

Legislative Assembly of Alberta

Title: **Monday, June 8, 1992**

2:30 p.m.

Date: 92/06/08

[Mr. Speaker in the Chair]

head: **Prayers**

MR. SPEAKER: Let us pray.

We, Thine unworthy servants here gathered together in Thy name, do humbly beseech Thee to send down Thy heavenly wisdom from above to direct and guide us in all our considerations.

Amen.

head: **Introduction of Visitors**

MR. ADAIR: Mr. Speaker, I'm privileged today to introduce to you and through you to members of this Assembly His Excellency Fadhil Mbagi, high commissioner for the United Republic of Tanzania. His Excellency was appointed high commissioner to Canada in August of 1991 and is making his first official visit to our province. He has led a distinguished career which has included his most recent position as the principal secretary in the office of the Prime Minister of Tanzania and serving as an economist in the ministries of Economic Affairs and Development Planning, Finance and Planning, and Industries.

Alberta and Tanzania have a long history of co-operative relations. In 1991 Alberta exports to Tanzania were approximately \$105,000. Since 1974 Alberta has contributed just under \$1.2 million to Tanzania through the Agency for International Development to assist with a variety of projects ranging from refugee resettlement to vocational training for rural women to establishing a fresh water supply, adult literacy programs, and agricultural development. While in Alberta His Excellency will be briefed by officials on our province's resources, capabilities, and interests in Tanzania.

I would ask His Excellency to rise in the Speaker's gallery and receive the warm welcome of this Assembly.

head: **Introduction of Bills**

Bill 262

Equal Pay for Work of Equal Value Act

MS M. LAING: Mr. Speaker, I beg leave to introduce Bill 262, a Bill entitled Equal Pay for Work of Equal Value Act.

It would bring into both the private and public sectors provisions for pay equity and would go some way in addressing the issue of women's poverty.

[Leave granted; Bill 262 read a first time]

head: **Tabling Returns and Reports**

MR. SPEAKER: The Solicitor General.

DR. WEST: Yes, Mr. Speaker. I'd like to file four copies of an answer to Written Question 279.

MS BETKOWSKI: Mr. Speaker, I'd like to table the annual report of the Alberta Association of Optometrists for the year ended December 31, 1990.

head: **Introduction of Special Guests**

MR. ROSTAD: Mr. Speaker, it's my pleasure to introduce to you and through you to the Assembly 19 delightful grade 6 students from the Bawlf school. They're accompanied by their teacher Mrs. Margaret Piro and bus driver Mr. Allan Kennedy. They're seated in the members' gallery. I'd ask that they rise and receive the cordial welcome of the Assembly.

MR. SPEAKER: Innisfail, followed by Calgary-Forest Lawn.

MR. SEVERTSON: Thank you, Mr. Speaker. It's a pleasure today to introduce to you and through you to the rest of the members of the Assembly a group of 47 seniors from Big Valley, Elnora, Delburne, and the Red Deer area. Their organizers are Maureen Gongaware and Martha Temple. They are seated in the public gallery, and I would ask them to please rise and receive the warm welcome of the Assembly.

MR. SPEAKER: Calgary-Forest Lawn.

MR. PASHAK: Thank you very much, Mr. Speaker. This is one of those rare opportunities in which I get to introduce guests from the city of Calgary. I'd like to introduce to you and through you to members of the Assembly two cousins from the city of Calgary, Mrs. Dolores Michaud and Wilda Pashak. I'd ask that they stand and receive the usual warm welcome of the House.

MR. DINNING: Mr. Speaker, we are honoured today to have a number of Canadian visitors from the province of Quebec. They have been in Alberta for the last week visiting under the auspices of the Voyageurs Canada program, a particular brainchild of the federal government through the Secretary of State's department giving Canadians an opportunity to be with and talk with and live with their fellow Canadians in other parts of the country. They are 55 in number. They're joined by group leaders and helpers Isabelle Arsenault, Pierre Lachance, Marie-Paule Therrien, Helene Coates, and Brenda Thomlinson, and they're joined as well by Margaret Pade, who spends a great deal of her time in this Assembly as well. I'd ask them all to rise and receive the warm and cordial welcome of all members of the Assembly.

head: **Ministerial Statements**

National Transportation Week

MR. ADAIR: Mr. Speaker, I welcome this opportunity to remind members of this Assembly that this week we celebrate for the 23rd consecutive year National Transportation Week. During this special week we recognize and salute the contributions of more than 1 million Canadians in the transportation sector, including several thousand here in the province of Alberta. These people meet the daily challenge of ensuring that our transportation system is not only efficient and reliable but responsive to the needs of its customers, you and I and all Albertans.

This year the government of Alberta reached a remarkable milestone in the development of our highway system by completing its 10-year commitment to provide two divided highways with the trans-Canada designation across the northern and southern segments of our province. The Yellowhead Highway 16, stretching 561 kilometres from Lloydminster to the Jasper park gates, was officially opened just last month. It created during its time 4,500 person-years of direct employment and 5,500 years of indirect employment.

Tomorrow afternoon I have the honour to officially open the newly twinned Trans-Canada Highway 1 at a special ceremony being held at the Ranchland Teepee rest area, midway between Brooks and Bassano. We have twinned almost 260 kilometres of this highway creating at the same time about 1,800 person-years of direct and 2,200 years of indirect employment.

Completion of these two major projects on budget and on schedule is a tribute to the successful partnership between government and Alberta's private-sector construction industry. Many, many talented individuals worked on these projects, Mr. Speaker, overcoming numerous physical problems in the process. Indeed, these people understand now only too well that our need for transportation is matched only by the difficulty of providing it.

MR. MARTIN: Way to go, Boomer. Clap for yourself. Nobody else will.

Mr. Speaker, I would like to respond to the ministerial announcement, and as usual with ministerial announcements it's always hard to disagree with what's in it. I certainly agree with the minister that this is a major job creator in both rural and urban Alberta, but I'd like to be a little more specific and talk about something that's happened, especially in our two major cities, with the cutbacks in the transportation grants. Now, I know that it's been worked out that some of the major projects will go ahead in the cities, but I want to tell the minister that's still creating some problems because they've really raided the AMPLE grants, which has significant impact in the future for us, especially representing an inner city. It can also be a major job creator in the long term.

I'm saying, Mr. Speaker, that while we agree that transportation is important, we agree with some of those major projects going ahead, the AMPLE grants do perform a very important role for job creation, plus lighting and such things for the inner city. So I'd ask the minister to relook at this whole problem. No, it's not going to change in this budget year, but I really would make it a high priority, if we could, in the next budget year.

Thank you.

head:

Oral Question Period

2:40

NovAtel Communications Ltd.

MR. MARTIN: Mr. Speaker, this government has admitted losing at least \$566 million on NovAtel, but just as importantly we have another \$216 million that may be at risk through the so-called systems financing portfolio that none of the rest of the private sector was willing to touch. I'd like to take a little closer look at the systems financing mess. It looks like most of this had to do with harebrained schemes in the United States. I would like to file with the Assembly a copy of an article from the *Rural Communications Magazine* about the financial arrangement between NovAtel and GMD Limited. It's quite vivid, sort of biting the hand that feeds you. Now, this is about a financial arrangement between NovAtel and GMD Limited Partnership of Greenville, North Carolina. The key thing that it reveals is that NovAtel may be in contravention of U.S. communications regulations if it is forced to take an equity position in this company. To the minister of technology: was it the practice of NovAtel to obtain equity as security for its financing of these rural cellular phone companies in potential contravention of U.S. law? What kind of security is that?

MR. STEWART: Well, Mr. Speaker, the business of systems financing is carried out by all of the players in cellular systems in the United States. It operates much the same way as the General Motors Acceptance Corporation of financing does in relation to the

sale of cars. It's a marketing feature, and one that has proven very valuable.

Insofar as the security is concerned, each and every sale where financing is arranged is secured firstly by the security back on the equipment purchased; secondly, by the exclusive licence that is obtained by the purchaser and held by the purchaser, which has very good value; and then thirdly, by the shares of the company itself, which are pledged as security, a third base of security.

MR. MARTIN: Mr. Speaker, that's precisely the point. That could be in contravention of the U.S. law. That's what this article is all about. Is the minister not aware of that? They were throwing good money after bad as late as March of this year. GMD received more than half a million dollars from NovAtel. This is not their money; it's the taxpayers' money.

Beyond the contravention of the law, I guess the question here is: in the first place why was NovAtel handing out loans of Alberta taxpayers' money for rural development in the U.S.A? This is especially ironic when we know how deeply in trouble rural Alberta is.

MR. STEWART: Well, Mr. Speaker, they were not handing out money. It was a basis of financing for sales made, as I say, much the same way as General Motors Acceptance Corporation operates. It's not much different.

The hon. leader continues to raise these matters before us for political purposes and grandstanding. We've had many examples of that. In fact, each day he has a new revelation, something that is already in the public's knowledge or is on file at any place of public reporting or registration. In fact, I think one would say that there have been so many red herrings floated by members opposite that we could almost start a new fishing industry.

MR. MARTIN: Mr. Speaker, we can go on for months with new revelations on this matter, months on government incompetence and wasted money, and we will do it too.

Let me just move on from there, Mr. Speaker, to Mr. Fixit, the Treasurer. In the past this government has used numbered companies to hide its financial dealings, Softco being a good example. We can't get a public inquiry because the government doesn't want the truth to come out, so we have to do the job for them. Now the provincial government has rolled the NovAtel systems financing assets into another holding company. My question, then, to the Treasurer is simply this: the Premier refuses to call a public inquiry, but will the Treasurer at least assure Albertans that full NovAtel systems financing information will be provided to the public through the public accounts, or will this government once again operate in secrecy by holding only a majority position in a numbered company? What's it going to be?

MR. JOHNSTON: Mr. Speaker, I must agree with the Member for Edmonton-Norwood that in fact the province does put forward all the information relative to – in this case he made a specific reference to Softco, which is a real estate holding company which was funded by the federal government when this province stepped in to secure the assets in North West Trust to continue its viability. That information has been filed in the Assembly, and therefore, first of all, the member's position is quite wrong when he suggested that it isn't provided.

Secondly, Mr. Speaker, we have not yet fully decided how we will handle the workout on the financing loans that the member referred to. What I can say, and I can give a commitment upon it: I know that the Auditor General, the independent servant of this Legislative Assembly, will in fact put forward in his report the

way in which the province has treated and handled the management of the assets, sometimes referred to as the finance contract, which are part of the NovAtel transaction.

I'll tell the House at this point, Mr. Speaker, that it is our intention to try to manage these assets through North West Trust, who has a facility for handling these kinds of transactions. Therefore they'll be the vehicle to handle the workout of these transactions, and through the Auditor's report you'll see this depicted and shown, and that'll be part of his report to the Assembly.

MR. SPEAKER: Second main question, Leader of the Opposition.

MR. MARTIN: Clearly, we're not going to get the answers. That's what it comes down to, Mr. Speaker.

I'd like to designate my second question to the Member for Edmonton-Highlands.

Day Care System

MS BARRETT: Mr. Speaker, I'm sure all members of the Assembly are now aware of a tragic incident which took place Friday at a day care in Edmonton resulting in the death of a little girl from a playground injury at that day care. In raising the subject, I'd like to indicate my sympathy and, I assume, the sympathy of all members of the Assembly to her family and friends and all the people at the day care centre. There is a government-related issue here, and that is that a year and a half ago the Alberta government decided to change the regulations of the child/staff ratio governing the rules at day cares. Toddlers used to be in a category where they had one worker for every five toddlers, and the ratio was increased to 1 to 6. I'd like to ask the minister responsible if he'd be prepared to reverse that rule and bring us back to a 1 to 5 ratio for toddlers at day cares.

MR. OLDRING: Mr. Speaker, I appreciate the concern that the Member for Edmonton-Highlands has expressed as it relates to this tragic incident. I can tell the member that I took it upon myself to go and visit the day care the first thing this morning and had an opportunity of talking firsthand with the owner, the director, and some of the workers who were on that playground when that tragic accident occurred. I can say this: that in this instance there was more than adequate supervision, that the circumstances were not related to child ratios. The worker was right there, acted very quickly, very appropriately, was well qualified, had CPR in this instance, and regrettably the tragedy still occurred.

As it relates to the day care reforms, Mr. Speaker, they've had exhaustive consultation with parents, with day care owners and operators, with advocacy groups right across the province. We brought those reforms in after that lengthy consultation. For the most part I feel that they're working extremely well. We did indicate that we were prepared to monitor it on an ongoing basis, and if it comes back that this is a concern or that this is a problem, certainly we're always prepared to look at it.

2:50

MR. SPEAKER: Supplementary.

MS BARRETT: Thank you, Mr. Speaker. Yes, I understand that the staffing ratio was in this case within the regulations. That wasn't the point of my question. Let me try to rephrase it so that the minister understands. I don't believe that any person here really believes that you could look after six toddlers all at once. Is the minister prepared to do what is done in other provinces and

at least go back to the 1 to 5 ratio that obtains in most provinces, if not a 1 to 4 ratio, such as they have in Manitoba?

MR. OLDRING: Well, Mr. Speaker, the ratios vary from province to province and age category to age category. Our ratios for the most part are comparable to other provinces and, as I say, appear to be serving children well. If parents or advocacy groups or others lead me to believe otherwise, as I said to the member earlier, I'm always prepared to look at those things.

MS BARRETT: Well, I'll make sure the minister does hear from the advocacy groups, Mr. Speaker.

While he's reconsidering this then, will he also reconsider the enforcement guide that governs the application of regulations for day care so that people are aware that if they break the regulations, they're going to suffer distinct but certain sanctions?

MR. OLDRING: Mr. Speaker, that's always been the case. The member knows that we are just in the process of finalizing some of the reforms that we began introducing some time ago. One of the processes that we've gone through, again, is a consultative process with parents, where parents are now looking and working through a proposed regulations manual, including enforcement. I'm anxious to hear what parents have to say in terms of the kinds of policies and kinds of enforcement they'd like to see. Again I'll remind the member, as I do on an ongoing basis, that, yes, we as a government have minimum standards in place. We have regulations in place. We monitor them on an ongoing basis. We license day cares according to these standards and regulations. We visit them three to four times a year. The Social Care Facilities Review Committee is there at least once a year and sometimes more, but in spite of all of these, again I would remind the member that it's important for parents to also make some of these evaluations.

In terms of ratios, again I come back to the choice that parents have to make. We put in place minimum standards. If parents feel that higher standards are necessary or higher standards are appropriate, they have every right to ask for that as well. We work in partnership . . .

MR. SPEAKER: Thank you, hon. minister. [interjection] Thank you.

Edmonton-Glengarry, on behalf of the Liberal Party.

MR. DECORE: Mr. Speaker, I want to follow up on again a most tragic situation in our city but to start by complimenting the minister for attending at that day care centre and looking into exactly what happened. I'm concerned because our caucus has learned that other accidents have taken place at this particular day care centre. I'd like to know from the minister, in addition to his personal view at the day care centre, what departmental action has been initiated to ensure that no infractions did take place or are taking place or were taking place at this particular day care centre.

MR. OLDRING: Mr. Speaker, I can assure the Member for Edmonton-Glengarry that as I left the day care centre this morning, I left two very senior people from our department there who are reviewing the circumstances in a very thorough and exhaustive way.

MR. DECORE: One of the difficulties, Mr. Speaker, that day care experiences in Alberta is that there are no regulations when there are infractions that make it mandatory for mothers and fathers to learn about these infractions. Will the minister commit to a

regulation change that would call for letters to be sent to the parents when serious infractions do occur so that the mothers and fathers can at least have the option of deciding whether to pull their children out of a day care centre or not?

MR. OLDRING: Mr. Speaker, that's one of the very important issues that I've asked this parent advisory committee to make specific recommendations on. In terms of whether it should be a letter or whether it should be posted, parents are deciding at this very moment. I'm sure that they will come forward with an appropriate recommendation, and I'll entertain it at that time.

MR. DECORE: Mr. Speaker, the committee was to report in April as we understood it. There shouldn't be dillydallying on an important issue like this.

Will the minister agree to at least the most basic of knowledge being given to parents and that is to do what nonprofit day care centres do; that is, when there is an infraction, that infraction is posted on the premises? Will the minister commit to change the regulations for all day care centres so that when there is a serious infraction, that infraction is posted so that mothers and fathers know that something's wrong?

MR. OLDRING: Well, Mr. Speaker, I'm glad that the member pointed out that many day cares are applying that practice as it stands.

Again I would say that, no, parents aren't dillydallying along with this report. Parents are taking the appropriate time to go through these regulations in a very exhaustive way. They know what's at stake. They're concerned about their children and other children using day care. I am quite confident in saying that they're going to come forward with the appropriate, balanced, and responsible recommendations on the regulations as they apply, and I look forward to taking those recommendations and seeing them implemented.

MR. SPEAKER: The Member for Cardston, followed by West Yellowhead.

Constitutional Reform

MR. ADY: Thank you, Mr. Speaker. My question is to the Premier. We know that our Minister of Federal and Intergovernmental Affairs has been very ably representing Alberta at the constitutional discussions these past several weeks, but could the Premier advise the Assembly if he has had any meetings in recent days with the federal government to discuss Senate reform? Has the Premier become directly involved in this process?

MR. GETTY: Mr. Speaker, members and Albertans I'm sure would know that there are certain unresolved constitutional issues remaining, and they are in a way interrelated. They are the matter of Senate reform and for Alberta a triple E Senate and Quebec's demand for a veto. Being unresolved, they did lead to a telephone conversation between myself and the Prime Minister on Saturday where we were seeking solutions to finding a way of settling this matter. At his request, I met with the Hon. Joe Clark on Sunday in Red Deer, and we did have approximately an hour-long meeting there. I always enjoy meetings with Joe, who is a friend of mine.

MR. ADY: Mr. Speaker, a supplementary to the Premier. Albertans are becoming pretty anxious about the direction that some of the issues are taking and the various deadlines that are approaching on our constitutional circumstances. Could the

Premier give us some insight on those discussions? Has he been able to make any headway in convincing Mr. Clark of the benefit of a triple E Senate for all of Canada?

MR. GETTY: Mr. Speaker, Mr. Clark certainly raised with me the matter of Alberta's strong request and the fact that we have been able to get five provinces supporting triple E and the government of the Northwest Territories, but I think it's fair to say that he was trying to establish whether Alberta would move away from the desire for a triple E Senate.

I made it very clear that for some 125 years now, Mr. Speaker, we have had a Parliament where the House of Commons is dominated by Ontario and Quebec. We have the Senate dominated by Ontario and Quebec. We have the issue of the Supreme Court of Canada, where Ontario and Quebec have six of the nine Supreme Court judges, three to the rest of the country. I made it clear that Alberta will not agree to entrench this numerical superiority in the Constitution again. Therefore, we are very firm on the matter of an elected Senate, and we're pleased that people have all come behind Alberta on that issue. We are equally as firm that the Senate be effective, that it can and will stop a national energy program. It must have strong, effective powers in the areas of provincial jurisdiction, and it must be equal if we are going to balance this huge numerical superiority in the House of Commons and the Supreme Court. We will not be part of any agreement that entrenches that numerical superiority in the Senate as well.

3:00

Pulp Mill Emissions

MR. DOYLE: Mr. Speaker, I'd like to file excerpts from a recent report done by the Department of the Environment. This study concludes that the chlorinated organics at the Weldwood and Procter & Gamble pulp mills do not break down but persist downstream as far as the Peace-Athabasca delta and the Slave River. I wonder: what is the Minister of the Environment doing to ensure that the Weldwood pulp mill at Hinton doesn't rest on its laurels because it's meeting the 1.5 kilogram per dried tonne AOX standard but moves instead toward a continual reduction of its discharge of chlorinated organics, reaching a zero level?

MR. KLEIN: Well, Mr. Speaker, we're doing exactly as the hon. member wants us to do: we're saying to the pulp mills that it's the policy of this government that they must meet the best achievable standards available in the world today. That's exactly what we're telling Weldwood and P & G to do.

MR. DOYLE: Mr. Speaker, I want to assure the constituents of Hinton and West Yellowhead that I'll never agree with the minister that that mill should be shut down, as he said last year.

Given that the Minister of the Environment is creating uncertainty in the pulp business because companies do not know whether the province is going to reduce the 1.5 kilogram standard for AOX discharge in the future, when is the government going to follow the lead of other provinces and set a fair and reasonable time frame for bleached kraft mills to completely eliminate the discharge of chlorinated organics?

MR. KLEIN: Mr. Speaker, just to refresh the hon. member's memory, I challenged his buddy the hon. Member for Edmonton-Jasper Place, who expressed great concern about the Hinton pulp mill, to go up there with his friend from West Yellowhead and say, "I want the mill closed down." Well, he wouldn't do that, of course.

MR. MARTIN: Answer the question.

MR. KLEIN: Oh, oh. [interjections]

MR. SPEAKER: Through the Chair, hon member.

MR. KLEIN: Thank you. In answer to the question, Mr. Speaker, certainly it's the policy of this government, as I've outlined before, to achieve the highest possible standards with respect to chlorinated organics. The report that the hon. member just tabled was a report that was tabled, as a matter of fact, in 1990. It was a report that was tabled before the Al-Pac panel, and it did indeed indicate that chlorinated organics don't break down. It's for precisely that reason that we have instituted in this province a standard that really says that whatever is the best achievable standard in the world is the standard that must apply. It's a far greater standard than that which has been imposed or is even contemplated by NDP governments in Ontario, Saskatchewan, or British Columbia, where they really do have stinking, rotten, belching, polluting pulp mills.

MR. SPEAKER: Calgary-North West, followed by Drayton Valley.

NovAtel Communications Ltd.

(continued)

MR. BRUSEKER: Thank you, Mr. Speaker. On November 29 of 1990 the minister responsible for Technology, Research and Telecommunications assured the House that our losses on NovAtel "would be \$28 million at the very, very most." That's a direct quote, by the way, from page 2510 of *Hansard*. Considering that we're now looking at a minimum of \$566 million, I think that the judgment of the minister is a little questionable at best. My question to the minister is: given that Nova in 1984, '86, '87, and '88 wrote down a total of \$17 million on this corporation, NovAtel, why would the minister allow AGT to assume 100 percent control of a company that never ever turned a profit?

MR. STEWART: Well, Mr. Speaker, I recognize that the hon. member is pursuing this business of carrying on a sort of partisan investigation. If he has information or questions that he feels should be undertaken by the Auditor General, who is an independent official who's been put in there to review the entire thing, to tell the whole story, then he should bring the matter forward to him. All I can say is that the figures we presented are nothing new. They were put in the prospectus relative to projections of losses or profits and then in the amended prospectus in order to be fully frank with the people of Alberta who were subscribing to the Telus share offering. That information was put out there. It was the information that came to us by firms of auditors that we relied upon in that regard.

MR. BRUSEKER: Mr. Speaker, my supplementary. We know that NovAtel, at the time when the government bought it back, was getting 40 percent of the materials purchased returned because of faulty products. I guess my supplementary question to the business government we have over there is: where was the business plan that suggested, that told you to go out and buy this company that was clearly failing, that had clearly never turned a profit, and didn't have a product that people are buying? Where was the business plan?

MR. STEWART: Mr. Speaker, the hon. member is misconstruing the situation totally. We took back NovAtel at the time of the

information coming forward because we had to in order to preserve the integrity of the Telus share offering. That Telus share offering, as the hon. member knows, provided \$500 million to the taxpayers of Alberta. It removed well over a billion dollars, between \$1 billion and \$1.5 billion, of loans and guarantees from the backs of taxpayers. It prevented the taxpayer from the obligation of having to put forward capital investment in the future of close to \$2 billion. So we bought it back in order to preserve the integrity of that share offering, which was a very important decision for us to make at that time. It wasn't a matter of economic policy. We pursued the matter of putting it into the private sector, and that's the way we did it.

MR. SPEAKER: Drayton Valley, followed by Edmonton-Avonmore.

Health Care System

MR. THURBER: Thank you, Mr. Speaker. It was recently announced that there will be seven strategic planning sessions held in the month of June to examine issues and concerns related to the health system role statement process. Could the Minister of Health comment more specifically on what the aims and goals of these meetings are to be?

MS BETKOWSKI: Mr. Speaker, there is an immense amount of reform going on, not just in Alberta but in the Canadian health system, in order to ensure that we have a sustainable health system into the future. Part of what we are doing in Alberta is a very collaborative process, which frankly many of the other provinces have given up on, in an attempt to get the health sector itself looking towards solutions. The hon. member will know, because we discussed it in this Legislature, of a meeting I held with provincewide agencies on May 8. The process continues, which this month will include workshop sessions around the province at seven locations, and then moving on towards the fall period, we will attempt to get some areawide, multisector planning networks for planning the future shape and form of our health care system.

MR. THURBER: Mr. Speaker, we all know that The Rainbow Report at one time suggested the formation of regional supervisory boards, and this was one recommendation that was rejected by this government. To the minister: do these seven regional meetings indicate that there is now some thought being given to seven regional boards in these areas?

MS BETKOWSKI: Not at all, Mr. Speaker. We simply identified convenient locations geographically around the province out of which we could run the forums. It doesn't presuppose any kind of form to the health collaboration that's under way. Rather, it ensures that we're getting out to discuss within regions of the province the form it may take on. Certainly there is no thought being given that those would be the regions. In fact, it is up to the area planning networks to then define not just the geographic but the program regions that will be needed.

MR. SPEAKER: Edmonton-Avonmore.

3:10

Women in Poverty

MS M. LAING: Thank you, Mr. Speaker. My questions are to the minister responsible for women's issues. The recent demographic overview of Alberta families by the Premier's Council in Support of Alberta Families gives us cause for concern about the economic situation of single parent families headed by women.

The report notes that 61 percent of all female lone parent families have low incomes and that female one earner, one parent families with children under 18 have experienced a 17 percent drop in income since 1981. Given these alarming statistics, will the minister now recognize the necessity for pay equity legislation to address at least part of the 35 cent on the dollar gap between the incomes of men and women?

MS McCOY: Mr. Speaker, as I've said before on numerous occasions, I certainly support the principle of pay equity insofar as what it really is saying is that any classification plan by an employer should be gender free in its classifications. However, as Judge Abella said in her report on employment equity, even with pay equity that would only address perhaps 5 percent of the wage gap. The larger discrepancy arises because of what is called occupational segregation, and it is on occupational segregation that we have instituted, as the member knows, many strategies that are longer term strategies, but they have proven to be very popular. I'll mention just one, because I think the House knows all of them quite well: the Stepping Stones program, which is delivered by and through the schools in junior high, has been a very successful program.

MS M. LAING: Well, Mr. Speaker, pay equity legislation might well address the issue of low-paying jobs due to occupational segregation by going outside of companies and doing an across-the-board analysis of pay equity, so it's no excuse.

The council review also points out that the income of female lone parent families with children under 18 where there is no earner has dropped from \$15,000 a year to \$13,000 a year since 1986. To the minister responsible for women: as most of these families rely on social assistance for support, will the minister now lobby her cabinet colleagues to increase social assistance rates to adequate levels thereby eliminating the cause of so many of the social problems experienced by these families?

MS McCOY: The member is on a very important issue. It is often the case, but not always, that women who have custody of the children do not have the skills and tools which will enable them to get jobs which pay a salary that is sufficient to keep them and the family in proper circumstances. Consequently it is a very high-risk group for poverty. That's been shown time and time again. We don't have all the answers, but I think that what we need to continue to do among other things is work with individuals that fall into that category – that is to say, not having skills which will command a sufficient wage in the market – to ensure that they do get the skills and the tools that are necessary for them to secure well-paying jobs.

MR. SPEAKER: Edmonton-Meadowlark.

Pensions

MR. MITCHELL: Thank you, Mr. Speaker. As hard as this is to believe, the Treasurer is telling local authorities and other pension negotiators that somehow there are \$250 million in excess assets in the government employee pension plans, and the Treasurer wants to lay claim to them. How can this Treasurer justify for one minute taking \$250 million from government employee pension plans, which already have an unfunded pension liability of \$6 billion?

MR. JOHNSTON: Mr. Speaker, I think this again is in the domain of foolishness, which the Member for Edmonton-Meadowlark is now renowned to speak of.

MR. TAYLOR: Oh, ho. Don't know the answer, eh.

MR. MITCHELL: Yeah. That's a good answer.

Mr. Speaker, we've been told by local authority board pension members that the government negotiators are attempting to secure \$250 million from those funds, probably to help pay down the Treasurer's spiraling deficit. If he is saying that this isn't occurring, will the Treasurer then please promise, and back his commitment that this isn't occurring, that all the money in those funds belongs to the employees and that he will not pilfer it to pay down his deficit or for any other reason?

MR. JOHNSTON: Mr. Speaker, when I listen to the Liberal rhetoric across the way, which I'm sure is as confusing to most people as it is to me, it reminds me of the high-tech example of the election of a leader in Nova Scotia by the Liberal Party. It's the same kind of advanced thinking that you see from the Liberal Party right across Canada. It was an absolute abysmal failure, just as that member's question has been a failure.

Here's the problem. I'll reduce this to very easy terms so the people of Alberta will understand it, because they don't understand what the Liberal Party across the way is saying at all. Mr. Speaker, when the government put \$1 billion of assets into the five plans in 1981, we in fact overcontributed. Now, since that fund has grown strongly, there is an excess amount of money in that fund, above the \$1.1 billion that the Alberta government gave to the pension plans, and we're now in the process . . . [interjections]

MR. SPEAKER: Order. [interjections] Order.

MR. JOHNSTON: I know that the people across the way in the Liberal Party have no respect for question period, continue to make mockery of the way in which we answer the questions, and then turn around and say that we're not answering the questions, Mr. Speaker. It's not a defensible position on their behalf at all.

We now have \$200 million or so, Mr. Speaker, which are unallocated assets in the large pool of money, the \$6 billion which the funds now have, and we will allocate that on the basis of some equitable value. We have made that commitment. All the boards agree to it, and the members in the pension funds agree to it as well. It's simply a question of allocating it among the five plans on some equitable basis, and we'll do just that.

Now, that's the kind of nonsense you get from that guy across the way. A simple answer. He's confusing it. He's trying to distort the facts, and it's unfair.

MR. SPEAKER: The Member for Calgary-Bow.

School Transportation Grant

MRS. B. LAING: Thank you, Mr. Speaker. My question is for the Minister of Education. I recently met with some of my constituents from the St. Andrew's Heights community. My constituents are very concerned by the Calgary school board's decision to charge \$350 per pupil to bus the children to school starting this September. They've been told this action is necessary because this government has cut transportation grants. So I can inform my constituents of the facts, Mr. Minister, would you please set the record straight? Have these grants been cut?

MR. DINNING: Absolutely not, Mr. Speaker, and I appreciate the question because I'm hearing from a number of constituents in Calgary-Shaw on the same issue. Our provincial taxpayers' funding of transportation for the Calgary board of education is

going to grow this coming year by about 9 percent. In addition to the 3 percent increase that was announced back in January, there will be a volume enrollment growth of some 6 percent associated with this grant so that the provincial contribution will grow by about \$870,000 to just a little over \$10.4 million for the 1992-93 school year. I'm advised by information received from the Calgary public board of education that their total estimated spending for transportation in the forthcoming school year is just shy of \$15.7 million, which means that the provincial contribution is in the order of about 67 percent.

MR. SPEAKER: Calgary-Bow, supplementary.

MRS. B. LAING: Thank you, Mr. Speaker. Mr. Minister, again, my constituents had questions about the distance necessary for a child to qualify for board-paid busing. The confusion seems to be whether the distance is 2.4 kilometres or 4.8 kilometres and which one is used to determine who qualifies. Could you please explain how the transportation grant is determined?

3:20

MR. DINNING: Well, Mr. Speaker, it's an important question because there is some misunderstanding, I know, by some members of the Calgary board of education on this matter. There is a provincial requirement in the Act that says that children living more than 4.8 kilometres from school must be transported to school, but in the case of the Calgary board of education, the board, not the government, has made changes to their walk limit and increased it from 1.2 kilometres to 2.4 kilometres this year. For the purposes of the grant that provincial taxpayers provide to the Calgary board of education, that walk limit is no longer relevant because in 1989, at the request of the Calgary board of education, we went to a totally different urban transportation block grant program so that they wouldn't have to go through the unnecessary paperwork of counting all of those students. Instead we moved to a block grant program that the two boards in Calgary and the two boards in Edmonton, but in particular the Calgary board of education, were fully supportive of. I can only reiterate that that block grant program will in this coming school year fund about 67 percent of the board of education's total transportation costs.

Workers' Compensation Board

MR. GIBEAULT: Mr. Speaker, my question today is to the minister responsible for the Workers' Compensation Board. In the annual report for 1991, which was released just recently, there's a note that the WCB in Alberta now has an accumulated unfunded liability of \$601 million. That's more than the officially acknowledged loss of \$566 million on the NovAtel situation, just to give people an idea of how much that is. In this report, that was signed by both the chairman of the board and the former president, the board admits that it has no plan to move towards a fully funded system any time in the near future. My question to the minister is: will he tell Albertans whether he supports the WCB's continued racking up of multimillion dollar deficits, and if not, what does he propose to do to address this problem?

MR. TRYNCHY: Mr. Speaker, the unfunded liability is as the member mentions in the Workers' Compensation Board, and the board has been instructed to work out the assessment in the next year to reduce that deficit. I might say, too, that the unfunded liability in Alberta is a far cry from Ontario's, which is at \$12 billion.

MR. GIBEAULT: Mr. Speaker, will the minister, then, give an assurance today to the workers of this province and in particular to the workers who may be injured on the job that steps will be taken and can he tell us exactly what they will be so that we will not have this liability compromising the benefits and services available to injured workers in the future?

MR. TRYNCHY: Mr. Speaker, it's unfortunate that the member that is supposed to be the critic for WCB doesn't know anything about it. He doesn't know anything about the Workers' Compensation Board. If he did, he would know very well that the unfunded liability has no connection whatsoever to the payments to injured workers. If he learned how to be a critic, he might be able to get the right answer.

MR. SPEAKER: Westlock-Sturgeon.

Hunting Regulation

MR. TAYLOR: Thank you, Mr. Speaker. Recent decisions by judges Ayotte and Fraser make it clear that the existing provincial hunting regulations do not apply to treaty Indians. This does not mean, however, that native hunting cannot be regulated, provided that it is done in consultation with the native peoples. The question is to the Solicitor General. In view of the need to preserve Alberta's wildlife both for the benefit of the native people and for the nonnatives, would the minister take the lead in striking a committee of employees or leading officials from both the wildlife department and the native affairs department to meet with the Alberta treaty Indians to work out some sort of compromise on our hunting regulations?

DR. WEST: Mr. Speaker, that question would be more appropriately directed to the Minister of Forestry, Lands and Wildlife, and I will certainly take it as a matter of notice.

MR. TAYLOR: Mr. Speaker, I was trying to employ him, that's all. Somebody has to put the three departments together, and it's his department that enforces the regulations on hunting. He's doing a cop-out here.

Mr. Speaker, in view of the court decisions, what mechanism, then, does the minister have in place in order to handle the right of treaty Indians to hunt?

DR. WEST: Mr. Speaker, the hon. member should do a little more research into this. The Department of the Solicitor General does not enforce the Wildlife Act and the hunting regulations. We have officers set out to do that who are empowered under the Police Act, but if there are incidents involving the Criminal Code, it certainly comes before the police under my jurisdiction. In all due respect, there is a constitutional issue as it has to do with native hunting rights, and I would direct the hon. member to do some research into this.

MR. SPEAKER: Stony Plain.

Special Education

MR. WOLOSHYN: Thank you, Mr. Speaker. Parents of special needs children are led to believe that they have a choice about where they can send their children, but in reality this is not true. The placement process can be so difficult that the choice disappears. For example, whenever the decision is made that a student of the deaf culture would best benefit from attending the Alberta School for the Deaf, operated by Alberta Education, the home

school board must pay the difference between the per student grant they receive to operate regular programming and the cost of the ASFD program, which is around \$19,000. As a result, this government is forcing school boards to set up often ineffective local programs for the deaf that, for example, may have inadequate translation services. Given that the minister must now agree that this practice is causing hardship and inequity for students, families, and school boards, will he instruct Alberta Education to fully fund those students who choose to attend the Alberta School for the Deaf, thereby ensuring that in fact there is real parental choice?

MR. DINNING: Mr. Speaker, it's the responsibility of school boards in this province to provide an adequate program, especially a special education program, that meets the unique needs of that child. For this government to take the kind of approach that the hon. member is suggesting would absolve school boards of that very fundamental responsibility. So we are helping school boards through the likes of the Education Response Centre and through other initiatives by my colleagues in social services and Health to try to help school boards to more and more provide these important kinds of programs, but in the end if a parent is not satisfied with the adequacy of the placement of his or her special education child, there is an appeal process. Following a "no" decision from a school board, that parent may then appeal to the Minister of Education, where the matter will be reviewed thoroughly and a final decision can be made.

MR. SPEAKER: A brief supplementary and a brief answer.

MR. WOLOSZYN: Mr. Speaker, I appreciate the minister supporting the fact that this is a difficult process for parents. I was hoping that he would show leadership in this important issue.

The minister has recently released a policy draft that states that the individual unique needs of each child must be a priority focus in providing education to all students. Deaf children deserve the choice of education in their own culture. When will the minister direct Alberta Education to continue the current program at the Alberta School for the Deaf and increase the enrollment, thereby making the school more efficient and thus guaranteeing its continuation at a far lower cost and increased efficiency?

MR. DINNING: Well, Mr. Speaker, the hon. member can't have it both ways. He stands on that side of the House from time to time and decries the government for taking away school boards' right to make decisions. Local autonomy is what he talks about. In this case the school board has the responsibility through its local autonomy, through the Act, that says that it must provide a program that meets that child's needs. If in the course of designing that program it is unable to design an adequate program, then it may make a decision to have that child placed and taught and educated through the Alberta School for the Deaf. I encourage school boards who are unable to provide such a program to do just that, but I think it would be unfair to many parents across this province to simply say, "Thou shalt educate your children through the Alberta School for the Deaf," if it is found that that school board is capable, is willing, is making all the effort that it can to provide an education program to that child. In the end if a parent . . .

MR. SPEAKER: Thank you, hon. minister. Thou shalt come to the end of question period.

head: **Orders of the Day**

3:30

head: **Committee of Supply**

[Mr. Schumacher in the Chair]

MR. CHAIRMAN: The Committee of Supply will please come to order for this the 24th day of consideration of the main estimates of the government.

head: **Main Estimates 1992-93**

Transportation and Utilities

MR. CHAIRMAN: On this 24th day we are pleased to welcome the Minister of Transportation and Utilities to lead us through the many good works of his department and explain how we're going to accomplish all those good works with sort of grossly diminished resources. I'm sure we all have great confidence, speaking on behalf of the committee, that the minister will be doing the best possible job of doing that. So without further ado, I'll ask the minister to review these estimates for the benefit of the committee.

MR. ADAIR: Thank you. [applause] Thank you. Mr. Chairman, it's appropriate to present to you today the estimates of the department for 1992-93, but before I do that, I'd like to introduce some people that are in the gallery. Brian Hlus, my executive assistant, is not here yet; answering the phone. Harvey Alton, Deputy Minister of Transportation and Utilities. If they'd just stand. Don't clap until I get . . . [applause] Will you hold the rest, please, for one? Now, these five that I'm going to introduce are people who have assisted us by working on the budget process, but before introducing those five, Doug Porter, the assistant deputy minister of administration is here as well. We have budget officer Larry Olatonade, Bill Waymen, Harsha Mehta, Don Boisclair, and Ian Pregitzer. [applause] Thank you very much to the members of the Assembly as well as to those who are standing in the gallery.

It's interesting that my budget should come up today when we start the 23rd annual National Transportation Week. That runs from June 7 to June 13, and it provides us with an opportunity to recognize and appreciate the important role that transportation plays in all our lives. As Albertans we acknowledge the contributions of the nearly 1,000,000 people, as I mentioned earlier, from coast to coast who are part of it, roughly 1,000 of them in the province of Alberta.

When we start talking about the 1992-93 estimates, Mr. Chairman, I'm asking for approval of a budget of \$708 million, a reduction of \$61.5 million or 8 percent from last year, and that hurts. Through program restructuring and improved methods of program delivery, Transportation and Utilities will continue to provide a high degree of service to the users while at the same time contributing to the goal of fiscal restraint. Albertans have demanded a lean government and spending cuts while continuing to expect a high level of service. This is a challenge that we accept.

To meet this challenge, a number of the changes in transportation's business have been made over the year. Efficiency of the construction industry has also increased. The increased use of end product and in-place specification has allowed our contracting industry to innovate and to maximize their performance. They're able to improve the co-ordination of subcontractors and tighten their work schedules. This healthier industry attracts more competition, which in turn encourages our contractors to sharpen

their pencils. This trend, combined with privatization of some of the operations, has enabled the department to meet the road construction needs to support the development of the Alberta economy. This budget will affect the amount of construction undertaken, and it will require a longer period of time to address all of the system development that presently has been identified. New priorities will have to be set. However, the overall objective of the department to develop and improve the transportation system remains.

Before I get into details on the department budget, let me talk about staff reductions. We have been able to take advantage of emerging computer technology. With better information we are able to make more informed and better decisions. More designs are being carried out in the field where the designers are more familiar with the conditions and the project. We are able to compare many more designs in order to select the best solution. Although we have been regionalized for many years, improved technology and information have and are enabling us to move more decision-making to the front lines, really where the action is. As a result, we have also been able to restructure head office functions and improve overall department co-ordination.

In the material before you you will see that we are reducing our complement of permanent full-time positions by 331. I might add that this includes 40 management positions. How have we been able to achieve this? Well, I'm proud to say that this has been achieved entirely through attrition and the use of the voluntary severance agreement. The department has made this adjustment without forcing people out of any jobs. Approximately 90 people in the department have taken advantage of the severance program. Some who wanted to retire early have been able to do so. At the same time, through job redesign within the department some of our more junior staff have taken on additional work and responsibility, and in some cases individuals have had the opportunity to move up the career ladder. A total of 241 other permanent positions have been eliminated by not undertaking recruitment as the positions become vacant. It has not been necessary to serve lay-off notices to a single permanent employee.

A reduction of 72 nonpermanent and wage positions will be accomplished by hiring fewer temporary staff during the summer construction season. Since 1986 we have reduced 658 permanent positions and 343 wage and nonpermanent positions for a total of 1,001 FTEs, full-time equivalents. This is a reduction of 21 percent in FTEs and a 20.6 percent reduction in permanent positions. Much of this work has been passed on to the private sector through the privatization of functions such as construction supervision, seal coating for skid resistance, grass cutting, additional privatization of road construction projects in improvement districts, and I could go on. These functions will no longer be performed by the Department of Transportation and Utilities. All in all, we are able to reduce our manpower costs by \$5.2 million or 3.7 percent. This is a notable accomplishment due in no small part to the forethought and planning of all of the people in the department but particularly my deputy, Harvey Alton. Without the co-operation of him and the staff we wouldn't be able to do this, and I thank you all.

Within the department's budget certain decisions, however, sometimes difficult decisions, have to be made. I said earlier that improvements would be reprioritized and that lengthier periods of delivery would be required, and that's due to lesser financial resources. For example, funding for the secondary highway program is reduced \$10.6 million or 10.5 percent. Since the government's commitment in the spring of 1989 to pave the secondary highway system, significant progress has been made. Over the past three construction seasons about 2,000 kilometres,

or 13 percent of the total system, have been surfaced. Therefore, to date more than 8,000 kilometres or approximately 55 percent of the total kilometres are now in fact surfaced. That's the secondary highway program, not every other gravel road in Alberta.

Mr. Chairman, fiscal responsibility and fiscal restraint require that we be more selective in determining which work we will undertake. The department will continue to play a very important part in supporting Alberta's economic growth, and one of the major infrastructure projects that we're undertaking is the Al-Pac project near Athabasca.

3:40

I do not expect a significant decrease in our ability to meet the needs of the people of Alberta. Some of the major projects that will continue to receive funding are the export highway in southern Alberta, the widening of Highway 63 in the Fort McMurray area. We will continue to work on the export highway, which was initiated in 1989-90 to enable Albertans to maximize opportunities resulting from the free trade agreement. Highway 63 is the only road link to the city of Fort McMurray. [interjection] Did I interrupt you?

Highway 63 is the only road link to the city of Fort McMurray, and in 1986 a major program to widen the narrow roadway was started which would involve nine construction projects. Six of these projects are now complete, and of the three remaining the final one will be advertised for construction this coming spring.

I am pleased to have participated recently in the official opening of the Yellowhead Highway 16 grand opening, and I am now able to look forward to tomorrow's celebration of the completion of our second major twinning project, the Trans-Canada Highway from Banff national park to Highway 41 near the Saskatchewan border. The completion of both highways at a total of approximately \$460 million marks the fulfillment of the late Henry Kroeger's 1981 commitment to these major twinning projects. During the 10-year program, approximately 6,300 person-years of direct employment and 7,700 person-years of indirect employment were created.

While on the subject of major highways, I'm pleased and happy indeed to report that the 1992 highway cleanup campaign held on May 2 and May 9 was, number one, incident free, and I would also like to thank the 7,844 children, the 515 clubs, and other participants who cleaned up 55,431 bags of litter from 4,845 miles of roadway, something which really says to us Albertans that we're throwing a lot of garbage out the windows. We should be ashamed of ourselves.

Under the current economic conditions the protection of the public's investment in infrastructure ranks very high in priority of the department. Two areas that have been receiving particular attention are our maintenance and our rehabilitation programs. We have kept the level of funding at \$83.3 million for the maintenance of our highways and bridges and for the improvement districts. At \$40.3 million our budget for our pavement rehabilitation program remains unchanged from last year. The province's enormous investment in good-quality road and bridge infrastructure represents an asset that must not be allowed to deteriorate.

Our partnership program with the cities reflects much of the same philosophy. Primary highway maintenance grants remain unchanged. Transit operating assistance has been increased 4.9 percent to reflect both a rate of increase of 2.5 and a recognition of 2.4 percent population increase in the urban areas. On the capital side construction grants have decreased from a total of \$86 million to \$72 million. I would emphasize that this reduction decision is not one that has been taken in isolation and without some pain. The cities were consulted, and multiyear transportation plans were considered. We have, for example, reached an

agreement on the timing of projects in the city of Edmonton that will allow the completion of four major projects that are still outstanding: the south LRT to the University of Alberta by the fall of 1992, reconstruction of 114th Street by the fall of '92, putting the Whitemud/Calgary Trail interchange into service by the fall of 1994, and putting into service the Capilano extension and the Yellowhead Trail interchange by the fall of 1995.

Another challenge facing the department is the commitment we have made to a vision of barrier-free transportation systems within this province by the year 2000. It's estimated that the number of transportation disabled will grow by 41 percent by the year 2000 compared with a projected growth of 18 percent in the general population. The Premier's Council on the Status of Persons with Disabilities has made recommendations which will lead Albertans toward a barrier-free society, and the department has taken a leadership role by acting on the council's recommendations as they apply to transportation.

Significant progress has been made by an advisory committee of members from the council, the department, and other stakeholders since its inception in June of 1990. Some of its initiatives include the development of barrier-free standards in several demonstration projects which have recently been introduced. These include the accessible community bus in Calgary, the low floor transit bus in St. Albert, and the accessible taxi projects in Medicine Hat and Edmonton. Also, you will remember that the Highway Traffic Act was amended last year to permit enforcement of designated parking for persons with disabilities. Funding of one-half million dollars is currently provided through our urban assistance program in support of these initiatives.

Let's take a look at the utilities side. Today there are approximately 95,000 kilometres of pipeline in rural Alberta to transport natural gas to heat homes, buildings, and provide fuel to rural businesses. Almost 95 percent of rural homes are heated with natural gas. In addition, electricity is also virtually available everywhere in the province, and there's no other province that can make that claim. The Alberta municipal water and wastewater partnership continues to assist municipalities with the construction of priority projects for water supply and treatment and for wastewater treatment as well. Revised cost sharing has been implemented that enhances the contribution to smaller centres in the range of 600 to 3,400 population. The upper cost limit has been removed allowing all applications to be reviewed really on the basis of need and cost effectiveness. Because funding for this program is provided on a cost-sharing basis, responsibility for decision-making at the local level is maintained. In 1979-80 this program had paid out approximately \$800 million in grants to the various municipalities in the province. Municipal water and sewage systems overall in this province are generally up to date and of high standard. The program has a grant budget of \$22 million, a slight increase of 3 percent.

To conclude, Mr. Chairman, a substantial investment in infrastructure has been made over the years to support the growth of Alberta. Given the current need for fiscal restraint, I believe all Albertans accept for the time being at least a leveling off of construction activities and an increased emphasis on ensuring our investment retains its value. So without further ado, I would then ask for any questions that they may have.

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

MR. DOYLE: Thank you, Mr. Chairman. It's indeed great to be winding down on the estimates. Two more to go, I understand.

May I begin, Mr. Chairman, by congratulating the minister on the return to good health. Many of us in the Legislature were very

concerned this time last year. [applause] Indeed, we're all very pleased to have him back here and looking trim and in good shape.

I want to also compliment the good job that the deputy minister, Harvey Alton, carried out in the minister's absence with the assistance of the minister of public works, and also Brian Hlus for his great co-operation and assistance and the very timely manner when any requests go to him. There are many other people in the department, far too many to name, who work very hard to bring good transportation to the province.

I would move to the improvement district roads, Mr. Chairman. The minister mentioned the improvement district roads under vote 2.2.4, Construction and Improvement of Highway Systems. It's down 7.6 percent. It would be my feeling that more people are moving into the improvement districts as time goes on, but perhaps those roads are getting in better shape. They have an increase in resource roads in vote 2.2.7 from \$955,000 to \$2,185,000. The resource roads program, I understood, was being cut by a significant number, although in an announcement made December 20, 1990, the resource roads seemed to have lots of money; they put \$75 million into road, rail, and bridge construction for the Al-Pac mill. So if there's no money for resource roads in the other part of the province, I was wondering why they could find this money for an international company who wants to rape and pillage our forests and damage our waters.

3:50

Mr. Chairman, vote 2.3.2, Improvement District Road System, is for maintenance, I understand the minister to say. It's good to maintain those roads, because as time goes on, it's much more difficult and costly to bring them back the same way as they can when they are treated right away and in good repair.

Under 2.4.2, Grants to Counties and Municipal Districts, it's down 4 percent. The Grants to Towns and Villages remains the same, but the Grants to Counties and Municipal Districts - those people also need good funding, Mr. Chairman.

I was wondering if the minister could tell us. Under vote 2.7.1 there's a 13 percent increase in the ferry service. Would he refer to how many ferries there are in the province? I don't have that count, although I did have the opportunity to ride on the Rosevear ferry and the one at Vega some time ago. Are there new ferries being built? Is the ferry system depleting? Is it going out? How do we get rid of these ferries when they're up for sale? Are they just dumped, or are they auctioned off? How do you get out of that ferry system?

Mr. Chairman, the Rail Infrastructure Development, Capital Principal Repayments for the resource railroad. The Auditor General's report keyed in on the resource railroad, that we don't have a very good figure as to how much freight is being hauled on the resource railroads or how much we're paying for it. I wonder if the minister has taken some steps to have a better count of whether we're getting a fair share for the use of our railroad.

Going to the Heating Fuel Grants, the Remote Area Heating Grants, Mr. Chairman, that I believe is for people who cannot be reached by natural gas. Perhaps the minister could correct me.

Under electric utility development, Rural Electric Support Services, a 4.5 percent increase. Is that, Mr. Chairman, moneys that are for the rural electrification, or is that money for the main power companies?

The REAs, of course, in the northwest part of the province have some questions as to why they should join the umbrella group of REAs. They feel that the O and M part of the moneys given to the power companies should be given back to them and they should have the right to look after their own REAs. I recall some years ago the Athabasca Landing REA and, I believe, the North

Athabasca REA joined together and did their own construction and their own maintenance with qualified people. I believe those REAs in the north would like a little more control over the operation of their REAs. They see no reason why they should join the big REA, and I don't think that any great pressure should be put on them whether we agree that they should all be together or not. Perhaps the minister could tell us, Mr. Chairman: with the money that was given for the printing of the REA book, would those seven REAs that are not in the umbrella group be allowed to have their histories put into that book that the minister funded?

Mr. Chairman, moving to the gas co-ops, the gas utility development in rural Alberta, in fact, the Yellowhead Gas Co-op has some concerns. Mainly they've done lobbying for many years to give the rural gas utilities a long-term commitment, five to 10 years, and a distribution grant program. From year to year the rural gas utilities have no idea how much funding they can count on or if there will be any funding available at all. They're wondering if the minister of transportation would give the federation of gas co-ops a long-term plan as to how they intend to grant the rural gas program in Alberta so they can plan their plans accordingly.

Also, Mr. Chairman, for the past four of five years the grant allotment to the Yellowhead Gas Co-op and most co-ops has been reduced drastically each year. They're wondering if the government would stop reducing the allotment to this program and return to their original mandate of supplying natural gas to rural Albertans. The minister did mention that some 95 percent, I believe, have natural gas service at this point. I suppose some would be a longer reach away from where the gas installations are present. Perhaps the minister could look at supplying extra funds so that we could reach the ultimate limits so everybody is on natural gas.

They also would like to know if he would assure Albertans he will at least maintain the present level of funding if he won't commit to increased funding. In a lot of these co-ops, especially in the riding of West Yellowhead, Mr. Chairman, many people are moving to the acreage facilities adjacent to the communities or farther out, and they seem to be building at quite a rapid pace in the rural areas adjacent to the gas co-ops, so the co-ops wanted to be assured that they had some long-term plans for funding so that they can plan their scheduling for construction each year.

The farm water grant program, 4.5.2, Mr. Chairman, was cut by 25 percent. Perhaps the minister could explain that cut and how that's going to affect the farm water supplies.

Mr. Chairman, I also wanted to mention the gravel truckers in the province. All the truckers, I believe, come under the minister's department. There's a great concern with truckers, especially in rural Alberta, that they're not getting their fair share of the dollars that are given to some of the companies; i.e., pulp mills that have large amounts of Alberta taxpayers' money. They negotiate individually with each trucker and just pay them the very minimum they can to haul the forest or to haul gravel or whichever commodity has to be hauled. So I was wondering if the minister, understanding that at least some pulp mills have an excess of \$250 million, would assure that that money is passed down so the truckers get a fair piece of that money so they can pay their bills the same as the multinationals pay theirs.

I wonder if the minister could comment more on the Alberta resources railroad. Not that many people know all that much about it; it's not something that's publicized very much. We wonder about the importance of the Alberta resource railway. Why are CN or other rail companies not picking up the costs of rail transportation in the province? Indeed, I'm sure that the

funding for the Alberta resources railroad is unique in this province, because they do run into remote areas in the province.

The airports, Mr. Chairman. I wonder if the minister would tell us exactly how many airports we have in the province still under transportation control. Is there any new airport construction going on? Do we have enough? Are extensions going on in some, perhaps like the one in Hinton that has the odd little overturn of aircraft due to crosswinds? Perhaps a little length might help that particular airport.

The Remote Area Heating Grants: we've already mentioned that, Mr. Chairman.

Another question that comes to me quite often, Mr. Chairman, is the fact that some provinces have a system of towing three vehicles. I should explain that it's a truck towing a trailer and a trailer towing a boat, or maybe a truck towing a fifth wheel and they can attach another trailer with a skidoo or dirt bikes or whatever behind. I have many requests as to whether transportation in Alberta is looking to granting licences to people who can qualify under a certain permit to haul three rigs.

4:00

MR. ADAIR: I'll give you the speech after, but no.

MR. DOYLE: I hear from the minister that his answer is no, Mr. Chairman, but many people in the trucking industry or driving big equipment feel that they're qualified, that they can well tow their pleasure gear behind their holiday gear. I just wanted a response to that, because I understand that it was in force across Saskatchewan at least and perhaps in British Columbia. I do have to agree with the minister that there are many out there that I wouldn't want towing two units down the highway. I was traveling up Highway 43 the other day and there was what was left of a mobile home or a holiday trailer and some people in the ditch not feeling too well. Just the other day, Friday evening, right near Athabasca one rolled, and there were people with some injuries. People seem to just hook onto these things and see they can take off, and they get caught in a crosswind and lose the whole works, including their pleasure trip.

Another important road in the province is Highway 49. Highway 49, of course, is up in the Rycroft area. The residents in the communities along Highway 49 are very concerned about the impact road construction will have on their attempts to take advantage of increased tourism during the Alaska Highway 50th anniversary celebration. Just a couple of weeks ago the minister stated in the Assembly that the construction west of Spirit River could not be delayed because the contract had already gone out. I wonder why it is that the minister or his department has done such a poor job on planning by not consulting the area residents to ensure that tourism would not be adversely affected by the construction. Many of those residents know very well that road construction in the area has never stayed remotely on schedule and fully expect construction to drag on much past the minister's targeted completion date. Furthermore, even if the work is completed, word has already gotten out to avoid the area. So I was wondering if the minister could explain why his department did not replace the fatigued culverts when the highway was paved two years ago instead of incurring the additional costs of having this work completed as a separate project, which is now causing a lot of valuable tourist dollars to be lost in the area. I would hope that he would address that, Mr. Chairman, because those people in that area are very concerned. They can't see why the road was paved just a couple of years ago and now it's being ripped up again and they're replacing culverts.

I was asked by a constituent of mine, Mr. Chairman, if I would read into the record a letter that went to the minister of transport. I will proceed to do that, and I quote from the letter to the minister:

Sunday, May 10, I made the utterly foolish decision to drive to Hythe over the cow trail to Grande Prairie which is laughingly referred to as Highway 40. Grande Cache had accumulated a skiff of snow while the area south of the Kakwa River had no more than four centimetres. The temperatures were just above freezing and, of course, this small amount of snow was melting.

The cow trail was a very slippery soup interspersed with wash board on the curves such that, at 70 Km./hr. you either head for the ditch or oncoming traffic depending on the direction of the bend. At this tremendous speed of 70 Km./hr. I blew out a brand new tire (value \$192.00 but under warranty).

He says:

Mr. Minister, I beg you to examine this mess yourself. If anyone is telling you that this disaster could even jokingly be described as a highway, you are being misinformed. I say this because I simply can't believe that a responsible minister of the Crown could know the condition of this cow trail and NOT take immediate and drastic action.

After traversing the worst of the mess I noted a Transportation Department sign stating that there was construction underway and that the department was "Keeping Alberta on the Move". That sign just infuriated me, what a gross insult. That cow trail is designed and perpetuated in a condition which is guaranteed to discourage any Albertan from going anywhere near it. Dear God, when my father came out here to settle the country, his oxen and wagon travelled over better roads.

Even more frightening is that this trail will be carrying heavily loaded chip trucks from Grande Cache to Grande Prairie. This has become necessary because of unacceptably low chip prices at Hinton. I can only imagine with great fears the safety impact on travel and the terrible deterioration of a road which is already a disgrace.

Mr. Minister, Dennis Young of Procter & Gamble drove down from Grande Prairie on May 11 with a four wheel drive. That trip took him three hours and fifty minutes and left him shaken.

When I started my return from Hythe, rain had begun and I wisely went home via Valleyview, Whitecourt, Edson and Hinton. That trip was 383 kilometres out of my way but I am safely home, I haven't blown any more tires, my vehicle still runs despite the battering it underwent on cow trail 40 and my heart beat is nearly back to normal.

Mr. Minister, this situation is deadly serious. The safety and lives of human beings are at risk. Surely to God, no one, even in anger, would suggest that even his enemy attempt to travel over this mess. Can you imagine the response of an out of province tourist after being subjected to this disaster in horribly aborted highway construction?

In the past, my complaints have been directed to the disastrous negative impact on tourism which is strongly supported by Tourism Alberta. Clearly a case of two departments working at cross purposes. Now, my concern is with the safety and the lives of human beings.

In years gone by, I have travelled many gravel roads in all sorts of weather conditions. Never was any of them as bad as the Grande Prairie cow trail. Even the Beaver Dam Road which simply heads off into the mountains is a much better all weather road. How can it be this bad? Have we run out of gravel?

Finally, Mr. Minister, it is well known that the Premier has kept his promise to pave all secondary roads in the province. Accordingly, would you please consider changing the designation of cow trail 40 from a highway to a secondary road. With this designation, there may be a chance, in my lifetime, to see pavement [from Grande Cache].

This is signed by the tourism and business development officer of Grande Cache, Mr. Julian Kinisky.

After driving over Highway 40 myself just last week to be at the EEMA hearings in Grande Prairie, I want to remind the minister

that indeed Highway 40 is a mess. There are three contractors working there, but they have spaces between them and hopefully sometime before the celebration of the Alaska Highway gets under way in early summer, we could look to Grande Cache to Grande Prairie with a full paving project under way. I was pleased to hear from the minister while he was on the Yellowhead Highway opening that some construction is going on on Highway 40 between Hinton and Cadomin. I would hope that the minister would stay on that construction, because there are some 500 to 600 workers down there and indeed that is a road to resources, Mr. Chairman, with the Gregg River coal mines and Cardinal River Coals and the schoolchildren and workers in Cadomin that travel that road daily.

Mr. Chairman, I want to also compliment the minister on the completion of the Yellowhead Highway. I will not ask him how much it cost for the final function in Jasper. It was very worth while whatever it was. It opened the eyes of Albertans from one side of the province to the other to what a beautiful riding West Yellowhead is. There was no better fitting place to have the reception than at Jasper Park Lodge in Jasper. I appreciate that the Yellowhead Highway is now completed except for some overlay, and I would hope that the minister would now allot some funds to upgrading Highway 40 between Grande Cache and Grande Prairie, because it is definitely needed.

With that, Mr. Chairman, I would like to wish the minister well both in health and in the department, and I appreciate the opportunity to address the estimates.

4:10

MR. CHAIRMAN: With the consent of the committee, there's been a request by the Liberal opposition that they divide their 30 minutes into three segments. Agreed?

AN HON. MEMBER: There are only two of them there.

MR. CHAIRMAN: Well, one's coming back. [interjections] Agreed?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: The hon. Member for Westlock-Sturgeon.

MR. TAYLOR: Mr. Chairman, I think that if you had put the request another way, if you had put the request that they could have three speakers of 10 minutes each or have me for the whole 30 minutes, then they would have agreed.

I, too, would like to welcome the minister back into harness with his new svelte body, his slim, greyhound look. He is a definite improvement. Unfortunately, from what I've heard him say, though, they didn't do anything to his mind. It's as bad as it ever was. Nevertheless, I'll get into this thing very quickly.

First, Primary Highway System, Secondary Highway System. The votes are from 2.2.1 to 2.2.7. What I'm bothered with here is the fact that I don't think there's any balance used in the minister's planning. We've already heard something about the highway from Grande Cache to Grande Prairie, but what I particularly wonder about is highway 794. The government has laid out a fancy plan to drive around Edmonton without Edmonton shopkeepers knowing about it, I guess, where you whistle over to Leduc through the bypass and up Highway 44 till you hit 16. Then all of a sudden you're left out in the middle of a swamp there, and you either have to go east to Saskatoon or west to Jasper or possibly even to Barrhead, perish the thought. But if

you do want to go up into the Slave Lake country, you are forced to use 794.

I'm just a little put out with this government and the cavalier attitude with which they treat 794. First of all, it has more trucking than any other secondary highway in the province, at least from the statistics I've had until recently. If they have better statistics than the last two years, let me know. I'll agree: in total traffic it is second to the Beaumont road south of town, but highway traffic alone, I don't believe there's any secondary highway in the province that has more truck traffic. [interjection] This is on truck trailer traffic, now, and this is very important. [interjection] Well, if this is so, why does your department give me and the media out there the runaround when we try to find out what the trucking statistics are? Our statistics are about three, four years old, and at that time even it was the second highest in the province.

The next thing – and I think it's the most unfeeling I've heard – I got a letter back from the minister when I asked about six fatalities on 794, a 40- to 50-kilometre road, and the minister answered: well, it's driver error. Well, certainly it's driver error if there's no shoulder. Driver error causes most accidents, but the point of highway design is to put a design together that driver error will not result in a fatality every time something doesn't work out the right way. Catching a soft shoulder where there is no shoulder and then coming across into traffic is fairly common; it's a very common type of driver error. It's a very common type of accident, particularly in winter also when snow or anything obscures the side.

So 794 should be a main bypass highway. It should be an extension of highways 40 or 44, whatever number you wish to make it, around the city, and I'm very disappointed that the minister and his advisers have seen fit to leave this abandoned – well, I wouldn't say abandoned – this paved cow track as the method of bringing their trucks around Edmonton. You bring them up from Calgary, you bring them up from Montana, swing around Edmonton to the left, take them up to Highway 16, and then stop. There's nothing. Highway 794 is an improved country road; it was never intended to be the main trucking artery up into the Slave Lake area.

We move on very quickly. Rail infrastructure. I was up looking at the rail line that the minister put in to Daishowa. I'm an old geologist that worked in the area, and that road looks to be built on bentonitic slipping plains, and I think the railroad looks as if it's either going to end up in the Peace River one of these days or at least displaced substantially. I understand the railroad has been turned over to Daishowa to operate, but I'd like to know from the minister what our contingent liabilities are if that railroad does decide to slide into the river like some of the housing subdivisions the minister approved a number of years ago, or the minister was in favour of a number of years ago. Let's put it that way: he didn't approve it, but he was in favour of it. They're now sliding into the river, and I've got a hunch that the railroad track is going to go that way too. Is that why we've got an 80 percent increase and \$370,000 over last year's estimates? Is it to fix up a railroad that is not in the best place?

Let's go on to another area. What resource rail project are these funds that are repaid for? Is it the Daishowa road? What is going on there exactly?

Another quick one, if we're going to shoot this in in 10 minutes. My gosh, I've only gone three and a third minutes, Mr. Chairman. At this rate I'll be able to do the whole works, although I think the minister and his staff might suffer some overload here, a good working staff that's kept the minister out of trouble all these years.

Now the REA: overhead and maintenance in the REA. Why does the REA have one set of rules to operate under and the gas co-ops another? Surely the REA should have an area of service and be able to supply electricity to everybody within that area the same way a gas co-op has. Now what you have is the power companies picking off the cherries and leaving the REA with the pits. That is not a proper system if you want the REAs to flourish and survive – to have their areas of service invaded by the power companies. I notice this government has never for one minute allowed the REAs to invade the private power companies' preserves, what they have special.

Secondly, when the REA's contract is drawn up, why is their O and M, or overhead and maintenance – always they're more or less forced into taking what the utility company puts out for overhead and maintenance. Overhead and maintenance should be like many other REAs in the United States, for example, up for bid if the REA want to do it themselves or they want another contractor to do it or even if they want the power company. As it is now, there is no bidding done on overhead and maintenance, so that the REA is, in effect, stuck with trying to negotiate with the power companies. Admittedly the REAs might have some help from the PUB and some other areas, but in general it's a very unfair battle with a group of farmers expected to take on a utility company with a whole bunch of lawyers with degrees as long as your arm, well-fed city fat cats all getting their salaries and their consulting fees put into the rate base and deducted from the REA after they lose. So it's an unfair competition, and I think this government could do much to make it fairer in that the REA would be allowed to put out the overhead for competitions.

Let's go on. Rural transportation this year: are there any plans being developed with regards to the verification of the tonnage reported by the CNR to the corporation? That's just a plain question on the Alberta Resources Railway. Have any plans been developed with regards to verification of tonnage?

How about the overlength log haul permits? I'd be very interested if the minister could provide the number of violations charged against overlength log haul permit holders. I don't expect these answers today, but the minister has always been very good at coming about.

I think the minister stated this, but it went by too fast; I didn't get it. What's the progress on that abortive promise the Premier made two elections ago on the secondary roads being paved? What is our percentage? Are we running over 80 percent? I just wonder what percentage of secondary roads has been paved.

MR. ADAIR: We're up to 55 percent of the secondary roads.

MR. TAYLOR: Fifty-five? My God, I hope the next government isn't expected to go through with that promise. [interjection] Okay; fifty-five. I thought you were higher than that. Well, I'll go on to the next.

Does the government have any intention of dropping the fuel tax rate for the Alberta trucking industry? In other words, I think with the fuel tax on the trucking industry you've put a tap on the Treasurer, but the Treasurer is besieged now, busy taking money out of different pension funds and sniffing around the province for more money. We're going to have a hard time getting him to do something on the fuel tax.

The \$400 grant to assist in the conversion of propane buses. Does the government have any intention of making such modifications mandatory for school bus operators? As a person who drives a propane machine, I think the minister may have overreacted in the past anyhow by jumping into the whole area, because I don't think they're as unsafe as they were thought to be. It appears that

maybe the government is second thinking that, but I'd like to know what their future is.

Lastly – boy, I'm setting a record here: eight minutes and 12 seconds.

4:20

MR. CHAIRMAN: No, the hon. member has used up 10 minutes.

MR. TAYLOR: Okay. I'm coming awful close. Last is: what are we doing about drug testing? Are there any sorts of plans for mandatory or otherwise drug testing for operators of public transportation vehicles, either buses or trucks? What have we got in motion on that?

Thank you very much, Mr. Chairman. How do you like that?

MR. CHAIRMAN: The hon. Member for Edmonton-Whitemud.

MR. WICKMAN: Thank you, Mr. Chairman. It's interesting as we sit back here and respond to this particular budget because I think there's sort of a message just the way we are in this particular House in our caucus. It takes three of us to handle this fellow, to take some little jabs at him, and the other opposition caucus, they're letting you off the hook very, very lightly. So that must send off signals of a certain degree of fear from you, Mr. Minister.

As I start my comments, I first of all want to take the opportunity to express my appreciation of your response to any concerns that I've raised in your office from a constituency level and also to take this opportunity – because this could very well be the last time during this particular term of government that I'm in the position to address you as Mr. Minister. Now, that is very, very possible. So in case that happens, I want at this time to wish you well in your future endeavours.

Mr. Chairman, the minister has done some interesting and good things in the department. There's been a great deal of attention focused on providing public transportation, various alternatives for persons with disabilities. He has recognized that, and that's very, very good. Some of the other innovative projects that have been introduced during his period of time as minister responsible for transportation: that's good stuff, but there are a few areas that I want to focus in on.

During one of the question periods I raised a question about trucks being inspected. In the response reference to highly qualified inspectors was used. I'm still not sure of that definition of "highly qualified." Are we talking in terms of actual mechanics? Or is there some other definition for "highly qualified," because there are some truckers that got back to me who said they were not happy with that response in that it was not specific enough.

I want to spend a few minutes, Mr. Chairman, talking about the urban aspect of transportation which I'm responsible for as the spokesman of our particular caucus. I think we have to approach these transportation problems that are encountered throughout the province with various municipalities on a partnership basis. At times that partnership has been there, at other times that partnership has been a bit shaky, and at times there has been some breakdown in communication – let's put it that way – in that in the two levels of government at least from a department point of view, at least it appeared to me, weren't always working as partners, working to resolve common goals. So that is an ongoing concern.

Mr. Chairman, to the minister, we saw what happened with the AMPLE program, and the AMPLE program is a very, very good program. It was very disheartening, though, to the municipalities,

particularly the major municipalities, to see the AMPLE commitment met with dollars from the Alberta Municipal Financing Corporation that they felt they were rightfully entitled to. Also, there has not been a commitment given as to whether AMPLE is going to continue beyond the existing time frame that a commitment has been made for. The municipalities are very, very responsive, very, very supportive, very receptive to the AMPLE program. Municipalities seem to be very receptive to that type of financial assistance that is provided them that can allow them to continue with some of their projects.

I'm glad to see the Whitemud now finally under control. I know there was some manoeuvring there, and there is some question yet as to whether that manoeuvring satisfied everybody. I feel it satisfied most. There may be a small number of people that felt it could have been handled differently, but by and large because of the four major projects – the three other major projects in Edmonton in addition to the Whitemud – being put on board, it did seem to satisfy the vast majority of people. I'm glad when I drive down there and I see that construction occurring. I know that someday, probably next year sometime, it's going to come to an end, and we'll be able to bypass that construction that is presently occurring and make that Whitemud run that much more smoothly.

When I talk in terms of urban transportation, I see a number of issues, and it's a difficult time now to talk in terms of promoting new projects or even trying to move up or take further initiatives to move ahead quickly because of the financial implications involved. It would be foolish of me to sit back here and say, "Spend, spend, spend," because the dollars aren't there to spend, spend, spend. When the dollars are there, when there are priorities that have to be addressed, when we're in the position to be able to do that, I still maintain that rapid transit in Edmonton and Calgary has got to be the way to go. There are some in the community that have questioned rapid transit, but rapid transit does provide an alternative to that almighty automobile that so many of us like to rely on.

I know there are many, many people in Edmonton and Calgary and people outside of those two cities that rely on major roadways to bypass Edmonton or Calgary that are looking forward to someday seeing an outer ring road system in place. I'm not sure that I'll see that in my day because I visualize that by the time that is completed, it's going to be years and years and years down the road.

There was a time when we had more reason to be optimistic that dollars would be found to advance work on the RDA. A little bit has been done, and I think that under the circumstances I'm not sure one could expect a great deal more.

One of the innovative thoughts that have been provided me is further exemptions in recognition of efforts by industry, by the trucking industry in particular, when it comes to conserving fuel, when it comes to people, that municipalities are prepared to provide alternatives to motor vehicle traffic; in other words, some type of incentive to attempt to reduce the number of vehicles that are on the road. There have been some areas, and there's a bit of overlap here between myself and the Member for Westlock-Sturgeon. He mentioned some of the rural highways. I don't believe he made reference to the highway between Grande Prairie and Jasper park. The Member for West Yellowhead made reference to that. I just want to go on record on behalf of our caucus as saying that we recognize that as a serious problem.

Also, Mr. Minister, I was never fully given, nor the Member for Westlock-Sturgeon, a reasonable explanation as to why there wasn't some attempt to be able to resolve a request by the Indian band that operates the Bear Hills truck stop. I think the minister is

aware of that request for access for truck traffic in particular heading south. They only have the traffic from the one direction, and they do want to expand and build a cultural centre. That was one issue that the claim was made they were not able to resolve.

The last point I'm going to make, Mr. Chairman, is the matter of the logging trucks, and that was raised here some time ago. My understanding is still that loggers from B.C. or trucks that haul logs can come from B.C. without setting up a residence or fulfilling a residence requirement and bid on work that otherwise would go to Alberta truckers. That part about the breakdown of the interprovincial trade barriers and all that is fine, but at the same time it's got to be a two-way street. It's my understanding that truckers that want to go to B.C. have to meet certain criteria that do not make it possible for them to compete on the same basis as B.C. truckers coming to Alberta. In other words, the playing field is not level.

I would hope that somewhere along the line, if not this afternoon, the minister gets an opportunity to respond to some of the concerns that have been raised. On that note, Mr. Chairman, I'll leave it to the third member of our caucus to conclude in the area of utilities.

4:30

MR. CHAIRMAN: The Member for Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Chairman. My comments will be restricted to vote 4, the utilities portion of the Department of Transportation and Utilities. I guess the thing you have to wonder about – you know, in Australia they use the term “boomer” to describe kangaroos because of the way they bounce back, and maybe that's where the hon. minister got his nickname, for his resounding ability to bounce back. Welcome back to the Legislature.

Going on to vote 4, Development and Support of Utilities Services, I have a number of questions I would like to put to the hon. minister. The first question I have is starting with capital grants. Most departments have managed to reduce their capital costs. This particular department went up, just within the utilities section, from \$108,000 to \$130,000; not big bucks, but on a percentage basis quite an increase. I wonder if the minister might comment on why the increase in the capital costs section of utilities.

The Member for Westlock-Sturgeon . . .

MR. CHAIRMAN: Order in the committee, please. Would you keep the noise level down a little so members can be heard.

MR. BRUSEKER: Thank you, Mr. Chairman.

The Member for Westlock-Sturgeon has asked a couple of questions about rural electrification associations, and I too would just like to pose a couple of questions. The capital expenses in operating and maintenance are major concerns for REAs. Of course, the smaller the REA, the bigger the concern. Is there any kind of a solution to the concern with respect to pooling of these costs between different REAs? Is there some way that those costs can be averaged out, much along the line, I guess, of what EEMA was intended to do but not necessarily particularly with the REAs? I'm just talking about a concept here, that perhaps the REAs should have that as a possibility as well.

The cost-pooling expenses themselves, of course, are potentially a problem. Is the Public Utilities Board, the PUB, going to be overseeing that or auditing that to ensure that if there is cost pooling, those expenses will be apportioned fairly equally,

however it's to be done? Is there going to be some overview of that occurring?

The Member for Westlock-Sturgeon suggested that the operation of the REA should perhaps more closely emulate some of the gas co-ops. The gas co-ops get a service area and service all of the customers in that area. Perhaps the REAs could be offered to work in the same sort of general fashion.

With respect to EEMA I must confess a certain confusion, I guess, for lack of a better word. We have a minister of utilities who doesn't look after the Electric Energy Marketing Act. I'm wondering what kind of liaison there is, for lack of a better word, between this department and the Department of Energy with respect to the Electric Energy Marketing Act. It seems that the application of that falls under a different minister, yet this is the minister of utilities. It seems to be kind of a contradiction in terms.

With respect to EEMA, I know it's undergoing a whole review process, and of course there are as many different points of view as there are presenters, as in any issue. But one of the very interesting concepts that I read in the Edmonton Power submission to the EEMA review board was the concept of creating a separate electrical transmission company.

MR. DOYLE: Point of order, Mr. Chairman. EEMA doesn't come under transportation.

MR. CHAIRMAN: Continue, hon. Member for Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Chairman.

I'm wondering: is there going to be any kind of a move within this department to perhaps create something like that which has been suggested by Edmonton Power, where you have generating facilities on one hand and a transmission facility on the other hand? That is an interesting submission, and if the minister hasn't read it, I would sure encourage him to look at it, given that he is the minister responsible for utilities, and electricity is a utility, to the Member for West Yellowhead.

Moving on to vote 4.2, Gas Utility Development and Support, Mr. Chairman, I see that in this particular program 75 percent of the costs for gas lines for farmers over \$2,000, I understand, is the way the funding is allocated, up to a maximum of about \$15,000, and anything more than that is a special consideration. What this really amounts to is a form of subsidization, and I'm wondering if there's any kind of a policy directive as to how long the subsidization for the capital costs for gas lines is going to be continued. Given the burgeoning debts of the government and the problems that individual farmers are having, I think some direction to farmers in the future of where this program is likely to go down the road would be useful both for the department, on one hand, and for government in total and, on the other hand, for the farmers. I think that communication needs to be occurring there.

Vote 4.3, Municipal Services Development and Support. In particular, I was interested in the Municipal Water and Wastewater Grants. Twenty-two million dollars is a fair chunk of money. The minister did make a few comments about it, but I didn't really hear much detail about that. I'm wondering if the minister could perhaps talk about if there is a plan to use the wastewater as fertilizer. For example – and I'm going to give a suggestion here – the little town of Osoyoos, in the south part of British Columbia, takes their treated sewage from the final settling pond and uses that water to water the golf course. As a result, you have a terrific green golf course in what is otherwise a large desert area in the southern part of British Columbia. Was that considered to

be used anywhere here in the province? We have a problem with getting rid of wastewater. Is there a way to utilize here in Alberta that same kind of proposal being proposed there?

Twenty-two million dollars. I wonder if the minister could just talk a little bit more about what kinds of projects are being proposed and also what location. Are these allocated in a particular area? The reason I ask that question is because the minister of tourism, of course, has received proposals for all kinds of development in the Canmore area, yet I hear there's a concern about lack of infrastructure development with respect to water treatment there. Is some of this going to be going particularly to the Canmore area? That is a concern that I've heard from the residents, and I believe the minister of tourism has also talked about that. So is that something that has been considered?

The Utilities Officer Grants has been cut. Last year it was \$300,000. It has been eliminated totally. I guess the question is: what impact is that going to have on this particular department and in terms of the municipalities that were being served by the utilities officers? Are they going to have a difficulty by seeing this particular vote totally eliminated, as is being proposed?

Moving along very quickly, Mr. Chairman, to Heating Fuel Grants. I note that the seniors' grant was eliminated a couple of years ago. The rationalization was that costs had gone down. Recently we've seen an increase; I think in January of this year both Canadian Western and Northwestern natural gas companies increased their gas costs. Is there any potential for that coming back again? I guess the corollary question is about the remote area heating grants, which have remained stable. Are they going to remain, or are they likely to go the way of the senior citizens' home heating grants as well?

Mr. Chairman, I see my time is rapidly drawing to an end. Rural Water Development: just a quick question there. The farm water grants, I note, are cut back 25 percent. I understand this is for dugouts and well projects in special drought areas. I'm sure the Member for Cypress-Redcliff has related concerns about the drought that's occurring right now in that particular constituency, where there are lots of dugouts dug but there's no water in them. They're dry as a bone. In fact, it's so dry down there that just recently the Member for Cypress-Redcliff was giving a speech and blew the roof right off the school in Manyberries in his constituency, so that's how dry things are down there. I'm wondering if there are going to be any concerns addressing that particular area, because unless some rains come there, I would suggest that the money that's allocated here is not going to be sufficient and there are going to be a number of farmers in really severe financial straits. It's one thing to go out and buy a truckload of hay, but if you haven't got any water to give to your cattle, the hay doesn't do you much good.

Since my time is pretty well up, I'll stop there. Thank you, Mr. Chairman.

4:40

MR. CHAIRMAN: The hon. Member for Redwater-Andrew.

MR. ZARUSKY: Well, thank you, Mr. Chairman. I think this is an important enough department and area to make some comments on the actually good things that the department and government have done in many areas in Transportation and Utilities.

Mr. Chairman, firstly, I want to congratulate and thank the minister for the good working relationship and the work we have on certain projects in the constituency. [some applause] Thank you, Member for West Yellowhead. Also the staff that's probably here and many others that work in the department, because I can tell you that it's very appreciated when some municipality or other

individual calls and the response is there. The people in the department definitely do help, particularly in my job, to make it easier and help the constituents of Redwater-Andrew.

Mr. Chairman, I just want to highlight a few things, maybe some comments and some questions on certain projects in the Redwater-Andrew constituency. I can touch on highways, I guess. Our primary highways are all done. They're paved and kept in very good shape, so we appreciate that a lot.

Then we've got secondaries. I can tell you that I've got seven municipalities, counties, and MDs that do take in and touch the Redwater-Andrew constituency. This is their jurisdiction, the secondary highways and their priorities and requests, and that's an area where it's been very nice to work with the minister and these jurisdictions, to bring their concerns and requests, to actually get highways built and upgraded and paved.

Some of the surrounding MLAs seem to do their jobs quite well. The Member for Athabasca-Lac La Biche and I have a very close working relationship and definitely do meet with our counties and MDs on mutual concerns of roads running from one constituency to the other. Then on the west side and on the south side we've got some members, I guess, particularly the MLAs for Westlock-Sturgeon and Vegreville, that sometimes seem to not know what the priorities are of the jurisdictions in the area. I naturally get the calls from the municipalities to help them out and see if some of the roads can be done.

One in particular that I work with very closely is the county of Lamont. Naturally, secondaries go from one constituency to another, and one area that was done very diligently with the minister's help was secondary highway 637 running from Lamont east to Highway 45. All of a sudden, the municipal priorities came in, and we naturally worked for the counties and got some paving done. Finally, last year we finished the final stretch, which was in the Vegreville constituency, thanks to the minister and the county of Lamont that worked very closely, and naturally I supported that project too, because that sort of finished off the whole stretch. Somehow the MLA for Vegreville didn't seem to know what his priority was. He was jumping from one secondary to another, and all of a sudden it came out that every secondary in his constituency was of top priority. It was pretty difficult to work that way.

I thank the minister that finally this stretch was done and my constituents have a highway they can travel on which connects, going east, right into the Lloydminster constituency and Vermilion-Viking and all those. The connection is there now, and it's working very well. It's surprising how these secondary highways have taken the pressure off the primary highways. All of a sudden, people choose different routes, and we find that we don't have the traffic congestion on some of the primaries that we used to have. So I think we're going in the right direction. It looks like we're on target with secondaries on paving projects for the year 2000.

Also, I want to mention briefly here that the county of Thorhild is right now working on a road project, and my colleague the MLA for Athabasca-Lac La Biche probably will speak on and highlight this too. We have an area there of mutual need, highway 827, which I'm sure is on the schedule for paving this year and next year. I guess with the county of Thorhild we'll work this out and make sure that this project is done in two years for the benefit of the citizens in the area, probably eventually connecting to the much needed road network which will lead to the new Al-Pac pulp plant, which will use a lot of road and there'll be a lot of activity in the area. You can see that with these projects the minister and the department are definitely working on the needs of these areas.

I guess we've had some other areas which needed it and have been looked after, and the people of Redwater-Andrew constituency are very pleased, Mr. Chairman, with the work that's being done there as far as their traveling needs go and their everyday lives. In the city, naturally, it seems to be paved everywhere; even some of the back alleys are paved. When you drive out in the country, I think it's very appreciated that these roads are done, because country people I think deserve the same services and the same conveniences as urban residents, and that seems to be falling into place very well.

One area, Mr. Chairman, that I would like to touch on that maybe needs to be looked at in the Redwater-Andrew constituency is in regards to maybe some signing and some warning lights or something, because we've had a few incidents at the junction of Highway 28 and highway 831, north of Lamont in the Waskatenau area. Just lately we had a tragic accident there. Many people have brought those concerns to me, and I'm glad that the minister has looked at them. It looks like there will be further safety warnings coming, red flashing lights, and hopefully that won't happen again. That was done at the junction of 45 and 831, and it looks like that's been corrected there. Strangers to the area can see that there is actually something happening and they do have to stop. I appreciate that very much, because it will definitely help people traveling through the area and maybe save a few more lives.

Another area, I guess, where I've had some concerns from constituents is contractors in the area that do grass cutting along highways. It seems that when the privatization of it happened, everything was going very well. These people got into it, purchased equipment, and committed themselves to keeping our weeds and grass down in the ditches along primary highways. I've had calls just lately from a couple saying that the contracts are changing quite a bit, and they think it might jeopardize their future contracting with the way it's done. I've naturally talked to the department again, and hopefully this will be straightened out to help these people stay in business and do the good work they've been doing, because as far as I'm concerned, the private sector should be doing most of the work not only in highways but in many other departments. This is one goal I'd like to see, but it's going to take working with government departments and these private individuals to make sure this happens. Those are some of the areas that we want to work on.

There's another area I want to touch on which is very dear to the Redwater-Andrew constituency due to the latest dry conditions we've had, particularly in northeast Alberta. I guess we know what southern Alberta faces sometimes when they go through a dry spell, because we've had a few years of it now. One victim of it right now in the constituency is the village of Thorhild, which has all of a sudden run out of water. The creeks and rivers flowing near the community are literally dried out, and there's really no place to get water.

4:50

MR. TAYLOR: That's because you're draining all the swamps, Steve.

MR. ZARUSKY: Well, hon. Member for Westlock-Sturgeon, I understand - people in Westlock tell me - that it's the MLA there that's encouraging them to drain it. I don't know if that's true or not; I couldn't say.

MR. TAYLOR: At least our constituency would still be there and not disappearing.

MR. ZARUSKY: Well, when the debate comes up on the constituency boundaries and how they're going to be or what's going to happen, hon. member, we'll debate it then. Mr. Chairman, I felt that had to be done, because the member wants to debate everything in 15 minutes. So I think that should be addressed.

Mr. Chairman, as I said, the village of Thorhild all of a sudden ends up starting to pump water from Redwater River, and I guess there are concerns from farmers along the river because of their livestock and supply for the winter. They kind of figured that all the water might be gone. They've got enough water in their reservoir to last until fall anyway, and I guess they've had to quit pumping now. Hopefully, this summer we'll get a lot of rain, and maybe some of these rivers will fill up again. So far we've had some but not enough. Maybe it will happen, but if it doesn't, we've got a concern there that again we'll have to address.

That takes me to the next step: the village of Thorhild has applied to join the Edmonton-Redwater water corridor and actually come in. I guess they would qualify under our new water and sewage treatment and enhancement program, naturally working with the department, but I would ask the minister that maybe this one be given a bit of top priority because it is a serious problem there. I know the county of Thorhild is willing to come in and help out a bit, too, and maybe supply some of the other hamlets along the route. This is one area I'm glad we're working on, and I know the department is working with the village at this point.

Other than that, I guess our gas programs are in your area. Natural gas has seemed to come to just about every community, every farmer in the area, and it seems like everybody's very pleased with the programs and the way they came in. Naturally, if any extra funding is available, we certainly would appreciate it.

Other than that, Mr. Chairman, I just want to touch briefly on the area of privatization and working with Transportation and Utilities. I know a lot of work has been done in privatizing the services in Transportation and Utilities, and the deputy and staff are definitely going in some of that direction. Our highway maintenance: a lot of it is being done by the private sector. We don't, naturally, build any roads; the private sector is doing that. In meetings with the road-building contractors and many others that do work for government in building these roads, they expressed their appreciation for giving them the opportunities to definitely come in and do a lot of this work. I think we've got some pretty good private-sector people out there that are serious in their business and doing a very good job for the province. So that's part of the area that is very appreciated, and I hope it continues. I hope that with our privatization committee we can work with the department to maybe assist in any way, through public consultation or many other ways, to make sure that these things do happen.

I guess another area that could be done quite well by the private sector is the maintenance work on highways, continuing that and making sure that the private sector gets most of the jobs of working for government, because I believe that good government business is for government to stay out of business, as I've said before.

On this note, Mr. Chairman, I once again want to thank the minister and his whole department for the work being done in our areas in the Redwater-Andrew constituency and, indeed, in the province of Alberta.

Thank you.

MR. CHAIRMAN: The hon. Member for Athabasca-Lac La Biche.

MR. CARDINAL: Thank you, Mr. Chairman. I, too, would just like to briefly address some concerns I have with the '92-93 budget estimates of Transportation and Utilities. I'd just like to take a moment, though, to thank and commend our most experienced transportation minister and also the deputy minister. I believe we probably have the best deputy minister and minister in transportation in North America; you just have to look at the road network we have in Alberta and compare it to other jurisdictions. No one comes near to what we have in Alberta, and that doesn't happen by accident. That's good planning, good management by a good government and good staff in transportation. That's what does it. It doesn't happen by accident. I'd just like to briefly . . .

MR. TAYLOR: Except on 794.

MR. CARDINAL: They need a good MLA. Your constituents have been calling me to help them on that particular issue. I may do that in the future.

I just want to touch on a number of issues in relation to my constituency, first of all. There's a lot of activity in that constituency these days, and one of the areas, of course, that was brought forward and was a bit of a concern to some of the speakers was the infrastructure cost in relation to the Alberta-Pacific pulp mill: the projected \$75 million cost for the rail line, the bridge across the Athabasca River going north towards Wabasca and Calling Lake and many of the northern communities, and also the paved road network that would access the complex itself. In fact, I know some people are not in favour of projects like this. In fact, the leader of the Liberals today in question period indicated that Al-Pac was an embarrassment. He still continues to say that; they do not support projects of this nature. Maybe he doesn't realize that the road network, the infrastructure leading to a project like that right now, is providing 1,400 jobs on site; 366 local people work there, and over a hundred native people. By July of this year they'll have 2,500 people working, pumping \$1 million a day into the economy. Now, if you don't think that's good investment by a government, boy, you'd better think twice. Again, it doesn't happen by accident. It's good planning by a good government that makes these projects move forward.

Now, the Member for West Yellowhead – I could hear him talking in the background – mentioned something about local employment for truckers. Well, we do plan and we do work very closely, as the Member for Redwater-Andrew mentioned, together with the municipalities and set out a long-range development plan of how our roads will be developed, tied in with the economic base in the region. It works very well, but the Member for West Yellowhead mentioned maybe having problems with some of the truckers, for an example. Well, that's another issue we deal with. For example, in the municipalities, some of the municipalities will work with one to make sure there's maximum economic benefit for the truckers. The province then provides the gravel, and it's then generally understood that the contractor will hire a minimum of 50 percent local trucks and also pay a minimum government rate. But that again is negotiated in a professional manner with the municipalities, and some municipalities, of course, support that, and it goes very well because we employ most of our truckers.

5:00

[Mr. Moore in the Chair]

Now, other municipal jurisdictions decide on their own to supply the gravel to these projects, which means the projects then will go reasonably open and they hire trucks at the rate they want to hire. Those are the things that when you sit down with government

members and municipalities, you can negotiate and come up with a good compromise where it'll maximize economic benefit to a region.

I do have a question, though, again on the airports a bit. I have a question as to what would be happening to an airport at Conklin, for an example. The community of Conklin has approached me a number of times to try and improve their local airstrip, and something I want to ask the minister is if there is any work going on to improve that.

The other area, of course, is that I noticed during question period today that the Leader of the Official Opposition indicated that there is a lot of money needed to build roads in Edmonton, for an example, and the transit system. I would also like to advise these people that we may need to improve the road network in Edmonton and put in a good transit system, but I think a lot of people here may not realize that we still have a number of communities in northern Alberta that don't even have a road to the community. I could name one. Chipewyan Lake in the Member for Fort McMurray's riding is isolated, and it doesn't have a road to it, so I think if we were setting priorities where dollars should go, we should keep these small communities in mind. The other community we have is Conklin, in my constituency. Conklin and Janvier, of course, have a road to Fort McMurray, but they do not have a road south to tie in with Lac La Biche and Edmonton. Although I have to commend transportation again – they have been spending approximately 2 and a half million dollars per year doing approximately 17 kilometres of road – if we keep that pace up, it will take us till 1996 before that road is completed.

There is a new issue that has come up, and I want to ask the minister of transportation about that. The Al-Pac road network is tied in with that. Al-Pac, the Alberta-Pacific project itself, is proposing to spend \$60 million in the next 10 years to build a road network in northern Alberta. Of course, part of that road network, if we work jointly with Alberta-Pacific, can speed up the development of some of the roads proposed to these isolated communities. It would be a double benefit for these communities. The benefit would be the new road outside and also the opportunity to be able to access jobs that are going to be created in the area. That's a real benefit.

An example of this is the Conklin road, which needs, I believe, another 60 or 70 kilometres to be done. Now, if we go in jointly with Alberta-Pacific, for an example, and spend the necessary dollars to advance it, we can complete that road in two years. That would de-isolate that community, including Fort McMurray, Conklin, and Anzac. That was the question I have to the minister: is it possible for your department to use, for an example, some of the infrastructure dollars provided to Alberta-Pacific, possibly to advance \$5 million of it – that's what we'd need – and then complete that road in '93-94? I think, personally, that if we did do that – we're spending more than that now on families on welfare in those northern communities and health care and other added costs, because there's so much unemployment – we'd recover that money very quickly. I would ask the minister if he would have any comments on that.

The other area I had a couple of questions on is the heating fuel grants. It was mentioned here earlier that the heating fuel grants would continue for some of the members that are not in the natural gas franchise areas and some of the isolated areas. Of course, I'm thinking of places like Chipewyan Lake and other rural areas in northern Alberta that do not have access to natural gas. I would hope that the heating fuel grants will continue.

The other question I have is on vote 4.5, Rural Water Development program. In the past 30 years this government has made major moves in improving the overall infrastructure of northern

communities, including hundreds of new housing units across northern Alberta, the road network to go with that, improved schools, job opportunities wherever possible, adult education programs, health care programs, recreation programs. Generally, the communities have upgraded considerably. A thing we're lacking, of course, is the economic base, but one important area with that is the water systems. I know we're putting in centralized water systems, and the question to the minister is: are there programs that we can look at that would assist the people that would be interested in putting in individual water systems, especially the ones that don't have an opportunity to tie into the centralized system?

The other area, of course, is continued work in my constituency on a number of major roads. Although a high percentage of the roads will be paved in the near future, even the secondary roads, I have one road that should become a priority. It's 827 south of 661 to 663. This road could tie in with the Alberta-Pacific road network, and it would bring traffic through the hamlet of Thorhild and also Newbrook and add an economic base through that area. Could the minister advise me as to what direction we are going with that particular road? I think it's one of the top priorities, and it should be looked at very closely. The other one is 855 between 661 to Smoky Lake, Highway 28. There is also a portion in there that requires upgrading and paving.

Also, I would like to ask the minister in relation to some of the road networks in some of the Metis settlements we have. Kikino Metis settlement has already one major paved road network right to the hamlet, and that's looking after that, but there is a road network within the settlement also. What has happened to that? I think there are some negotiations going on now. I'd like to know: what direction are we going in with the other, internal roads within that settlement? The other one is Buffalo Lake Metis settlement. Buffalo Lake Metis settlement does not have one paved access now. Is it possible to look at maybe paving 855 south, at least to the point where it hits the Buffalo Lake Metis settlement?

The other area deals with one of the Indian reserves in my constituency, and that's Beaver Lake Indian reserve. The general policy, it seems, in Alberta is to have at least one paved access road to each hamlet, village, or town. Is it possible to look at maybe including Indian reserves like Beaver Lake? Beaver Lake now is - I'm not sure - about six or eight miles off the major highway, and it's very dangerous. The road is busy at all times because of the lake itself and the tourist resort, and that road is gravel. Is it possible to consider these reserves under that program we have?

5:10

The other area, of course, is tied in a bit again with the road network. I'm sure that part of the budget plan is in relation to the 200-square-mile Lakeland park and recreation area which was recently announced, which is a great economic boost for northeast Alberta. The road networks to the park: I know there's a considerable amount of road to be built to access the park. I'd just like to ask the minister a question as to where we are at with this and how long it will take before we have some idea as to the time line of the development of the road network to the park, especially from Highway 36 going east and a bit north to Pinehurst campsite. I just wondered if this is part of the top priorities as far as development of the road network and possibly the paving of it.

The other concern that has always been brought to my attention, of course, is the upgrading of the Athabasca bridge. The Athabasca bridge itself was opened in 1952. It's been well used. It's getting to the point where it has to be looked at sometime in

the future as to how we may modify the structure. I don't think it needs to be replaced, but I think with the Al-Pac bridge across the Athabasca River, just north and east from the Athabasca bridge, the heavy traffic can be redirected. But we still need to look at making that bridge a bit safer. Just north of that, on SR 813 north of the Athabasca bridge, I believe for about 20 kilometres there is a problem there with the structure of the paving. Although the project was paved I suspect maybe 15 or 20 years ago even, there is a potential there where the bans are put on too early and kept too long into the summer. It's affecting the agricultural traffic and other traffic. What happens is that when the loaded trucks come, they take the secondary roads and county roads and do some damage to the county roads, so I'd like to ask the minister what kind of work we are planning for that particular portion of the road.

I'd just like to thank the Chairman again and thank the minister and staff for their continued support. I'd just like to say thank you for giving me the opportunity to make a few comments on a number of issues in my constituency.

MR. ACTING DEPUTY CHAIRMAN: Edmonton-Highlands.

MS BARRETT: Mr. Chairman, thank you. I'll only speak for a few minutes. I'm sure the minister would like some time to sum up, and we've got about 17 minutes left. I'd like to speak as an Edmontonian about the cuts that were announced, I believe in January, to the urban transportation grants. I believe it came to 16 percent. That's what it shows in our estimates books. The point I'd like to make is that those cuts are going to seriously affect the quality of roads and infrastructure in the city. As the minister knows, city council, after being very angry about it, reacted to the cuts by saying that they had no choice but to go to their AMPLE funds and continue some of their large projects on the basis of the AMPLE funds. In Edmonton, for example, those projects would include completion of the Whitemud freeway and Capilano Drive. Capilano Drive is especially important to me because a lot of people use 112th Avenue to get to 50th Street, which is closer for them to get to the Yellowhead Trail. As a result, 112th Avenue is a dangerous avenue for pedestrians, particularly young pedestrians. The city police have done a good job setting up speed traps, but they can't be there 24 hours a day, and children get hurt. So this issue is close to home for me.

I would like to point out further that with the government's taking the surplus \$300 million from the Municipal Financing Corporation and transferring \$200 million of it back to all municipalities, regardless of whether or not they paid into the fund, and then keeping \$100 million for the government's own use compounds the problem. We may have been able to get around this year or next year with a massive cut, if it's one time only, in the transfer to the urban transportation grants, but you can't do that year after year. Now we will no longer have AMPLE, and what we're really looking at is a very long-term, serious problem for municipalities. I understood what the Member for Athabasca-Lac La Biche was saying, and he's right.

Let's face it, Mr. Chairman, the purpose of government is primarily to sponsor some core departments: Health, Education, social services, and transportation. I mean, those are the biggies. We don't need a whole bunch of departments spending a lot of money in an ad hoc fashion that ends up costing us, you know, \$100 million this time, \$300 million next time, \$566 million in the current time. I realize that the government does not have access to a lot of money and that times are tight. I would suggest that if you want to save money, don't do it at the expense of transportation grants to the city. Cut cabinet by six or eight people, and

you'll eliminate a lot of empires and enjoy efficiencies and at the same time cut ad hoc funding in loans and loan guarantees. No one argues that the government has a role to play in either direct funding or indirect funding through loan guarantees if it's done on a program basis. If there's no program, you're guaranteed to lose money. That has been the history of this government since it started handing out money hand over fist to the corporate sector on an ad hoc basis. Cut it out, and you won't have to cut your transportation grants.

Mr. Chairman, I hope that the transportation minister is able to say in his concluding remarks that this is a onetime only cut to transportation grants to urban municipalities. Heaven knows, if you've got the majority of the population in this area, this is an area where you should be spending money in a reasonable fashion.

Thank you for letting me in.

MR. ACTING DEPUTY CHAIRMAN: Hon. minister.

MR. ADAIR: Thank you very much, Mr. Chairman. I think probably I should say from the outset that with the number of questions I've got, I won't be able to answer all of them today. For the ones I miss, we'll get back to you in writing at some point beyond that. I'm trying to think who was the very first person to get up.

MS BARRETT: West Yellowhead.

MR. ADAIR: West Yellowhead, of course. I should remember that. The very first question that I wrote down was that you asked about the ferry system, how many ferries we've got. I think it's seven - I'm just checking to see if the nod is going this way or this way. Oh, he did go this way. I must have woke him up. Seven ferries, but the change in the dollars is a result of the fact that we're going to be replacing the Crowfoot ferry, and that's the additional dollars for this year that are in there.

I think the other one that you really spent some time on was the Alberta Resources Railway: what are the volumes? I don't have the specific volumes right at my fingertips. I might say that they have stayed reasonably close to the same amount for the last number of years, and we anticipate that they will stay fairly close to the same. However, what has occurred is that in the last short period of time we have negotiated with the CNR an increase in the freight rate of 50 cents per tonne to \$1.16. That, I might also add, is retroactive back to January 1 of 1987, and that has assisted us greatly in the revenues generated by the railroad. As a matter of fact, we presented the Provincial Treasurer with a \$2.7 million cheque for the retroactivity. I would like to have had it for myself, but I wasn't able to do that. That's a major change that has occurred, and I think it's important that we place that on the table.

5:20

The hon. Member for West Yellowhead was talking about the REAs. I guess the point that I have to make, knowing that you have some knowledge of the system, having worked for Alberta Power, is that the REAs are individually formed organizations that vote in their executive, and they then make the decisions that relate to a number of things. One would be, obviously, whether they decide to sell or whether they don't, whether they are the ones that are going to be on the negotiating committee for the master contract, because that's really important. The master contract is the one that just a couple of years ago was a major hurdle for us to get over on behalf of the REAs, to be able to have them sit down and renegotiate that with some firm time frame and

then go beyond that. I should say again that that choice is theirs. They can belong to the federation if they choose. They don't have to. There's no forcing in there at all, one way or another. There are some who have chosen not to, and I respect that, but in the same sense the majority of them are members of the federation and work with them.

[Mr. Schumacher in the Chair]

Now, you did mention something about the federation book, if I was to do something with it, and I lost it. I've just got, "federation received funds"; I can't remember what the question was. I assume it was, one, whether those funds that were used for the book could be applied or that the ones who chose not to apply could get some funds to do their book.

MR. DOYLE: In the same book. Will they be in the same book?

MR. ADAIR: I don't know whether they're in the same book. I am not doing the research on that particular one; it is the co-op work that was done on that. It's similar in type to the efforts that were made on behalf of the gas co-ops, the same system, as I understand it, as what they're going to use to put the book together. I might say that in that one they went right back to the start - way, way back, almost as far back as I am old - to put that package together.

With the gas co-ops, again, with 95 percent of the system in place, that is a major coup, as far as I'm concerned, and I can only take part of the credit for it. It's been going on for a good number of years. That 95,000 miles or 130,000 households - that involves individual homes, business homes, community leagues, and the likes of that - are all served by the natural gas program. The co-ops basically have the right to prioritize exactly what they're going to be able to do with their funds. I think we're all faced with the same thing: there aren't enough funds with the price of gas dropping. It dropped from \$2.13 per gigajoule in 1986 to \$1.50 this year. With that coming on stream, everybody who didn't get on at that time wants on today, and one of the difficulties you have is saying: where are we going to get the dollars for that? We've assigned some dollars to that program, but that basically is it. There would be some that would go to this co-op or that co-op, and they'll have to decide how they expend that in their area.

Farm water supply. The basic difficulty that we have with the farm water supply is that in the summer of 1990, I believe it was, we ceased taking any more applications for the program to allow us some time to clean up the backlog. The backlog will take another two years, basically, to clean up, and that's 1994. That's where we are with that particular program. Now, what happens beyond that I'm not at liberty to say because I'm not sure what will happen come 1994, 1995 as far as a new program, but the basic understanding - and we had good public relations with the people that were involved as well - was to say, "Look, I can't accept any more applications because I can't complete them." So what we're going to do is cut off applications of a date in July of 1990, then we'll clean up that backlog, and when we've got that cleaned up, we'll take a look at whether another program is needed or the likes of that. That's in place. That answers a number of the questions that were raised by hon. members.

You mentioned gravel truckers, and you mentioned some of the problems that they have with pulp mills. The private sector is involved. We're not involved with the pulp mills in their work on their sites. In other words, it's free enterprise. They bid to get on the job, and as long as there's somebody who has sharpened his

pencil a little sharper than the other one, they'll get the job. Now, our government rates do not apply on job sites. They do not apply, as well, on in-place jobs or contractor-supply jobs.

I believe you asked about any rehabilitation that's being done on the airports. I'm going to have to get that information for you. I know there is some, but I can't be specific about which ones are getting that. I know last year we put one piece of equipment – I don't even know the name right today – in at the Whitecourt airport, something that was asked for for some time as far as a safety feature for those who fly in and out of the area.

Three vehicles: trailer, boat, and vehicle. Now, my understanding – and I'm going to try and see if I can confirm that – is that Saskatchewan and B.C., who had that, are no longer doing it. It's not the fellow like you and I – who have the capability if you've driven a truck, and I'm sure you have, to be able to do some of that but not to the same degree as many others, and particularly when our spouses take the car and the trailer and the boat and head out to the lake. With all due respect, there is a tremendous amount of effort needed to get that vehicle into its place, unless you can drive it straight in. We have not been, and I will not make that a sign of the times or a situation that we would look at this year. I've got to have a lot more convincing that there is some safety to it. Basically, I've had two letters. I was going to say we've been doing that for some time; we've done a lot of the research into it. I believe I've had two people in Alberta who have expressed a sincere interest in having that because they've got a brother in Saskatchewan that had that right until they took it away just recently.

I might add, you know, that it's interesting when you look at these deals. You talk about Highway 49 and the culverts. I wrote down that the one thing we don't schedule is a culvert to collapse. We have a little difficulty in doing that. The particular

piece that's west of Spirit River – the hon. Member for Dunvegan gave me the question, and I answered it some time ago. We put in place the detour, partly paved and partly oiled, and it's two kilometres longer, and everybody in the country knows about it. By putting the two projects together, we have the availability of getting that done within a month instead of two months, really one month on each site. That's what we're attempting to do. We recognize that it's part of what you might say the excess deal. [interjection] I'm supposed to stop.

Thank you, Mr. Chairman.

MR. STEWART: Mr. Chairman, I move that the committee rise, report progress, and request leave to sit again.

[Motion carried]

[Mr. Speaker in the Chair]

MR. SCHUMACHER: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions of the Department of Transportation and Utilities, reports progress thereon, and requests leave to sit again.

MR. SPEAKER: Having heard the report, those in favour, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. Carried.

[The Assembly adjourned at 5:28 p.m.]

