't see, when the public puts together a corporation and the directors on that corporation are selected from amongst the public, why those things aren't public.

I will go a step further, Mr. Speaker. I don't know if the minister and the Premier know this, but if he wanted to register this company on the curb market in the New York Stock Exchange or wanted to raise money in the United States, you would have to file what the salaries of the principal officers are and their jobs. But no, little old Alberta, with the Minister of Agriculture, somehow or another marches to a tune that quit playing back in 1920. As long as they've got their friends that they can load onto these boards of directors, as long as their friends are chairmen -

and not only that, there could be a very, very, very handsome termination agreement.

I submit, and I think the minister well knows, Mr. Speaker, that I was on a very good fishing expedition out here. He knows darn well that I didn't just have a dream in the middle of the night and pick this out of the air. He knows darn well there have been leakages to me of the kinds of salaries and agreements that are going on up there. I'm just giving him a chance. I'm just giving the minister a chance to fess up and tell it and square his soul. Even the most convicted sinner can be acquitted of his sins. I know as old father confessor, the Member for Westlock-Sturgeon. Get up and spit out what you have done here with the taxpayers' money. That's all we're asking. No need to dig it out.

Thanks.

MR. SPEAKER: I know the Legislature doesn't sit on Sunday, so I've checked; today's still Thursday.

[Motion lost]

### 3:40 Hog Industry Task Force

229. Mr. Taylor moved that an order of the Assembly do issue for a return showing the report of the ministerial Task Force on the Hog Industry, completed in 1991.

MR. ISLEY: Mr. Speaker, I appreciate very much that the hon. Member for Westlock-Sturgeon is attempting to cleanse my soul and let me beg forgiveness and confess all to him. I'm probably not going to improve his track record any on Motion for a Return 229.

I think the hon. member should realize that we're dealing here with a rather complex industry, an industry that is inherent with certain problems. The pork industry in our province has been a bit static the last 24 months, and it's our hope that by doing some of the right things over the next few months, we can release that industry and let it grow. We've had some problems. Not at the production level: we've got very efficient hog producers in this province that know how to produce first-class pork. We've had problems at the packing and the processing level, and it's some of those problems that we're attempting to resolve.

We have the situation in the province where the Alberta Pork Producers' Development Corporation, which operates under the Agricultural Products Marketing Act, is the sole seller of hogs in the province. We have that organization holding all the shares of Fletcher's Fine Foods, which has plants in Red Deer, Langley, B.C., and Vancouver and used to have some in the U.S.A. and places like Hawaii. We have the people of Alberta owning the other significant slaughtering and processing plant, Gainers. Its major plant is located in Edmonton with plants in Ontario and Saskatchewan and distribution networks throughout the land. We as a government have had discussions with private-sector firms interested in buying Gainers, but most appear to become very uncomfortable when they see the perceived area of conflict of interest because of the fact that the board that has the sole right to sell all hogs is an owner of one of the plants.

I'm very pleased that the Pork Producers' Development Corporation is now conducting a plebiscite among its members to determine whether or not to turn the shares of Fletcher's Fine Foods over to the so-called extra-levy producer, the person that actually put up the money at the rate of \$2 a hog back in the early '80s to buy that plant, or the other option, to turn the shares over to the extra-levy producers but allow producers, since that plant was paid out, to buy shares related to the number of hogs they

sold in that time period. I'm confident that once that process is complete, we will probably have resolved the ownership issue that has been talked about.

Last May we established the task force that the hon. member is referring to here and charged it with a number of responsibilities with respect to restructuring the pork industry in this province. The preliminary report of that committee was received in, I believe, late September. Notice I say the word "preliminary." The committee since then has been expanded to do some more work on its original mandate and an expanded mandate, so it's really impossible to release a report completed in 1991 because there hasn't been one completed as of yet. Secondly, once that report is completed, depending upon what material is in it that may be confidential from a commercial basis, we may or may not release it. That decision will have to be made once the report is finalized and received.

So with those comments, Mr. Speaker, I am rejecting Motion for a Return 229 that stands in the name of the hon. Member for Westlock-Sturgeon. I trust I will hear another speech in which I will get an opportunity to cleanse my soul again.

MR. SPEAKER: Summation, Westlock-Sturgeon.

MR. TAYLOR: Mr. Speaker, I don't know; some sinners are irreconcilable. Is that the right word? [interjection] I hear a little barking from another sinner over there.

This is a fairly important issue here. A study has been commissioned, as the minister said, in May. Then it was filed with him in September – actually, the 4th to be exact, I believe. Now he calls it a "preliminary" report. When it was filed, I don't think it was called one on the front cover. At least, the copy that I was leaked, that went by my nose, didn't have it. The point is this, Mr. Speaker. The minister took a great deal of taxpayers' money, paid for a report, had it filed with them, and when it didn't tell him what he wanted to hear, decided that well, he could hardly sit on it because if it hatched, it would be something bigger than he could handle. So what he's done now, obviously, is say: "Well, it's just a preliminary. We'll widen the committee and get another." That's an old dodge. If you don't get the kind of recommendation you want from the board of directors or the group or the committee the first time around, you enlarge the committee and ask them to go back and consider it again. I don't know how many times this is going to go on, but obviously what was in that report was very embarrassing.

He went on talking about hog production and hog marketing. The people that are involved in hog marketing and hog production in Alberta deserve to know where this government is going, and the report would be one of the ones that would help them decide where they are going.

Now, you must remember that not only is this minister refusing to put forward a public report, paid with public moneys, commissioned by good volunteers around this province, but he is hiding his own butt because he has a vested interest to the control of Pocklington's Gainers plant. The minister has literally a hundred million dollar loss that he's trying to cover. So it's not only a case of not releasing a report, it's a case of trying . . . I don't think "butt" is in there, Mr. Speaker, but there are a lot of other things.

### Speaker's Ruling Parliamentary Language

MR. SPEAKER: As a matter of fact, it's ruled out of order.

MR. TAYLOR: What, the butt part?

MR. SPEAKER: Yes. You may be much more creative.

#### Debate Continued

MR. TAYLOR: Okay. Well, I'll change it to something. He's trying to save his hide or whatever it is. That's very necessary to any minister.

The point is that the minister is making two sins here, Mr. Speaker. I don't want to sound too much like Jimmy Swaggart, but I think I'll get back to it. The point is this: the minister is not only sinning against the idea of public information that has been gotten with public dollars, but he's also doing it to cover his own ineptitude and his own mistakes and his own operating costs of the Gainers plant. So we have a double hit going on here. All of it was swept under the rug with the excuse: "Oh, I've broadened the committee. It didn't come back with the answer I wanted, so I've got another committee going." That's not fair, and it's not just. I just hope that the minister is going to try to run for re-election on that ticket.

[Motion lost]

#### 3:50 Syncrude Expansion

239. Mr. Mitchell moved that an order of the Assembly do issue for a return showing the terms and conditions, including terms of repayment, of an \$85 million loan to Syncrude Canada Ltd. to help fund an engineering feasibility study conducted between 1986 and 1988 as part of a proposed \$4 billion expansion project.

MR. SPEAKER: The Member for Cypress-Redcliff. [interjection] No? Thank you. Sorry.

Any discussion with respect to Motion 239? Now I'm seeing the Member for Wainwright. Is that correct?

MR. FISCHER: Yes, you can believe your eyes. Thank you, Mr. Speaker, for recognizing me. I would like to give some reasons why this motion should not be accepted.

Certainly the terms and conditions of something that has been signed and sealed in confidentiality to begin with should not be put out until everything is finalized. I would have to think that the \$85 million that was put in was an agreement between those people for the future. I daresay probably all of it isn't even spent as of yet. I don't think that you can just put those out to the public when there are a lot of individual oil companies involved in that. Certainly there's a lot of competition between companies. They don't want their information given to the other companies. Certainly we have seen that with the Syncrude board itself withholding some of the information between the two companies, their competitors, when they begin marketing. So they certainly are competitors when we get into their expansion studies. What they're doing with that, of course, is trying to expand the technology and the area. It has to come together. There are some other companies that could possibly be involved in it: Mitsubishi bought shares from Petro-Can. Until those are entirely decided and committed, they certainly wouldn't want to give any of their information away.

For those reasons, I would say that this motion should not be accepted.

MR. SPEAKER: Additional? The Minister of Energy.

MR. ORMAN: Mr. Speaker, I rise, too, to ask support of this Assembly to reject Motion 239. It is a repeat of Motion 137 that

has been debated in this Legislature, and that debate occurred on April 25, on a Thursday afternoon.

Mr. Speaker, on my way to the Assembly today thinking about this particular motion, it did bring back memories of our former colleague the hon. Member for Calgary-Buffalo, who not only was a fine member of this Assembly and advanced his views and his ideology well in this Assembly; he also was a personal friend of mine for over 20 years. I enjoyed our informal discussions in this Legislature during committee when we were able to move about the Assembly and during formal debate.

I took the opportunity to review *Hansard*, Mr. Speaker, on this particular motion – at that particular time Motion 197, back as Motion 239. In that debate there was presented by myself I believe a fairly straightforward history of oil sands development in this province and the necessity to continue oil sands development based on the slate of synthetic crude oil that is now making up more and more of our 1.2 million, 1.3 million barrels of oil a day production and the rationale for our government supporting continued oil sands development. There are a number of good reasons to support oil sands development in this province, and I do believe, having reviewed debate, that that was not at particular issue. Oil sands in this province is, as I pointed out, important. We all agree to that. We have to continue to rededicate ourselves to it.

To refresh hon. members' minds, I'd like to speak just briefly to the essentials of the agreement that we entered into for the engineering study for Syncrude expansion and the rationale for the loan and some reasons along the lines that the Member for Wainwright advances, our member on the Syncrude board, with regard to confidentiality of information and maybe close with a few comments about where I differ in terms of the Member for Calgary-Buffalo's views on confidentiality, which come from an ideological point of view which is valid, Mr. Speaker, but in fact we must deal with those realities of when government gets involved in business. We must conduct ourselves along the same lines as business, and that is, respect the confidential nature in which agreements are entered into.

Mr. Speaker, this study was initiated in early 1986, and it was seen as a potential opportunity to consider the expansion of the Mildred Lake facility for Syncrude in the Fort McMurray area. The purpose of the loan was to define the process engineering specifications and develop a design for the state of the art extraction facility, complete an execution plan and put together the documentation that would be sufficient to allow the awarding of an engineering procurement package – that is, in the event the Syncrude owners decided to proceed with further development of this opportunity – and at the same time to proceed with obtaining the ERCB approval for the project.

Mr. Speaker, on the point of the engineering study, the decision at that particular time was not only to look at the peer possibility of expanding the Mildred Lake operation. At that particular time we were looking at the importance of the job creation that it created at the time. Consideration was given to the importance of keeping the engineering capacity in this province busy. Now, we don't run out and throw up projects just because we want to keep the engineers busy. What we wanted to do was to continue to keep a high-quality, highly trained engineering capacity in this province for future major projects, because they have a tremendous take-up of engineering capacity, particularly in northern Alberta, particularly from the Edmonton region, and we did not want that to go elsewhere. Unfortunately, to some extent it has. At that particular time our intent was to have at least 75 percent Alberta content in the feasibility study around the Syncrude expansion. In fact, I understand that the Alberta content reached 90 percent.

They exceeded the agreement that we had entered into in terms of Alberta content.

4:00

The reason I make this point here now, Mr. Speaker, is because I have expressed in this Assembly and elsewhere some of the concerns arising around the Lloydminster biprovincial upgrader. One of the concerns that has developed around the biprovincial upgrader has been a delay that was created in the construction, one of the reasons being that we did not have the engineering capacity in this province at the time that we needed it to move with alacrity. The problem with that, of course, is that we had Canadian content rules with regard to utilization and construction. In that we were not able to find the engineering capacity and meet the Canadian content rules at that particular time, it created delays. Those delays were costly.

So you can see that social engineering, Mr. Speaker, doesn't always work, and in this case it has created some problems. That doesn't mean to say that we shouldn't try and achieve a certain level of local content or regional content or Canadian content, but it does sometimes have an impact.

The point I'm trying to make, Mr. Speaker, is that the study done by Syncrude would use a great deal of engineering capacity. That engineering capacity would be poised, then, to either proceed with the Syncrude expansion or proceed with the construction of the OSLO project. We wanted to have the staging; we wanted to support the staging and at the same time be able to complete the construction of the biprovincial upgrader. Well, we will not have the benefit of the staging concept that we have always tried to have in place in this province by this government to move swiftly into the construction of the OSLO project, but so be it. There's not much we can do about it. I point that out because it does make sense from time to time to support initiatives like this with the government for the reasons I have just indicated.

Mr. Speaker, in January of 1987 the funding agreement with Syncrude provided for an \$85 million interest free loan, and the loan was to be repaid if expansion occurred or if the technology was sold, leased, or otherwise licensed. It was to be repaid from expansion production – that is, at a rate of 30 percent of net production per month – and from the proceeds of disposal of technology.

There were 750,000 man-hours of engineering work that went into the study, and as I indicated, Alberta content reached 95 percent where the agreement called for 75 percent.

Mr. Speaker, those are some of the essentials of the agreement, and as I've said, having reviewed debate, I don't think the issue was necessarily that the province did the wrong thing. It's the question of information. The former Member for Calgary-Buffalo, I think, made that point fairly well.

I said that I'd like to close, Mr. Speaker, with some comments about the difference between ideology and practicality. It is fine and we all know the Member for Calgary-Buffalo's views on the ideological side of freedom of information, which is admirable and in many ways is supported by myself and supported by members of our government. But there is one rule on the practical side. That is that if government is going to joint venture in some way with the private sector, they must respect the rules, written or unwritten, of doing business with the private sector; that is, that there is confidentiality between parties for a number of reasons. I don't have to get into them.

Mr. Speaker, I do believe, however, that there are times when information can be provided where governments are joint venturing with the private sector, and that would be in circumstances where in advance of the agreement the private-sector partner of

government agreed that the information could become public if so chosen by the government. In this case you do run the risk and there is the possibility that if you put that condition on the arrangement – in this case the arrangement between the government of Alberta and Syncrude – they would say no, we are not interested in proceeding with the expansion. If that were the case, we then would have a situation where there would have been a loss of 175,000 man-hours of engineering capability being put at work – and for a good cause, because as I advanced in the debate on this motion April 25, 1991, it is fundamentally important to keep the engineering capacity in the event of OSLO. I pointed out also that if in the event OSLO didn't proceed, it creates a much higher probability that Syncrude expansion could go ahead.

As we know, OSLO has been delayed now. We know that it will be delayed – my belief is it will be built and on stream in this decade – but this engineering study does provide a running start for the Syncrude partners in the event they decide to proceed with expansion. That is a higher probability today than when we had this debate on April 25 of 1991. As I said, Mr. Speaker, it would be a shame if one of the conditions we put on expansion was that the information had to be public and the Syncrude partners said, "No, we don't want that information public because it puts us at a competitive disadvantage in oil sands development."

Mr. Speaker, I believe in many ways the argument advanced by the Member for Calgary-Buffalo – and I'm sure that debate will be advanced along the same lines by another member of the Alberta Liberal Party – but let's not forget there is a difference between ideology and practicality. In this case, practicality dictates that you respect the written or unwritten rules of confidentiality between partners in a business deal.

Thank you very much.

MR. SPEAKER: The Member for Calgary-McCall.

MR. NELSON: Thank you, Mr. Speaker. I'd just like to make a few comments. I had the opportunity of being the government's representative on the board at Syncrude at the time this particular loan was made to the consortium. The consortium, made up of a number of private entrepreneurs, businesspeople, companies, and the government, had a loan of \$85 million given to them, as the minister has rightly indicated, to ensure that we were able to (a) proceed with the expansion of Syncrude at Mildred Lake and (b) keep the technology here in Alberta and ensure that we had a future area that we could call upon as development proceeded in the tar sands.

[Mr. Deputy Speaker in the Chair]

As we all know from the experience, out of that discussion and engineering work came the proposal of the OSLO project. Quite frankly, Mr. Speaker, I believe that ultimately these projects will have to proceed because of the need and the price of oil. At the time that we proceeded with this particular project and the development of the engineering study, there was certainly more talk then than there is today about Canada's self-sufficiency in oil. As you know, with the expansion of Syncrude that was taking place and with Suncor in that area, they developed some 15 percent of Canada's oil for use across this country. Of course in the future, as the depletion of the more natural fields continues, this project and others that will probably proceed long after we're gone – the engineering that's been done here will certainly be of value to them.

**4:10**

It should also be noted, Mr. Speaker, that Syncrude itself has provided a benefit back to this province in excess of a billion dollars over the years of its production through royalties and profits from that corporation. Because of our positioning with that corporation we retrieve and retain many of those profits. We have the Alberta Oil Sands Equity corporation that sees to our interests and does so in a very, very good way. Of course, with an MLA as a participant on that board we're able to be consistent and see to the government's protection as far as their investment is concerned.

[Mr. Speaker in the Chair]

Mr. Speaker, this project allowed for the province to keep some expertise here. It provided a tremendous return on an investment. Let's be clear that the \$85 million is, firstly, a loan, but it is also an investment in the province's future with the oil sands development. So I don't think anybody has to apologize for that type of an investment. However, anybody that has been in the business community – and I'm sure most of the socialists over there don't understand business very well anyway and the reason you have to have some confidential agreements between business and government: they won't participate otherwise.

Let's be clear and very honest. Unless the business community is going to have an assurance of confidence in their developing this province – and again, it's the private sector who is the engineer of that growth, not the government. We provide a level playing field for them to develop this province. To do so we have to ensure that agreements reached between the two parties have some confidentiality to them so that these people can proceed in a businesslike fashion without having their expertise sold to someone that has a different interest.

We need to ensure that we respect the rules, written or unwritten, to be sure that Alberta is a leader in the world in the development of tar sands technology. We will continue to have that technology here, and in so doing, Mr. Speaker, we must work with the private sector, not against them. Certainly, releasing without their permission information that was given to them in a business sense – it is my view that we should not support a motion of this nature.

MR. SPEAKER: Westlock-Sturgeon in summation.

**Point of Order  
Tabling a Cited Document**

MR. TAYLOR: No. Thank you. I'm sorry, Mr. Speaker. The motion was made by the member . . .

By the way, before I proceed, I don't know if it's a point of order or what, Mr. Speaker. You could help me. Could I ask the Minister of Energy to file the document, the statistics from which he was reading? He was reading from some document there. I believe you have to file it anyhow.

MR. ORMAN: No, no. I was just holding up an annual report. I wasn't reading from it.

MR. TAYLOR: Come on now; let's not be cute.

MR. SPEAKER: Order.

MR. TAYLOR: Mr. Speaker, what's the procedure on that?

MR. SPEAKER: The Chair will review the document, plus *Hansard*, as to the amount of quoting there really was done from it. Maybe it was entirely superficial, but I'd be happy to review the document.

In the meantime, continue with your comments, Westlock-Sturgeon. Your clock is running.

**Debate Continued**

MR. TAYLOR: Thank you very much, Mr. Speaker. What I wanted to comment on is that the question that everybody has debated down to the nth degree was not asked. The motion has not asked for the engineering results, what you've got, what kind of a plant they were going to build and whether Syncrude would be marching on into the future or whether OSLO would be marching on or Mildred Lake would continue or whatever it was. The motion is very clear. It says here, "the terms and conditions, including terms of repayment," if any. That's what we want to know about. This is a loan of \$85 million of the taxpayers' money.

First of all, Mr. Speaker, we'd like to know whether it is indeed a loan. Was it one of those loans that if you don't go ahead then it's washed out? In other words, it becomes a grant, which this government does so often. They put out loans that suddenly become grants: oy, oy, oy; suddenly we've got a grant instead of a loan any more. That's one of the things we'd like to know: whether we've got a loan, or is this \$85 million a grant?

The second thing, Mr. Speaker, that of course comes to mind in an \$85 million loan to Syncrude Canada: if it is a loan and the plant is not progressing, is it going to be taken back out of the other Syncrude income coming in?

Thirdly, Mr. Speaker, another term. When you loan out money to an organization, especially one that I suspect – and I would challenge the Minister of Energy to say this one – has already been written off or is going to be written off if the expansion doesn't go ahead . . . I would be very, very curious to know. When you loan that out – in other words, you've put up a great amount of the engineering. Engineers are little bit like lawyers, you know, being an engineer myself. They're pretty good at pulling down money for a long time without turning a heck of a lot out. A little bit like the elephant, you can labour on for months and then turn out a mouse.

MR. PASZKOWSKI: That's the kind of engineer you are.

MR. TAYLOR: Our friend from Smoky River is at it again, Mr. Speaker. Can you bring him into line? He's hurting my feelings.

Mr. Speaker, the big question is with engineering . . . [interjections] I don't know; it even hurts my feelings more when they laugh at the thought that my feelings could not be hurt.

The next question, of course, is that when you do an engineering study – and they maybe got something out of these engineers instead of just keeping them in . . . The hon. Minister of Energy comes across with the idea of sort of keeping them happy and keeping them here rather than they leave. Let's suppose they did labour forward long and hard like the elephant and come out with a little more than a mouse. Who has the patent? What are we doing? Is this stuff patentable, or if there is one, are we going to be able to use it? It would be a shame if it turned out that the only people who could use this report were Syncrude, which has my old partner Esso as the main partner within it. Poor old Esso: you know, the knees out of their trousers; they're all broken up and not making a profit. They might need \$85 million worth of engineering to help them along in the future, but I'm not too sure

whether they need it as much as we do. This is what the question is asking: the terms of the loan, not the engineering.

Lastly, Mr. Speaker, certainly it should be evident that if you're using public money and using public business, you should be prepared to let your name stand. This is one of the few countries in the world – and I've operated in many countries – where you can walk in and get a secrecy deal with the government on the grounds that it might hurt your competition. It's a rule pretty well all around the world that if you're going to take government money, you're going to have to make public what you're doing. If you want to make it a secret, go borrow it from the Royal Bank. Don't go to the government to borrow money if you want to keep it a secret. This is one of the few governments that I know of – they may know of some others – where you can come in and borrow money, make deals, peruse around, and get it sworn as being a secret. Well, it's just hard to believe.

That's all I wanted to say, which is enough. I think there's already a high blush showing up on the Minister of Energy's face and the hon. director of Syncrude. They're rather ashamed to have to get up and try to talk out a motion like this. I don't blame them, Mr. Speaker. I'd feel pretty ashamed, too, if I took \$85 million of taxpayers' money, gave it to the largest corporation in the world, and then turn around and tell the taxpayers: "Oh, no, fellas. We can't tell you anything. We don't know what's happened to it. Maybe it's flushed down the drain. Maybe it's going to make you money, but it did keep some engineers working for a while." I don't know which ones. They might have gone. We don't know. "As to what they found, we didn't patent it. Well, after all, we didn't want to be embarrassed. If Esso wanted \$85 million, who are we to ask what they were going to patent or do with the thing?" No, this government gets to be a laughingstock.

Thanks.

### **Speaker's Ruling Confidentiality**

MR. SPEAKER: Before the Chair recognizes the Member for Calgary-Foothills, comment should be made to the last speaker, of course. I'm sure his own ability to read both *Beauchesne* and *Erskine May* show that in the British parliamentary system there are indeed guidelines set out with respect to matters of confidentiality. I invite him to refresh his memory.

Calgary-Foothills.

4:20

### **Debate Continued**

MRS. BLACK: Thank you very much, Mr. Speaker. I think it's been an interesting discussion on a question. One of the things that I think is very important is one of the things the minister said. When you go into a partnership . . .

### **Point of Order**

#### **Explanation of Speaker's Ruling**

MR. TAYLOR: Point of order, Mr. Speaker. I want to go back to your ruling.

MR. SPEAKER: I'm sorry, hon. member. The Chair has spoken and that's it.

Calgary-Foothills.

MR. TAYLOR: Mr. Speaker, point of order. Could you give a reason? That confidentiality applies to personal people, people who would be embarrassed, not a corporation.

MR. SPEAKER: I'm sorry, hon. member. You're out of order. Calgary-Foothills.

MR. TAYLOR: Your ruling was . . .

MR. SPEAKER: You're out of order. Would you be quiet. [interjection] Order. Take your place.

Calgary-Foothills. [interjection] Order please, hon. member. You're not . . . [interjection] Order.

MR. TAYLOR: That's the point of order.

MR. SPEAKER: It was given. You will consult the Blues, and you will continue to be quiet.

Calgary-Foothills.

MR. TAYLOR: Mr. Speaker . . .

MR. SPEAKER: Order. Take your place, hon. member. [interjection] Order. Take your place. It's beyond the point of being funny.

Calgary-Foothills. [interjection] Order please, hon. member.

MR. HYLAND: What did you say to get Nick so excited?

MRS. BLACK: I haven't said anything to get him excited yet, but I will.

Mr. Speaker, before I was rudely interrupted again . . .

MR. TAYLOR: Mr. Speaker, point of order.

MR. SPEAKER: Order please, hon. member.

MR. TAYLOR: How do you know, Mr. Speaker, whether it's the same point of order?

MR. SPEAKER: Thank you. The Chair does not recognize Westlock-Sturgeon.

Calgary-Foothills.

### **Debate Continued**

MRS. BLACK: Thank you, Mr. Speaker. Hopefully Westlock-Sturgeon will stay seated.

Mr. Speaker, one of the things I'd like to comment on is the comments from the minister when he discussed the relationship one enters into in a business arrangement. I think it's important that we go back and remember that the government of Alberta is a partner in the Syncrude project, and that puts us in a different arena than if we were not a partner. I think that's an important element. When we go into a partnership arrangement where we have approximately a fifth of the holdings in a project like Syncrude that is intended to secure our energy self-sufficiency in our future, then we've made a serious commitment. When we look at projects such as feasibility studies for expansion modes to secure that future, then we have to act as a partner in the arrangement, and if it means that feasibility studies have to be made and take place, then so be it.

I think if the hon. members will check the *Hansard* later on, the minister did talk about if an expansion did in fact take place and there was profit, then certainly there would be a repayment. I took exception to the Member for Westlock-Sturgeon's terminology that when you are in a partnership arrangement, that you're making a grant. Partners usually contribute to the financing of projects as projects come along. It's not necessarily a grant. It's usually a

partnership obligation to make a portion or all of, depending on the project, financial arrangements with someone that you have an agreement with.

I think it's also fortunate for us in this House that we have the opportunity as members of the Alberta Heritage Savings Trust Fund committee to have a second look at the Syncrude projects as they come by during our heritage trust fund hearings. I would like to note that the Member for Edmonton-Meadowlark and the Member for Westlock-Sturgeon both sit on the Alberta Heritage Savings Trust Fund committee, and I believe that it was last year that we had the opportunity to tour the Syncrude project and meet with the Syncrude people and discuss the future of Syncrude and the projects coming up. So we've had a fair bit of exposure to the Syncrude project itself and have been able to witness firsthand the development that has taken place there and how it's gone from a dream to a viable project today.

I'm not too sure whether the hon. members came on the trip with us, but if they didn't, it was unfortunate, because it was most informative. As a partner, a lot of questions were asked of the people at the Syncrude project. We did have the opportunity to look at the historical nature and the actual process that was in place.

I think the operative on the whole question and why it shouldn't be accepted is the fact that as a partner we do assume that business role. As such we would be negligent, I would think, in relationship to our other partners in the project if we disclosed information, again, without their permission. It would lead, I would think, to a breach of confidentiality on a contractual obligation with a partnership arrangement. Remember that we are the partner. We are not the Royal Bank, as the Member for Westlock Sturgeon alluded to. We are the partner, and I would be very much opposed to us getting into a mode where we are in a partnership relationship that we jeopardize our competitive position within that partnership arrangement by going out and demanding that we place the projects in jeopardy.

So I would think it would not be to our advantage as a partner to accept this kind of a motion. I would hope when we have our next round of Alberta heritage trust fund hearings, which are open to the public, I might add, and are all recorded, that the two members, the one for Westlock-Sturgeon and the Member for Edmonton-Meadowlark, would ask questions of the committee people and the people who appear before our hearing process, particularly those who represent Syncrude. I think it would be more appropriate on that level. If they haven't had the opportunity to go to the project, they might do that and may certainly have many of their questions answered, because it is a wonderful partnership arrangement to be in. It is something that will guarantee our future and provide us not only with the future of our industry but also with a solid revenue base coming in. I think it's something that we can look forward to and be very proud of.

That's all I have to say.

MR. SPEAKER: Summation? Edmonton-Meadowlark.

MR. MITCHELL: Thank you, Mr. Speaker. I would like to make two points, if I have the time. One is that after a debate of this nature and listening to the comments of members of the Conservative caucus, one can only question their true commitment to freedom of information. It is difficult to understand how it would be that a document of this nature that we are requesting, which wouldn't, as my colleague for Westlock-Sturgeon pointed out, reveal any information of a proprietary nature, which simply outlines the terms of repayment and the terms and conditions of a loan, perhaps cum grant, to a major corporation, would not be

released publicly by a government that has any true commitment to access to information legislation.

Two members mentioned that if we were to understand the relationship between government and Syncrude in an agreement of this nature, we would understand the importance of respecting the rules of that kind of agreement. Well, Mr. Speaker, what's very odd is that the government is saying: "Our money, their rules." It seems that exactly the opposite should be the case: our money, our rules. If it were that this government had placed the condition on that grant at the outset, saying, "We will reveal the terms of this grant publicly," then they could easily say: "Our money, our rules. You don't want to play by our rules? Then you don't get our money." I know we are not arguing an ideological point here at all, to address the Minister of Energy's comments. We are, in fact, making a very practical point. The practical point is that this government has a huge runaway deficit, a huge runaway debt, and \$85 million that cannot be properly accounted for and for which this government does not clearly want to be held properly responsible, then raises a very serious, practical, pragmatic question. The Legislature and members across on our side are here to hold this government accountable. We cannot hold this government accountable properly if we don't get proper information. One can only question what it is that they are trying to hide.

4:30

#### Speaker's Ruling Reading from Documents

MR. SPEAKER: I hesitate, hon. member, to interrupt you. I'm sure you can continue with your summation when the matter next comes before the House.

There are a couple of items here before we do go on to the next item of business, which must occur. The first one is this: the Chair has sent a note as a follow-up to the Minister of Energy with respect to the document which he was or was not quoting from in great detail, and the Chair will compare that together with the Blues.

#### Speaker's Ruling Parliamentary Language

MR. SPEAKER: The other thing that the Chair wishes to point out. Something occurred last Thursday afternoon in which the Member for Westlock-Sturgeon swore three times in a matter of three paragraphs, in *Hansard* at page 236. [interjections] Order. The Chair would hope that perhaps after a week has gone by, the Member for Westlock-Sturgeon would be gracious enough to withdraw that type of language from the *Hansard* record, and failing that, that he would at least think about it in terms of the future. We really don't need that kind of language here.

Westlock-Sturgeon.

MR. TAYLOR: Thank you, Mr. Speaker. Without offending the House by having you read it out in detail – and I can't remember last Thursday – I will withdraw it.

MR. SPEAKER: Thank you, hon. member.

head: **Public Bills and Orders Other than  
Government Bills and Orders  
Second Reading**

**Bill 203  
Environmental Ombudsman Act**

MR. SPEAKER: Edmonton-Meadowlark.

MR. TAYLOR: Keep it clean too.

MR. MITCHELL: Thank you, Mr. Speaker. That's what this is all about, the Environmental Ombudsman Act: keeping it clean.

Mr. Speaker, I would like to spend the next few moments urging my colleagues in the Legislature to support this important piece of environmental legislation. I and my caucus colleagues believe very strongly that there are several reasons for a need for the creation of an environmental ombudsman. I should qualify that by saying that our legislation will not create a second ombudsman for this province but in fact will extend the powers of the current Ombudsman so that the person filling that position will have adequate powers, sufficient mandate to properly address environmental concerns in this province.

There are in fact two significant reasons why this legislation is required. First of all, Mr. Speaker, there is a gap in avenues of redress for Albertans concerned with given environmental problems, with potential environmental problems, with existing, ongoing environmental issues. Many people in this province have the resources to take a corporation, to take a government to court. Generally speaking, those parties are all too often major corporations with the resources to pursue an issue of importance to them in the court system. The court system is very, very expensive.

[Mr. Deputy Speaker in the Chair]

Beyond that, Mr. Speaker, there is not an objective body to which an individual in this society, in this province, can take a problem of an environmental nature for some kind of objective redress, some kind of objective review. In fact, it was the acknowledgement of that gap with respect to many other issues in our society that would lie at the root of the creation of an Ombudsman in the first place. To the extent that this Ombudsman is really hamstrung when it comes to addressing or trying to address environmental issues in an aggressive and effective way, it is very important that those powers be extended to this ombudsman so that individuals in our society who are not as privileged as corporations or wealthier individuals, individuals who do not have access to the halls of power and to those who influence the power processes in our province have an objective body to which they can refer questions and from which they can have some sense of satisfaction that their issue or their concern has been properly reviewed in a way that has been distanced from political influence.

A second and important reason for the creation of an environmental ombudsman or, in our case, for giving environmental review powers to the existing Ombudsman, is that currently our Ombudsman does not have sufficient powers to fulfill this role properly. Our Bill, Mr. Speaker, provides for an environmental ombudsman to look at a broader range of government decisions, not to be limited simply to administrative processes, as is now by and large the case. Secondly – and this is very important – the ombudsman would have the power to choose those issues that he or she felt required review due to their environmental implications. Currently, of course, the Ombudsman is largely restricted to complaints, as an initiator of what it is that he or she will review.

These two important features of broadening the mandate are implicit, explicit in fact, in this Bill. One is that the ombudsman must have the power to review a broader range of government decisions, not just administrative processes or not just recommendations to a minister. Two, it is very important that the environmental ombudsman would have the power to decide for himself or herself what issues he or she would choose to review.

A third component of that broadening of the mandate is that under this legislation the environmental ombudsman would also

have the power to review not just government decisions or government processes, but in fact decisions, actions, events that occur outside the specific realm of government within our provincial boundaries. That is, if a company was proceeding in a way that the ombudsman felt was suspect or required review, then the ombudsman would have the power to look at what that company was doing.

Mr. Speaker, there are those on the government side who will say that in fact the new environmental protection and enhancement Act will remove the need for an environmental ombudsman. Unless the Act, which we hope appears before this Legislature in this session, is vastly changed over the two previous drafts of that Act, if I can use that word, we believe it is a straightforward case that the environmental protection and enhancement Act as proposed by this government will not meet the needs that this Environmental Ombudsman Act is designed to meet. I would point out that the current Ombudsman is on the record as supporting the idea of a broadened environmental mandate for the existing Ombudsman.

I would also like to point out that since the first draft of this legislation, one that we presented in a previous session in 1990, we have made a significant change. At that time we had contemplated a second Ombudsman with responsibility for the environment. Due to input from, among others, the office of the current Ombudsman we have changed that focus. We are suggesting that in fact the mandate of the current Ombudsman should simply be broadened to embrace what it is that an environmental ombudsman should be allowed to do. I would like to point out that there is not yet another province in Canada that has a specific environmental ombudsman, although ombudsmen across the country do investigate environmental issues, as may be done now in Alberta but not with sufficient breadth or sufficient powers, for example, to choose issues, as we are contemplating. It is also important to note that there is a parliamentary commissioner for the environment in New Zealand, an office which has been in operation since 1987, and I think, Mr. Speaker, that we can learn a great deal from that precedent and that experience.

#### 4:40

I would like to discuss the processes that this Bill would allow the environmental ombudsman to undertake. The environmental ombudsman would be allowed, as a result of this Bill, to review government “agencies and processes . . . to manage the allocation, use and preservation of natural and physical resources,” with the objective of maintaining and improving the quality of the environment. That is to say, Mr. Speaker, that he or she could review government policy issues. He would be able to undertake that on a proactive basis. He or she would not have to wait until damage is done or until he receives a complaint. The environmental ombudsman could move in anticipation of environmental problems, in anticipation of environmental damage that otherwise would not be addressed early enough to be avoided.

Examples of this in our own experience in this province recently would be that the environmental ombudsman could undertake to examine the failure of the government to adopt certain kinds of policies; for example, the failure of the government to adopt a comprehensive strategy to combat global warming, the failure of the government to establish an effective energy efficiency policy, for example by improving building codes in this province. The failure of the government to reduce the effect of CFCs on ozone: for example, the ombudsman could ask the question and attempt to find answers as to why there is a lack of a recycling system for CFCs in this province. The environmental ombudsman under this legislation would be able to look into the lack of an integrated

resource plan for most of our boreal forest areas. He or she could assess the allocation of FMAs to pulp mill companies before a forest conservation strategy has been completed and before an FMA has been signed.

It's important to note as well, Mr. Speaker, that the environmental ombudsman would be able to assess and investigate the need for protection of wilderness and natural areas, asking the question why it is that this government has taken so long to undertake a process of setting aside ecological reserves, on the one hand, and why it is that many of the reserves they have set aside are of insufficient size to preserve the ecological region or preserve the ecological balance that is contained within that particular reserve.

There are many issues, Mr. Speaker, that the environmental ombudsman would be able to investigate that require investigation: water resources policy to protect aquifers, the coal bed methane issue that hasn't received proper review and investigation. This would be one of the most significant roles that the environmental ombudsman could undertake.

A second area of mandate for the ombudsman would be "to investigate the effectiveness of environmental planning and environmental management carried out by public authorities." The Act defines public authorities as "a Minister of the Crown; a Government department or agency; the Executive Council." For example, what's very critical about this, Mr. Speaker, is that we are drawing an important distinction. We are saying that the environmental ombudsman should be able to review the effect of a decision by these particular parties. As is now the case, the Ombudsman simply cannot assess in any way the decision made by a cabinet minister, for example. What we are establishing in this Bill is that no, the environmental ombudsman could not ask to have confidential cabinet discussions and confidential cabinet documentation reviewed. Clearly, there is a need in some cases for that, but the environmental ombudsman would have the power to assess the effect of any decision made by those particular individuals.

A very timely example of this would be with respect to the allocation of tire recycling contracts. At this time the only thing that the Ombudsman could review, Mr. Speaker, would be the administrative processes that led up to public servants' recommendations to the minister. In fact, that is of some importance but certainly doesn't allow the Ombudsman to review the breadth of the decision that would be appropriate in this case. The ombudsman could look at the government's failures to adequately assess the Al-Pac project and the effect on northern rivers, on the wildlife surrounding that project, on the environment surrounding that project. The ombudsman could ask the question again of how it is that the government could set up the HELP program and then be very slow in implementing that program and cleaning up toxic sites.

The environmental ombudsman under this legislation, Mr. Speaker, would have the power to investigate any matter where, in the environmental ombudsman's opinion, the environment may be or in fact has been adversely affected. He wouldn't need specific evidence of damage but would certainly be able to act upon a reasonable judgment that damage could occur. One example that would require that kind of attention now is the question of the Cold Lake heavy oil processes' demand for water in the Cold Lake area. There is a serious question about whether in fact that area can sustain the amount of water that is being required by that industrial process. In the absence of any other proper review, the ombudsman could step in and undertake to look at that.

It would be an obvious case that the environmental ombudsman would look at the decision process whereby the MD of Sturgeon seems to be making headway in putting a road through Lily Lake. Clearly, when government processes seem to break down, an objective review and an objective insight into that kind of project and decision would be welcomed by many people in this province.

One thing that is important to keep in mind is that the Ombudsman, of course, does not have power to direct, to order the government to do anything, nor would that be appropriate, Mr. Speaker, because the Ombudsman is not an elected official and therefore does not have that important political accountability that rests with government and with elected representatives. At the same time the power, the influence, and the significance of the Ombudsman's rulings or recommendations on environmental matters would rest with the fact that with his or her recommendations comes a great deal of credibility. With his or her recommendations there can be no suggestions of hidden, behind-the-scenes suppressing of reports and of recommendations. In fact, the influence and the contribution of this ombudsman in these areas would rest very, very significantly with his ability to look at these in public and to report on his or her findings in public as well.

I should point out that the environmental ombudsman could be requested at any time by the Legislative Assembly to report, and this would avoid having to set up special task forces and committees, a myriad of which are contemplated by the current environmental protection and enhancement draft legislation. It would in some cases, therefore, be able to streamline the process of reviews and offer yet another option to government, to this Legislature, to review important questions.

I should state that in this area we have to be careful that we don't step on the toes of the current environmental conservation agency, and in fact this need not be the case and would not be the case. This ombudsman's power would provide quite a different set of rules and set of powers.

[Mr. Jonson in the Chair]

There are other powers, Mr. Speaker, and they are outlined and listed in this legislation. The members can certainly refer to them as they see fit. One that I would like to emphasize, in addition, is that the environmental ombudsman would not simply find fault, and in fact could certainly do quite the reverse, but would also be empowered by this legislation to encourage preventative measures and remedial actions, to give government positive advice to address issues, positive recommendations and not simply criticism – sometimes, of course, there is too much of that in our process – but positive input from an objective point of view to see how issues that aren't being handled as well as they might be could otherwise be handled.

Our legislation directs the environmental ombudsman to focus, not exclusively but in particular, on several areas. These areas would include the maintenance and restoration of ecosystems, a pressing and important question in this province, as it is across the world; investigate areas and landscapes of cultural, recreation, and scientific value, thus not being limited simply to a physical environment but understanding that our environment goes beyond even that. It would be focused to investigate the effects on communities of government or private-sector decisions that create pollution, for example, that might affect people living downstream from a given industrial project.

4:50

We would focus the environmental ombudsman on investigations of whether the allocation or depletion of natural resources

will prevent the renewal by natural processes of resources or, in the case of nonrenewable resources, whether any action would limit the possibility of an orderly transition to the use of other materials to replace nonrenewable resources.

There are important comparisons with and lessons to be learned from the New Zealand case, Mr. Speaker. The New Zealand parliamentary commissioner on the environment emphasizes giving advice on government policies. In New Zealand this person has given advice on energy policy, on wildlife management policy – this is since 1987 – on indigenous timber resource policy. In that case, it was the need to protect watersheds from erosion and to set aside recreation and conservation areas.

In Alberta we would, of course, see a similar role; for example, in the need for an energy efficiency policy and advice on that policy, advice on building standards so that energy efficiency could be a greater component of those standards. We would see an important role for this ombudsman to play in the assessing of risks for game-farming policy and, in fact, in reviewing that policy in the way we had asked that it be reviewed, by a open, public task force. Advice on government procedures is something that is emphasized by the New Zealand position. In fact, in that case, already the commissioner has provided advice on planning procedures for mine development, resort development, and rabbit control.

In Alberta we would have similar needs for advice on the procedure for public input into forestry activities. Clearly there is a huge gap here in this province with respect to the review of forestry management agreements and the areas they cover. These are not given any kind of realistic public review, public input process. In fact, the agreements are not even released to the public until they have been signed, after which point, of course, it is far too late. Advice on Crown performance would be another area. In New Zealand the commissioner has given response to recommendations prepared by the government from a tribunal on environmental rights for aboriginal peoples. There are, of course, parallels here, Mr. Speaker, with respect to the allocation of forestry management areas and their impact on the environmental rights of aboriginal peoples in our own province.

Mr. Speaker, there is a clear need in this province for an environmental ombudsman. One, there are many people who do not have the resources, and it gives them adequate access to redress of important environmental concerns that they hold, that they encounter, that affect their very lives. Secondly, while our current Ombudsman has some tenuous mandate to review environmental questions, there are important areas where that mandate must be expanded so that the Ombudsman could review, with effect, the important environmental issues, questions, processes facing the people of this province today.

Mr. Speaker, I would urge that the members of this Legislature give this Bill positive consideration and support it once it comes to a vote.

**MR. ACTING DEPUTY SPEAKER:** The Member for Smoky River.

**MR. PASZKOWSKI:** Thank you, Mr. Speaker. It's with pleasure that I rise today to participate in this discussion and debate on Bill 203. Since we're all concerned about the environment, particularly since the Alberta government has played such a dominant and predominant role in the development of environmental issues within the province, I think it is important that we all spend time today in discussion of this Bill.

Mr. Speaker, I'm a bit concerned about the presentation because I think, to say the least, that the hon. Member for Edmonton-

Meadowlark has really not thought the consequences of this Bill through. He doesn't seem to have considered whether there's a need for what he intends it to do, nor does he seem to have considered whether it could work, and that's important, obviously. He hasn't spent the time in developing the final thoughts of his process. Even if this Bill was necessary, is it practical? That's an important issue that we have to address here today.

It amazes me, Mr. Speaker, to see how the opposition fabricates its Bills. Didn't the author of Bill 203 come up with an environmental ombudsman idea two years ago? It was Bill 238, and it was introduced in 1990. In that Bill the member wanted more than simply to widen the powers of the Ombudsman. The Member for Edmonton-Meadowlark wanted to create a separate commissioner for the environment, as he would have called it, in Bill 238. This commissioner of the environment was supposed to function as a separate ombudsman devoted entirely to the environment. The commissioner of the environment would have acted in a capacity far greater than that of the environmental ombudsman. I wonder why the member didn't just call that Bill – it was Bill 238 in 1990 – the commissioner of the environment Act. When the member of the Liberal Party from Edmonton-Meadowlark introduced this Bill in the Legislature, he said: this Bill will widen the powers of the Ombudsman to enable him to investigate the effectiveness of environmental planning carried out by public authorities and the impact that actions by other bodies have on the environment. But when he introduced the Bill, what he really meant was something like the following: this Bill will give the Ombudsman powers that are grossly incompatible with his job, and it will increase the scope of his concerns well beyond the point of necessity or even relevancy. In the end it will bloat his role to the point where his office will become so costly and complicated that it will be necessary to split his functions into many divisions.

I have to ask: is that what we are really intent on doing? This Bill will make the job of Alberta's Ombudsman so unworkable that the government will have to consider creating a commissioner for the environment to handle even the environmental part of the job, a commissioner for virtually every part of government. I ask: is that what we really need? Is that what we want to achieve? Mr. Speaker, clearly this Bill would not make the position of the Alberta Ombudsman more effective. Rather, it would only make it more cumbersome. It is also intended to give it a focus that it was not intended to have in the first place.

The way the environmental ombudsman is described in this Bill, he couldn't possibly perform his functions. He couldn't possibly perform what he would be intended to do, not the way it's described in the hon. member's presentation. In order to achieve what its author truly desires for it to achieve, then, Bill 203 could only be aimed at something further afield.

This Bill, Mr. Speaker, is a Trojan horse. It's Bill 238, the commissioner for the environment Bill, masquerading as Bill 203, the Environmental Ombudsman Act. The environmental ombudsman looks like an ombudsman, but he doesn't walk like an ombudsman nor would he talk like an ombudsman. Somewhere, sneaking around in this Bill, is an agenda for a commissioner for the environment, something entirely different. If one thinks about the member's Bill from 1990, it would not be long before it became clear that the idea is unworkable. Worse yet, it's unnecessary. Perhaps somebody should show him that. Maybe that is why he altered it significantly for this year and for this presentation. Luckily for the member and for his colleagues in the Liberal Party, the Bill was only given first reading. Had he proceeded to the next stage, obviously the flaws would have come forward and we would have been able to discuss those at some length.

However, unfortunately for the rest of us, we were not given the opportunity to put this notion of Bill 238 to rest at an earlier date.

Now at least we have not missed the attempt by the Member for Edmonton-Meadowlark as he tries to correct his former mistake by replacing it with the mistake that he had seen, namely with Bill 203. I ask the Member for Edmonton-Meadowlark: won't you let us end this masquerade now? At any rate, we can kill two birds with one stone and kill both Bills at the same time. Costly, ineffective: there's really no point in dealing with such an issue. The mandate that was asked two years ago in Bill 238, the so-called Environmental Ombudsman Act, is almost exactly the same as the mandate being asked in this year's Bill 203, the so-called Environmental Ombudsman Act.

**5:00**

Let's just talk about what the Environmental Ombudsman Act would involve. Let's talk about Bill 203. Bill 203 would enable the ombudsman to review and report on

the system of agencies and processes established by the Government to manage the allocation, use and preservation of natural and physical resources.

It would also empower the ombudsman

to investigate the effectiveness of environmental planning and environmental management carried out by public authorities, and advise them on any remedial action the Environmental Ombudsman considers desirable.

Furthermore, it would permit him to investigate and report on any matter in which in his opinion the environment has been adversely affected or even where he thinks it might possibly be adversely affected. Any idea at all would empower him to take action.

There are concerns in cases where the environment has been or might be affected through either natural causes or "as a result of the acts or omissions of any person." Bill 203 would also confer upon the environmental ombudsman the ability to give us what preventive measures or remedies might be taken in cases where he thinks the environment may be or has been adversely affected. It is obvious that the author of Bill 203 has much more in mind than merely an ombudsman, Mr. Speaker. Why would he not simply say what he wants? Well, that too will become obvious as we progress.

To make it clear what Bill 203 is really trying to do, Mr. Speaker, it's helpful to take a look at the role of the Ombudsman as it now functions. The Ombudsman's job is essentially to examine the decisions or actions of a government department or its agencies to see whether they are administered properly. Every department and its agencies are guided by one or more Acts. It is to these Acts, therefore, that the public authority would look to see whether it was conducting the administration of its affairs in a correct manner.

When the Ombudsman receives a complaint, he does at least three things. First, he decides which department the complaint actually falls to. Second, he decides whether there are actual grounds for the complaint; that is to say, determines whether the complainant's charges are actually sound. Third, if there are grounds to the complaint, he begins an investigation. An Ombudsman does not have to wait for a complaint to come in. He can investigate a matter which to him amounts to an inappropriate action or decision by a public authority. He can act on his own motivation to investigate if he believes there are grounds for doing so.

However, outside of investigating a justifiable complaint, the Ombudsman has no powers to review and report on the systems of agencies and processes which the government has put in place to enable the departments to carry out their functions. He cannot investigate the effectiveness of a department's planning or its

management practices or advise them about remedies he might consider desirable. Moreover, he does not investigate or report on or give advice regarding preventive action on matters where the person or the jurisdiction in which it is concerned has been affected adversely or may be affected in an adverse manner.

Now, Bill 203 seeks to widen the powers of the Ombudsman. It would allow for an environmental ombudsman to report on government departments as well as to investigate environmental planning and also permit him to give advice on preventive or remedial action. In order for the ombudsman to be able to do all of what he would do, in fact, he would have to be an expert on environmental affairs or else he would have to surround himself with experts on environmental issues, and that of course would multiply the cost of government. It would enlarge the cost of government, and again we get into the costs of expenditures.

The Ombudsman must deal with not just environmental concerns. He has to deal with concerns and complaints that come forward on a multitude of issues. The concern that I have with this particular item, Mr. Speaker, is that we have a very, very specific issue that the environmental ombudsman would have to be very, very learned on, very knowledgeable on, and that would be very, very difficult to achieve, because then we'd have to seek out a very specialized type of person to do this work. Because all that this would do is not enhance but reduce the ability of the Ombudsman to participate in the broader field, we have to really show some concern about the overall attitude of this gentleman, the hon. Member for Edmonton-Meadowlark's presentation here. I think we'd want to consider it, and I think we'd want to review it very thoroughly.

The opposition is fully aware that this government has already introduced legislation to deal with this proposed issue. The environmental review and reporting process, as well as preventive and remedial investigation, are also issues determining the effectiveness of environmental planning. I refer, of course, to Bill 53, which will be coming forward, the Environmental Protection and Enhancement Act, which was introduced last year. Bill 53 already contains provisions for an environmental appeal board, which would make Alberta one out of only three or four provinces in all of Canada that have one. We have to ask if indeed this is not the proper way of approaching the issue; is this not the better way of approaching the issue? The appeal board would be an independent review mechanism where decisions are made under the provisions of the Act. It would therefore be able to review, for example, approvals, certificates of qualification, reclamation, certificates of environmental protection, and on and on and on.

Among other objectives, Bill 53 would provide a legislative framework which would be based on preventive action. First including consultation, communication, and education, it would also involve remedial action, such as environmental impact assessments and environmental protection orders. In light of all this, then, Mr. Speaker, of what use would an environmental ombudsman be, as the Liberal opposition liberally call it? What could it be? For one thing, the Department of the Environment exists and is mandated to take such measures as it would to enable it to act both proactively and reactively, as the need arises. For another, this government introduced legislation last year to give the Department of the Environment an even more sophisticated ability to do just that. So why would this or any other government want in these circumstances to go and add another entire level of bureaucracy on the back of the taxpayer?

I guess, seeing the quarter the idea is coming from, that would be a rhetorical question. The opposition, we must remember, never think about their ideas in terms of costs. They never give the consideration that their ideas may indeed be a burden on the

taxpayer. They have no qualms about taxing and spending. They have no qualms whatsoever about asking the people of Alberta to pay for their liberal Liberal ideas.

Mr. Speaker, the role of the Ombudsman is to respond to complaints or act on his own motivation when he suspects a public authority of having carried out its administration inappropriately. The scope of complaints he can address includes all provincial government departments and their agencies, including the Environment. If an environmental ombudsman becomes a reality, what is to say that there would not be calls for every department to have an ombudsman and to be specific for that particular area?

Against this scenario, we might consider the fact that the current office of the Ombudsman is already capable of handling the complaints that they receive about not just the environment but about all matters. So why do we need a specific ombudsman for a specific matter and a specific issue? Moreover, investigators in the Ombudsman's office are able to receive serious complaints, complete an investigation, and provide a response to them in an average of 90 days, a 90-day turnaround, a reasonable time for serious complaints, Mr. Speaker. All this evidence suggests to me that what the member is calling for in Bill 203 would unnecessarily complicate the process for examining environmental concerns; moreover, it proposes a very expensive means of changing it.

In conclusion, Mr. Speaker, the Member for Edmonton-Meadowlark has introduced a Bill which he would describe as a tool which Albertans may use to prevent or right environmental wrongs. He would argue that he intends for it to safeguard our environment; however, his proposal is costly and unworkable. Besides, it is not what it appears to be. It's not a guard dog but a wolf in dog's skin. It is a mechanism with an appetite for budgetary allocations excessively disproportionate to its ability to accomplish anything that would help Albertans. Therefore, I respectfully submit that the Assembly turn down the vote on Bill 203, that we not support it.

#### 5:10

MR. ACTING DEPUTY SPEAKER: The Member for Edmonton-Jasper Place.

MR. McINNIS: Thank you, Mr. Speaker. It's a pleasure for me to participate in second reading debate of Bill 203, Environmental Ombudsman Act. This is an important initiative for this Assembly, and one that deserves serious consideration by members. The institution of ombudsman, as most people know, originated in Scandinavian countries, I believe in Sweden. The thought was that there were people who had difficulty getting redress in government through the courts, through the political system, through the administrative process, so they developed an institution unique to them but copied by many around the world. In fact, several members of this Assembly have been to ombudsman conferences in various parts of the world where the growth in the institution of the ombudsman has been discussed, where different methods of operation have been reviewed, and I daresay that that process has strengthened the role of our own Ombudsman.

As the hon. Member for Edmonton-Meadowlark points out, the institution of the ombudsman is for people without the funds or the expertise to gain redress through normal systems. The ombudsman is intended to be people's friend, I guess, in times of stress and trouble. I personally, when I saw this Bill on notice, was very excited about the prospect of it because I know many people who have had difficulty getting environmental investigations launched and successfully brought to a conclusion.

There are a few cases that I've been involved in. I remember shortly after I was elected to this Assembly, I was contacted by

someone with information about a particular ski resort that was dumping raw sewage in a public waterway. I won't name the ski hill because in my mind the matter was never fully resolved. What became of it, of course, was that I did what I thought a dutiful citizen and an MLA would do: I referred the matter to Alberta Environment for their investigation, providing all of the details and information that were available to me. Well, to my surprise, I received a call back very quickly, not from Alberta Environment but from the owner of the ski resort, who said: what are you doing trying to ruin my business and my reputation? I said: excuse me; do I know you? And he said: no, but I know you because you complained to Alberta Environment about me dumping sewage in the watercourse, and I'm not very happy about it. I said: excuse me; where did you get my name? He said from Alberta Environment. I said that that was kind of interesting. Is that the way Alberta Environment handles complaints from the public? I guess I'm in public life, and you expect to get angry phone calls from time to time, but average citizens don't necessarily expect that kind of treatment.

I recall another case in which there was an allegation that an industrial firm was burying containers of hazardous and possibly toxic materials on their property. In that case I didn't get a call back from the owner, thankfully, but I did get a memo back from Alberta Environment saying: we investigated your concern; we went and we asked them, did you bury the stuff? They said no, and we ended the investigation. I thought, well, that doesn't seem like much of an investigation either.

There's a third, particular case and one that's still an ongoing matter. There's a sour gas plant in the municipality of Crownsnest Pass called the Saratoga gas plant, and there are neighbours in that area who for a great many years under certain conditions have suffered bronchial and asthma-related problems, and they've had no end of occasion to complain and seek some action on the matter. To my knowledge, to this date there's been no redress. The companies told them: don't ever phone us about these problems; we want you to phone Alberta Environment. So they phone Alberta Environment, and often nothing comes of it.

I had thought, well, here's an initiative to have an ombudsman, somebody to look at those things from outside the government and for citizens who have specific day-to-day concerns about things that affect them to have them thoroughly investigated and brought up for review. That would be a worthwhile thing, and we should have an institution or an officer who does that. That seems to me to accord generally with the way I understand the role of an ombudsman.

Now, I'm a little bit puzzled that Bill 203 doesn't appear to be written that way. If you look at the functions of the environmental ombudsman, which are generally laid out in section 3 and were reviewed by the member in the introduction of the Bill, they're more in the vein of reviewing government structures. Well, (a) is to review "the system of agencies and processes," and (b) is "to investigate the effectiveness of environmental planning." By way of example, the member mentioned the Trochu tire issue. I assume that he means the contracts that were awarded for tire recycling in Edmonton, Okotoks, and down in the Vulcan area, the ones that the Liberal Party supported when they were issued and then later flip-flopped on: those kinds of issues.

In (c) matters are investigated according to the initiative of the ombudsman or from the initiative of the Legislative Assembly, but nowhere do I find the initiative of a member of the public. That's what I thought this legislation would be all about: providing a place where citizens could go with their specific concerns about specific environmental problems. The way the legislation is drawn, it's more in the vein of an environmental auditor than it is

an ombudsman, and that's okay too. We do need to have audits of decision-making in the governmental sense, and that seems to be the thrust of the first of the ombudsman's powers, to review the systems and processes in government. That kind of audit is needed, because we don't have decision-making processes that properly consider environmental issues in a timely way and a public way. I think that's perhaps the kind of thing that the member is driving at. Perhaps this particular item should be thought of more as an audit function as opposed to an ombudsman function.

[Mr. Speaker in the Chair]

If we were looking, and there was some mention of looking at having the ombudsman investigate specific problems, I think it would be very, very essential that there be whistle blower's protection. It's a problem that the Ombudsman has identified with his existing operation, that there are people who are afraid to complain for fear of reprisal, and in fact complainants are occasionally subjected to harassment and intimidation. That, I suggest, would be a very important part of the function of any environmental ombudsman's office, that there be whistle blower's protection. So I'd like to see this legislation strengthened by providing explicitly for a complaint procedure from the public which would trigger an investigation by the environmental ombudsman in a way that would protect and hold safe that member of the public from harassment and intimidation by an employer, by a big company, a small company, or whomever. I think that would be a substantial strengthening of the legislation.

Now, the member referred in his opening remarks to the problem that forestry management agreements don't have sufficient public scrutiny prior to their signing. Indeed, I think that problem exists after the documents are signed as well. He spoke of various environmental issues where there was a need to have a greater degree of information available, a need to have the implications further reviewed and further dealt with. As I listened, it seemed to me that the member was talking more about the environmental impact assessment process, what it ought to be in the province of Alberta, than he was about the institution of the environmental ombudsman.

Another way of strengthening this legislation would be to separate those three functions out: the investigation complaint function, the environmental impact assessment function, and the environmental audit function, all very, very important elements of environmental policy. In a way, they're all kind of blended together in this proposal as it currently stands. It's a good proposal, it's a good first draft, but it's not exactly ready for implementation the way it sits today.

5:20

The question of legal remedies needs to be dealt with and dealt with very carefully. I understand this is something that people who study the office of the Ombudsman are thinking about very seriously these days. The institution of the ombudsman was always intended to provide a remedy for people who didn't have one, but it was never intended to take away a remedy from people who do. I'm a little concerned with the way that the legislation is written, that it's not explicit about preserving any legal remedies that an individual may have.

In fact, it does put an awesome amount of power in the institution of the environmental ombudsman, which admittedly is the same person as our existing Ombudsman but wearing a different hat. It may be that a lot of authority is required for the carrying out of the work, but you always have to ask yourself who manages the managers. Who polices the police? I think the

question of what remedies lie with the ombudsman is an important one. For example, under section 5, ombudsman's powers, the ombudsman can require any person "to give any information relating to any matter which is being investigated," including producing "any documents or papers" or anything whatsoever: pretty wide-ranging power and authority.

Powers of a public inquiries commissioner: it's pretty important we make explicit in legislation like this that people have other legal remedies in the environment. For example, it's known in this Chamber that I support an environmental bill of rights, and I believe that the hon. member does as well. I think we'd like to make certain that people don't lose any legal remedy they might have under existing or future legislation. I don't believe that's the intent of the legislation, so I think it could be further strengthened by making certain that other legal remedies are protected.

Environmental legislation, of course, is a very complex area. Various laws and regulations interrelate with one another in sometimes a very complicated manner. The Environmental Protection and Enhancement Act will have a lot to say about the matters that are in here. I don't really see the role of environmental ombudsman being one of duplicating all of the processes that take place in government. If we take the model of the Environmental Protection and Enhancement Act, there is a whole series of steps that are undertaken on project approval. It's not likely that the member or any of us would want the environmental ombudsman to replicate that process in another forum. It seems to me our challenge is to make the initial forum work and work properly in the public interest, work for the benefit of all the parties who are involved, rather than saying that we're going to create another institution which is capable of doing what at least on paper looks to be very similar to an environmental impact assessment.

I don't think that's the view at all. As I see it, environmental ombudsman is to be that last resort institution, to be that friend in need at a time when there's a need for outside help. All of us as members of the Assembly hear from constituents who are in that area of need. They sometimes come to their member of the Assembly and ask for help. Of course, we listen to them and talk to them and find out what we can about the circumstances, and then we will proceed, usually to the best way to try to resolve the matter.

Now, the crucial difference between a member of this Assembly and the Ombudsman is that the Ombudsman has authority to demand records and files in government and has the power of that legislation to deal with them. I think that thrust is what's needed in legislation of this kind. It's needed because there are so many issues that fall between the cracks. It's needed because when matters are internal to government - I hate to say this, but every now and then politics creeps into administration in government. It would be hard for some members to believe that, but it does happen from time to time. That's why you need an opposition, and it's also why you need an Ombudsman.

We've got something good going here, and I think it can be improved. On that note I would like to beg leave to adjourn the debate.

MR. SPEAKER: Thank you, hon. member.

All those in favour of the motion to adjourn debate, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. The motion carries.

[At 5:26 p.m. the Assembly adjourned to Friday at 10 a.m.]