

Legislative Assembly of Alberta

Title: **Thursday, June 4, 1992**

2:30 p.m.

Date: 92/06/04

[Mr. Deputy Speaker in the Chair]

head: **Prayers**

MR. DEPUTY SPEAKER: Let us pray.

We give thanks to God for the rich heritage of this province as found in our people.

We pray that native-born Albertans and those who have come from other places may continue to work together to preserve and enlarge the precious heritage called Alberta.

Amen.

head: **Introduction of Visitors**

MR. DEPUTY SPEAKER: Hon. members, seated in the Speaker's gallery this afternoon is Mr. Arthur Dixon from Calgary, a former Speaker of the Legislative Assembly. He was appointed Deputy Speaker on August 19, 1955, and later became Speaker and served from March 26, 1963, to March 1, 1972. Mr. Dixon was first elected in the August 5, 1952, general election. He was re-elected in 1955, 1959, 1963, 1967, and 1971 and served until 1975. He served the constituencies of Calgary, Calgary-South East, Calgary-South, and Calgary-Millican. Hon. members, would you please give Mr. Dixon a cordial welcome.

MR. JONSON: Mr. Speaker, today it is my privilege to introduce to you and through you to members of the Assembly the hon. Trevor Griffin, Member of the Legislative Council for South Australia. Mr. Griffin is currently shadow Attorney General and deputy leader of the Liberal opposition in the state Legislature. He has held a number of cabinet portfolios in government, including those of Corporate Affairs and Attorney General. Mr. Griffin is a lawyer by profession and holds a master of law degree from the University of Adelaide. On behalf of the Assembly I wish to welcome Mr. Griffin to our Legislature and wish him well during his travels and meetings while in Alberta and Canada. I would now request that he stand and receive the traditional warm welcome of the Assembly.

head: **Presenting Petitions**

MR. DEPUTY SPEAKER: The hon. Member for Calgary-McKnight.

MRS. GAGNON: Thank you, Mr. Speaker. I'd like to present a petition from another 201 constituents who are calling on the government to review the present NEF contours as they relate to the Calgary International Airport.

head: **Introduction of Bills**

Bill 28 Jury Amendment Act, 1992

MR. PAYNE: Mr. Speaker, I request leave this afternoon to introduce Bill 28, the Jury Amendment Act.

This legislation, Mr. Speaker, will resolve a long-standing inequity in our jury system. This Bill will enable hearing impaired and other disabled Albertans to participate in our judicial system as members of juries.

[Leave granted; Bill 28 read a first time]

MR. GOGO: Mr. Speaker, I would move that the Bill the Jury Amendment Act, 1992, as moved by the hon. Member for Calgary-Fish Creek be placed on the Order Paper under Government Bills and Orders.

[Motion carried]

head: **Tabling Returns and Reports**

MR. ISLEY: Mr. Speaker, I am filing today the response to Question 338.

MR. ORMAN: Mr. Speaker I'd like to file with the Assembly the annual review 1990-91 for the Alberta office of coal research and technology.

MR. WEISS: Mr. Speaker, I'm pleased today to table with the Assembly responses to written questions 162, 171, 211, and 316.

MR. DEPUTY SPEAKER: The hon. Minister of Culture and Multiculturalism.

MR. MAIN: Thank you, Mr. Speaker. A couple of tablings. I've got the annual report for the Department of Alberta Culture and Multiculturalism for the fiscal year 1990-91.

Additionally, I have an answer to the question that everybody's asking themselves right now: where did this quarter come from? I have four copies of a reproduction of the new Alberta coin unveiled today during the noon hour in the rotunda of the Legislature. It depicts the hoodoos in Mr. Speaker's constituency as depicted by Edmonton artist Mel Heath. The answer to the question that you are asking is: yes, that's a real quarter. Spend it wisely.

MR. ANDERSON: Mr. Speaker, I'm pleased to table a news release from the Alberta Insurance Council dated today which announces a plan of compensation for those insured by nongenuine policies with Bench Insurance.

head: **Introduction of Special Guests**

MR. DEPUTY SPEAKER: The hon. Minister of Public Works, Supply and Services.

MR. KOWALSKI: Thank you very much, Mr. Speaker. In the members' gallery today are two distinguished leaders of some 27,000 young ladies in this province who belong to the Girl Guides of Canada organization: Rosalyn Schmidt, who's the chairman of the provincial building committee of Girl Guides of Canada, and Betty Schofield, who's a member of the provincial council of Girl Guides of Canada. I'd ask them to rise and receive the warm welcome of all members.

MR. DEPUTY SPEAKER: The hon. Minister of Transportation and Utilities.

MR. ADAIR: Thank you, Mr. Speaker. It's a pleasure for me today to introduce a total of 33 visitors to this Legislature – 24 students, two teachers, and seven parents – from the Manning elementary school in the community of Manning, otherwise known in the north as Shangri-la of the north. The teachers are Leslie Snyder and John Elliot. The parents are Lyn Sharp, Judi McCracken, Janet Vandemark, Don Feduschak, Bev Brown, Inga Rohachyshyn, and Val Schamehorn. I would ask them to stand

along with the students and receive the warm welcome of this Assembly.

MR. DEPUTY SPEAKER: The hon. Member for Drayton Valley, followed by Bow Valley.

MR. THURBER: Thank you, Mr. Speaker. It's indeed a pleasure for me to introduce a distinguished international health official who's sitting in your gallery: Dr. Sang Tae Han. He's the regional director of the World Health Organization's western Pacific region. You might know that the World Health Organization region for which he is responsible accounts for more than a third of the world's population, including more than 35 countries. Accompanying Dr. Han are his wife Mrs. Sue Han and Dr. Jean Lariviere, senior medical advisor, international affairs, Health and Welfare Canada. Dr. Han and his wife are visiting Alberta for the first time. We sincerely hope that they have a pleasurable stay in our beautiful province, and on behalf of all Albertans I would ask you to rise and receive the warm welcome of this Assembly.

MR. MUSGROVE: Mr. Speaker, it's my pleasure today to introduce a group from Kitchener school, which is in Empress. Empress is a remote community right against the Saskatchewan border, and these people have traveled all the way by private car to get here, which is quite a distance. In the group there are seven students. They're accompanied by their teacher Mrs. Rachel Booker, by parents Mr. and Mrs. Loose, Mr. Clint Steinley, and Mr. Wayne Booker. I would ask them to now rise in the public gallery and receive the warm welcome of the Assembly.

2:40

MR. DEPUTY SPEAKER: The hon. Minister of Agriculture, followed by the hon. Minister of Energy.

MR. ISLEY: Thank you, Mr. Speaker. Seated just in front of that group of students from the far north are four people from the deep south, members of the Alberta sugar beet marketing board. We have in attendance today – and I'm pleased to introduce them to you and to the members of the Assembly – Brian Anderson, the chairman; Ron Sutka, a board member; Fred Hranac, a board member; and Jeannette Bennett, the executive director. I'd ask that they stand and receive the welcome of the Assembly.

MR. ORMAN: Mr. Speaker, in the public gallery we have 44 students accompanied by teachers and parents/assistants that are from the Clarence Sansom community school. They are all enrolled in the English as a Second Language program at Clarence Sansom. I had them in my office, and we had a nice chat about government in Alberta. I'd like them to stand and receive the welcome of the Assembly.

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Kingsway.

MR. McEACHERN: Thank you, Mr. Speaker. It's my pleasure today to introduce to you and members of the Assembly 14 students from the English as a Second Language program at the Alberta Vocational school; that is, the Winnifred Stewart campus in my riding. They are accompanied by their teacher Faith Fernhalld, and they're in the members' gallery. I would ask them to rise and receive the warm welcome of the Assembly.

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

MR. McINNIS: Thank you, Mr. Speaker. It's my pleasure to introduce a fine volunteer person from the constituency of Edmonton-Jasper Place. Mr. Patrick Sherback's in the gallery, and I wonder if he could receive the welcome of the Assembly.

head:

Oral Question Period

NovAtel Communications Ltd.

MR. MARTIN: Mr. Speaker, we have a Premier who judges his ministers on performance, yet when performance is lacking, he does nothing. We have a minister who assigns blame to auditors and to management rather than accepting responsibility where it belongs: at the ministerial level. I would like to file with the Assembly a series of letters between representatives of the government and the Alberta Securities Commission with the covering letter by the minister of technology showing that this minister was exercising responsibility in the midst of the Telus prospectus error involving NovAtel, and this is dated September 23, 1990. Two amendments to this prospectus cost \$316 million. My question is to the Premier. How can the Premier now claim that there is no ministerial responsibility in this mess when the minister's own signature shows that there clearly was?

MR. GETTY: Mr. Speaker, there's no mystery about the documents the hon. member has filed. Frankly, this is exactly the kind of information that is going to be compiled, put together, when the Auditor General completes the task we have set for him.

MR. MARTIN: Mr. Speaker, what do we have to do to get a straight answer from this government? See no evil; hear no evil.

Let's move on then. Mr. Speaker, the minister of technology was not only responsible at that particular time – and it's well documented – but he was less than honest in his statements after this. On July 24, 1990, Telus Corporation entered into an agreement with Robert Bosch of Germany to buy half of NovAtel, but on September 30, 1990, a new agreement with Bosch changed the closing date and major terms and conditions of their earlier deal. I'm filing copies of that agreement in the Assembly. Four weeks later – and I quote the minister – he says:

We have seen nothing that would indicate that there's any material change in the nature of the agreement or the things that may flow from it.

That certainly was not the truth. My question to the minister of technology is simply this: how can the minister justify saying one thing publicly to the heritage trust fund committee while the opposite had already occurred behind closed doors?

MR. STEWART: Well, Mr. Speaker, nothing could be further from the truth. I stand by the statement that was made on October 24, and I'll be very happy to review all matters pertaining to that, when I have the opportunity, with the Auditor General. As the Premier indicated, there'll be full opportunity at that time.

At the same time, Mr. Speaker, the document that the hon. Leader of the Opposition pulls out with such great fanfare was filed with the Alberta Securities Commission. If the Alberta Securities Commission felt that there was anything in that document or that agreement that made any material change in the Telus offering, they would not have allowed the Telus offering to go through.

MR. MARTIN: Mr. Speaker, you can't hide behind the Auditor General. You can't go and say one thing and then come and say another thing to the heritage trust fund committee. That's totally misleading the heritage trust fund committee. It's time that

somebody in this government took responsibility for what's going on, and it has to be the Premier.

Now, Mr. Speaker, given the minister's obvious responsibility for this signed document and given the fact that he now evades that he said something different to the heritage trust fund committee later, will the Premier now do the right thing and fire that minister?

MR. GETTY: Well, Mr. Speaker, as I said earlier, the hon. Leader of the Opposition presents incorrect information here before the House. What we and I'm sure all members of the Assembly are looking forward to is having the Auditor General complete the task we have asked him to do. The Auditor General doesn't hide anything. I'm again disappointed by the Leader of the Opposition, who keeps implying that the Auditor General is somehow involved in a cover-up or is hiding things. He is an officer of this Assembly, and I'm sure that he'll conduct his responsibilities in the best way possible.

MR. MARTIN: Well, Mr. Speaker, only this government can stand up and say . . .

MR. DEPUTY SPEAKER: The second main question.

MR. MARTIN: I'm going to my second main question, Mr. Speaker.

MR. DEPUTY SPEAKER: Well, then go to the second main question.

MR. MARTIN: The prospectus was signed by the minister, and the Premier says that this is misleading information, Mr. Speaker. Only in Alberta, I say.

Mr. Speaker, let's go to the Auditor General's report. We know that the Premier is trying to hide from NovAtel. He talks about the Auditor General's investigation, but by referring the matter to the Auditor General, the Premier has placed the Auditor General in an untenable position. I now file a series of letters which show that the Auditor General was involved in approving the NovAtel books as part of the Telus share offering. Now, despite his involvement the government is still asking him to investigate the matter. My question to the Premier is simply this: given that the Auditor General was involved in the NovAtel fiasco, how can the Premier justify asking him to look into the matter when to do so means the Auditor General must investigate his own role in this matter?

MR. GETTY: Well, Mr. Speaker, again the hon. Leader of the Opposition is incorrect. Before taking on his task that we gave him, his special duties to report to this Assembly and to the public, the Auditor General looked at the work that he'd done in the past, and it was very clear that there was no conflict.

MR. MARTIN: It was very clear to you but not to the people of Alberta trying to find out why they've lost over half a billion dollars, Mr. Speaker. This has nothing to do with the integrity of the Auditor General; it has to do with the integrity of this government.

Now, Mr. Speaker, let's go back. I referred earlier to the minister of technology blaming the auditors. He said it publicly. Well, one of the NovAtel auditors was this government's own Auditor General. So we have a situation where the minister is already blaming the Auditor General even before the Auditor General has reported. He can smile and laugh, but people aren't

smiling and laughing, Mr. Premier. My question to the Premier is simply this: how can the Premier justify asking the Auditor General to investigate a matter when the minister responsible is already blaming the auditors for this fiasco?

2:50

MR. GETTY: Mr. Speaker, the Auditor General understands his responsibilities and feels that he can make a full investigative report to this Assembly. I consider the Auditor General to be a fine representative, an honourable representative of this Assembly. I'm sure he'll do his job.

MR. MARTIN: I don't know what it takes. I just don't know what it takes, Mr. Speaker. You're not going to be able to hide from this. You couldn't hide from Principal before.

My question to the Premier. Think about this for a minute before you talk, and do the right thing. If you're not prepared to follow ministerial responsibility and fire the minister, will you at least now do the right thing and call a public review into the NovAtel fiasco?

MR. GETTY: Well, Mr. Speaker, the hon. member says: would you please call a public review? What does he think we have done? We have asked the Auditor General, who's an officer of this Assembly responsible to all elected members in the province, all parties, who is now carrying out a complete and total review, which he will make public.

You know, the hon. member worries when I smile at his words. There's nothing funny about the NovAtel matter, but some of his comments as he tries to paint the Auditor General into a cover-up or somehow going to not carry out a full and honest review of this matter are just foolish. They're foolish on his part, and he's very desperate. [interjection]

MR. DEPUTY SPEAKER: Order please. [interjection] Order please. Edmonton-Belmont, quiet.

The hon. Member for Edmonton-Glengarry, the leader of the Liberal Party.

MR. DECORE: A little more decorum here, Mr. Speaker.

Mr. Speaker, the Treasurer has informed this Assembly that two key and critical documents that pertain to NovAtel, two management letters, one dated 1989 and one dated 1991, were not received by the Treasurer. I understand that he now has those letters in his possession. After much questioning the minister responsible for telecommunications has told this Assembly that he didn't get one of those key and crucial letters but that he got the second one. The Auditor General Act of Alberta makes it mandatory that these two ministers receive information of matters material to the operation of NovAtel as soon as practicable. My first question is to the Treasurer. The minister has now received these key and crucial documents. Mr. Treasurer, what will you tell Albertans about the mismanagement of NovAtel from these letters and about the loss of half a billion dollars in these letters?

MR. JOHNSTON: My goodness, what is he asking?

Mr. Speaker, first of all, the member's entire question is based on some assumption, and I'm not too sure how it leads to his question. What I can say both to the Assembly and to the people of Alberta – and I'm simply confirming what the Premier just said a few minutes ago – is that an independent review of the entire process and the entire problem of NovAtel is now under way led by an independent and objective person appointed by all members of this Assembly who will conduct a review based on guidelines

tabled by the Premier in a letter to the Auditor General wherein we have said that the fullest and widest possible review of this issue should be conducted, and we're waiting for that report.

In the meantime it is misleading to take a part of that issue and try to make some political opportunity out of the position. That's obviously what both opposition parties are doing, and it's obvious that it's not acceptable to the people of Alberta. They want a full, complete review of this issue, and that's in fact what's under way. We'll get the report very soon, and then we'll deal with all the implications, and all the reasons will be explained there. That, Mr. Speaker, is the way in which we should handle that.

MR. DECORE: Mr. Speaker, it's obvious that the Treasurer will continue to cover up important facts.

MR. JOHNSTON: A point of order, Mr. Speaker.

MR. DECORE: Mr. Speaker, my second question is this. The Treasurer had to have known that NovAtel was a huge problem because \$185 million had to be spent from his Treasury, from his department, to buy NovAtel back. The Treasurer knew that there was a statutory duty on the Auditor General and a statutory duty on him to take action if there was a problem. Mr. Treasurer, you didn't get two important, key documents. You knew that you had a statutory duty. Why didn't you phone the Auditor General? It's not funny, Mr. Treasurer. This is not a funny matter, and it's not a happy matter for Albertans. It's a \$566 million loss, and it's not funny. Why didn't you phone the Auditor General and say: "You haven't sent the documents that I know are out there. I know I should be doing something"? I want to know why you didn't do something.

MR. JOHNSTON: Mr. Speaker, I've heard a lot of crazy positions in my time in this House, but this is getting close to the top. I'm supposed to not only deal with the issues that come across my desk by way of correspondence, but in some magical way I've got to be able to understand that anyone else who's writing a letter which may have to do with Treasury – I have to watch for that letter. Now, that's exactly what the Member for Edmonton-Glengarry is saying, and that to me is the most foolish position anyone can take. Can you imagine the bureaucracy we'd have to have? We'd have to have paper policemen in every department ensuring that we knew that somebody was writing a letter which may in fact involve something that was remotely close to Treasury, remotely close to any other department, by the kind of analysis we have from this member across the way. It's that kind of foolishness that in my mind leads the people of Alberta to hold the Member for Edmonton-Glengarry in that very category: foolish.

MR. DECORE: Mr. Speaker, unfortunately your negligence and the negligence of others has cost Albertans \$566 million, and I repeat that it's not a funny matter.

My last question is to the Premier. Mr. Speaker, it is becoming increasingly clear, even from the heads that are nodding when they say that they didn't receive these key and crucial management letters – the Treasurer, the minister responsible for telecommunications – letters that were by statute mandatory for the Auditor General to provide, that the Auditor General was not fulfilling his statutory duties. My question is this. Mr. Premier, you are placing the Auditor General in an impossible position of conflict, a position of conflict of an Auditor General who has not performed his statutory duty, who now must investigate himself

on those very actions, and I suggest, Mr. Premier, that that may well taint this entire investigation. I'd like your response, sir.

MR. GETTY: Mr. Speaker, in a very tortuous and, I must say, disappointing way the leader of the Liberal Party has now worked himself back to asking the same question as the Leader of the Opposition did, but it's much worse in his case because he has tried to throw about words of negligence, he's tried to insinuate cover-up, and he's attacking the Auditor General. Frankly, to me it sounds like a political line that a person would take when they are desperate, when they will do anything to try and gain a headline or cast an aspersion on people. It is very, very disappointing, and it brings no credit to the leader of the Liberal Party or his party.

MR. DEPUTY SPEAKER: The hon. Member for Calgary-Glenmore.

Economic Strategy Conference

MRS. MIROSH: Thank you, Mr. Speaker. Last week, on Thursday and Friday, the Toward 2000 Premier's conference on Alberta's economic future was held by you and certainly welcomed by the people of Alberta. The feedback on this conference has been excellent, and it was great having people from industry, labour, educators, youth, and ethnic groups attending. Alberta has experienced a dramatic change in its economy over the last century. [interjections] I know that the opposition doesn't like to hear good news. Even they admitted at the conference that they enjoyed what was happening in those last two days and certainly learned something, and that's quite rewarding. Mr. Premier, I'd like it if you would tell the Assembly and the people of Alberta what the follow-up of this conference will be.

3:00

MR. GETTY: Let me start, Mr. Speaker, by saying how pleased we were with the Toward 2000 Together conference. It brought together people from all walks of life across this province. They worked together in a remarkable show of partnership with the government in terms of looking ahead, a vision of 2000, to see if we can't lay the groundwork for a stronger, better economy in our province. I must say that I appreciated members of other parties attending those sessions. I found it quite helpful, and I know that they were fully involved. That kind of working together I think is what is needed as we go into the year 2000 and build a stronger province.

What we will do now, Mr. Speaker, is take all of that input and work together with a multistakeholder representative group of Albertans to come up with an economic blueprint for the future, which I would hope would be an economic white paper that either by the end of the year or early in 1993 can be discussed amongst all Albertans as we lay the groundwork for a better and stronger province.

MRS. MIROSH: Mr. Speaker, in looking towards 2000 and even beyond, the people of Alberta are really concerned more and more about jobs and what will happen. Can the Premier just give some idea of how these changes will be implemented by our government?

MR. GETTY: Well, Mr. Speaker, I would hope that this multi-stakeholder group, working with the government and all members of this Legislature, following the pattern of the conference itself, would be able to continue to have input. Yes, we will come up,

as I said earlier, with an economic blueprint, an economic white paper laying the grounds for the future strength and growth of our economy, but we will continue to have a report card process where we can report to Albertans and where they can make changes with us and we can continue to guide a changing economic blueprint for the future. We all know that changes that are occurring in the world these days, facing every government, every country, and all economies, will require an ability for our province and our country to work very rapidly and work all in the same direction. I think this *Toward 2000 Together* broke new ground of a partnership between the people and the government that is going to be something that we'll all be proud of in the future.

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

Family Support Strategy

MS M. LAING: Thank you, Mr. Speaker. My questions are to the Premier. The head of the Premier's Council in Support of Alberta Families has made statements in which he equates intimacy with sexual intercourse and claims people dispose of relationships in thoughtless ways without considering the impact on children. Such statements indicate very clearly that he has no real understanding of the complexity of family life and of the causes of family breakdown or dysfunction. Will the Premier now replace the Chair of the council with someone with sensitivity to the issues and problems facing families in today's society?

MR. GETTY: Mr. Speaker, I'm really surprised that the hon. member would take that point of view. She knows the hon. member. She knows the hon. member is working hard as chairman of the Premier's Council in Support of Alberta Families. The hon. member spoke in the Assembly when discussing the Executive Council estimates and will be following up on questions that the hon. member raised at that time. The hon. member is here and perfectly capable of answering any additional questions that the hon. member might have.

MR. DEPUTY SPEAKER: Supplemental question.

MS M. LAING: Thank you, Mr. Speaker. My questions are again to the Premier. Poverty and violence, not a lack of love and acceptance, are major causes of family breakdown and of young people coming into conflict with themselves and the institutions of society. Instead of giving a leadership role to a person who voices platitudes and looks for simplistic solutions, will the Premier now commit to providing leadership in finding solutions to meet the real needs of Alberta families which flow from poverty and violence and a lack of support services for families who find themselves under stress?

MR. DAY: Mr. Speaker, on the issue specifically of poverty, which the member has raised in the supplementary, the Premier's council on the family over the last year has had an extensive number of public consultations in communities right across this province involving actually over 3,000 individual Albertans who had to spend a significant portion of their day or evening in terms of addressing the council on how these various issues should be addressed, what advice the council should give to government. As a matter of fact, poverty and the effect of that was mentioned from time to time. I can tell you that you'll see in the report that will be issued very shortly on these hearings that that was by no means the only or the main issue, that there were actually a

variety of issues that were brought forward in terms of the types of things that affect families. One of the recurring themes that we heard over and over was the necessity of valuing children, valuing relationships, valuing family networks and community networks.

We'll be giving advice to the government formulated on what we heard from the people of Alberta, not necessarily what we hear shouted across this Chamber floor. We heard significantly from the people of Alberta, and we'll be reporting to the government and advising on that.

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

Alberta Capital Bonds

MR. MITCHELL: Thank you, Mr. Speaker. Today the Treasurer has announced an increase of almost \$200 million in his level of borrowing through Alberta capital bonds. Could the Treasurer please tell us what additional losses on NovAtel or on other government-funded commercial enterprises this increase in borrowing represents?

MR. JOHNSTON: Mr. Speaker, the people of Alberta have had an opportunity for the past five years to invest in this province's future, and I've never seen a stronger commitment to the future of this province than has been given to us recently on this current Alberta capital bond issue. In fact, it was so successful that we had to come back to my colleagues in cabinet and ask for an increase in the borrowing limits because over \$725 million worth of Alberta capital bonds had been sold to Albertans.

That is, first of all, a pledge of their faith in the future of this province under the government of Premier Getty and, secondly, assures that we have needed dollars to ensure the building of our capital program, in particular, health care facilities, universities, college expansion, which were incorporated and expanded in our budget. Finally, a third key point: all of the interest paid on these bonds goes back to Albertans. They get to have the money themselves. They get to spend it generally here in Alberta as opposed to having those dollars flow to Zurich, New York, or London.

In my mind, Mr. Speaker, this is a very positive signal, and I certainly appreciate the Member for Edmonton-Meadowlark giving me a chance to explain fully what's happened on behalf of the people of Alberta.

MR. MITCHELL: It may be investment for a handful of Albertans; it is runaway debt for this Treasurer.

To the extent that the Treasurer is borrowing money for capital projects, why does he not impose a pay-as-you-go capital expenditure program so that we pay for these projects now and we don't mortgage them forever and ever and ever into the future?

MR. JOHNSTON: Mr. Speaker, there's a reasonable position, and I know that the member will heed the explanation when he hears it. First of all, there's a blend here in terms of how we handle our capital investments. Remember that when the province borrows for fixed assets, then we're securing productivity in the future, investing in education and the health care system, and that has a long term of value. It's an investment in real assets. What we have done here in the current program is put these assets in the Capital Fund, and we're charging the departments that have requested these investments, such as Health and Education and Advanced Education, one thirty-fifth of the cost of borrowing. Therefore, we're in fact listening to the Member for Edmonton-

Meadowlark. One of the few times, I might add, that he's been somewhat on point. We are in fact charging over the future course of 35 years ahead the actual one thirty-fifth of the cost of that asset.

Secondly, Mr. Speaker, it's a blend, because up to 1986, before the sharp drop in oil prices, we in fact wrote off directly all of the cost of our buildings. So now we have a very substantial investment in infrastructure. Probably Alberta has one of the largest investments in infrastructure of any province in Canada. That includes, for example, strong municipal facilities, sewer and water programs, and roads built essentially by the General Revenue Fund, a hospital system which is unmatched anywhere in Canada, research facilities which in fact are going to be the key to our future both on the business side and the health side, and finally, one of the finest advanced educational systems anywhere in Canada. That's where that money's gone, that's where the infrastructure is, and that's why Alberta's future is stronger than any province in Canada.

MR. DEPUTY SPEAKER: The Member for Cardston.

3:10 Constitutional Reform

MR. ADY: Thank you, Mr. Speaker. My question is to the Deputy Premier. Our Deputy Premier has been representing Alberta's position at the constitutional negotiations that have been ongoing across Canada for the past several weeks. Albertans are concerned about the direction that some of the constitutional issues are taking. Could the minister tell us what level of support is there for Alberta's position as outlined in our select committee report, especially what the status is on Senate reform as it pertains to obtaining a full triple E Senate?

MR. HORSMAN: Mr. Speaker, may I first of all say how pleased I am to see you all again. I can assure you that despite the fact that we may share some differences of opinion, I'd much rather be here than in the milieu in which I've been operating in the last several weeks.

In any event I welcome the opportunity to briefly state that we are indeed fortunate that I had with me the support outlined unanimously in the select committee report with respect to Alberta's position, because it reflects the views of Albertans. I'm able to take that to the table with me when I enter into discussions.

Relative to the particular reference to support for the triple E Senate, one which is elected, one which is equal, and one which is effective, it is clear that we have now gained the support of four additional provinces: Saskatchewan, Nova Scotia, Manitoba, and Newfoundland. We are also pleased to note that the Northwest Territories, while they don't have a vote in the proceedings, have also seen fit to give us their support. Indications are that at least one of the aboriginal organizations will soon be making an official announcement in that regard as well.

The key element, of course, is going to be the effective E and how that is finally defined at the table. I must point out to this Assembly that in terms of discussing the key elements of that effective E, we have only spent between 15 and 20 minutes in this whole 19-day period on that subject, so that key issue will come before us next week as we resume our meetings in Ottawa on Tuesday and Wednesday.

I want to take this opportunity to say that the Premier has asked me to discuss this matter with the leaders or designates of the opposition parties in this Assembly at a time that we can find within the next day or two so that they may be briefed fully on

what is taking place and I can therefore bring them up-to-date. I will of course be in more formal contact with them. I thought this would be a useful opportunity now to indicate how much I have appreciated the fact that we were able to go to the table with a nonpartisan, all-party supported select committee report, and I hope that that same kind of support will be continuing throughout the balance of these very crucial discussions for the future of Canada.

MR. DEPUTY SPEAKER: Supplemental question.

MR. ADY: Thank you, Mr. Speaker. Supplementary to the minister. Quebec Premier Bourassa has been recently seen to have changed his position on offering the people of Quebec a referendum on Quebec sovereignty. He now has taken the position that if the rest of Canada does not offer a constitutional package that is acceptable to Quebec, his referendum would only have options for sovereignty association. Would the minister tell us how acceptable Quebec sovereignty association would be to the rest of Canada and what position Alberta would be taking in that event?

MR. HORSMAN: Well, Mr. Speaker, that just highlights one of the major difficulties we've encountered during the course of the last several weeks since March 12, in that one of the key partners in Canada is absent from the table. That has made it very difficult for us at the table to guess what Quebec may want or what Quebec might want to see in the final package. We've been receiving mixed messages as to what Quebec's position might be. The one I think referred to by the hon. Member for Cardston just now is one which emerged yesterday and seems to be going in a different direction than that which has previously been expressed. We've had different expressions as we've gone along in the course of the last while in this area.

So one of the things that I want to say clearly now: Alberta wants Quebec back at the table so that we can hear from them directly and not through intermediaries or through the news media, as accurate or otherwise as that reporting may be. Let me put it this way: Albertans have told us that while they want Quebec to be a full and equal partner, participating with us in building this remarkable country of Canada and working together in unity and harmony, Albertans have made it very clear to us that either Quebec is in or it's out. It doesn't seem to me that any kind of hybrid which would give this sort of special status would work to the advantage of Canada in the longer term. Now, that's what Albertans have told us, and that's what I'd like to be able to tell my colleagues from Quebec when they do come back to the table.

So I think it's fair to say, Mr. Speaker, that we're prepared, we're ready, willing, and able to discuss thoroughly face to face with each partner in this country how the future should develop, but Albertans have told us I think quite clearly that they want all partners in the same house working together and not with one foot in the door and one foot on the porch.

MR. DEPUTY SPEAKER: Calgary-Forest Lawn.

Kerby Centre

MR. PASHAK: Thank you, Mr. Speaker. My questions are to the minister responsible for Seniors. The Kerby Centre in downtown Calgary has provided needed health services to seniors since 1976, and as such it provides a model for other communities to emulate. However, for years the centre's tried to obtain government funding without success and is now facing the possibility that it will have to close. My question to the minister is: will he commit to

finding the \$40,000 which the centre requires to maintain its services, which keep seniors healthy and in their homes?

MR. DEPUTY SPEAKER: The minister responsible for Seniors.

MR. BRASSARD: Yes, Mr. Speaker. I think that this question more appropriately should be addressed to the Minister of Health, but let me just say a few words about this program. It is true that a semivolunteer program dealing with a number of health issues has operated at the Kerby Centre, and it's been very successful. There's no question about that. The funding that has been required has been achieved by raising lottery dollars and so on that they held at the centre. In total I think that there are somewhere in excess of 80,000 volunteer hours that come out of the Kerby Centre, and they have a number of programs. When their funding failed this year, they applied for funding from the Minister of Health. She had already established programs dealing in this specific area and is not opposed to looking at it, but it wasn't on her agenda this year. Rather than speak on her behalf, I would prefer that the question was addressed to her on her return.

MR. DEPUTY SPEAKER: Supplemental question.

MR. PASHAK: Thank you, Mr. Speaker. I think that this is a seniors issue. That centre's clinic is run very cost efficiently, relying on the use of one and a half paid nursing staff and 20 volunteers, most of whom are nurses. The services currently are provided at only a fraction, about 20 percent, of what it would cost if the health care system were billed. As the minister knows, his colleague the Minister of Health promotes, and often in this Assembly, the effective use of our limited resources. Will he not at least commit to lobbying his colleague to ensure that the health centre will remain open and that these services will continue to be provided to seniors?

3:20

MR. BRASSARD: Well, let's first of all assure the member that I have spoken to the Minister of Health about this program several times. We have discussed it in great depth. In all fairness to the minister, this wasn't a program that was initiated by the Department of Health, nor was it in her scheduled program. Certainly it had been self-supporting. It was an excellent program. I think that everyone that has been associated with it will attest to that.

I'm not going to try to justify the Minister of Health's vast budget or the priorities that she must face on an ongoing basis. I know that she has this article the member referred to. She has started three similar programs: one in Grande Prairie, one in Edmonton, and one in Fort Macleod. They're very similar in nature to what is going on, and very obviously the minister wants to move in this direction. As I said, I would prefer that the minister herself discuss her budgetary constraints and the programs that she wishes to finance.

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

Family Support Strategy

(continued)

MRS. HEWES: Thank you, Mr. Speaker. Last week the chairman of the Premier's Council in Support of Alberta Families made some rather aggressive statements that were frightening to the general public and very offensive to many parents. [interjections] Frightening. My questions are to the chairman. What is

the chairman trying to do here? What was his objective in making those statements? What purpose was being served?

MR. DAY: Mr. Speaker, about a week ago I was involved in a lengthy interview with an *Edmonton Journal* reporter. We discussed a number of topics. We talked about the Premier's council on the family. We talked about some of the problems in the malls here in Edmonton with young people. At one point I addressed a very real problem that young people have when they face the reality of a parental breakup. We talked about the fact that a young person who's been through the trauma of a divorce will face a likelihood – not a definite reality but a likelihood – of having emotional and possibly social and behavioral problems. We talked about that reality not from the point of view of finger pointing but from the point of view of talking about the government looking at preventative services, support services, et cetera.

Unfortunately, those reports were given a grotesque twist and taken and reported as if I were pointing a finger and attacking single parents in the raising of children. That was absolutely not done. In the entire transcript, which is available, there is not one word about myself in any way, shape, or form attacking single parents. As a matter of fact, single parents can give as much love and compassion as anybody can, and being in that position, in some cases they need extra support because of the extra pressures that are on them. That was very clearly what was laid out, Mr. Speaker, and I hope that is understood.

MR. DEPUTY SPEAKER: Supplemental question.

MRS. HEWES: Mr. Speaker, perhaps the chairman doesn't hold those opinions, but the chairman does tell us that government statistics show that single parent homes and couples interested in intimacy not commitment are to blame for today's troubled teens, yet the report to which he was referring makes absolutely no mention of this. Will he give this House the reference in this document that identifies these conclusions that he's made?

MR. DAY: I'm disappointed to say that my colleague across the way joins our colleague from Edmonton-Avonmore in being totally off base in the question. What has happened here, Mr. Speaker, is that they have looked at grossly erroneous reports in the *Edmonton Journal*.

They purport to be concerned about single parents. I'm not going to question that concern, but I ask you this: if you were truly concerned about a problem about communication with single parents, would you not get on it right away? Would you not contact the person? I got on it right away. I contacted the *Edmonton Journal*. I set up a meeting with their editorial board. I had a letter which was published, though it's been edited. I dealt with it right away, because I was concerned about the effect on single parents of these erroneous reports. Did I hear from either of the members across the way? Did they phone me a week ago? No, they did not. They wait until the cameras are rolling, and then they stand up and quote directly from erroneous reports.

I say let's work together in this Assembly to do what we can to strengthen Alberta families. I would suggest that they use their research dollars, which they're provided in the tens of thousands, to communicate and find these things out. I would also suggest that they go to their primary research source, the *Edmonton Journal*, because there is a letter in there today from myself which shows the care and concern that I have and that this government has for all parents, including single parents.

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

Bench Insurance Agencies Ltd.

MR. SEVERTSON: Thank you, Mr. Speaker. My question today relates to the press release tabled today by the Minister of Consumer and Corporate Affairs. I understand that the Alberta Insurance Council has announced that it will be providing compensation for outstanding claims as a result of faulty insurance policies issued by Bench Insurance. My question to the minister is: how much will this compensation plan cost the government and the taxpayers of Alberta?

MR. ANDERSON: Well, Mr. Speaker, I'm pleased to tell the hon. member and other members of the House that the plan announced today will not cost the Alberta taxpayer any money at all. It is an offer by the insurance companies through the Insurance Council to pay compensation to those people who have legitimate claims but who were not properly insured by Bench Insurance.

MR. SEVERTSON: My supplementary, Mr. Speaker. In the press release the Alberta Insurance Council states that there are 12 outstanding claims and they expect more claims to come. One of my constituents as recently as January paid a premium of approximately \$25,000 to Bench Insurance. My question to the minister: will there be compensation available for people such as my constituent who has just paid his premium to Bench and has since had to insure again through another company?

MR. ANDERSON: Mr. Speaker, through the Alberta Insurance Council announcement today there will not be compensation for those who paid premiums but only for those who have claims. Nonetheless, the council did indicate their right to appeal to the court against the assets of Bench Insurance and any individuals who may be seen by the courts to be involved in that situation. Those claims will come after people who have a claim against the company. So my advice to those who have premium losses as a result of the Bench case would be to contact their legal counsel with regards to claims against the Bench Insurance company or those others who the court may deem to be responsible.

Point of Order Imputing Motives

MR. DEPUTY SPEAKER: The hon. Provincial Treasurer gave the Chair indication that he wished to raise a point of order.

MR. JOHNSTON: Mr. Speaker, I do indeed rise on a point of order. It is regrettable that we have to draw to the Member for Edmonton-Glengarry's attention from time to time what in fact are the common precedents under which this Legislature operates.

In doing so, Mr. Speaker, I certainly find legislative authority in our own Standing Order 23, where in fact, without going to the specific sections, there is clear guidance to us with respect to the way in which we have to hold forth in this Legislative Assembly. It says that you cannot provide "unavowed motives to another member." Clearly, I want to object in the strongest possible way to the use of the words "cover up," which were the specific words the Member for Edmonton-Glengarry used.

Still further, Mr. Speaker, if we look to *Beauchesne*, which again has been the common reference for most of these issues, we find a general provision, section 491, wherein I think is the broad framework provision which suggests in a general sense that "no language is, by virtue of any list . . . unacceptable," but we have established in this Legislative Assembly our own set of guidelines as to what is acceptable and not acceptable. I cite here the

general reference. I suggest to you and to all members that the words "cover up" impute and suggest some wrongdoing on behalf of the government.

Still further and specifically in section 492 of the same citation the word "cover-up" has been clearly noted as one word which certainly strikes, I think, this note of disagreeable usage.

So, Mr. Speaker, I would hope that the Member for Edmonton-Glengarry, now that he has had this settling-down period, has been able to collect his thinking, would withdraw that comment, because obviously it's not right.

3:30

MR. DECORE: Mr. Speaker, I would cite *Beauchesne* 409(3), (4), (5), (6), 410(5), (10), (11). This is a totally frivolous point of order. I stood in my place and asked the Treasurer of the province of Alberta to tell Albertans about two key and critical documents that are now in his possession, documents that talk about mismanagement in NovAtel, documents that by statutory duty he is required to obtain and by statutory duty he is required to take action on. The question that I put to the Treasurer was to tell us, now that he has these documents in his possession, and I know he does, what the mismanagement statements, observations, conclusions were in the management letters. That answer was not given. I asked for the Treasurer to tell Albertans from these key and critical documents how it could happen that \$566 million could be lost.

Mr. Speaker, if you review the Blues, you will see that no answer is given, no proper response is given, and the only conclusion that you can come to is that the Treasurer is attempting to hide something. Why? [interjections]

MR. DEPUTY SPEAKER: Order please. The hon. Provincial Treasurer has really in effect raised the use of the word "cover-up" in the context of which it was used today. The Chair really feels that the Blues will have to be reviewed to get the proper context. *Beauchesne* itself is not clear on this word because while 492 says it is unparliamentary, 490 says that since 1958 "cover-up" has been ruled to be parliamentary. I think the key citation that the hon. Provincial Treasurer has used is section 491, which deals with the overall context and atmosphere in the House. The Chair really feels that the Blues will have to be consulted. They have been ordered, and the Chair will render a judgment at a later date.

May we revert to Introduction of Special Guests?

HON. MEMBERS: Agreed.

head: Introduction of Special Guests (reversion)

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

MR. LUND: Thank you, Mr. Speaker. It gives me a great deal of pleasure today to introduce to you and to other members of the Assembly a group of 53 individuals from Caroline, Alberta, the home of the three-time world men's figure skating champion, Kurt Browning. They consist of some 33 bright students accompanied by their teachers Mrs. Vivien McFarlane and Ms Karen King, some 17 parents and helpers. Included in that group is our member of the Alberta Round Table on Environment and Economy, Ms Rosemary Brown. They also have with them their bus driver, Mrs. Linda Fredine. They are seated in the public gallery. I would ask them to rise and receive the cordial welcome of the Assembly.

MR. DROBOT: Mr. Speaker, I would like to introduce to you and members of this Assembly 38 students from Glen Avon school in St. Paul. They are accompanied by teachers Linda O'Neill and Dave Doonanco. They are seated in the members' gallery. I would now ask them to rise and receive the traditional welcome of this Assembly.

head: **Orders of the Day**

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 Question 366 and Written Question 368.

[Motion carried]

Recreation, Parks and Wildlife Foundation

366. Mr. Taylor asked the government the following question: What is the name of the organization referred to on page 96 of the 1990-91 annual report of the Auditor General to which the Recreation, Parks and Wildlife Foundation provided an advance of \$200,000?

MR. GOGO: Mr. Speaker, the government is prepared to accept 366.

Advanced Education Statistics Report

368. Mrs. Gagnon asked the government the following question: Why did it take nearly two years from the completion of the academic or fiscal year for the Department of Advanced Education to provide the Alberta Advanced Education statistical report for the year 1989-90, and has the government considered ways of streamlining this?

MR. GOGO: Mr. Speaker, the government will accept Written Question 368.

head: **Motions for Returns**

MR. GOGO: Mr. Speaker, in view of the very interesting private member's motion on today's Order Paper, I would move that the motions for returns on today's Order Paper stand and retain their places.

[Motion carried]

head: **Motions Other than Government Motions**

Coal Research

216. Moved by Mr. Bradley:
Be it resolved that the Legislative Assembly urge the government to continue to support research and development of clean coal technology and other initiatives to enhance the competitiveness of Alberta coal in domestic and international markets.

MR. BRADLEY: Mr. Speaker, it's been a long haul to get this motion to debate in this Assembly. It was last up on the Order Paper last spring, and it's been on the Order Paper for a couple of years. It's probably more timely today than it has been at any point in the days that it's been on the Order Paper.

Mr. Speaker, I bring this motion forward because of my interest, having been raised in one of the historic coal mining

communities of the province, the Crowsnest Pass, and also for the fact that today I represent about 800 citizens who are employed in coal mining activities not in Alberta but on the other side of the provincial border, in the coal mines of southeastern British Columbia. Just a short note on that: currently there are some very significant labour disputes taking place there, in another jurisdiction, which affect the economy of my area. I would only like to say that I would hope that common sense will prevail amongst the management and labour which are involved in these disputes, because ultimately one of the resolutions of it could be a closure of a mine, which could have a drastic negative effect on the economy in both southeastern B.C. and in Alberta. So I wish them the very best in coming to some conclusions which would see that mine continuing to operate.

Other members in the House also have interest in coal, either from a historic point of view or currently have operating mines in their ridings, and I'm sure will sympathize and support the intent of my motion today. I'd like to acknowledge also that I have had some valued support and input from various coal mining companies in the province and in other jurisdictions in the country, from our electrical generating utilities – both publicly and privately held ones – and, obviously, from coal mining communities and individuals.

The Assembly might ask: "Why would a member be bringing forward a motion on coal? Why coal?" The common wisdom out there today is: "Isn't it a dirty fuel, contributing to the greenhouse effect? Heaven forbid. Why discuss coal now? Isn't the world meeting now in Rio de Janeiro to discuss the future of the world's environment? Surely you can't be serious about promoting the use of coal." Well, Mr. Speaker, I wish to discuss the continued use of coal as I believe it is an extremely timely issue for Albertans, for Canadians, and the world. Through this motion and debate today I would like to clean up some of the perceptions about coal being a dirty fuel and also would like to point out its importance as an abundant, reliable fuel source.

Why is coal important to Alberta, Canada, and the world? Why? Because it is the most abundant fossil fuel source in the world, readily available on all continents. On the basis of recoverable reserves, oil will be exhausted at a rate of five to 20 times faster than coal and natural gas at a rate of four to 10 times faster than coal. These are obvious facts. Our current oil and natural gas reserves in the world will be exhausted, and after that we'll have the much longer life of a usable fuel such as coal.

It depends on whose source you take, Mr. Speaker; there are a lot of statistics out there and a lot of uncertainty in some countries in terms of the geological information they have. At current consumption rates coal has a lifetime of some 230 to 1,500 years; whereas oil reserves' estimated lifetime is from 44 to 60 years, and natural gas has a world expectancy of some 56 to 120 years. So coal will last centuries, and oil and gas will only last decades. The importance of coal to the global economy should not be underestimated.

3:40

Where are these proven coal reserves? Well, the United States has about 260 billion tonnes of proven in-place reserves; the former Soviet Union, about 240 billion tonnes; China, 167 billion; Australia, 91 billion; India, 62 billion; West Germany, 59 billion; South Africa, 55 billion; and all other countries in the world, about 160 billion tonnes. Currently the United States, China, and the former Soviet Union each burn about 1 billion tonnes of coal a year. They're actually consuming that amount of coal a year.

In Canada a conservative estimate of our proven reserves of coal – that means that which can be economically exploited today

– is about 7 billion tonnes, although our total estimated reserves, including proven, indicated, and inferred, total 1 trillion, 946 billion tonnes, a great amount of coal. It is clearly Canada's most abundant energy resource. Estimates are that our conventional Canadian oil reserves are expected to last somewhere around 13 years; conventional gas reserves, not taking into consideration new discoveries, approximately 27 years; and estimates of how long our coal reserves will be available to us are from 100 to 600 years depending on whose estimate one uses.

In terms of world energy consumption, 90 percent of the world's energy is hydrocarbon based, and coal generates about 30 percent of all the world's primary energy production. In 1988, 34 percent of the world's electricity came from coal. That increased in 1990 to 47 percent of the world's electricity being generated by coal. In the United States 57 percent of their electricity comes from coal-fired generating plants, and that's up from 40 percent 15 years ago. Coal is 80 to 90 percent of the United States' total energy reserves. So it's very clear from these statistics that coal is going to continue to play an important role as a fuel resource in the world. It's available on all continents.

In terms of discussions regarding greenhouse gases and the greenhouse effect, the United States is clearly going to continue to use coal, and Japan says, "Yes, we're going to continue to use coal." Also in terms of their strategy as part of that they're looking at ways of burning coal cleaner.

To put coal into perspective in terms of just the North American situation and its importance, there are some people who suggest we should go away from coal; we should go to other fuels. Nuclear: we know the problems that nuclear has. Develop hydroelectric reserves: well, most of the easily developed hydroelectric power generation has been already developed in North America. There is the Slave hydro project here in the province of Alberta; we know the debate that took place on that. There are the potentials in Quebec in terms of the James Bay projects which they are looking at, the Great Whale project. If you said, "Okay, we're going to discontinue using coal," if we were to do that, make that decision not to use coal to fire electrical generating power plants, totally turn off coal, all of North America's natural gas reserves would be depleted in seven years. If we were to turn off coal, in seven years we'd exhaust North America's natural gas reserves. So it's not going to be that easy to just turn away from coal and move to some of these alternatives. I think coal is going to have an important long-term part to play in the sustainable energy plans of this country and of the world.

In Canada 71 percent of our hydrocarbon reserves are coal, 28 percent are in the oil sands, and 1 percent are in our conventional oil and gas. In terms of production of coal, in 1981 we produced 42 million tonnes of coal, and in the most recent year, 1991, we had 71.3 million tonnes of coal produced. Coal is, as I said, 70 percent of Canada's hydrocarbon reserves, yet it only represents today 16 percent of the present fossil fuel energy demand. So although we have these extensive reserves, we're not exploiting it at the rate of the actual reserves we have.

If you look at supply in Alberta, it depends on whose statistics you use. The Energy Resources Conservation Board in a 1990 report stated that Alberta's conventional oil reserves would last nine years, conventional gas about 20 years, and the coal reserves of this province had the potential of lasting 850 years. So those are significant figures. Why is coal important to Alberta? Well, in terms of the context of the previous discussion here, 75 percent of Canada's coal reserves are in Alberta. Alberta is Canada's largest coal producing province, and Alberta's coal reserves exceed the energy content of all other fossil fuels including oil, natural gas, heavy oil, and oil sands combined. Another impor-

tant fact about Alberta's coal is that it is low in sulphur content – it's less than half of 1 percent sulphur content – compared with eastern coals, which may have a sulphur content as high as 3.5 percent. So in terms of concern about sulphur dioxide emissions, Albertan and western coals are seen as being a clean fuel because they don't have to have the expensive scrubbers put on them to meet our current SO₂ emission requirements.

Also, whether Albertans realize it or not, depending on whose estimates you look at, 80 percent to 90 percent of our electricity is generated from coal-fired electricity plants. A lot of people say: "Well, we should go away from coal. Why don't we just go to electricity?" Well, you know, coal is where we get our electricity from.

In a Canadian context, coal is important to the Canadian economy. It currently generates about 12,000 direct jobs. There are 40,000 other jobs indirectly created in transportation, the steel-making industry, power generation, manufacturing, and perhaps another 200,000 jobs in various support industries.

In 1980 Canada exported 1 percent of the world's requirement for thermal coal in the export market and about 11 percent of the metallurgical coal. Today we've increased our market share; we're now exporting 2 percent of the world's thermal coal in the export market and 17 percent of the world's metallurgical coal. The value of that exported coal is approximately \$2 billion to the Canadian gross national product. One of the interesting statistics that perhaps people aren't aware of is that Japan is our largest customer for coal, and coal is Canada's largest export to Japan. Currently the percentages are 90 percentage of our exports are in metallurgical coal, and 10 percent are in thermal. So there are significant benefits to Canada in terms of the coal industry.

I could go on with some other statistics. I think it's important to know there's been significant investment in terms of new mines in the last decade: some \$5 billion invested in new coal mines, \$1.7 billion invested to upgrade rail lines, and \$450 million invested in coal ports.

I made an allusion earlier in terms of the world context and where coal is going, that the United States, China, and the former Soviet Union burn about 1 billion tonnes each per year. That's significant, and they're going to continue to burn that coal. China alone generates about 75 percent of its electricity from coal-fired plants. It's estimated that by the year 2010 China will utilize about 1.4 billion tonnes of coal per year. Now, what's important in the context of my motion regarding clean coal technologies and our continued support for that is the next very important statistic. Currently Canada's and Alberta's efficiency in terms of burning coal is in the 30 to 35 percent range. That's in terms of the actual electrical energy output, or the amount of energy created by the burning of the coal, whereas China is at only about 12 percent thermal efficiency. A wide gap: they're burning 1 billion tonnes, and Canada burns about 40 million tonnes. There is this notion by some that suggests that we should be reducing our use of coal in this country, yet we're the most efficient users of that coal in terms of the efficient technology we have. So what would make sense, Mr. Speaker, is that we continue to work on these clean coal technologies and we export that technology to the underdeveloped countries of the world where their efficiencies are lower. By that move alone we would reduce the CO₂ emissions in the world significantly, much greater than by limiting CO₂ emissions in this country.

3:50

There have been some suggestions in terms of the CO₂ and greenhouse gas debate that we should by the year 2005 cut by 20 percent our CO₂ emissions. That seems to be a religion amongst

some people in the world, that we here in Canada have to do that. There's a target that said perhaps there should be a 20 percent reduction by the year 2000. That notion of a 20 percent cut by the year 2000 in fact in terms of CO₂ emissions would turn Canada and its economy overnight into a Third World country. I mean, we just have to look at this. We have a country that is in a cold climate, large distances. We are efficient producers of energy for export, whether it be coal exports to other countries, whether it be our natural gas exports to the United States. All this contributes to the production of CO₂, yet we are one of the most efficient producers of that CO₂, and it's a driver of our economy. A freeze in CO₂ emissions, which some suggest we should look at by the year 2000, would in fact freeze western Canada's economy. We would not see any growth in our economy. We would see a declining economy over time. So we must look at these environmental questions in a realistic fashion.

There's another statistic in terms of that that we should look at, coal in the world context. Although about 39 percent of the world's energy comes from the production of coal, that coal only contributes 7 percent of the world's greenhouse gases. So although it's a large contributor to the fuel mix in the world, it is not the largest contributor in terms of CO₂ or greenhouse emissions.

Another fact we should look at is that it's predicted that the developing nations will produce four times more CO₂ than the developed world by 2050. If they produce that CO₂ through inefficient coal-burning plants at 12 percent efficiency rates, I think what we should be doing in order to reduce that is this export of technology. By comparison, Canada only produces 2 percent of the world's CO₂, and that has to be put into the context of our cold climate and the distances this country has and our population density.

Mr. Speaker, I could go on about SO₂ emissions and comparisons of coal to other fuel sources, but I think one point that should be made here on this debate in terms of SO₂ emissions from coal is that our natural gas and oil industries produce in Alberta and B.C. almost 400,000 tonnes of SO₂, whereas our coal-fired electrical plants in Alberta contribute only about 98,000 tonnes of SO₂. In fact, if one looked at a 1988 report, one smelter in Ontario put out more SO₂ than all the coal produced in Canada combined. So it's not the dirty fuel, it's not the bad guy that it's been portrayed to be.

Another interesting fact that we should look at is that it takes 85 percent less energy today to create a kilowatt of energy than it did at the turn of the century, back in 1900.

When you look at raw coal and raw natural gas coming out of the ground, natural gas actually has 12 times higher sulphur content than western Canadian coal. Yet gas is portrayed as being a clean fuel because when it's processed and cleaned up, yes, it is a very clean fuel, but our coal coming out of the ground is much cleaner on average than natural gas coming out of the ground in terms of SO₂.

We look at this issue of the contribution of SO₂ in the atmosphere from coal and other fuels. I think you have to look at it in terms of the full total fuel cycle, going from extraction, processing, and end use, and look at the contribution to greenhouse gases, and I'm sure you will find that coal will end up on that chart as being a fairly clean fuel. So we must be responsible in identifying the problems with regards to our energy sources. We must take into consideration responsible decision-making based on sound economic environmental principles, and I believe that that's what the clean air strategy for Alberta has been doing.

Mr. Speaker, coal is a cheap, available, clean, economic, and practical source of energy for our province. It has been a long-

held policy of this province that coal should be the fuel for firing our base load electrical generation capacity, and that is an important policy decision for this province. It's provided us with a cheap source of electricity. It is a clean source of electricity and should be continued to be used in that function. Natural gas, which is a premium fuel which has a short supply life, should be used for other purposes. It can be exported more easily than coal, for example. It's a premium commodity in terms of its ability to be upgraded into other resources as a petrochemical feedstock, and coal should continue to have that future as a base generating capacity because of the abundant fuel supply that's there. We shouldn't just jump on this bandwagon of saying, "Okay, let's build the next generation of electrical generating plants using natural gas," because that natural gas is finite whereas coal is abundant and long term.

There have been a number of initiatives, Mr. Speaker, as you get now into the clean coal technology aspect of my motion, initiatives that have been undertaken by this government. The low-sulphur coal to Ontario program I think has been very successful. We now see Ontario Hydro renewing some contracts. They're keeping their percentage of western coal approximately the same as they have in the past, although they have decreased the amount of coal they're using. It's an initiative that started here in this province to promote the use of western coal in Ontario. There's still more work to be done, but I think we have overcome the major hurdle where at one point Ontario Hydro was looking at not purchasing any more western coal. The statistics that I've received show that we can now compete with other coals into Ontario but that there's still more work to be done. There's the action committee on western coal, which was set up by the Deputy Prime Minister and has on it the Premiers of our province, British Columbia, and Ontario. There's still work to be done by that committee. They've initiated a number of important research projects.

The Alberta Research Council has been involved in a lot of coal research initiatives. We share with CANMET out at Devon the Canadian Coal Research Centre. It's been supported by CANMET and ARC. Also, the office of coal research and technology here in the province has played a very important role in terms of initiatives: looking at reducing costs, more effective methods of extracting coal, more effective methods of upgrading coal, and uses of coal. I could go through a list of these initiatives. They deal with environmental side aspects of reducing nitrous oxide and sulphur dioxide emissions. There are initiatives looking at fluidized bed combustion. There's the integrated gasification combined cycle, which is a cogeneration type of technology. There's the agglomeration technology at the Alberta Research Council, which upgrades coal. There are transportation initiatives looking at coal/oil pipelines and coal/water pipelines. There is potential of coal gasification and coal liquefaction. We should look at the longer term because of the finite life of our natural gas and oil and the long life of our coal reserves, at the potential for coal as a petrochemical feedstock in the future. We should be looking at those type of initiatives with regards to coal, not writing it off.

Mr. Speaker, it was very timely that the Minister of Energy tabled in the House today the annual review 1990-91 of the Alberta office of coal research and technology. I would ask hon. members to look through this document because it outlines in some detail a number of the very important initiatives which are being funded by this government in terms of clean coal technologies and coal issues. One aspect of the report and one of the reasons I have this motion on the Order Paper today: if one turns to page 45 of the report, one can see that since '89-90 our funding

of coal research peaked and the funding is now starting to decline dramatically. I think that for the reasons I have outlined today, we must continue to put funding into this very important area of clean coal technologies and research for the future. I would hope that this motion would make members aware of the importance of coal in the future of this province once our conventional oil and gas reserves decline.

[Mr. Jonson in the Chair]

4:00

Another interesting fact with regards to coal in an area which isn't fully understood is the potential for getting methane from our coalfields. It's called coal bed methane. It's been exploited to some degree in the United States. The estimate that I've heard in terms of the magnitude of this resource – and it's not an unreasonable estimate – is that there may be 2,000 to 3,000 trillion cubic feet of coal bed methane gas in this province. That, Mr. Speaker, is maybe a hundred times greater than our existing natural gas reserves and could add significantly to the Alberta economy.

Some of the other comments I've had with regards to this motion and the importance of coal in terms of other initiatives are from the coal mining communities. We have to maintain a coal mining infrastructure in this province, and that's another reason to support coal. The communities in the Coal Branch – Hinton, Grande Cache, out in Stony Plain, the Wabamun areas, Forestburg – it's very important that we maintain that infrastructure. Coal isn't something that you can just turn on overnight. It takes long lead times to get into developing coal mines, getting the types of individuals involved in coal mining, so we can't make these radical switches. We have to have long-term strategies to continue that very important coal mining infrastructure and the communities which support the coal mining industry.

One initiative that's been suggested to me in terms of making our coal less expensive in Ontario and other markets is the fuel tax portion that is assessed in terms of our trains moving coal whether it be to Ontario or to the ports in Vancouver. If those taxes were eliminated, that could be a significant saving in terms of cost of coal transportation. In developing this argument a little further, Mr. Speaker, it seems to me that in terms of fuel taxes, here we are, a large country in the world. We suffer from not being at tidewater for great parts of this country. We have great distances we have to transport our goods to market whether it be coal or any other commodity, yet we have these high fuel taxes which add to the cost of our products in the world marketplace. Surely we should be re-examining the whole question of fuel taxes in terms of its disincentive of our products in the world marketplace. I know other countries are examining that. I understand Australia is, which is a country which is a resource-based economy, as is Canada. I think we should re-examine this whole question of fuel taxes as it relates to the export of our goods out of this country.

Another issue which was brought to my attention is that currently coal companies must put in place extensive reclamation funds in order to guarantee that the mined lands will be put back in a proper fashion and that these reclamation funds aren't eligible as a tax deductible expense. Perhaps another initiative we could take to enhance our coal mining industry is to allow tax deductibility on these reclamation funds.

Mr. Speaker, I want to give time to other members to speak. I think I've outlined a number of reasons why coal is important. I wouldn't want to underestimate the need in terms of an energy policy that we have conservation and energy efficiency. I think that's a given. We should look at alternate energy. We must

realize that coal will be the fuel of the 21st century, and our support for that is extremely important. The necessity to look at energy efficiency and conservation is because they are a finite resource, as I've indicated. The alternatives are very high cost, so we have to look at these conservation methods and efficiencies.

Mr. Speaker, in conclusion, coal is a safe, clean, abundant, cost-effective energy source. It has many of the merits that I have discussed earlier. I don't want to reiterate those because I know that there are others who wish to speak. Our challenge is to continue to improve the efficiencies through combustion technologies and cogeneration, to improve the overall efficiencies in terms of the burning of coal, and to export this technology to the rest of the world so that the CO₂ to kilowatt hours of electricity produced ratio is decreased. We can do this through clean coal technologies. That is the challenge, and that is part of the solution to the concern about coal's contribution as a greenhouse gas. The export of clean coal technologies to the Third World and underdeveloped countries is essential. We must help the Third World develop their economies in order that they can control population growth and also so they can afford these cleaner, more efficient technologies. Coal and the export of these technologies are both an economic opportunity and, I believe, an environmental imperative.

So, Mr. Speaker, my motion comes forward in this context: that coal is an important resource for the province now and in the future, and that we should invest in clean coal technologies because coal is going to be the baseline source of our energy once oil and gas run out.

Thank you, Mr. Speaker. I would appreciate all hon. members' support for this motion.

MR. ACTING DEPUTY SPEAKER: The Member for West Yellowhead.

MR. DOYLE: Thank you, Mr. Speaker. I want to congratulate the Member for Pincher Creek-Crowsnest for bringing forward this initiative to support the coal industry. Indeed, with some 800 members in his riding, although they do most of their coal mining in British Columbia, as the member well knows, I have in my riding over 1,800 coal miners. They're hardworking and dedicated people, and many of them work as volunteers throughout the communities of Edson, Hinton, Jasper, and Grande Cache. The add-on jobs in the coal industry, of course, are to the railroad companies and to the local businesses throughout the communities of West Yellowhead. For some years as municipal councillor and mayor I was involved in many lobbies to Ontario and ventured into many coal mines to get a better knowledge of how the coal mines work and how the municipalities could better help those people in the coal industry. So I do bring some firsthand knowledge of the benefits of the coal industry, especially in regional development and in West Yellowhead.

I'm also aware of the important place coal has in the Canadian economy as an energy source, an export commodity, and an economic stimulant. It is often a surprise to many people in Alberta, Mr. Speaker, when you talk about coal – they don't realize coal accounts for 18 percent of Canada's generation of electricity. Indeed, Albertans are usually amazed to hear that more than 70 percent of Saskatchewan's electricity is generated by coal and that in Alberta it accounts for more than 80 percent of electricity generated. In fact, presently somewhere in the area of 90 percent of the electricity generated in Alberta comes from coal.

It should not be a surprise, though, that when one looks at the rest of the world, coal is an abundant resource with widely spread and significant reserves, as mentioned by the Member for Pincher Creek-Crowsnest. I understand that the world coal reserves to

production ratio is about 225 years compared to 45 years from oil and gas. Given this reserve picture it is easy to see why coal is currently the source for 47 percent of the world's electricity. It is an energy staple in eastern Asia, the fastest growing region in the world. World consumption is likely to increase 50 percent over the next 15 years, with consumption doubling in all the developing countries.

Mr. Speaker, I understand that in projects suggested in the next century coal will be the dominant energy source, surpassing oil early in the century. Simply put, coal will remain a key player in the world energy scene. This remarkable growth in coal presents a real challenge for the industry. The environmental issues regarding CO₂ and SO_x emissions will require a great deal of research. I would hope that the government will take a leading role in this regard to examine exactly how we can curb the effects that coal has on the environment. Already we are seeing positive results flowing from the investment made in the study of IGCC technology, and I hope that this will continue. This, along with other projects such as Nova Scotia's fluidized bed boiler, is among a number of promising initiatives that are aimed at solving the environmental concerns surrounding CO₂ and other emissions.

Mr. Speaker, I would be remiss if I didn't mention at this time the great sadness among the coal mining communities of western Canada with the tragic accident in Nova Scotia some weeks ago.

4:10

The coal mines in the riding of West Yellowhead, Mr. Speaker. Luscar Sterco, in fact, has an open pit mine near the Cadomin area south of Robb. They have redeveloped the area that has been mined. They have brought the sheep population back from around 50 to somewhere over 450 sheep and in fact have exported some sheep to help the U.S. regain their population in sheep. Cardinal River has also generated sheep population, and the reclamation that they have made around their coal mines is really a sight for anybody to see. There are flocks of bighorn sheep and elk in that area. The mining company environmentalists had the initiative to study the sheep in great detail as they reclaimed the coal mine. In fact, they left ledges in several areas which, to some people's surprise, those sheep can somehow get on when they're ill, when they're having their lambs, or just simply trying to recover. They use those ledges as a place for recovery and for safety.

Also in the Grande Cache area, Mr. Speaker, Smoky River Coal has some 450 employees and is presently hiring different people both in management and in the mine. In fact, I was to tour that mine on Monday, but due to the illness of the mine manager, it has been changed to a later date, perhaps next week. As the largest employer the Grande Cache coal mine is a great economic generator in the town of Grande Cache, and any help that can be given through research and development through the Alberta Research Council or other proposed by the Member for Pincher Creek-Crowsnest will certainly benefit the community of Grande Cache. This research would also be crucial to the Canadian market as well.

I've emphasized that coal should be included in the mix of energy options in Alberta provided that environmental objectives can be met. We are attempting to ensure and we hope that we can ensure that all energy sources are put on a level playing field as they are assessed as options. I've always advocated, Mr. Speaker, that coal should have the same importance to the government of Alberta – in fact to the government of Canada – as oil and gas or any other energy source. I believe our collective challenge is to assure ourselves that coal can prove to be an acceptable alternative energy source. We can use Alberta and Saskatchewan for examples. As examples, we can make sure that

the public knows the choices, and the industry can give the public assurance that it's able and willing to meet the strict standards, but domestic markets will not sustain the western coal industry. Although the competition in the world marketplace will be tough, I am confident that in Canada Alberta producers will be able take advantage of some of this growth in the world market. The metallurgical coal industry faces tough world market conditions, conditions that I believe these companies can meet, and I would hope that the bit. coal market would bloom from that. As a result of changes in that market, the industry has serious problems but none that they can't overcome, and I believe that these problems will be overcome.

We should reduce the uncertainty surrounding the mine development assessment on process, Mr. Speaker, and streamline that process without jeopardizing consultation and input from other important segments of our society. We have to recognize the need to set up a process which will yield sustainable decisions, ones that are based on the facts, that follow due process, and that could last because they are based on broad public acceptance.

I also have some concerns about the federal duplication of the process. We are working to solve this problem through the coal mining communities of western Canada. I know the provincial government has come to grips with some of these present problems, and it's also hopeful that the recent court rulings and new federal legislation will reduce the duplication and confusion that can result by both governments doing practically the same thing and not consulting with each other. As we work to build a better Canada, I would hope that provincial governments across Canada will share research and development to assist, one province with the other province, to make sure that we're not duplicating research as we all strive to create jobs throughout our provinces. We have to improve this process, but we don't want to lose the parts that work, Mr. Speaker. We have to build on what we already have and do the very best we can to generate jobs in the coal mines. That's where we need input from those who have been involved in the process before. We can't override anybody who has assisted in the development and promotion of coal throughout Canada.

I would like to add, Mr. Speaker, that the new British Columbia government recently established an energy council to help plan a sustainable energy future for the province. The council will be charged with carrying out comprehensive, long-term energy planning for a sustainable energy future. It will allow British Columbians to make the most of their many energy opportunities while ensuring that their environment and sustainable development goals are met. The first task of that council will be to report on specific issues of long-term power exports. The council also will take a broad perspective. It will look at cumulative economic and environmental impacts and not just immediate local effects. The full range of energy sources including conservation will be examined. The public and the energy industry will be involved along with the workers during the critical early stages when long-term goals are planned and developed. The council will bring more public into the process and will give the public the independent information it needs to decide on energy issues. It will both accept information from and provide information to the public and to the energy industry and their workers.

Mr. Speaker, the motion of the Member for Pincher Creek-Crowsnest indeed is one that is important, again I say not only to the Alberta economy but to the Canadian economy as coal moves eastward: the jobs on the railroads, the local businesses along the tracks, the suppliers of parts for trains for the coal mines, and then at the Lakehead all the employees at Thunder Bay. Some 300 shiploads of coal from western Canada went down the Great Lakes last year.

Other comments I've heard for a long-term coal strategy address the greenhouse gases. Has Alberta, I wonder, compiled a greenhouse gas inventory, or have they listed and evaluated the range of CO₂ management measures?

Mr. Speaker, the recent contracts signed with Ontario Hydro have assisted the coal mining communities of West Yellowhead, although there will be some 100 jobs lost. The Crowsnest Pass on the B.C. side I understand will be closing one mine, but through one contract with CPR and the other mine owned by CPR it has got a very substantial contract of some 650,000 tonnes per year.

I would like to thank the member for raising the issue of fuel taxes, Mr. Speaker. Fuel taxes are something that I have raised in this Legislature before in regards to the transportation of coal to the eastern markets. I would hope that not only the Member for Pincher Creek-Crowsnest but the total government side presently would address the issue of fuel taxes. My feeling on that is the fact that most fuel taxes are used for building highways, airports – those types of transportation facilities – but CN and CP are responsible for repairing their own tracks and their own roadbed. So we charge people in cars and vehicles and airplanes fuel tax because it goes to fix the infrastructure, but the trains that carry the coal to the eastern markets – those companies in fact look after repairs of their own tracks and facilities.

4:20

Also I have heard from the municipalities, Mr. Speaker, one of the things they would like to ask the government. They have put money into train cars to haul grain to the west coast and other parts of Canada. There's some \$13 billion of inventory owned by Ontario Hydro that transports coal from the riding of West Yellowhead to Ontario. Many people would like to know if in fact the government would be interested in putting some money into cars like Ontario Hydro does to bring down the costs of transportation, because that is the most detrimental thing to the selling of coal to the eastern markets.

The member's motion in regards to clean coal technology will certainly help with the atmosphere that has been built around coal over the years. I'm one who believes that there is such a thing as clean coal, and in fact on my briefcase I have a sticker with a lump of white coal. If we could get people to realize that coal is not as bad as some of the other industries have made it and if coal could be brought to the same level of importance as gas and oil providing it's protecting the environment, Mr. Speaker, I would support the motion being brought forward by the Member for Pincher Creek-Crowsnest.

MR. ACTING DEPUTY SPEAKER: The Member for Westlock-Sturgeon.

MR. TAYLOR: Thank you very much, Mr. Speaker. I, too, would like to congratulate the Member for Pincher Creek-Crowsnest for bringing this forward. It's a very worthwhile motion. I only regret that he belongs to a government that feels he had to do it, because I think there's no question the attitude from much of this government has been that the particular natural gas royalties and the price they received for oil and gas made that the raw material that we should be selling rather than coal. I think that a great deal of our research and aggressive marketing that should have taken place on our behalf for coal has fallen by the wayside because of the easy money of natural gas. Now that natural gas has declined in price to where it is – a spot market down in the 75 cents to 80 cents a gigajoule or mcf, whatever way you want to use it – the idea that we have long-term reserves of coal is very valuable indeed. I won't go into the statistics; suffice

to say that we have 75 percent of Canada's coal reserves, and Canada has a lot of coal reserves.

I suppose it's only necessary to make your tie-in, and my constituency has towns in there like the name Cardiff, which obviously comes from the old Welsh coal miners undermining the north side of the Sturgeon Valley and digging coal out long before you or I were born, Mr. Speaker – at least me. That goes back a long way. As a matter of fact, the biggest concern they have there now is the fact that maybe some of these subdivisions, as they sprawl out over the north, will fall into some of these coal mines as they cave in.

[Mr. Deputy Speaker in the Chair]

I also recall picking up a few shekels, Mr. Speaker, as a student mining engineer. I graduated in mining engineering. Alberta had the only coal mining engineering school west of Kingston, Queen's, in the '40s and '50s. The way we students picked up money was to work for the coal mines just out of the Edmonton area. As a matter of fact if you were to go down far enough, this Legislature Building is sitting on a nice coal seam. There are probably four coal seams within the next 1,000 feet underneath. So there's a lot of coal in Alberta, and this leads to the next problem that concerns me a bit.

The oil industry has found a method by drilling into a coal seam and lowering the pressure on the coal seam by taking the water out of it to cause what they call interstitial gas or methane gas to come out of the coal beds. That is being sold now through a large part of the world. That's one of the ways of pumping gas out of the coal, but unfortunately I don't think it leaves the coal in a minable condition after it is finished. Worse still though, Mr. Speaker – and I think this is something that maybe this government should be addressing. They're maybe a bit asleep at the switch, because in areas of the world – I was involved in a prospect in Wales about four years ago where you drill into coal beds and bring the water pressure down. The density of the well drilling is such that because we have so much coal underlying our plains here one of the big hazards we'll have is rigs every 10 to 20 acres and going for miles. It's not like oil or gas where only part of a reservoir at the top of an anticline or in a trap produces. Coal will produce coal bed methane – CBM, if they want to call it that – over the whole spread.

This is something I think the Minister of the Environment should be looking at and not wait till the clouds fall in, because this government is letting out coal bed methane leases. Now, I don't think the Minister of the Environment or the Department of the Environment has even been informed about it, but those methane leases cannot be produced unless they have a huge – can you imagine a well every 20 acres? Imagine the use of the roads. Imagine what it does to the farmland and everything else. So that should be looked into, because the oil companies will be coming back to us just as they did 10, 15 years ago, because 25 years ago we gave them leases to research and look for sour gas in the foothills, in forestry reserves, and along our parks and in our parks. Then the oil business comes back and says: "Well, look. We've spent millions. We want the right to develop these coal bed methane reserves." So that is an area that I'd like to flag for the Minister of the Environment and the government, because the Minister of Energy is putting out these leases to Canadian Hunter and a few others of similar size along the foothills and will be creeping out onto the plains and cause us a lot of troubles.

To get back to this issue, there are only a number of ways you can clean up coal, and I don't think the government has been spending the money properly for it. Very quickly: one, the

government I think has been shortchanging the Alberta Research Council in research that's going into coal; secondly, I don't think the government has worked strongly or put enough money into the whole field of research as far as clean methods of burning coal, because it's the polluting in the air of carbon dioxide and sulphur and certainly nitrogen that causes the problems, and we're not spending the money.

I welcome the member's support. I'm just sorry he belongs to a government that has such a sorry record when it comes to research on coal.

Thank you.

MR. DEPUTY SPEAKER: The hon. Member for Pincher Creek-Crowsnest to close debate.

MR. BRADLEY: I appreciate the comments the other hon. members have made. I could comment on some of their suggestions. I appreciate their support and ask all hon. members to support this motion. It's very important for the future of the Alberta economy and the world.

Thank you.

[Motion carried]

MR. DEPUTY SPEAKER: We are required by the rules of the House, Standing Order 8(3) I believe, to move to the next order of business.

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

Bill 209
Hospitals Amendment Act

MR. JONSON: Good afternoon, Mr. Speaker and members of the Assembly. In introducing Bill 209 I'd like to comment that it's a very brief and straightforward Bill. It may be something of a record in terms of brevity in that it simply changes the number "2" to the number "5" in the Hospitals Act.

Mr. Speaker, this Bill, yes, would increase the number of public members that may be appointed to a hospital foundation's board of directors from two to five. I think it's also important to point out that in conjunction with this particular change one should also look at part 4, section 69(3) of the Hospitals Act, because it sets out the overall terms of membership as far as hospital board foundations are concerned. Currently a hospital board foundation consists of the hospital board chairman, two other hospital board members, and only two other public members appointed by the board itself. So it's a fairly small group. The appointments of the two public people that currently exist are controlled by the existing hospital board. That is, in my view, quite a limited membership. In terms of public input to the process of fund-raising and the other functions that foundations perform these days, it is too limiting.

4:30

It's also important to note in the legislation, Mr. Speaker, that a bylaw must be passed by the hospital board for a foundation board to be established, so there is control there. Also, I would draw hon. members' attention to the entirety of sections 71 to 79, which set out the objects of foundations and other requirements. Section 72 is particularly important in governing the activities of foundations. It is quite specific and quite restrictive.

I mention these other parts of the Hospitals Act relative to foundations because I acknowledge that at the time this section of the legislation was passed or put in place, approximately two years ago, there was a concern that this was a relatively new initiative. It was a new type of legislation. It was empowering a body in addition to the regularly appointed or elected hospital board to get involved in some very, very important financial and other functions with respect to supporting the hospital. There was that concern that we had to be very cautious about the number of people that would be appointed to such a board beyond the existing hospital board so that there would be no conflict, so that overall control and direction would not in any way be wrested from the hospital board itself. However, Mr. Speaker, we have now almost two years of experience with these foundations, and I think we have an overwhelming number of cases and arguments for saying that they are working well. I would remind that even with this very modest amendment that is being proposed, the board of the hospital still makes the appointments, makes the decision on who is appointed to the five, rather than two, public places on the board, and as I've said before, it has the power to set out the bylaws by which a foundation will operate.

Now, Mr. Speaker, I'd like to get down to the background and the reasons for proposing this particular change in legislation. Initially, this matter was brought to my attention by members of my constituency. Within one of the hospitals in the area connected with or served in my constituency by a hospital, they have a very active and aspiring hospital foundation. They have found that particularly in a rural area, but I think this would also be the case even in the largest urban areas, the hospital board members themselves are very busy. Their first priority, as it should be, is hospital governance. Quite often the people sitting on a hospital board, if you're associated with a county or municipal district situation, are members of the county board or possibly also the school board. They have a multitude of committee responsibilities, and the duties of being on a foundation are understandably not always their top priority. They have other things that must take priority over the hospital's foundation and the work associated with it. For the most part being part-time local politicians, they also have their own professions, businesses, careers, home and community responsibilities which they have to attend to as well.

I think there is merit in expanding the opportunity for members of the public, members of the community, to serve on one of these foundation boards. For the most part, this is a volunteer position. You want people who have innovative ideas, a commitment to health care, a particular interest in the area. You want people who have good stature within the community, people who have influence, quite frankly, in being able to raise money and organize and gather support for various hospital projects. A great deal of work can be involved in a successful foundation, so there must be the availability of additional time and effort for this type of work.

I think very important here are two factors, Mr. Speaker. One is that the work of a hospital foundation is a type of activity which attracts people with a specific area of interest. They often really want to concentrate and work in this particular area. They are not interested in going into local government and making that kind of commitment and taking up that kind of duty, but they would like to serve in a direct way with respect to helping the hospital in their area. The other thing that is very much involved in the principle or the purpose behind this particular Bill is that I firmly believe that if you want people to really put out every effort and really feel involved, it's a good idea to put them in a position where they have a vote, where they have some influence on the decision-making of the body that they are serving and giving their effort and expertise to on a volunteer basis.

Now I'd like to offer for the consideration of the Assembly, Mr. Speaker, some backup information which I feel supports what's in this particular Bill. Currently in the province there are some 24 hospital foundations that have been established under the Hospitals Act. Geographically they are established in all parts of the province: Beaverlodge in the northwest, Bentley in central Alberta, Consort in the southeast, St. Paul in the northeast, High River in the southwest, Taber in the far south. So this interest in a successful hospital foundation is not something that is limited to one or two places and a limited geographic area.

A second type of representation that you see in these foundations is that it's very much a type of structure that's of interest to regional hospitals. We have Fort McMurray, Lethbridge, and the Queen Elizabeth II hospital in Grande Prairie as examples. Perhaps the major centres of interest in hospital foundations, Mr. Speaker, are the large urban centres. By way of example, we have the foundation connected with the Calgary General hospital. We have the developing foundation, along with the developing collaborative structure, that is evolving here in Edmonton relative to the General hospital, the Grey Nuns hospital, and the Misericordia. It is a matter of considerable development, broadly based interest across the province, and I would predict that we are going to see more and more places in the province wanting to develop and establish foundations.

Mr. Speaker, foundations, I believe, are going to become more important and have, as I've illustrated, become important to this point in time because of our tight funding situation, the difficult funding situation facing the health care sector and therefore the need to encourage community support and involvement. I think we see this type of interest in foundations not only in the health care sector but in the postsecondary education sector and in a whole host of other areas in this province. We need to be looking at ways of facilitating, supporting, assisting in making these foundations work effectively, attracting talented and energetic people to their membership so that their objects and their value to the health care system can be enhanced.

Since introducing this particular Bill in the Legislature – and I might add that these indications of support were unsolicited – I have received considerable response to this particular Bill, and I'd like to just give you two examples. One of the groups that has contacted me is the Capital Care Foundation, located here in Edmonton. I would like to just briefly quote from the material that they sent to me. This particular letter, signed by David Nevett, chairman of the board, states in paragraph three:

To date, we have managed to raise several hundreds of thousands of dollars each year with our small, 5-person Board; the opportunity to add a further three public members will unquestionably benefit the organization. Our existing volunteers, especially from the Board of Trustees, are dedicated and committed people, but their time for the work of our Foundation is finite, indeed limited, by the demands of their trustee duties and their professions. The addition of three new public members could have the effect of doubling the time and effort devoted to fund raising and the subsequent benefits to the residents of our Centres.

4:40

I would also, Mr. Speaker, like to quote briefly from a letter received from Ian Kay, chairman of the board of trustees of the Queen Elizabeth II Foundation in Grande Prairie. In paragraph three, once again, of their letter it states:

We wholeheartedly support your amendment to the Act to increase the number of voting members. The financial climate facing our provincial hospitals has never been greater and we, as other hospital foundations, are working hard at increasing our private and corporate donor base.

Realizing that the number one principle in fund raising is that "people fund people," increasing the number [of] Foundation members will assist us in accomplishing our objectives.

Mr. Speaker, I would like to file a copy of this letter with the Assembly. I think this illustrates that there is support out there for the amendment being proposed in Bill 209.

I'd like to go on, Mr. Speaker, to just mention some other precedents which I feel provide support for what I am trying to accomplish with this particular piece of legislation. I'd like to mention the University Hospitals Foundation. Now, this particular foundation does not come under the Hospitals Act. It's a very successful foundation. In 1990-91, according to their annual report, they raised some \$2.7 million for equipment which assists in the recovery from heart attacks and cardiovascular problems. They've done a great deal to assist with in-service education for staff, and the list of their accomplishments and assistance to the hospital goes on and on. It's very interesting to note that on their board there are 18 members. They represent a broad spectrum of community and business leaders, and the majority of the members on the board are community or public-type appointees.

Another illustration, Mr. Speaker, of precedents for the direction that I am proposing in this Bill is that we have the Foothills hospital board. It's also not covered by the Hospitals Act, and we have five community or public members on that particular foundation board, right in keeping with the clause in this particular Bill.

Now we go on, as another illustration, Mr. Speaker, to the Royal Alexandra hospital, located here in Edmonton. This is a very interesting one in terms of a foundation. It was evidently formed in 1984 under the Companies Act. They have 20 members on their board, only two of which must be hospital board members, so you've got 18 community or public appointees there. I understand that that hospital board has been given special status by Alberta Health and also is functioning very, very well.

Lastly, in terms of my illustrations by way of precedents for this amount of public involvement, I'd just like to mention the Lethbridge hospital and Fort McMurray. Now, Mr. Speaker, in both of these cases prior to the coming into effect of this particular part of the Hospitals Act, those hospitals had much larger foundation boards with many more public members than are currently allowed for in the legislation. They have, I understand, conformed to the legislation, but I would estimate – and this is only my personal estimate – that they would have preferred to have kept their much larger foundation boards.

One other illustration I would just like to mention is that it's my understanding that with the foundation which is being worked on here in Edmonton related to the Grey Nuns, Misericordia, and General hospitals coalition, the foundation involved there is very, very interested in pursuing an exemption to the Act, because they see themselves being faced with a major task and want to be successful in terms of raising funds for the great responsibilities which are going to be associated with them in those three health care institutions. They certainly are lobbying for much broader representation on the foundation that they're working on than two public members.

Mr. Speaker, I think we could also reflect for a moment on a whole host of other foundations across this province, where in some cases the structure is such that except perhaps for a chairman from some other elected body or level of government, the majority if not almost the entirety of the people serving on that particular fund-raising foundation are certainly people who have volunteered, who've been given the status of full board membership and work hard and very, very successfully on the particular foundation's objectives.

I note in the universities foundations legislation which was recently dealt with in this Legislature that although the Legislature has established a rather small board there in that it only has five members, only two out of the five are from the actual universities; the other three are public appointees made by the government. At least the ratio there shows, I think, that we as a Legislature do not consider it, in this particular case at least, as harmful to have the majority of people on a foundation board being public appointees.

Also a very successful and exciting initiative, once again through the government, is that of the Science Alberta Foundation. There again, Mr. Speaker, you have the majority of people working on that very innovative and successful body being people drawn from the general public of this province and not necessarily members of this Legislature or members of some other elected body of government.

I'd like to conclude my remarks and invite the participation of other members with these two or three concluding statements. First of all, Mr. Speaker, I think that if you are going to serve on a council or committee, it's very important that you be able to be fully involved, that you be able to have some part in the decision-making process, and then I think there is the incentive to get fully involved, to commit your total time and effort, and to be a very, very, very effective board member, much more so than if you are acting in an ex officio capacity and you do not really seem to be part of the action as far as the decision-making process is concerned.

Secondly, Mr. Speaker, I feel that we have adequate experience now and adequate precedent established in the province to put to rest some of the concerns that were expressed at the time when this legislation was put into place.

The final item that I would just like to mention, Mr. Speaker, is that as all members of the Assembly remember, it was not that long ago that we had the Hyndman commission. I was looking at the brief that was presented to the Premier's Commission on Future Health Care for Albertans. That brief was prepared and presented by Myrna Fyfe, from the University Hospitals Foundation, and Joan Laurie, from the Glenrose rehabilitation hospital. It was supported by nine hospital boards or foundations within the metropolitan Edmonton area, and I would like to just mention two sections from the brief.

First of all, on page 6 of that particular document, Mr. Speaker, it states:

Some Alberta hospital foundation boards which are not affected by this legislation have been very effective in attracting the energies of community leaders who are dedicated and experienced in fund development. By assembling a larger board with a direct, specific focus on development, these organizations have advanced the causes of their hospitals very successfully.

There they were referring to some of the examples I previously mentioned.

Finally, in terms of referring to this brief, Mr. Speaker, the fourth recommendation that this very important group made is that the legislation governing the structure of hospital foundation boards should be reviewed and amended to promote greater participation by community and corporate leaders.

On that note, Mr. Speaker, I conclude. I await with interest the comments of other hon. members, and I ask for their consideration and support.

4:50

MR. DEPUTY SPEAKER: The Member for Edmonton-Highlands.

MS BARRETT: Thank you, Mr. Speaker. The member sponsors an interesting Bill. Unfortunately, it's done outside of the context of what's really going on in health care these days. That subject

was not addressed. What the member is really talking about here is hospital boards that cannot get appropriate funding to meet the needs of health consumers in the province and having to go to the so-called charitable sector to raise additional funds. This is a problem.

I remember a postcard that I had many, many years ago that said something to the effect that wouldn't it be a great day if armies had to have bake sales to fund themselves for war. I think there's a parallel here. What's going on in the health care system and in a lot of other areas of service to the public is that the responsibility for operations is being transferred one more time back to the taxpayers, this time through the charitable donations system. See, the taxpayers are getting it twice, in my opinion. They pay their taxes; they pay their health care premiums. Those premiums go basically into the doctors' pockets, okay? They pay their premiums; that's going to be half of the health care system. Now the government wants us to go out and go to the taxpayers one more time and say: do bake sales; go beg, borrow, or plead for money because the hospital facility doesn't have enough government funding. Well, that's going back to the taxpayers, and I oppose that in principle. I think the member sponsoring this Bill should recognize that in his comments.

Let me just put this in another context. We've got a government that buys and sells, buys and sells. A little telephone company should be an insignificant amount and ends up costing, at the very minimum, \$566 million. That's how much the government is saying they lost on NovAtel. Our figures indicate more like \$840 million. When the public accounts are out in a few years, I'll be on the government side by then, Mr. Speaker, and I'll be only too happy to open up to the opposition Conservatives and show them the public accounts and how much they cost the people of Alberta. Well, \$566 million or \$840 million would go a long way in serving the health care system, particularly as it reorganizes, so that you don't have to have foundations that go out to beg, borrow, and plead for money from the people who have already paid for the system in the first place. Let's not forget that important point.

Now, on the subject of the boards themselves. If you've got a small foundation and it's already busy because most of them are already board members, obviously you need to expand the foundation so that they can do their work. I've got no problem with that. I've got a problem with the existence of the foundations. We should be going to the Health minister. It's too bad she couldn't be here today, but we should be talking to her and the Premier and the Treasurer, who seems to run the show around here, and tell them that this is nonsense. What are we going to do, ask for lottery funds next? Don't be surprised. Yeah, I see the member raising his eyebrows. [interjection] Pardon me?

MR. JONSON: The hospitals are already getting some.

MS BARRETT: They already do? Exactly. There you go.

We're going to get Ladbroke's in here next. I can just see it now. We'll have a betting system on everything: see which hospital gets to survive; see which one gets to reduce or eliminate its queues and which one doesn't. I mean, that's what we're talking about here. This is nuts.

Fix the health care system. You don't need foundations like this. Remember, they're going after the same dollars, after the same taxpayers that are already footing the bill for the system, Mr. Speaker. If you've got a problem with the system, fix the system. Don't add another appendage that doesn't address the system; it just helps feed it. That's not going to help. That's not the problem here. The problem is that government priorities have

led to, first of all, building hospitals in remote communities, knowing that they would be underutilized, and then having the stupidity to not turn them into community care facilities which offer a range of health care services to local people. Dumb, dumb, dumb. Then they go and buy telephone companies. Buy and sell and buy and sell. Then we get ad hoc giveaways from the Department of Economic Development and Trade that add up to nearly \$2 billion in a two-year period. Mr. Speaker, we can't afford this government anymore.

Yeah, this is probably a good idea, to support this concept of Bill 209; they need more people. But at the real bottom line they shouldn't even have a foundation; they shouldn't need a foundation. It's not going to solve the problems of the government in the long run. The only way we're going to solve the problems that the people of Alberta, the taxpayers, are facing right now is to throw these rascals out. And that is what's going to happen, Mr. Speaker.

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

MRS. HEWES: Thank you, Mr. Speaker. This Bill on the surface looks innocent enough. One has to say, well, what's wrong with changing the number from two to five? No problem with the principles here that the member has spoken to, the need for involvement of citizens with special skills and interest in institutions of our community. That's all very good and very positive. If foundations are a fact of life, then the amendment's okay, but my problem is the notion of foundations in the first place. I've spoken publicly about this and raised this concern on many occasions.

We're not talking here, Mr. Speaker, about hospital auxiliaries. We're not talking about a group of good citizens who are trying to provide extra services to an existing institution, to provide library or special needs for patients in the hospitals. That's not what we're talking about at all. I'm the first to acknowledge the wonderful work of volunteers in our communities and particularly in human services institutions, the volunteers who serve on boards of hospitals and in hospital auxiliaries and have for decades, and those who work to raise money for extras to make hospitals more humane and livable places for those who have to be in them. But we're being forced in this province into this new form of foundations by the resource squeeze, and more and more hospitals are going to be forced into developing foundations by the very severe competition that arises around them.

It gets to be a bit ghoulish, Mr. Speaker. It depends on sort of who dies in your institution or who survives in your institution, where their connections are and how well they are able to help people to understand the importance of that institution to their life or to their family member. Bequests have always been possible. Bequests to institutions when somebody has had good treatment or cares about the treatment they've had or when someone dies in an institution have always happened, and they have always been welcome. Mr. Speaker, what we're doing here with foundations is putting the well-supported institutions into direct competition with less supported institutions for better equipment. It's a very circuitous way of funding health care that I think raises real questions in the minds of Albertans.

5:00

I think we have to be worried about the proliferation of foundations, whether they're in health care or in education. They are putting immense pressure on charitable organizations and on charitable dollars, which are drying up. Albertans, Mr. Speaker,

are very generous people with their charitable dollars, and, to be sure, these many institutions are well deserving, but they're now dependent upon charitable dollars. These are institutions that by their nature are and should continue to be, and by statute, tax supported. We're not talking about supplying extras; we're talking about the government gradually, in my view, abdicating its responsibility and a gradual trend towards removing government responsibility in favour of the responsibility of the foundation. To be sure, at present one could say they are only raising funds for special needs, for special heavy-duty equipment that is beyond the normal budgetary access of the institution, but it's only a baby step from there to the fact that if they've got a nice little nest egg, they're going to be expected to use it for operating funds. That's a trend that is very, very visible.

We're not talking here about a group of kind volunteers from the community; we're talking about aggressive, competitive, sophisticated, professional fund-raisers. They're coming into being in all the major institutions in our province: health care institutions, extended care, acute care, and educational. They are competing with one another in a very professional, sophisticated manner, using very professional techniques, and they are in direct competition not only with one another but with those other charitable organizations that have long vied for the dollar using only volunteers who get together and come to our doors selling light bulbs or chocolate bars to try to keep their very worthwhile organization going. They're now being put into competition with professional, commercialized, highly sophisticated fund-raisers. This is no criticism of those institutions that have formed foundations and hired people to do the task. This is simply saying that they have been forced into it by the very existence of foundations in the first place. They have no choice; they now have to compete with other institutions.

Mr. Speaker, I'd be remiss if I didn't caution the members of this House about what we're doing here. I believe the trend in this direction causes considerable alarm and should cause a great deal more alarm in this Legislature than it has. I don't have any problems with the member's idea of increasing the numbers from two to five, but I do have immense problems with the principle behind that move, the principle that suggests that the government can very quietly and very steadily move out of the business of its real responsibility, the taxpayers' responsibility, in funding health care and educational institutions in our province. I think it's a dangerous direction and a very slippery slope that we're going down. Unfortunately, this Bill in its innocence simply adds to that.

MR. DEPUTY SPEAKER: The hon. Member for Drayton Valley.

MR. THURBER: Thank you, Mr. Speaker. It gives me distinct pleasure to stand in support of my colleague's Bill 209, the Act to amend the Hospitals Act. Before I get into the amendment specifically, I would like to make a few comments regarding the current state of health care in Alberta and the importance of the fund-raising efforts of hospital foundations around this province.

Mr. Speaker, the Alberta government expects to spend more than 4 and a half billion dollars on health care in this budget year, and that includes the grant increase of 4 percent for health service institutions. A special focus is being placed on the areas of home care and family violence, immunization, and a variety of other things that have come up. In accordance with this government's policy that health care premiums cover 50 percent of the basic health care services, premiums have been increased by 4 percent to meet that need. I personally believe it is very important that all Albertans know what that cost is that is paid by the rest of the

taxpayers on their behalf. Our health care budget is the largest expenditure of this government. We're reaching 30 percent or better of the total expenditure in a year. It is growing consistently more expensive to maintain health care for Albertans at its present high rate.

In light of this growing experience in this period of fiscal restraint, the efforts of hospital foundations become ever more important to the health care system. Foundations help to secure additional funds to better serve their patients, and in some instances they're better able to help with funding to obtain cutting-edge equipment, technological advances that are needed in a specific hospital. For example, Mr. Speaker, the Grande Prairie hospital foundation was able to contribute nearly \$60,000 towards the purchase of – I don't know if I can pronounce this properly or not, but it's something to do with laparoscopic . . .

MRS. MIROSH: Cholecystectomy.

MR. THURBER: Okay. Thank you, ma'am. She corrected me, and I'm not even going to pronounce what she corrected.

This laparoscope will greatly expand that hospital's ability in the area of gallbladder surgery. Purchases of high-tech equipment such as this help to increase a hospital's ability to care for the patients in that area.

Foundations also provide help with other purchases in areas that are not strictly medical in nature. The Capital Care Foundation in Edmonton was able to assist in the purchase of a van for their Lynnwood extended care facility. This van will provide transportation for long-term care patients to go out and interact with the community around them. These activities help to boost patient morale and help with the healing process in a way that doctors simply cannot. Mr. Speaker, the role of foundations in public education should not be ignored. They can help educate the public in areas as simple as basic fitness and proper diet to proper estate planning and the value of signing organ donor cards. There are many areas where a foundation is of vital importance in a community.

Achievements like these are not free. They come about as a result of hard work and dedication by employees and volunteers to involve the community in helping their hospital and their area. During these difficult financial times we live in, foundations must compete with all other kinds of organizations trying to access a public with a finite amount of money to donate, and this gets tougher as the recession gets deeper. Albertans have always shown themselves ready and willing to volunteer their time and money to worthy causes, but these times are putting a strain on all of us, Mr. Speaker, in the financial area. It is a credit to Alberta hospital foundations that they have proven themselves not only able to continue fulfilling their mandates during these times, but many of them will be able to grow and expand because of these foundations. The Grey Nuns foundation, which covers the Edmonton General, Misericordia, and Mill Woods hospitals in Edmonton, was able to double their donations to \$1.2 million in 1991. Now, that's a considerable donation and certainly helps the health care system as a whole. The Fort McMurray hospital foundation was able to gather approximately \$250,000 from a community that has almost no outlying areas to tap for funds.

Successes such as these come about as a result of close ties both to the community at large and to businesses, corporations, and charity clubs in the area. Hospital foundations must be allowed to continue to maintain and improve these ties if they are to remain effective. The best way for foundations to accomplish this is to involve as many members of the community as possible. Community members are invaluable in keeping a foundation

vibrant and in touch with the people they serve. These people can be utilized simply as volunteers at fund-raising events or as other help in fund-raising drives, or they can be allowed to sit on the foundation. This is all that this Bill speaks to, to allow them to sit in an equal capacity on the foundation. They can often be best utilized at a decision-making level, where their efforts can really be seen to make a difference. Many of them may simply be unwilling to give their valuable time to organizations which are not willing to recognize them or let them be involved at the decision-making level. This is what makes Bill 209 so valuable. Many hospital foundations feel a very palpable need to involve more community members at the board level.

5:10

The current legislation allows foundation boards to set up community members on advisory committees as secondary members and as workers, but it does not allow the foundations to really involve them as equals. As a result, Mr. Speaker, there's a wealth of potential that should be tapped, especially during these times. There are a lot of community people out there who should be involved at the board level to really be able to utilize what they have to give and to maximize their efforts. Many boards with an expanded community membership would find themselves with greater reserves of experience, ideas, and ties to the community, which would make them much more efficient and effective in the best interests of foundations.

Mr. Speaker, in spite of the allegations by the hon. Member for Edmonton-Highlands, there are people out there who actually want to donate time and effort and money to a local hospital to help them acquire specialized equipment which is needed only in that community. It seems that the NDP philosophy is to close hospitals in rural Alberta. If that's their policy, I would certainly like everybody in rural Alberta to see that in print, because I'm sure that's not the case in rural Alberta.

MR. DOYLE: You're the only one that's putting it there.

MR. THURBER: You betcha, and we'll continue to put it there.

The people in my constituency, Mr. Speaker, need hospitals just as much as the people in the urban areas, and in my belief they have just the same right to access good health care as our urban friends. We don't like being treated as second-class citizens. We have many opportunities in rural Alberta to try and take care of our long-term care patients, and that's where they should be taken care of. It's not everybody in rural Alberta that wishes to be sent to the city of Edmonton, where they're away from their friends and their loved ones and their doctors even, and put in long-term care facilities in the city.

This Bill, Mr. Speaker, just facilitates an opportunity for participants in serving their community at an equal level in whatever capacity they can. They deserve recognition. This enables boards who would like to retain their current balance of three hospital board members and two public members and two community members to remain the same if they choose. All Bill 209 does is allow hospital foundations to increase their strength in the community area if they choose to do so.

In conclusion, Mr. Speaker, during these times our government is doing all it can and is asking Albertans to do all they can to ensure that our health care system remains Canada's best. We have an ongoing process in place at the moment where all hospital boards and all health care givers are communicating together and co-ordinating their efforts to this aim, to try and preserve this system, and we must do it to the best of our ability. Bill 209 would certainly help them maximize their strength and fulfill their

goals, goals which help all of us. I urge the Assembly to join me in supporting Bill 209.

Thank you.

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

MR. DOYLE: Thank you, Mr. Speaker. I had to step out for a moment, and listening to the Member for Drayton Valley, I was surprised to hear him talking much differently than the mayor of Drayton Valley, Mayor McGee, who feels much the same as I and others do, that quite often people in Alberta are very much overrepresented. Awhile ago I heard the Member for Drayton Valley say that he supported the mayor of Drayton Valley, that there are too many people representing people in Alberta now. Indeed, Mr. Speaker, the volunteers in rural Alberta do assist a lot in the decision-making process as well as the hospital boards. But the New Democrats at no time said that they did not want hospitals in rural Alberta; in fact, we need hospitals in rural Alberta, but we don't need just band-aid clinics.

Mr. Speaker, we do hear about hospitals in rural Alberta from the Conservatives every time there's an election called or shortly before. I recall in the riding of West Yellowhead that there was supposed to be a place built for seniors, extended care wings on the Hinton hospital, for instance, and on the Edson and Jasper hospitals. Those were election promises in '83, '86, and '89. Those haven't happened. In fact, they promised a new hospital at Edson. I moved to Edson from Athabasca in 1979, and they were just finishing the hospital up at that point. Last time around, of course, the Member for Whitecourt was around there holding hands with all his old Tory friends and telling them that he was going to build this hospital along with the former member and meeting privately with the hospital board without consulting the people.

Well, where's the hospital they were going to build, Mr. Speaker? I mean, they were looking for land; they were doing all kinds of things around there, saying they were going to build this hospital. The New Democrats said that we have to build on need, where they're needed, not just where some politicians profess they must go ahead and build these hospitals just to attract votes. We care about the health and well-being of rural Albertans, and we care that money is spent in a proper fashion only when it's needed. There are many municipalities in Alberta that have hospitals they can't staff, so putting more people on volunteer boards is not going to help resolve those problems. There are elected people on hospital boards that will make those decisions.

The Member for Drayton Valley – I was quite surprised, I might say, to hear he doesn't support his mayor that the people of Alberta are already overrepresented through all kinds of volunteer organizations, elected school boards, and summer villages, for instance. What do you need councils in summer villages for when you have improvement districts or MDs or counties looking after those little areas? I know of one where I have some property in Athabasca-Lac La Biche riding where there are five summer villages on a little lake. What does that benefit? Nothing. It costs the people of Alberta all kinds of unneeded expenditures on overrepresentation.

Mr. Speaker, I stand behind the Member for Edmonton-Highlands. The New Democrats do support hospitals where needed in rural Alberta or anyplace else in Alberta.

MR. DEPUTY SPEAKER: The hon. Member for Calgary-Bow.

MRS. B. LAING: Thank you, Mr. Speaker. It's a pleasure to rise today to speak in support of Bill 209. The duties of the hospitals and hospital foundations across the province are very diversified and wide-ranging these days, and we all know that there is a crisis in the health care system. We have one of the best health care systems, I believe, in all of Canada, but the costs are steadily rising to the point where taxpayers are going to have difficulty helping to supply funds that are necessary to keep the quality in our health care field.

We do have to look at other ways of raising money. Partnerships are what are needed now. We have to have several different groups working together, and a foundation can be a very important tool and a very helpful part of the health care system. They have many responsibilities, and they have different needs. Some of the hospitals need world-class equipment or an upgrading of their hospital, and the foundation can help raise the extra funds for some of this more updated equipment. For a large number of the hospital foundations in existence today, the small number of members on the boards do make it difficult to reach out and reach a wider range of contacts and to access some of the help that could be very useful to the hospital.

There are many reasons why the hospital foundations exist. Sometimes it's to build a special facet in that hospital such as perhaps a special children's wing, which, although it's above the basic care needs, is very worth while and very nice to have in that hospital. Sometimes people are willing to go out and reach for a vision and put their money and their talent and their time into seeing that vision happen. I think if you look at the children's hospital in Calgary, that is a good example of where you have the whole community behind a particular hospital. In the past those children were looked after in the individual hospitals. They were receiving good care, but people saw the vision of a special hospital for children where the children could be brought together, where the decorations could be suitable for children so that children would feel secure and happy, and they worked together to build that hospital. Although you might say that foundation isn't needed, I think we have an excellent hospital as an example of what a foundation can do.

5:20

To many of the communities they serve, that foundation is a way of raising public awareness. When they have a fund-raising effort, they're also helping to raise awareness. Yesterday was McHappy Day in Calgary, and many dignitaries and sports figures and people of the media participated by donating time to go down and help in McDonald's. They probably got in the way of the hamburger makers as much as helped, but the money that they helped to raise was very significant. You know, everyone knows about the good things that are done in Ronald McDonald House, for instance. If you didn't have foundations and fund-raising, that would be an add-on to the basic health care system that we might not have. So I think in many ways it's helping to enrich the basic system, and by going out and having special events like McHappy Day, you're also raising people's awareness of the need for the particular disease. Muscular dystrophy, for instance: the telethon has really raised the awareness of everybody in the community of that disease and the things that can be done to help people who suffer from that.

I think the foundation has a very excellent place in helping to raise money for needed services, but also to help raise money for the enrichment of the health care field, which we would not be able to do. By asking people to serve on the foundation, we are using their expertise and their leadership. They are donating their

time; not only that but also their credibility. They are usually leaders in the community, and that credibility that they have in their leadership and their role in business or in the humanities transfers over to the foundation, and it's a very important link with the community.

Everyone, I know, in this Assembly is aware of the importance of volunteers in our province, and our recent Volunteer Week serves to underline the value of volunteers to organizations, particularly during these very difficult fiscal times. The value, though, is not just financial; it's quite often just a large range of things that they do. They might have a contact with the media that gets a very positive story out on a particular situation. They might have skills in speaking that are very, very excellent; they might have organizational skills that come to the foundation and help them to put on very successful events. They often dedicate long hours and give very, very freely of their time and their energy to a cause that they believe in.

They also, as I say, serve a very strong public relations role. They can serve as public educators, helping to keep people informed about health issues and encouraging people to take part and to become part of it. I think if you have a role to play, you're much more involved, you're much more interested, and if we can help them by expanding the number of memberships on that board, then it expands the opportunities as well to reach out to the community and to bring in other people as well.

They may also have other advisory groups helping them on a particular project, so you expand the role of the volunteer by involving other volunteers as well. They remain very relevant, they involve community members at all levels, and they really can make a difference. We get a large number of people working together for a common goal, and we all know that that is a very powerful force to help with change. I think that if a community believes something is worth while, then they have every right to work for it, and I would encourage them to put their efforts into working and helping in a very noble cause, the health care of their fellow citizens.

Someone said that the goal of the hospital foundation clashes with what government should be doing, but I think today we have to accept the fact that government is limited in its financial powers. It needs to form partnerships in collaboration with all members of the community to do the things the community wishes to have done. I believe most people in the community are very willing to take that role and to contribute to a worthwhile cause, such as the hospital or the hospital board.

I would like to move adjournment on the motion. Thank you.

MR. DEPUTY SPEAKER: The hon. Member for Calgary-Bow has moved that debate be adjourned on this matter. All those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. DEPUTY SPEAKER: Those opposed, please say no.

SOME HON. MEMBERS: No.

Point of Order Imputing Motives

MR. DEPUTY SPEAKER: Before recognizing the hon. Deputy Government House Leader, the Chair would like to deal with the point of order that was raised earlier. The hon. Provincial Treasurer raised the point of order earlier today based on comments made by the hon. Member for Edmonton-Glengarry. The Chair has had the opportunity to examine the Blues to determine if the words spoken by the hon. Member for Edmonton-Glengarry were either unparliamentary or imputed false motives.

As explained by the Chair earlier, *Beauchesne* 490 and 492 established that the word "cover-up" is uncertain. At one point in 1977 the word was found to be parliamentary on one occasion but was the subject of a caution from the Chair on another occasion in the same year in the House of Commons. In the Alberta practice the decision of the Chair is more clear. The word "cover-up" was ruled unparliamentary on December 10, 1990, by Speaker Schumacher. On that occasion the member was required to withdraw the term. In this instance, the Chair will rule that in light of the context of today's proceedings, a stern warning to the hon. Member for Edmonton-Glengarry is warranted. Language must be "temperate and worthy of the place in which it is spoken."

There is one matter, however, which causes the Chair some concern. The Member for Edmonton-Glengarry in responding to the point of order cited numerous references, being *Beauchesne* 409, 409(3), 409(4), 409(5), 409(6), 410(5), 410(10), and 410(11). While these references generally refer to the function and necessity of question period, the Chair finds nothing, not a single citation from the hon. Member for Edmonton-Glengarry, which had the slightest relevance to the Provincial Treasurer's point of order. Quoting numerous citations having nothing to do with either unparliamentary language or imputing false motives was a waste of the House's time and created a misleading picture that the member was rising to refute the point of order on a matter of substance. That was certainly not the case.

Again, the Chair would like to caution members that they will be reprimanded by the Chair for quoting meaningless and irrelevant citations, but also I think we should bear in mind that whatever words we use here should be worthy of the place in which they're spoken.

MR. GOGO: Mr. Speaker, by way of information, when the House sits this evening, we'll deal with second reading of Bills on page 2 of today's Order Paper, beginning with Bill 23, followed by Bill 18, and then those in order.

[The Assembly adjourned at 5:29 p.m.]

