

**LEGISLATIVE ASSEMBLY OF ALBERTA**

Title: **Thursday, March 11, 1982 2:30 p.m.**

[The House met at 2:30 p.m.]

**PRAYERS**

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF VISITORS**

MR. STEVENS: Mr. Speaker, today I have the privilege of reintroducing to you and to the members of the Assembly two visitors from the United States in your gallery who are seeing a provincial Legislative Assembly for the first time. On your right, Mr. Speaker, John Lawlor, and in the middle, Lori Walters, and our daughter Linda. They are visiting to see us in action today. The members might recognize Mr. Lawlor from the *Phyllis* show some time ago and from visits to our capital city, and Lori was Joanie in *Eight is Enough*. Would the members please welcome them to the House.

head: **INTRODUCTION OF BILLS****Bill 12****Hydro and Electric Energy  
Amendment Act, 1982**

MRS. CRIPPS: Mr. Speaker, I request leave to introduce Bill No. 12, the Hydro and Electric Energy Amendment Act, 1982.

The purpose of this Bill is to make it possible to allow a utility company to serve a customer in another franchise area; secondly, to remove the requirement for approval by the Associate Minister of Public Lands and Wildlife when public lands are not involved in an ERCB decision; and some other administrative improvements.

[Leave granted; Bill 12 read a first time]

MR. CRAWFORD: Mr. Speaker, I move that Bill No. 12, the Hydro and Electric Energy Amendment Act, 1982, be placed on the Order Paper under Government Bills and Orders.

[Motion carried]

head: **TABLING RETURNS AND REPORTS**

MR. COOKSON: Mr. Speaker, I wish to file with the Assembly an Annual Report 1981, which is a report on monitoring and research studies relating to acid rain and long-range transport of atmospheric pollutants in western Canada. This particular document involves the western Canadian provinces of British Columbia, Alberta, Saskatchewan, and Manitoba, and the federal government. It is an excellent report and indicates that Alberta is doing an excellent job of research in the problem of acid rain.

MR. HYNDMAN: Mr. Speaker, I wish to table with the Legislature copies of the 1980-81 public accounts of the province of Alberta. Copies have been provided to members and were made public on February 24. As well, I would like to file with the Assembly copies of the quarterly statement for the Alberta Heritage Savings Trust Fund, ended December 31, 1981. Sufficient numbers have been made available to the Clerk for distribution to all members of the Assembly.

MR. HORSMAN: Mr. Speaker, I wish to file with the Assembly a document entitled *Some Facts About the Funding of Post-Secondary Institutions in Alberta*, March 1982. Copies have been made available for distribution to all members of the Assembly.

MR. McCRAE: Mr. Speaker, I would like to table the annual report of Alberta Government Services for the year 1980-81. Also, for the information of members, I would like to file the statement of costs for the Alberta Heritage Savings Trust Fund communication program for the 1981 calendar year.

head: **INTRODUCTION OF SPECIAL GUESTS**

MRS. LeMESSURIER: Mr. Speaker, I am pleased to introduce to you, and through you to the Members of this Legislative Assembly, 35 students from Victoria Composite high school in the constituency of Edmonton Centre. They are accompanied by their leader Shirley Armstrong and are seated in the members gallery. I ask that the students rise and receive the warm welcome of this Assembly.

Again, Mr. Speaker, I am very pleased to introduce to you, and through you to members of this Assembly, 20 students from adult education, English as a second language, in the constituency of Edmonton Centre. They are accompanied by their leader Mr. Hugh Reid and are also seated in the members gallery. I ask that the students rise and receive the warm welcome of this Assembly.

head: **ORAL QUESTION PERIOD****Nurses' Strike**

MR. R. SPEAKER: Mr. Speaker, my first question is to the Minister of Hospitals and Medical Care. Can assurance be given to the House that the AHA report on nursing professions will be updated once the arbitration board's ruling is imposed upon the nursing profession, to ensure that some of the basic issues that precipitated debate can be looked at in a very scientific and logical way?

MR. RUSSELL: Mr. Speaker, if I understand the question correctly, I believe I have to say no, I cannot give that assurance. I have no idea how the arbitration tribunal will work, under the terms of the Act.

MR. R. SPEAKER: Mr. Speaker, to the minister again. In terms of an update, this would be looking at the nursing shortage as well as working conditions. As a matter of information, I mention that this would happen after the tribunal brings down its recommendations, and the nurses' contract then proceeds until December 31, 1983. Would the government be prepared to go forward

with a study on nurses' working conditions and the problem of nursing shortages?

MR. RUSSELL: Mr. Speaker, perhaps two things would be of interest to the hon. leader. Number one, insofar as the supply and status of nursing in the western provinces is concerned, I believe two years ago the western premiers commissioned a western Canadian study on the total picture of health manpower and instructed their various provinces to prepare a very comprehensive report. The last briefing I had on the matter is that that report is complete and that the premiers will be discussing it at their next western premiers' meeting. That gives a very comprehensive, total overview of the whole health manpower system.

Insofar as the situation regarding nurses in Alberta is concerned, I believe my colleague the Minister of Advanced Education and Manpower made reference to the implementation committee, set up a year ago, that is dealing with a number of items regarding training extra personnel, the matter of nursing research, and career advancement by way of postsecondary education for nurses who have their diplomas.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. At this point in time, could the minister inform the House as to what occurred in the hospitals today, whether nurses have returned to work as ordered and all is back under normal working conditions, as they may be?

MR. RUSSELL: Mr. Speaker, tomorrow I'll be in a far better position to report in the House on today's happenings, and I'll be pleased to do that. Initial telephone reports I've received indicate that the nurses did return to work, and the hospitals are well along the way to gearing up again.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Will the minister continue to get reports, as he has in the last two weeks, with regard to conditions at the hospitals and how the hospitals are coping? Would those reports be available to members of the Legislature? Could the hon. minister table any of those reports?

MR. RUSSELL: Mr. Speaker, it wasn't my intention to request reports after the strike ended. There's a reason for that. We were getting those daily reports I referred to on several occasions to allow us to assess the capability of the hospitals that were operating to maintain services. Now that the strike is over, I don't see the necessity for that. I assume the hospitals are now going back into normal operations and, therefore, there's no need for daily reporting.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. It relates to a question my hon. colleague from Bow Valley asked yesterday, or the day before, about monitoring and reporting to the Assembly the number of nurses leaving the profession or the province. Will the hon. minister monitor that figure from this period forward, maybe as a result of grievances with the strike or concern with regard to working conditions in Alberta?

MR. RUSSELL: Mr. Speaker, that's something I think we should give serious consideration to. Most of the major hospitals do keep track of resignations and new people coming on and, where they can, they have the

reasons for doing that. But I'm sure the hon. leader understands it's a very fluid and dynamic situation, with people coming and going every day in the system, just as they do in any occupational group.

MR. MANDEVILLE: Mr. Speaker, a supplementary question to the hon. Minister of Labour. Could the minister indicate what period of time we're looking at for establishing a tribunal to determine the negotiations? Will the AHA and the nurses' association have some input into setting up the tribunal?

MR. YOUNG: Mr. Speaker, it would be my hope that we can proceed with dispatch to establish the tribunal. I think it's important to bring an end to this matter as quickly as possible. On the other hand, I must express the need to have an opportunity to talk to different individuals — particularly any potential appointees — and that will take some time. While I hope to do it soon, I don't want to commit to a specific date at this time, because I don't think that would be a reasonable thing to do.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Minister of Labour, with regard to the number of people on the arbitration tribunal. Has the government decided whether there will be more than one person — hopefully three people? Has that decision been made, or is that open to discussion at this date?

MR. YOUNG: Mr. Speaker, that decision will be taken. In the meantime, a number of representations have been made in both directions, and those will have to be weighed.

#### **Established Programs Financing**

MR. R. SPEAKER: Mr. Speaker, I'd like to direct the second question to the Minister of Advanced Education and Manpower. It's with regard to the state of the negotiations between Alberta and Ottawa concerning federal proposals to cut back on established programs financed with regard to postsecondary education. Could the minister indicate whether those negotiations have reached any agreement, or are they still fluid?

MR. HORSMAN: Mr. Speaker, the responsibility for negotiating the entire established programs financing package is in the hands of my colleague the Provincial Treasurer. That was the unanimous decision reached by the first ministers, and the finance ministers of the provinces, in Victoria last year. That is where the responsibility properly remains. I should add that in our recent meeting in Toronto, the ministers of education unanimously agreed that we would not be forced into splitting those negotiations into the various components served by established programs financing agreements. Therefore, the real answer to that question of the status of those negotiations must be provided by the Provincial Treasurer.

MR. ZAOZIRNY: Mr. Speaker, a supplementary question to the minister. In light of the expressed intention of the federal government to cut back the level of funding to our educational institutions, can the minister advise the Assembly whether it is the intention of this government to pass on those cuts to our educational institutions in this province? Or has a contingency plan been formulated

to ensure that the level of service is maintained in Alberta?

MR. HORSMAN: Mr. Speaker, the very recent events should have me repeat to this Assembly what the Premier and I told the students today — at least those who were prepared to listen. We will not pass on to the institutions in Alberta the federal cutbacks, which we estimate to be in the neighborhood of \$26 million in this forthcoming fiscal year, insofar as postsecondary education is concerned. The budget which my colleague the Provincial Treasurer will introduce next week will reflect that commitment of this government to postsecondary education in the province.

MR. R. SPEAKER: Mr. Speaker, supplementary question to the Provincial Treasurer. Could I have the Provincial Treasurer answer the earlier question? That would certainly make it easier for other supplementaries.

MR. HYNDMAN: Mr. Speaker, on the status of negotiations, I think it would be fair to say that at the moment they are in limbo. All the provinces have asked for the opportunity to continue meaningful negotiations. There's been no indication from the federal government that they're prepared to do that. The issue accordingly remains in abeyance, with the provinces wishing to discuss the matter further wanting to impress upon the federal government the desirability of continuing the essence of the last five years' negotiations and funding and to do nothing which would jeopardize either the postsecondary or health systems.

MR. HIEBERT: Mr. Speaker, my supplementary question is to the hon. Minister of Advanced Education and Manpower. So one can have a better understanding of the level of funding for our universities, is the minister in a position to indicate the per-day cost of the instructional program at a university such as the University of Alberta? What portion of that cost would be covered through established programs financing?

MR. SPEAKER: Possibly by some coincidence or other, the hon. minister may have that detail on his desk. But it would seem to be the kind of question that might be sought either directly from the minister, outside the question period, or by means of the Order Paper.

DR. BUCK: Outside the House, on the steps.

MR. HORSMAN: Mr. Speaker, there were two questions in the supplementary. I would find it rather difficult, as you indicate, to give a *per diem* cost, but the information supplied in Some Facts About the Funding of Post-Secondary Institutions in Alberta may contain that.

I do think the second part of the supplementary deserves a comment. The amount of funding made available to postsecondary education in Alberta by way of cash transfers by the federal government under established programs financing is in the neighborhood of 20 per cent. It has been at that same level since the program first came into effect in 1977. If I may add this, I am very concerned that we keep hearing figures that that amounts to something in the neighborhood of 50 or even 60 per cent. People who repeat those figures are doing a disservice to this Assembly, because this Assembly in fact has voted a major budgetary allocation to postsecondary education

from the people of Alberta. The people of Alberta, directly through taxation and other revenues, are providing 80 per cent of the total funding for postsecondary education in this province.

MR. HIEBERT: A supplementary question, Mr. Speaker. Considerable study has gone into the student fee issue. Is the minister in any position to indicate when that particular issue will be finalized, to prevent some of the uncertainty that appears to exist?

MR. HORSMAN: Mr. Speaker, that of course has been under review. I hope to have that matter reviewed by my colleagues in cabinet and caucus in the very near future. We have not had that opportunity as yet. Within a very short time after the budget, I expect to make some announcements with respect to a long-term tuition fee policy for the province.

MR. BORSTAD: My supplementary is to the Provincial Treasurer. When are these cuts to take effect? Are they in this fiscal year, or will they affect us in next year's budget?

MR. HYNDMAN: Mr. Speaker, it's somewhat uncertain at the moment. The provinces have indicated and jointly put forward a plan to extend the original five-year agreement, which was to end on March 31 this year, for one further year on the same fair and equitable formula. The matter is still in abeyance. The federal government has indicated they're unwilling, at the moment, to consider further discussions without injecting conditions on the provincial jurisdiction of education, so the matter is still up in the air. We still hope, as do other provinces, that they will see the light and not do anything to jeopardize the existing high standards of postsecondary education in the country.

DR. BUCK: Mr. Speaker, to the hon. Minister of Advanced Education and Manpower. Has the minister had an opportunity to do an assessment on whether the students on the steps were as impressed with the funding as the hon. Member for Edmonton Gold Bar?

MR. HORSMAN: I think it's fair to say that those who listened may have been impressed. For those who didn't, I guess there are none so deaf as those who will not hear, and none so blind as those who will not see. The facts are contained in this document.

While I'm on my feet, I might just correct the impression that all the funding to run the universities comes from government. In fact, that is not the case. Students contribute a portion of the cost of operating the universities, colleges, and technical institutions in this province. At the moment, that proportion of total funding in the university sector has fallen below 10 per cent. Total government funding for operating universities is now in the neighborhood of 88 per cent, since universities have other sources of income, such as interest on investments and so on. I did want to make that point that students do, in fact, contribute a portion of the cost of operating our institutions in this province, although that proportion has been declining steadily in the last 20 years, to the point where it is now under 10 per cent.

DR. BUCK: Mr. Speaker, a supplementary.

MR. SPEAKER: Followed by a supplementary by the hon. Member for Calgary Millican. Then perhaps we might go on to another subject. I have indications from an unusually long list of members that they would like to be able to ask their first questions.

DR. BUCK: Mr. Speaker, to the hon. Minister of Advanced Education and Manpower. In light of the fact that students' tuition is a relatively small proportion of the total cost of going to university at this time, is the government giving any active consideration to reimbursing students the full amount of their tuition if they pass an academic year? Has any consideration been given to that, in light of the fact that the heritage trust fund is for the future, and education is part of that future.

MR. HORSMAN: Mr. Speaker, that's a novel suggestion. If that represents the views of the member and his party I'd be very surprised. In any event, that has not been given active consideration, although we have outlined seven different options for students to give me their opinion upon. I've been receiving opinions, not only from students but from boards of governors, senates, advisory committees, and other interested people, with respect to the long-term tuition fee policy we should adopt. As I indicated, we have narrowed those seven down to about three. Those three options will be considered by my colleagues in caucus and cabinet in the very near future.

MR. R. SPEAKER: What about the Legislature?

MR. HORSMAN: Of course, if we require amendments to legislation, all members of the Assembly will be full participants in that process.

DR. CARTER: Mr. Speaker, my supplemental is to the Provincial Treasurer. The established programs financing affects not only advanced education but medical and social services. In discussions with regard to the latest federal moves, are the Provincial Treasurers from all the provinces meeting together, or is the province of Quebec boycotting the negotiations?

MR. HYNDMAN: Mr. Speaker, in meetings which have taken place over the last eight or nine months, all the provinces have been involved. Their position has been essentially unanimous with respect to the way they feel the programs should continue, with regard to all the established programs. So all the provinces have been in a position contrary to that of the federal government.

#### Foreign Oil Imports

MRS. CRIPPS: Mr. Speaker, can the Minister of Energy and Natural Resources comment on reports that refineries import foreign crude oil at a net cost below that of comparable quality Canadian crude, due to the import compensation charge? Secondly, could he indicate whether there are any provisions in place in the Ottawa-Alberta energy pricing agreement which would prohibit the federal government from subsidizing imported crude below that of domestic oil?

MR. LEITCH: Mr. Speaker, there are a number of words one could use to describe the situation raised by the hon. Member for Drayton Valley. Perhaps "incomprehensible" is the most apt. It is true that western Canadian production — that would include production in

Saskatchewan as well as Alberta — is currently shut in because of a lack of market within Canada, at the same time that Canada is importing oil, at international prices, from other countries.

Part of the cause of that situation is the petroleum compensation plan, which compensates importers on an average cost basis. Because heavy oils can be purchased on the international market at a lower than average cost of crude on the international market, importers of that heavy oil receive a relatively low cost imported oil, in effect. That really is the situation raised by the hon. member and, as I've said, it's one that I think simply can't stand and has to be changed.

MRS. CRIPPS: A supplementary, Mr. Speaker. Can the minister indicate how many barrels of oil are currently shut in in Alberta? Has the minister made representation re the latest contracts of extra imported crude made by the federal ...

MR. LEITCH: I missed the last few words of the question, Mr. Speaker.

MRS. CRIPPS: Secondly, has the minister made representation re contracts by Petro-Canada for more imported crude?

MR. LEITCH: Mr. Speaker, before dealing with that question, I failed to answer the second part of the hon. member's first question, which was whether there was anything in the energy agreement relating to this. The answer to that is no, certainly not directly.

Representations with respect to this situation have been going forward very vigorously in a number of ways. The chairman of the Alberta Petroleum Marketing Commission has been in discussions with members of federal agencies, and senior officials of the Department of Energy and Natural Resources have been in discussions with their federal counterparts. In addition, Mr. Speaker, I have recently raised it in discussions with the federal Minister of Energy, Mines and Resources.

I should also add that part of the problem of shut-in production is the export pricing policy and the term of the export permits for those volumes of oil, largely heavy oil from western Canada, which have traditionally gone into the United States. Representations have also been made, in the same way as I earlier described, in respect of that matter.

MR. KESLER: A supplementary question.

MR. SPEAKER: Possibly we could have the hon. Member for Drayton Valley complete what I think is probably a short series of questions, then come to the hon. Member for Olds-Didsbury.

MRS. CRIPPS: Mr. Speaker, I can well understand how the Minister of Energy and Natural Resources would not have had that in the agreement, as we couldn't possibly anticipate such action by the federal government.

I guess my third supplementary is to the Provincial Treasurer. In light of the fact that \$15 million a day in subsidization is going out of the country, is the minister in a position to indicate the cost to Albertans of this subsidization of crude oil costs under the federal petroleum import compensation charge?

MR. HYNDMAN: Mr. Speaker, I don't have that information with me at the moment. I'll give consideration to providing it in as much detail as is practicably possible.

MR. LEITCH: Perhaps I could supplement my earlier answer, which didn't deal with the volume of shut-in production within Alberta. I don't have that precise figure with me, Mr. Speaker. The shutting-in of production is of course applicable to Saskatchewan as well as Alberta. I should add that because of the nature of refinery operations within Canada, we frequently experience some shutting-in of production, even if there were not these problems I have described, with respect to exports to the United States and the petroleum compensation plan.

#### **Low-Productivity Wells**

MRS. CRIPPS: A supplementary, Mr. Speaker. Has the minister any information on the effect of the low-productivity well allowance announced by his federal counterpart on January 14, with regard to the viability of stimulating the low-production wells in Alberta's conventional oil and gas industry?

MR. LEITCH: As I understand the question, Mr. Speaker, it would be whether the changes in the incremental oil revenue tax have stimulated activity on the low-producing wells within Alberta. When I say activity, I'm talking about service activity to increase the production from those wells. My response is that that change would be of some assistance, although the assessment I've been able to gather so far is that it wouldn't be significant. Certainly we have under active consideration changes which we hope will provide some added stimulation.

MRS. CRIPPS: Supplementary . . .

MR. SPEAKER: Followed by a supplementary by the hon. Member for Olds-Didsbury.

MRS. CRIPPS: In light of the current negotiations between Ottawa and Ontario over the tax relief on marginal wells, can the minister indicate if it is his intention to seek similar assistance for low-productivity wells in Alberta?

MR. LEITCH: Mr. Speaker, I'm certainly following those discussions with a great deal of interest and, when they're concluded, will make a decision as to what ought to be done.

#### **Foreign Oil Imports** (continued)

MR. KESLER: Mr. Speaker, my question is to the hon. Minister of Energy and Natural Resources. He indicated that negotiations have gone on between the province and the federal government. Has the body known as IPAC been consulted in these negotiations? If not, would the minister consider including industry representation in dealing with the problem?

MR. LEITCH: Mr. Speaker, we have had discussions with IPAC with respect to this matter. In addition to the representations I referred to earlier, industry is of course making similar representations through associations and by individual companies.

MR. KESLER: A supplementary question to the hon. minister. Would the negotiations include specific representation from industry, as the federal and provincial governments meet? Would there be representation from industry in those negotiations?

MR. LEITCH: Mr. Speaker, I don't know that I can respond to that with respect to all the meetings that may be going on. I referred to discussions by the chairman of the Alberta Petroleum Marketing Commission, discussions by officials of the department, and the discussions I had with the federal Minister of Energy, Mines and Resources. Industry was not present at those discussions. They may have been involved in some of the other discussions; I'm not sure of that. But certainly we have been in discussions with industry, and welcome their presentations. I know they are being made.

#### **Impaired Driving Program**

MRS. EMBURY: Mr. Speaker, my question is to the Member for Lethbridge West, as chairman of the Alberta Alcoholism and Drug Abuse Commission. Could he please advise the Assembly why the participation of the Insurance Brokers' Association of Alberta is no longer required in the public forum on the impaired drivers' program?

MR. GOGO: Mr. Speaker, I believe the member is referring to a letter received by most members yesterday. Some time ago — May or June of 1981, I believe — the course, the Alberta impaired drivers' program, was revised. Due to the large number of courses throughout the province, it was felt that it was perhaps difficult for insurance agents from around the province to attend all the courses. However, I would like to say that the Insurance Brokers' Association of Alberta was not only instrumental in setting up the program 10 or 11 years ago, but indeed has worked very hard to see that people convicted of impaired driving had access to information as to insurance liability and so on.

MRS. EMBURY: A supplementary question, Mr. Speaker. In view of the fact that this organization has worked right across the province as volunteers, could the chairman not give the Assembly a little more assurance that they could still participate in this program?

MR. GOGO: Of course I could, Mr. Speaker. The commission gave the Insurance Brokers' Association an honorarium of \$10,000 a year, which in no way would begin to pay for the volunteer services offered. However, in the assessment of the program, it was felt that with the mandatory eight-hour program and the doubling of those programs from about 35 to 70 communities, the insurance brokers probably couldn't find the number of agents. Quite frankly, the Insurance Brokers' Association was notified as to this less than a year ago — July or August — and the letter yesterday was the first the commission has heard of their response or their objection to it.

MRS. EMBURY: A supplementary question, Mr. Speaker. Is the chairman stating that this program for impaired drivers is now being offered throughout the whole province by the Alcoholism and Drug Abuse Commission?

MR. GOGO: Yes, Mr. Speaker. A requirement of the law is that anybody who is convicted of impairment cannot receive his licence without attending that program prior to the reinstatement time. Last year, about 13,000 were taught at these centres. In fairness to the member asking the question, I should point out that by July this year, the majority of this program — perhaps 80 per cent — will be done by contract, as opposed to AADAC. I think this is concrete evidence of the ever-increasing demand to try to resolve the problems of those convicted of impaired driving in Alberta.

#### Natural Gas Tax

MR. BATIUK: Mr. Speaker, my question is directed to the hon. Minister of Utilities and Telephones. Over the past while, I've had a great number of concerns expressed about the increased costs of home heat. I wonder if the minister could advise whether the increased royalty is the cause of this and, if so, whether he would consider providing more of that royalty for the consumer.

MR. SHABEN: Mr. Speaker, the consumers in Alberta have experienced a considerable increase in the cost of home heating, particularly this past winter, as it has been a cold and difficult winter, so consumption is up. A number of factors have gone into these increased costs. One is increased gas cost. Another, as I indicated, is increased consumption. The major elements in the increase are the federal excise tax on natural gas and the Canadian ownership tax. That amounts to approximately 80 cents per thousand cubic feet, which is a significant part of the home heating bill.

In terms of royalty, Mr. Speaker, that question might be dealt with more fully by the Minister of Energy and Natural Resources. However, Alberta's natural gas price protection plan provides price protection to Albertans and approximates the royalty the province receives on the natural gas used in home heating; that is, the program provides a sheltering of any amount over 65 per cent of the Alberta border price in that portion of the gas cost to the Alberta consumer.

MR. BATIUK: Supplementary, Mr. Speaker, to the Minister of Utilities and Telephones or the Minister of Energy and Natural Resources. Could the ministers advise whether the federal excise tax on other fuels, such as fuel oil or propane, is comparable to the one on natural gas?

MR. SPEAKER: It seems to me the hon. member is asking a question on a matter that is public knowledge, generally known, or at least easily ascertainable from public documents.

#### Snow Deposits in North Saskatchewan River

MR. PURDY: Mr. Speaker, I'd like to ask the Minister of the Environment if the Department of the Environment is monitoring the amount of salt being placed in the North Saskatchewan River by the city of Edmonton snow removal crews.

MR. COOKSON: Mr. Speaker, if I had my druthers, we would use a lot less salt for protecting road travel. But the answer to the question is that we do license the city for the amount of snow that can be piled onto the river.

MR. PURDY: A supplementary, Mr. Speaker. Due to the fact that a very large amount of snow is now being placed in the river in the area of the Groat Ravine, has the minister discussed a contingency plan, should a very quick spring break-up occur? The amount of snow on the river would act as a dam, and may flood many upstream holdings.

MR. COOKSON: Mr. Speaker, I believe we have asked the city at this time to reduce or discontinue depositing salt-impregnated snow in the area of the Groat bridge, but I can check further and respond.

MR. PURDY: A final supplementary, Mr. Speaker. I wonder if the minister can explain to the Assembly why the city of Edmonton was given a permit to place the salt and waste snow upstream from the potable water source for the city of Edmonton.

MR. COOKSON: We issue a licence in this respect on the basis of what we assess to be the capacity of the flow of the water to absorb, without interfering with water intake. The licence was actually issued on the basis of the pollution factor, which probably accounts for the reason we are restricting any additional amount in the area at the present time.

#### Workers' Compensation for Truck Drivers

MR. ZAOZIRNY: Mr. Speaker, my question to the Minister responsible for Workers' Health, Safety and Compensation arises from concerns raised by truck drivers in my constituency regarding the implementation of new provisions of the Workers' Compensation Act. The concern raised is that by now requiring a general contractor to accept workers' compensation liability for the independent trucker instead of maintaining individual responsibility as in the past, it has placed the small business man truck driver at a competitive disadvantage. In fact, it has resulted in a loss of work, by general contractors refusing to use the services of the independent trucker who is unable to carry his own workers' compensation. My question to the minister is simply, what steps have been taken to remedy this situation?

MR. DIACHUK: Mr. Speaker, on or about February 8, the Workers' Compensation Board issued a policy, which I believe I copied to all members of the Assembly, to the effect that all these truckers the hon. member refers to will be deemed proprietor and permitted to apply for their own coverage and continue to carry on business in this province.

MR. ZAOZIRNY: A supplementary, Mr. Speaker. Can the minister assure the Assembly that this change is not merely a temporary freeze but in fact will be the policy of the government in this area from now on? It's not simply a temporary measure, I understand.

MR. DIACHUK: Mr. Speaker, the policy is for the period until the end of February 1983. But I can assure the members of the Assembly that this is being reviewed and, if required, a proposal for an amendment to the Workers' Compensation Act will be considered for the fall sittings.

MR. ZAOZIRNY: A supplementary, Mr. Speaker. In the course of conducting that review of policy, could the

minister advise whether consideration is being given to a policy whereby the general contractors would only be required to ensure that the small, independent truckers' monthly workers' compensation payments are kept in good standing, thereby maintaining that concept of individual responsibility which, as I understand it, was the policy in the past?

MR. DIACHUK: Mr. Speaker, that overall area is being reviewed by my office, in co-operation with the board.

#### **Hotel Directory for Government Employees**

DR. BUCK: Mr. Speaker, my question is to the Minister of Government Services and has to do with the apparent waste of the taxpayers' money. Can the minister indicate under whose direction the Hotel Directory and Aid to Employees of the Alberta Government Travelling Out of Province was published?

MR. McCRAE: Mr. Speaker, I presume it was under the responsibility of the Minister for Government Services.

DR. BUCK: If that minister is the person who just stood, can the minister indicate how extensive is the distribution of this unneeded pamphlet? Is it throughout the whole civil service, the 40,000 people who work for the government, or is it just a small number?

MR. McCRAE: Mr. Speaker, without accepting representation that the pamphlet is unnecessary, why don't I get the information and advise the member in due course.

DR. BUCK: Mr. Speaker, the Premier has left his place, but to the Acting Premier: in deference to our American guests, is the Premier considering setting up the Golden Fleece Award for the minister most responsible for the waste of taxpayers' dollars? Is anybody considering that award?

MR. HYNDMAN: Mr. Speaker, I don't know about golden fleece, but once again, the hon. member is demonstrating that he is a sheep in sheep's clothing.

DR. BUCK: Mr. Speaker, if the hon. acting Deputy Premier wishes to consider wasting taxpayers' dollars a laughing matter, that's fine.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the hon. minister. Could he indicate when the directive was given to put that pamphlet out on the market place — what market, we don't know. What was the cost of it?

MR. McCRAE: Mr. Speaker, I don't have those facts and figures here with me right now, but it's a very valuable document. I do want to check the cost, who it is intended for, the distribution, and so on. Most assuredly, we will give you the information in due course.

DR. BUCK: Mr. Speaker, a supplementary question to the Minister of Government Services. At the same time, can the minister find out how up to date this directory is? Hotels do change. My second supplementary: can the minister indicate why this was not left in the private sector, as this party espouses to be supposedly a free-enterprise government?

MR. McCRAE: Mr. Speaker, I can assure the member that this is a free-enterprise government. As I recall the document — of course, there are a number of publications in government — it is a listing of hotel space available for travelling government employees. It is a listing in terms of category, services offered, and so on. So the document would be very helpful to travelling government employees. It was even referred to by the Auditor General in the public accounts last year as being a very big assist. I may be wrong in this but, as I recall, he complimented the government on putting this document together, because it has a very effective tax saving for the people of Alberta.

As to why the private sector doesn't do it, it is a document listing the facilities available in the private sector. The member would know that the government is not offering hotel services or the itemized services listed as available in that publication.

DR. BUCK: Mr. Speaker, a supplementary question. Is the minister aware that this information is available through the private sector, called "travel agencies"?

MR. McCRAE: The minister would now be aware that we should look to see if a document is available, under the heading travel agencies, that offers a similar service in the private sector. If it does and is adequate, Mr. Speaker, we will surely consider using it.

MR. R. SPEAKER: Mr. Speaker, a supplementary question.

MR. SPEAKER: Might this be the final supplementary on this topic.

MR. R. SPEAKER: How many people use the document? What follow-up work has been done to see if anybody really has any need for the document?

MR. SPEAKER: With great respect to the hon. Leader of the Opposition and the hon. Member for Clover Bar, and quite aside from the fact that we've had a fair spate of debate on this thing, it would seem that we're just continuing to add branches to a question that has now become very long and which would have been — of course, perhaps we couldn't foresee that — extremely well suited for the Order Paper. Possibly if any further additions [interjection] are to be made to the question, we might have them submitted in the ordinary way, by means of a question on the Order Paper, with all the subquestions, subheadings, and so on that may be of interest to the hon. members.

DR. BUCK: Forget it.

MR. SPEAKER: The hon. Member for Vermilion-Viking, and then — I wasn't able to attach a constituency to a certain three-handed member who indicated that he wanted to ask a question. [laughter] The reason was that I wasn't aware that any such members had been elected. I now find that the appendage was grown after the election.

#### **Beef Cattle and Sheep Support Program**

MR. LYSONS: My question is to the Minister of Agriculture. Could the minister inform the House as to the number of farmers and ranchers who have applied for

assistance under the cattle and sheep assistance program, and the number of dollars involved to date?

MR. SCHMIDT: Mr. Speaker, as of this morning, 26,000 applications have been logged into the computer system. Until the payout has been made and, because it's an ongoing program, until all the applications have been received, at this time it would be impossible to place a number on the moneys paid out to date.

MR. SPEAKER: The hon. Member for Cardston, then I believe the hon. Minister of Energy and Natural Resources would like to deal further with a topic previously raised.

#### **Decentralization of Social Services**

MR. THOMPSON: Mr. Speaker, my question is to the [interjections] — and Leslie thanks you too — Minister of Social Services and Community Health. What assurance can the minister give that foster parents living in the Magrath-Raymond area will receive the same level of support or service from the department when the district office is moved from Lethbridge to Taber?

MR. BOGLE: Mr. Speaker, an underlying principle in the government's decision to decentralize services and the decision-making within the Department of Social Services and Community Health was that we would be improving the level and quality of services to Albertans. Five new district offices have been approved over the past year. Wherever possible, we are following the boundaries of health units for those new offices.

We have asked the regional directors in the six regions of the province to monitor very carefully the services being provided from the five new offices as well as the 43 existing offices of the department, with the view that if any services are provided at a lower quality, or if some undue hardships are placed on people in an area, we would find a way to refine the service so that in fact that would not happen. It certainly is our intent to continue providing services closer to where people live within the various parts of the province.

#### **Oil Sands Production**

MR. LEITCH: Mr. Speaker, I would like to respond further to two matters raised during the question period last Friday. One was by the hon. Member for Olds-Didsbury. He asked some questions with respect to the use of the word "impinge". During the question period, I thought the reference was to the use of that word in the energy agreement of September 1, 1981. On checking *Hansard*, I find that wasn't the case. The reference was to the use of that word in the national energy program. In response to the hon. member's questions, I can only say that I will certainly consider his representations.

The hon. Member for Spirit River-Fairview raised a question regarding a report in respect of Alsands costs. In response, I indicated that I would give some further consideration to the timing of the release of that report, or at least a summary of it. I've now been able to do that. It was a report by Hycarb Engineering Ltd., and I think it would be inappropriate to publish it while discussions are currently under way with respect to Alsands. When those discussions are finalized, I would certainly give serious consideration to publishing at least a summary of that report, although it might not be appropriate to publish

the full report, for the reasons I outlined during that question period.

### **ORDERS OF THE DAY**

#### **head: MOTIONS FOR RETURNS**

MR. CRAWFORD: Mr. Speaker, I move that motions for returns nos. 120 and 121 stand.

[Motion carried]

#### **head: MOTIONS OTHER THAN GOVERNMENT MOTIONS**

201. Moved by Mr. D. Anderson:

Be it resolved that the Assembly urge the government to consider establishing a committee or commission consisting of labor, business, and government leaders to investigate alternatives to strikes and lockouts. This body would consider labor courts, co-determination models, final offer arbitration, or any other means by which strikes and lockouts might become an obsolete way of resolving differences.

[Adjourned debate March 9: Mr. Young]

MR. YOUNG: Mr. Speaker, I'm pleased to participate in the motion before us today, which was placed on the Order Paper by the hon. Member for Calgary Currie. It's a very important motion because it deals with the work stoppages in our society which have a way of causing a great deal of grief to both labor and management who participate in them, as well as third parties. On many occasions, third parties have no capacity to influence in a very direct way the outcome of the negotiations or, for that matter, to influence their conclusion.

I'd like to begin, though, by taking slight issue with the hon. member and some of his opening comments. The first reason I would do that is the suggestion that the current process, collective bargaining, has not worked. I think that's a matter of subjective evaluation, and the hon. member has made his evaluation. I would like to put some element of the other facet of that evaluation, however. The fact is that collective bargaining has been effective in Alberta in approximately 95 per cent of all collective agreements negotiated, without resort to work stoppage in any manner. To the extent that that is the situation, I believe the collective bargaining system has worked.

The problem which the hon. member correctly identifies, in my view, is what can we as a society do about those situations where it fails, or where persons involved in collective bargaining fail in their responsibilities? I think we have to look at the issue not only as the system itself, but the participants in the system who could fail.

Perhaps while I'm on this point, I should just recall to hon. members' attention that approximately 29 per cent of employees in Alberta, outside of agriculture, are organized in trade unions. We are talking about the organized sector only. In respect of the other portion of society, relationships with other employees, business owners, and managers are established with much greater regard for the basic supply and demand, if you will, for the services each one offers. Of course, they are in-



fluenced in the outcome of that consideration by what does happen in the collective bargaining field and the results, the salaries and working conditions that are negotiated there.

One other point I could make before moving on from this topic is that the mediation staff of the Department of Labour is now involved in quite a large number of negotiations. That can reach into several hundreds in a given year in which those persons are participating, trying to provide assistance and indicating how the parties may come to a better understanding of the difficulty before them.

One other observation should be made about this topic. It is one of the most studied topics in our society, because it affects us all very directly, both by the withdrawal of services on which we are dependent and, secondly, because it is a matter which creates quite bold headlines in newspapers, among other media, and attracts the attention of scholars who are interested in trying to understand why people behave the way they do in society. The topic bears more consideration, however, and for that reason I commend the hon. member and would like now to make some further comments.

Mr. Speaker, first I'd like to address what a work stoppage is. In my opinion, a work stoppage is the exercise of raw power, one party upon the other. It's straight muscle. It occurs when all reason has failed, when the parties have come to the conclusion that they cannot reason together; that one is so wrong that the other is prepared to withstand the exercise of whatever might can be applied. It's the exercise of brawn in favor of brain, if I may put it in that context.

That has some very serious implications. First of all, often many people on both sides of the bargaining table are affected, who do not fully understand the issues or the considerations, and who get themselves caught, if you will, and must support the leadership of their respective parties, often for no other reason than they do not know how to influence or escape their involvement. But more important is the question of what happens to the rest of society. A work stoppage is a tearing down, a denigration, a cutoff of services, rather than building up and working together.

That has to leave us with some very serious consideration. We've just seen an illustration. Yesterday in this Assembly, we went through terminating a work stoppage which had very serious impact for many people. Over a long period of time, I received telephone calls from relatives and individuals who felt they had a health problem which was being either severely aggravated or perhaps aggravated in a manner which subsequent medical care could not adequately repair. But we also have serious problems if we have any stoppage involving police or firefighters; in our society we consider them a fundamental necessity. Because we're further removed from it, however, the impact of some other stoppages isn't quite as obvious. Among those I would list the impact of grain shipments, and the fact that they can stop. What then? What happens? In large metropolitan centres we often don't see and sense the damage, the loss of income being caused to farmers.

The same thing can happen with a meat packing plant. What happens if there's a work stoppage? Not just the employees, the owners of the plant, and the consumers, but the producers who are dealing with a perishable product really suffer more than any others. The losses that can occur to farmers who have livestock which is ready to go to market can often be extreme. In some

cases, if we're talking about milk processing, for instance, those losses are 100 per cent of production. That can happen.

The problem before us is indeed serious. I think it would be useful to consider it in the context of collective bargaining systems in Alberta. Let me try to enumerate the various systems we have for collective bargaining in Alberta and how, as a society within the province of Alberta, we have not come to grips with the kinds of difficulties on which the hon. Member for Calgary Currie has focussed his attention. I would start with the Firefighters and Policemen Labour Relations Act. That statute permits firefighters and policemen to join associations. An interesting observation to make about the legislation is that it does not permit them to be called unions. It treats them, if I may, as a quasi-military force. They are what is called uniformed services, in the parlance of labor relations.

In Alberta, they are not permitted to have a work stoppage. If their associations and the employers are unable to come to a consensus, and thereby a collective agreement, they have to put the difference to binding arbitration. I was looking over the statistics recently, and I am very pleased to be able to observe that while they have had to submit to binding arbitration, relatively few go to binding arbitration. There is more successful bargaining than one might expect if one were a cynic, and said, well, if there is no provision for a work stoppage, the onus to come to an agreement disappears. That would not seem to be effectively borne out by the experience in Alberta in the policemen and firefighter services.

Mr. Speaker, I must say I was very interested to receive a request this year from the police chiefs across Canada, that no consideration be given to permission for work stoppages in the police service. I think we can trace the motive for that request to the ministers of labor across Canada to some of the very terrible experiences which occurred in some eastern cities where police forces were allowed to create a work stoppage. There was a considerable amount of chaos when that happened, and a great deal of grief came to a number of cities. I suspect it was for that reason we received the request.

Another area in Alberta where there is no possibility of a legal work stoppage is with respect to the Public Service Employee Relations Act. This statute covers all the employees of government. In this situation, the rationale, which is government policy, is that many — perhaps most — government services have no alternative source. Of course, the philosophy of our political party is that indeed government should not be providing services where the private sector can do so. Accordingly it is argued that if there is no other source, then any interruption in some of these services would be an extreme deprivation. For that reason, in part, government employees should not have the capability of a work stoppage.

Additionally, Mr. Speaker, we find government, in relation to its employees, in a sort of double role. First of all, it is the employer; secondly, it is also the umpire, the third party, if you will. The role government can play with respect to the private sector is certainly cloudy, if not colored, in terms of the role it plays in relation to its own employees. For those two reasons, it is considered that there should not be a possibility of a legal work stoppage for government employees. Therefore, all employees are bound to binding arbitration if collective bargaining is not successful.

The Labour Relations Act, which covers the private

sector and most other labor relations, does permit work stoppages. In saying that, I should also say that the Labour Relations Act also contains a section dealing with voluntary binding arbitration. So while a work stoppage is permitted under certain circumstances — and that, of course, requires that a secret ballot on whether or not the employees wish to strike, be conducted in keeping with guidelines established by the Labour Relations Board to ensure that, in fact, there is due notice and that it is a secret ballot — there has been very little use of the voluntary binding arbitration provision. It is encouraged by the mediation staff of the Department of Labour, but not used that frequently.

One other system of bargaining that I will talk about briefly, occurs in the area of advanced education. We passed legislation in 1981 in relation to advanced education. I think the relevant elements for consideration today, in describing the system, would be that it is very much like the Labour Relations Act, because it provides that if the parties choose not to go strike or lockout, they must select some other system to determine how they will conclude a collective agreement. We have seen an interesting variety of experimentation. Perhaps the most successful of these has been the final-offer arbitration used at the University of Alberta, where the two parties commit themselves to put the most reasonable position they think should be acceptable before a third party, and the third party accepts one or other position in total.

I would like to reflect for a few moments upon what causes work stoppages and how we end them, because I think that is very material to the motion before us. On this point, I am going to reflect upon my own experiences as minister over roughly the past three years. The first reason I find that contributes to work stoppages and difficult negotiations, is that often people who simply do not know how to bargain collectively, wind up with the responsibility at the bargaining table. In some instances, that may be because they don't understand the legal process that's mapped out, and we try to make that very straightforward. That is a relatively unusual problem.

More often the difficulty is that people get to the bargaining table and don't know how to break down a request from either party, or what becomes a sort of slogan request, into something that is realistic and free of emotion so they can look at it in an objective way. In short, they are unable to reason through the issues before them. Sometimes they don't know how to debate. There is a real art in being able to debate a position. My colleague is listening very carefully to me, and I see that he is smiling. He has been at the bargaining table many times.

There is a real art in being able to debate at the collective bargaining table. It requires advancing reasons to support a position, but doing it in a way that doesn't produce an ultimatum that never closes the door. It makes the strongest argument possible, but never cuts off the path to a way out. Not everybody has that talent.

The result of that — I move to my second point, which is that some of our problems in collective bargaining relate to personalities. Individuals go to the bargaining table who lack the knowledge of what they should be doing before they start. They're incapable of retaining a cool head under very trying circumstances and, sometimes, circumstances which can create emotional blocks. There are such things as insults traded at the table. This shouldn't happen, but it does. Unless the individual has a thick skin, an emotional block builds and, gradually — especially in a long, difficult negotiation, if progress is

very slow — the emotional block gets a little higher and a little higher. Pretty soon communication stops, even though the talking goes on. Before long, the talking leads to the first problem I mentioned; that is, it gets into the area of ultimatums, and communication is cut off. If there is an emotional block, then there are some very major challenges to continuing that set of negotiations in a positive way.

A third problem is just plain difference of facts. Sometimes the parties quite innocently believe they're working from the same set of facts, but they're not and they don't exchange the facts. The consequence is that they blunder into a position, each with the best of intention but without a comprehension of where the other individual is coming from, what the other individual is basing argument upon.

That's very much akin to my next concern, which is what I call unrealistic expectations. Unrealistic expectations are quite possible from the point of view of both parties, especially in an economic climate such as we have today. It would be very easy for me to stand here and cite people losing jobs, industries virtually fiat on their backs in a severe downturn. But I could also find other industries doing very well and with a good profit picture. Given those kinds of situations, given that some people in society own their own homes and others can't even think about owning a home — and if they do and have a mortgage being renegotiated on it, they are looking at very serious problems — no wonder we have confusion, which can lead to unrealistic expectations.

I think that's a factor of inflation and one of the greatest problems which contributes to unease in our society. On this point, I should also reflect that sometimes in collective bargaining, the parties, for whatever reason, are in a favored industry. It's very profitable, and they say, well, we can divvy up the benefits from this industry because we've been very productive. They make the assumption that they can get all that productivity. Perhaps they can, for a year or so. But over the long pull, our economy in Canada has not been faring well in terms of its productivity and increasing output. It has now reached the point where we may as well be honest about it and say that anybody in our society who is getting more than the true rate of inflation in today's economy is removing from some other portion of society, some of the income to which they became accustomed in the preceding year. Because when we have zero productivity, we know that all we're doing is shifting income between groups if some are getting very major increases over and above inflation.

The other element of unrealistic expectations on which I would comment is the concern I have about what collective bargaining can truly achieve. In my view, collective bargaining can achieve a set of rules which can govern certain aspects of the work place. If the parties are well intentioned, those rules can create certain basic understandings and remove certain problems. But they cannot, of and by themselves, produce job satisfaction. They cannot produce a pleasant place to work, because they cannot produce a good attitude. For a good attitude in the work place, we require a positive approach toward the employment situation, something more than just a collective agreement. Too many people believe that the collective agreement is capable of achieving far more than it can, in fact, provide.

I don't want to get into that, but I would surely be interested in hearing some members reflect upon the psychological needs of human beings. As a matter of fact

— to the hon. Member for Clover Bar — I'd be interested in hearing any member of the opposition reflect upon this motion.

DR. BUCK: You're doing such an outstanding job, Les.

MR. YOUNG: I suppose if we continue to do an outstanding job without the advice of the hon. members in the opposition, the hon. members will always be in the opposition, and we'll never know how well we have done.

DR. BUCK: Humility is not your strong suit, Les.

MR. YOUNG: Speaking to this motion, hon. member, apparently isn't your strong suit. In fact, it seems that you missed the clock.

Mr. Speaker, moving on to one other point I should like to make before my time expires. The motion before us reflects upon what happens when the parties reach the point of breakdown of negotiations. That's the sort of last-ditch problem. In the last two years, the focus of the Department of Labour has been on how we can avoid getting to that particular problem. Can we go back, before the parties ever go to the bargaining table, and work with them to try to ensure that they understand what collective bargaining truly is, what the facts of the economy are, the needs of their industry, and the needs of the employees?

Can we get that broader understanding which will ensure that we don't have strangers coming to the bargaining table, which will remove many of the problems I've talked about and, in the event of an impasse in collective bargaining, actually lay the basis for a situation where people other than those at the bargaining table can meet and say, all right, this bargaining went off the tracks because, and we'd better get it back on again. In short, they can overcall the bargaining table and prevent or preclude a work stoppage.

Mr. Speaker, very briefly, I would just mention that we are involving all our staff in training programs in this area, in what is called preventive mediation, and that has been completed. We're also involving them in relationships by objectives and a variety of other initiatives to work with identified industries or employers and unions whom we as a department know have had problems in preceding rounds of bargaining. We want to get there before they get near the bargaining table, work with them, and try to get them past the sources of problem. To me, that is a much more effective manner of solving our problem than some other situations we can develop, some other solutions we can come to, which are mentioned here.

However, that doesn't take away from the nature of the motion. I suggest that as the debate continues and as we hear more about the views of members on this motion, perhaps consideration could be given to looking at it in a broader context than it is here which, as I see it, is to look at alternatives to a work stoppage. Rather, I think we could also look at alternative means of trying to assure that the people participating in our economy in a given situation, have a better understanding of the objectives they share: their need for one another, as employees and as management, and their understanding of what their particular economic situation is capable of achieving.

Mr. Speaker, I am very pleased to have had the opportunity to participate in this debate today. It is a tremendously broad topic which assuredly needs our at-

tention because of all the grief it can bring to third parties — I will categorize them as innocent third parties — who get caught and at the present time are unable to protect themselves from the damage a work stoppage can create.

MR. GOGO: Mr. Speaker, I wish to speak to Motion 201, sponsored by the hon. Member for Calgary Currie. Along with other members, I think it's not only timely, but probably to a large degree coincidental with the events taking place in the past 23 days with regard to one segment of our society and, on the other hand, with a work stoppage regarding the transportation system that probably moves 50 per cent of the citizens of the capital city of this province.

Looking over the resolution initially, the first thought that occurs to me is that although I don't pretend to be a student of the history of labor, either in western society or Canada, I think the assumption is almost automatically made that both sides in a labor dispute are stupid and don't know any better. I think that any hon. member who views it from that point, and applies words such as "right" or "wrong" to a work stoppage or labor strife, would be naive.

Indeed the Member for Spirit River-Fairview who pretends — at least he says publicly — to be the champion of the working man, is not in the House. I've looked forward with some anticipation — not enthusiasm, but anticipation — to hearing from the Member for Spirit River-Fairview, who time and time again espouses on behalf of organized labor in this province. Certainly not an event goes by on the organized labor scene where he doesn't appear to be in attendance. So from that point of view, I'm disappointed. I would hate to think that the debate on Motion 201 will end up lopsided.

Mr. Speaker, at the outset, I'm not prepared to endorse the motion for several reasons. Strikes and lockouts at the very best are not very nice terms but, as the Member for Calgary Currie obviously is aware, that's reality. That's how citizens today refer to it. Also, I'm very impressed with the arguments used by the Member for Calgary Currie. The only hitch is that I don't think they're necessarily applicable north of the 49th parallel. I don't know that they're applicable in North America.

He very accurately points out that in 1980, the latest year for which stats are available, half a million man-years were lost due to either strikes or lockouts. In Canada, I think British Columbia holds the record for work stoppages. Alberta's really not very far behind. I don't think there is any question that the price tag of work stoppages is very heavy.

It might not be a bad idea to look at an example. There was a settlement not very long ago at Stelco, the Steel Company of Canada. It might help to put into perspective just who is the winner in a work stoppage. In this case, a group at Stelco went on strike for 122 days. The demand of the organized labor side was either high or low, it depends on your point of view. But after 122 days, they settled for an increase of 10 cents an hour.

I think what that represents is important. If you took the average, it cost each worker \$7,900 in lost wages as a result of 122 days of work stoppage. Now is that a great or a small amount? It might be better to express it in terms of how long it would take, with the settlement, to regain what was lost. The settlement was in 1982. It would take 1,980 weeks to recover what was lost during that work stoppage. That's about 38 years. Some people may say that on a matter of principle that's fine, because for solidarity and sticking with my brother and sister, 38

years is not a bad price to pay. Maybe they're right. I don't want to make that judgment. But to put it another way: if I bought a lottery ticket that cost \$8,000 cash on the barrel head today, won the lottery, and the prize was \$4 a week until the year 2019, people would think I was not only naive but indeed pretty stupid. Yet it's exactly the same thing. As a result of a work stoppage for 122 days at Stelco, the loss was \$7,900, which would take 38 years to regain with the settlement. Now who won on that? Well, I don't know who won.

I know who lost, and that's the people who have to buy the product that comes out of Stelco. One way or the other in this great nation of ours, you can be sure — just as sure as this Legislature is going to be here for another 75 years — that Stelco will not be allowed to go down the tube. I think the taxpayer and the consumer paid the price. One other person paid the price, and that is Mr. Cec Taylor, the union leader, who got his full wages during all the time of that work stoppage, and may or may not have received an increase.

Mr. Speaker, I think we first have to understand the very heavy price tag involved with work stoppages, strikes, or lockouts. It's not always that simple to say the employer or the employee was the winner or the loser. Safeway now sells about 65 per cent of all the groceries in Alberta. Surely the uppermost question in their mind when they're negotiating is: can I extract from the consumer, who comes through my door, enough from a head of lettuce to pay the demands of the worker? If we keep up the way we're going, we're going to have one massive store or store chain in this province.

[Mr. Appleby in the Chair]

I submit to you that there seem to be all kinds of rights for the employer and the employee but, frankly, I don't see very many rights out there in terms of the consumer, his rights or advocacy. We have in this province, virtually by statute, a law that says you're not allowed to sell milk under this price. We have another law that says you're not allowed to sell booze over this price. No matter how much milk you want to produce, forget it; the law will prohibit you from selling below a price. That's why you go to High Prairie and pay a buck for a glass of milk and 90 cents for a bottle of beer. Who's the winner there? Not the consumer. There's a term that goes around regarding udders on cows . . . Well, I won't say it because, invariably, the Member for Three Hills, as my whip, would send me a note to straighten me out, and probably assign me to the ag. caucus committee.

I think the Member for Calgary Currie made some excellent suggestions in terms of resolving the problem. Unfortunately he used the term "war". I can't believe the term war ever applies in the case of a dispute. As the Member for Calgary McKnight mentioned, maybe it did in the 1880s with regard to pinkerton — you know, the muscle, that sort of thing, when the union movement was growing in America.

The Member for Calgary Currie made some suggestions, and maybe they're good; i.e. Japan, perhaps one of the most productive nations in the world. When they go on strike or withdraw their services, they don't stop. They simply wear a red armband, something like North Americans wear when they go to a funeral, except it's a black one, and that's an indication. But they don't stop work.

Why don't they stop work? I think one has to recognize a couple of things. One is the pride they have in the nation, the very fact that they hold group sessions in their

plants; in many cases they have a national song in regard to their corporation. But I think that's a different culture, not just because the majority practise Shintoism. I don't think it's necessarily religion, but I do think it's part of that.

We shouldn't be naive either. As the minister of economic affairs has pointed out more than once, Vancouver is 350 miles closer to Tokyo than to Halifax. So in many ways, I suppose, looking to the future and our economic intentions, what goes on in Japan is probably very important. As the Member for Calgary Currie has pointed out, maybe we should understand the differences in the system in Japan.

There's another thing we should remember, though. If you live in Calgary or Edmonton where, at one time, you got sunshine in your apartment — I think that's disappearing now, even when the sun shines. Japan is different in that way, because you cannot build a Sears or a Hudson's Bay or an Eaton's where you want. The tradition of Japan is that when you retire, you open up a little corner grocery store. Where you can put up a department store is not based on the density of people but on the principles of people who are retiring and want to open corner grocery stores. It's not like Edmonton or Calgary, where the first question we ask is: what's the assessment going to be, and how many bucks can we get? So in fairness, I think you have to understand the system with the culture of Japan instead of just looking at labor strikes.

Europe was mentioned. The Member for Edmonton Glengarry and the Member for Calgary Currie talked about co-determination: if you get people on the boards of directors. As a matter of fact, the Member for Edmonton Glengarry endorsed the comments by the Member for Calgary Currie on profit sharing as being a good system. The Member for Edmonton Glengarry shakes his head. He didn't mention that. Maybe it's because he's never experienced profit.

An assumption is sometimes made that because you're a politician, you know all the answers. But I can assure you that I have enough faith in the businessmen of this province that if they thought sharing profits with their employees would increase their profits, they would have profit sharing. As I said in my opening comments, the assumption is made that both sides in a labor dispute are stupid. Quite often that assumption is made by politicians; not necessarily those who have payrolls to meet, but quite often by those who have never had the experience of meeting a payroll.

I've grown to respect the Member for Edmonton Belmont over these past three years, not only because he's very knowledgeable, but indeed his vocation would certainly have been in counselling people on one side of the equation. In addition, he has also had great experience and continues to be a board chairman of a hospital with about 100 employees. It also gives him an idea of the other side. Maybe members should talk to the Member for Edmonton Belmont. He's never had a strike where he comes from. So that might tell you something about labor/management. He might be well qualified in areas other than the labor side; he may also know something about management.

Mr. Speaker, I was very interested in the comments by the Member for Edson, because if one looks at the Edson, Hinton, Jasper, Grande Cache area, one finds a very highly intensified labor area. For example, Cardinal mines, as most members are familiar with, had been out on strike for some time. It would be interesting to see a

comparison with regard to Cardinal and the one I just quoted at Stelco, because 122 days is a very similar time. The difference would be that we talk about Stelco at \$11.75 an hour; you'd probably talk about \$14 or \$15 an hour. So it would be magnified. The Member for Edson made some very interesting comments about the lack of understanding on both sides when you get into that labor strife.

Both the Member for Calgary McKnight and the Member for Calgary North Hill sent out questionnaires. That shows that the Members' Services Committee of this Legislature is working, because we provide that communication allowance. They both sent out over 10,000 questionnaires. It's interesting to look at the public perception, because they mail them to all people, not just political supporters.

In the case of the Member for Calgary North Hill, it came back decidedly in favor of the fact that there should not be any strikes. It would be interesting to look at the authors of those responses to find out their vocations, because I don't think it's a simple matter to say there should or should not be. Common sense tells us that with labor strikes nobody wins in the short term. But over the long term, certainly over the past hundred years, I suggest to you that we've come from a time when children were working in the factories, in the sweatshops, to today, when you don't see it. That didn't come about as a result of compassion. Remember, in those days politicians didn't get paid. So you know what class they came from. Very clearly, they were vested interest people, not the dedicated, non-vested interest people we have in this Assembly today. So there's been quite a difference.

Mr. Speaker, there is a publication I have found very interesting. All members receive it. It's called *The Guide*, and it's published by the Christian Labour Association of Canada. They are represented in all provinces. Three weeks ago, Local 105 had 300 members out to a banquet in the constituency I represent, Lethbridge West. They're right across the nation. What are they doing? I think they recognize reality. In the document, at least half a dozen settlements are mentioned. Workers take a 10 per cent reduction to keep their jobs in a sawmill in B.C. What's the alternative to that? The alternative is to shut the sawmill. That's one side of the union movement. What's the other side? Dennis McDermott, president of the CLC, is on the other side. He said, under no circumstances will we even consider lowering our demands, never mind a decrease to keep our jobs. So even within the union movement, obviously there is difficulty.

Let me close on this note, Mr. Speaker, because I know other members are very keen to speak on this. As was mentioned, particularly by the Member for Edmonton Mill Woods, along with the members for Drayton Valley and Three Hills, so much of it is a question of attitude. If you lack an attitudinal understanding, how can you possibly be put in a position to make a decision? Indeed, should you make the decision? I think that if we are true to our role as legislators in the Assembly and want to enact laws — and I assume that if we pass this, we put enough pressure on the Minister of Labour and the government to pursue a study that we may not be ready for, certainly without the contribution of those affected, i.e. business and labor — we should think very clearly about the comments of those three members: is it really a question of attitude?

So what is the answer? I don't profess to know. I simply say that before we act in any degree of haste that will produce any law that affects one side or the other, we

as legislators had better reconsider that we're here as representatives of consumers in this province, not one side and not the other.

MR. BRADLEY: Mr. Speaker, I appreciate the opportunity to participate in the debate on Motion 201, and I would like to congratulate the member for introducing it. It seems to be particularly timely, as other members have mentioned, given the recent labor negotiations which have taken place in the province. I thought it might be useful to read into the record once more the motion which had been proposed by the hon. Member for Calgary Currie.

Be it resolved that, the Assembly urge the Government to consider establishing a committee or commission consisting of labor, business and government leaders to investigate alternatives to strikes and lockouts. This body would consider labor courts, co-determination models, final offer arbitration, or any other means by which strikes and lockouts might become an obsolete way of resolving differences.

I believe this is a very timely motion for the Legislature to be discussing and debating, and I again congratulate the member for introducing it.

Given the importance and timeliness of this resolution, I'm a little surprised that we haven't yet heard from the hon. members of the opposition. Yesterday they gave us copious advice with regard to a particular dispute. But this motion has been before us last Tuesday and again today, and we have yet to have the opportunity to receive the benefit of the wisdom of the members opposite. I know that a number of them, particularly, could provide us with a great deal of advice with regard to this very important issue. I believe the question of how we resolve disputes in this province is of importance to Albertans and is a kitchen-table and coffee-shop topic around Alberta.

DR. BUCK: Tell us about the pollution in Pincher Creek.

MR. BRADLEY: I know the hon. Member for Clover Bar is going to participate in this debate at some time, I would hope, but perhaps in a few minutes.

DR. BUCK: You're right, on the pollution in Pincher Creek.

MR. BRADLEY: The hon. member has had ample opportunity to discuss that question too, if he wished. He can bring forward a motion on it if he wishes, but we're waiting for all of you. We'd like to hear from you on this issue, since you've been trying to interrupt my comments.

Anyhow, I'd like to get back to the question before us. I represent a constituency which I think has probably had some of the most interesting labor history in the province of Alberta. We've had some very significant strikes in the constituency of Pincher Creek-Crowsnest, particularly in the coal fields in the Crowsnest Pass. One could really say that some of the labor movement in the mineworkers' organization, the United Mine Workers, had its start in the coal fields in the Crowsnest Pass. There was a very long strike in 1932, which affected most of the coal mines in the Crowsnest Pass. It lasted some nine months, and resulted in a great deal of bitterness in the community at that time. Some excellent articles have been written about that strike: the *Alberta Historical Review* — there have been comments; and it's been alluded to in the book by Warren Caragata, *Alberta Labor: A Heritage Untold*.

In terms of my own understanding of what took place, and having lived in the community, that strike did result in a great deal of bitterness. Over time, I have attempted to find out what some of the issues were and what in fact took place. The bitterness has been so great that few people in that community today will even discuss that period in any depth or detail. They just want to forget what was a very bitter dispute. I think they feel that what took place at that period of time is probably better forgotten than attempting to rekindle some of the memories of that very difficult period.

Not only from the viewpoint of that strike and development of the coal miners' unions, we've had some other examples of labor strife in the past which perhaps other parts of the country haven't had. We, in fact, had the first student strike. I believe it was the first time students walked out of a school system in this province, maybe even Canada. As I was saying, the Pass has had a very interesting labor history.

I'd now like to get to the substance of the motion the hon. Member for Calgary Currie has brought before us. Basically it is a wish to form a commission or committee to study alternatives to work stoppages; how we can come up with approaches which can resolve disputes between two parties without having a work stoppage? I think it's commendable that the hon. member has brought this forward.

Work stoppages have an effect on our national economy and our local economy, depending on the sector which is struck. We have the question also to be raised if a committee is to be formed to deal with public-sector bargaining versus bargaining in the private sector. When we look at public- and private-sector bargaining, we also have to consider whether there is perhaps an overlap in terms of the public interest.

If we have a national air line strike, that certainly affects our economy and the lives of our citizens. We have a sector within the air passenger system. The air traffic controllers go on strike and can tie up an entire system; similarly with the railroads, not only from a passenger point of view, but in terms of getting our goods to market. We've had some examples of national railway strikes in this country; not in recent history. They haven't lasted that long before the Parliament of the country has had to act in the national interest. A stoppage in our railroad system can cause severe damage to our economy, and I think we've witnessed that. Similarly our farmers, although not directly involved, have had to experience the effects of any work stoppage in our grain handling system, or at our harbors, et cetera. They are an indirect party to these disputes and in some cases they have to bear the burden of the effects of the work stoppage more than those directly affected, because we can in fact lose contracts internationally.

I think some of our trading partners in other parts of the world are seriously questioning the way Canada is handling its disputes. In terms of coal or grain, we've had ships having to be piled up in our harbors on the east and west coasts, waiting for products, and I think our international trading partners are frustrated with the way we resolve these disputes. Some of the disputes seriously affect our national economy.

The other question we have is that in any of these sectors, public or private, there is a certain interdependence of society with regard to the complex nature of our economies and of society today. As I said, a strike in one sector can affect a number of parts of society and economy. People are seriously questioning the current

mechanisms we have in place to resolve our labor/management disputes. They are also concerned about the effect of strikes and the loss of productivity in our gross national product. It has been said that in the most current year, we have experienced almost 9 million man-days' or person-days' loss of labor in our country. In Alberta alone, 500,000 man-days have been lost due to work stoppages and strikes. This is very significant if we are going to go forward and have a strong economy. If we look and compare our position to date with regard to days lost versus those internationally, we probably have one of the worst records, or comparably worst records, in the entire world.

The other effect with regard to loss of productivity, is that the products our labors produce are rising and, again, we are causing ourselves significant problems in terms of export of our commodities. A number of our commodities are no longer comparatively priced in the world market place, due to the nature of the settlements that have taken place. In fact a number of people are saying they believe we are pricing ourselves out of the world market place with regard to the settlements which have taken place in our private sector.

What are some of the approaches that can be taken to settle disputes without having a work stoppage? A number of members have commented on the various methods which might be used. Our hon. Minister of Labour has also brought forward in his remarks today a number of viewpoints and food for thought for us to consider. We can look at the various methods that are there. I've been thinking that perhaps we should be narrowing the areas in which we would allow or permit work stoppages to occur. Perhaps there should be some basic areas or issues in which we permit the right to strike to occur. Perhaps that relates directly to wages and benefit issues, monetary issues. Perhaps we should just limit the right to strike to those areas.

When I look in the area of working conditions and a number of other, say, non-wage issues — take the working conditions issue. I go back to the Pass strike in 1932, and earlier strikes. Today we have in place a Workers' Health, Safety and Compensation ministry, and we have legislated in a number of areas the working conditions and what can take place in the work place. To resolve some of these working condition issues, we need in the work places a team approach between management and labor, rather than resorting to work stoppages. If we had a more positive approach amongst the managers involved in industry and had proper committees working, with involvement of the workers on these committees, I think we could get away from having work stoppages on those issues. That's one of the suggestions I have with regard to that matter.

The hon. Member for Lethbridge West mentioned that there are few winners in any industrial work stoppage. I think he is correct. In the coal fields in my constituency, I've seen some recent strikes that have gone on for some time. When they were settled, the settlement in no way covered the amount of wages lost by the individual workers over the period of time they had been out on the picket line.

We also have other losses which are associated with the work stoppage. For that period the employee loses his income, which can be significant in terms of payments he has — house payments, et cetera. The employer is faced with a loss of production.

MR. DEPUTY SPEAKER: I regret to interrupt the hon. member. The time for consideration of the resolution has elapsed. We should go on to consideration of public Bills other than government Bills.

head: **PUBLIC BILLS AND ORDERS  
OTHER THAN  
GOVERNMENT BILLS AND ORDERS  
(Second Reading)**

**Bill 203  
An Act to Amend the  
Financial Administration Act to  
Control Special Warrant Procedures**

[applause]

MR. R. SPEAKER: Why not? Take a chance. It might be a day that I'm kind and nice, and supportive of the government.

Mr. Speaker, the Bill before us is very important. Equally important are the roses that the members of the opposition are wearing today. Just for the record, the kindness, understanding, and thought the opposition showed towards the nurses yesterday gave them the reward of a rose today and a "thank you" for our attempt to bring their case to the Legislature. Mr. Speaker, now we all know.

The Bill before us is very important, and in the last few years has been a mechanism that is brought about by the Conservative government that has been allowed to have a lot of public funds, and has brought about a situation where budgeting has not become a responsible act. Every time the government needed more money, they kept reaching into the bag and spending more money, without guidelines, direction, or accountability to the public. In another debate in this Legislature, you will recognize that now the government says, we don't think the Legislature should spend much time even looking at the budget — 12 days for the Heritage Savings Trust Fund of some \$12 billion, 25 days for a budget of \$8 billion or \$9 billion, whatever it's going to be this year; we know what we're doing; we're responsible people; the public shouldn't worry; it doesn't matter what the Legislature does, what the Legislature allocates for us to spend, because we're going to spend what we want anyway. Mr. Speaker, when you summarize that kind of situation, that attitude of the Lougheed Conservative government, it all adds up to a lack of accountability.

What do you do when someone isn't accountable? You try to bring in legislation that legislates accountability. That's an unfortunate situation. That's like trying to legislate values, morals, and whatever. Mr. Speaker, the only way that we on this side of the House can bring about accountability is to try to legislate the ground rules so that once it's law in this province, this government must try to be more responsible. That's a difficult thing, but under the ground rules they must try.

So, Mr. Speaker, this Bill has that objective in mind. It's an unfortunate situation, because when the government itself makes statements about wanting to show restraint, to live within its means and reduce expectations, that's what they should really mean. When we look at what happens with this government, those aren't the results we see. It's completely the opposite. So from this side of the House, we've said that we must take some drastic action that tells this government to be more

responsible.

I brought Bill 203 forward, Mr. Speaker. This Act, and the one being amended, The Financial Administration Act, have very basic criteria and ground rules by which special warrants are issued. The operative clause in that Act very clearly says that a special warrant can be issued in the public interest. It is an expenditure of "money that is urgently required". Those are the key words: money that is urgently required.

Mr. Speaker, as I review the long list of special warrants that were passed in 1981-82 — three pages of special warrants. I haven't counted them all, but it's a long list of special warrants that have been passed. Most of those are not urgent. Very few are urgent. Most have been put on this list because the ministers didn't plan ahead, didn't use foresight, didn't judge what was required to carry on their responsibilities, or all of a sudden they had a desire to initiate a new program and dipped into the General Revenue Fund for more funds through a special warrant. That's what happens, Mr. Speaker.

That is not accountability or good budget procedures, nor is there any control as to what this government is doing. The word "urgently" is forgotten in the majority of those cases where a special warrant is presented before this Legislature. So we have overexpenditure. If we look at the historical background, we will see that ever since the day this Conservative Lougheed government — I must call it the Lougheed government, because that was the campaign that went across this province. People voted for Lougheed and sent his backbenchers and frontbenchers into the Legislature — it wasn't really a Conservative party; it was a Lougheed party — sent them here saying: you're going to look after the expenditure of funds, control budgeting, cut back on government, lift up rocks, and get rid of the waste.

All that was forgotten, Mr. Speaker, even in the first budget back in 1972 and 1973. We look at the record: 1972-73 special warrants, 7.5 per cent of the budget; 1973-74, 7.5 per cent again; 1974-75, 15.5 per cent by special warrant. After the regular percentage increase of allowance for new programs and inflation, they went over 15.5 per cent in 1974-75. In 1975-76, 10.7 per cent; '76-77, 3.8 per cent — a little more humble all of a sudden; '77-78, 3.2 per cent; '78-79, 3.9 per cent; '79-80, 5.4 per cent; 1980-81, after the last election, 11.1 per cent; 1981-82, 9.5 per cent. Mr. Speaker, it is a record of overspending, irresponsibility, poor planning, and a lack of accountability to this Legislature — continually, continually, continually.

What has been the outcome of that? A growth of the civil service in this province from some 17,000 people to over 42,000 people; in 10 years, over twice the number of people on the payroll. We all know that many of those are party members; many, many people appointed to positions that weren't even relevant, that were created so people could have jobs they really didn't need. They should have gone out and hunted on the job market on their own, but they stood in line and we the public, the taxpayers — through small businesses, farms, and corporate bodies — pay for this kind of thing. But even on top of that, to back up the income of this province, we have resource revenue that can take up this kind of slack; we have continuous overexpenditure to meet these kinds of demands. Mr. Speaker, that's totally wrong and just doesn't show any accountability at all. The average over that 10-year period was 8.25 per cent. That's very, very high.

We look at the number of special warrants in 1981-82.

This Lougheed government underestimated its budget by just about three-quarters of a billion dollars. The Lougheed government: we have to place the responsibility directly on the Premier, because that's where accountability starts and ends — \$637 million in special warrants last year.

Special warrants passed in this fiscal year constitute 9.5 per cent of the budget of \$6.7 billion, just about 10 per cent of last year's budget. And the fiscal year hasn't finished yet, so it could be even worse. In 1980-81, special warrants totalled \$593 million. We know there was a debate about that in the House. The concern of my colleagues and I was raised over and over, saying to this government, be more accountable in the coming year. Well, to quote the Minister of Advanced Education and Manpower: deaf ears, and eyes that don't see. This government suffers from that kind of condition. They didn't hear the message that they should be responsible. If they ask students and the people at the universities to be responsible, then it applies in this Legislature as well. The fact of the matter is that they're not, Mr. Speaker.

As I said, in 1981-82 the total budgetary expenditure is \$6.7 billion, 16.3 per cent above the revised 1980-81 budget — that was what the natural increase was, approved by this Legislature — or 22.5 per cent above the 1980-81 original estimates. Mr. Speaker, when you add to that special warrants of 9.5 per cent, the actual increase in 1981-82 would be 25.8 per cent over the revised budget — if we recall, there was a revised budget at that time — or 32 per cent over the 1980-81 estimates. Well, anyone in private business who overexpended their budget by 25 per cent at a time when there are economic turndowns in the province of Alberta would be in bankruptcy. The farm, your small business, your corporation would be in bankruptcy. But the only people who don't realize responsibility at this point in time is this government.

Now if the extra money being expended was allocated at a fixed rate of interest for a fixed period of time to loan programs for small business people, farmers, or the conventional oil business — so we could spread our money out into the province, so we could get the economy recovering, so individuals would be able to use that money to do something productively — then we could agree that maybe extra expenditure or allocations are necessary. But this government allocates the money to non-productive ventures that continuously eat on the tax system and deteriorate an economy that is in trouble. Ministers walk along and spend money as if nothing had happened. Mr. Speaker, I think that is the situation. I don't think this government hears the economic problem that is creeping out there at present, that is going to take a rapid recession by spring. This government isn't even acting.

This morning I met with a businessman — it's a family business — who has done business in this province for a long, long time. He said, I know you've heard the story, but I want to tell you about it again. He said, I've invested a lot of time, a lot of money. On Monday of this week, I laid off 75 people. He said, they come into my office and say, "Why did you lay me off? My family doesn't understand why I got fired today." He said, "It isn't your fault. You're a fine, fine employee, a great contributor to Alberta society. You've done an excellent job for me and my family company. But I'm sorry, the economy, the treatment you're getting from government, says that my business is going downhill. I can't afford it. If I keep you on and keep borrowing to keep you on, I'm out of business."

That's the situation, Mr. Speaker. That is a true example in this week of March 1982. There are many more out there exactly the same that this government doesn't hear. If it continues to go as it is, expending money, placing great tax burdens on the public, not recognizing a need for some low-interest money or some assistance out there, the wheel that's going to turn a recession by spring of this year — it's moving very slowly right now, but it's on a downward trend — is going to turn very quickly on us. Then the government, or anybody else, isn't going to be able to do much in terms of our conventional oil industry, our development business, and other related businesses.

That's an unfortunate story, when we hear about \$12 billion in the heritage fund, some \$8 billion to \$9 billion in general revenue. We see a government just merrily carrying on, spending money, overexpending, hiring more bureaucrats, building a bigger government, intervening in people's lives. Mr. Speaker, somewhere that's got to stop.

That's what Bill 203 is all about. Whether this government accepts it or not, it is saying: stop where you are; assess what you're doing; look at the private sector, and understand there are people out there who need help. They aren't getting help from an uncaring government that spends and spends on its own needs. That's what this government is doing. It isn't out there helping the Alberta economy or the little guy in business. That's the way it is, Mr. Speaker. I think it's time we be serious about the matter.

I feel that what I'm doing here is a responsible, serious, and necessary step. But if the government took on its responsibility and listened to the people at the grass roots, listened to them in their business offices in the cities of Edmonton and Calgary — as a government, I would be changing my priorities. I would be doing something very significant to help the economy, that is going to decline very rapidly in a few months.

Mr. Speaker, it is unfortunate that I must bring in a Bill to try to limit government by statute, but that is the way it is. In Bill 203, hopefully we are bringing about some responsibility to this government's budgeting, saying that special warrants be restricted to no more than 4 per cent of the supply granted through the Legislature. A short year ago or so, we said 8 per cent. But with my colleagues, I have had a look at that and, under the circumstances, 8 per cent is too much. It doesn't call for enough accountability to this Legislature. If some item is important, the Legislature can be called into session and the matter dealt with at haste. If it isn't that important, we don't have to.

As I have said, these extra expenditures over and above 4 per cent would require legislative approval, either by enacting supplementary estimates in the fall session or recalling the Legislature. Major tasks of the Legislature include debate and approval of legislation and control of the purse strings. When there is urgent requirement for expenditure of public money, the people's representatives should be responsible for prior approval of such expenditures whenever possible. The criterion of being urgent is most important. But when it isn't adhered to, this legislation is most necessary.

Mr. Speaker, I think the government should consider this legislation if it can't do it on its own and if it can't be responsible to the Legislature, the people of Alberta, the small business men, the farmers, and the individuals who are in financial difficulty today. It is regrettable that we have to go this way, but I see no other way.



Mr. Speaker, in light of those remarks I move second reading of the Bill.

MR. ISLEY: Mr. Speaker, I welcome this opportunity to participate in the debate on Bill 203. I thank the hon. Member for Little Bow for bringing it forward so we can debate it in this Legislature. As I was sitting and listening to the remarks of the hon. Member for Little Bow, I had three feelings running through me: pride, amazement, and sympathy — proud that I was part of a government that is responsive and courageous enough to use special warrant spending when the need arises and there is something to be addressed; amazed that I was listening to the Leader of the Official Opposition logically disapproving in his remarks many of the programs carried out under special warrants without addressing them; and feeling sympathy for the hon. member in that he hasn't moved from the decade of the '60s into the decade of the '80s. He doesn't seem to have realized that Alberta is now a fast-changing province, facing substantial growth and unexpected occurrences.

Mr. Speaker, I would like to do three things: first of all, look briefly at Bill 203, which I am obviously not going to support; secondly, review special warrant spending in a general and historic sense, and specifically in the 1981-82 budget year; thirdly, make some rebuttal comments to some of what I thought were irresponsible statements coming across the floor.

If you review special warrant spending from 1971 to 1981 — and my mathematicians come up with some different percentages than the hon. leader opposite. So I would like to read some figures into the record: the year 1971-72, with a total actual budget of \$1.26 billion, the percentage of the budget spent on special warrants was 7.5 per cent — we agreed on that figure; 1972-73, with a total actual budget of \$1.369 billion, 2.25 per cent spent through special warrants; 1973-74, with an actual budget expenditure of \$1.504 billion, 6.47 per cent spent on special warrants, not the 7.5 per cent as stated; 1974-75, with a total budget of \$2.076 billion, 15.53 per cent. Then we went through a series of years from '76 to '80, working at under 5 per cent; 1980-81 actual budget expenditures, \$5.67 billion, 10.45 per cent for special warrants, not 11.1. We agree on the last figure.

If one looks at where the large expenditures were through special warrants, agriculture was in number one position, with a total of \$174,579,200. If you look at the largest single-expenditure program, it was again in agriculture, the beef and sheep support program of \$133,200,000. Mr. Speaker, I can't help but wonder if the hon. Member for Little Bow is really representing his constituents when he opposes that program. It seems to me that last fall he was standing in the House saying there is an urgency out there, do something. I can't help but wonder if some of the 26,000 applications being processed today are not from the constituency of Little Bow. I would be very surprised if they're not.

MR. KOWALSKI: They're going to return them.

MR. ISLEY: I would be very surprised, hon. Member for Barrhead.

Also under agriculture, we saw \$17 million going into the hog producers' stop-loss program and their hog assurance program. Again I'd find it hard to justify to my hog producers that that wasn't a necessary and desirable expenditure, and I am sure the Member for Little Bow would find the same if he talked to his hog producers.

The feed freight assistance program ate up a bit of that, \$2.8 million. I would like to stop for a moment on that program, which was of great benefit to my constituency and to many other constituencies, not only in the drought areas of the province but also in the areas that had overproduction. The feed freight assistance program provided a market which would not otherwise have been there for surplus feed in this province. I know of constituencies in my area that have brought hay from as far away as Westlock, Barrhead, Leduc, Olds, Brooks, and even from as far south as Nanton, Alberta. That \$2.8 million injection through a special warrant which fulfilled a commitment to farmers from the drought area, I would say provided a market to people in the overproduction area. It also helped all beef producers in this province. Because if we hadn't had it in place, the ranchers and farmers with cattle in the drought areas would have been flooding the market with their cattle and softening what is already a soft beef market.

[Mr. Speaker in the Chair]

It provided very desirable work for many truckers in this province who were experiencing a slowdown in activity as a result of the slowdown in the oil field industry. It provided cash flow in a ripple effect to many of our service stations and cafes along the highway.

MRS. CRIPPS: That was non-productive.

MR. ISLEY: I think it was very productive. I know the hon. member opposite — but remember I said at the beginning that he didn't really understand what he was saying at times. That was part of my sympathy.

As I stated, I think it prevented the disposal of herds to soften what was already a soft beef market. And it prevented surplus feed from sitting in certain areas of this province and rotting through the summer season. If you analyse many of the other programs in a similar way, I think you can see that a small amount of money spent through a special warrant in an urgent situation had a tremendous ripple effect.

If I look at some of the other departments that led in special warrant spending, Energy and Natural Resources was second, with a total of \$110,763,659, of which \$105 million went to forest protection. Now if that isn't an urgent need, I don't know what is.

If we look at the Bill that the Leader of the Opposition wants us to accept, the beef support and the fire protection special warrants would have exceeded his 4 per cent. I suppose he's suggesting that government would be responsible if it was sitting doing nothing while the forest fires were approaching Swan Hills, which was referred to by my hon. colleague from Barrhead in his address to the throne speech. If you look at the third department that rated the highest, Hospitals and Medical Care: \$81,146,000, the bulk of which, if you start checking the detail, was as a result of appeals to the budget system by active hospitals in this province — again, I would say, a very worth-while and necessary expenditure. You move further down, and you get into Environment. I believe the fifth spot was held by Recreation and Parks.

What I'd like to do for the next few minutes, Mr. Speaker, is just run through some of the departments and pick out sample programs which I feel were very worth while and very productive in this province, but which the hon. Member for Little Bow obviously feels were non-productive, non-urgent, and a waste of public funds. I

look under Advanced Education and Manpower: \$4.8 million for supplementary funding for the summer temporary employment program, which was oversubscribed. I think one of the things this government has to be proud of is that when it lays out a commitment, it fulfills that commitment. It doesn't put a certain amount of money there and say, when that runs out, you people afterwards lose out.

I won't go into Agriculture any further; I've already mentioned it rather extensively. If I flip through a little further, under Culture I see \$2.2 million to provide additional funds in order to match the amount raised last year in Alberta by the international aid agencies. This is a matching dollar program. When your private sector gets aggressive and does that positively, is the hon. Member for Little Bow saying that government should not fulfill that commitment and support its citizens who have put a high priority on that program?

A major special warrant of \$14 million for Economic Development, to provide financing for construction of the Prince Rupert grain terminal, something my grain farmers welcome. If the hon. Member for Little Bow checks with his grain farmers, I'm sure he'll find a similar appreciation. Education: \$4.15 million, required for program unit grants to cover unanticipated growth in handicapped people served. Here again, we're talking about additional funds because of a very quick response from school boards, the teaching profession, and the educational programmers, in providing programs to handicapped children. Would the hon. Leader of the Opposition say to those handicapped children and those boards that were ready to provide the service: no, you have to wait till next year; you have to wait till we call the Legislature back? I wonder.

Flipping through a little further, I come to Environment: a total of approximately \$57 million in special warrants, required to cover unanticipated demand for financial assistance for projects under the municipal water supply and sewage treatment programs and the regional water and sewer treatment programs. As a representative of a constituency that shared in some of these funds, I'm aware of the programs. This government really doesn't control the initiation of those programs. We participate in them along with the municipality. Some years, municipalities are ready to go; some years they aren't because of soil conditions, engineering problems, and what have you. Would the hon. member oppose any communities that received funding under that?

Water resources management: \$21 million into the Dickson dam. I ask the hon. Leader of the Opposition, is water resources management not important? Support to native organization, \$0.5 million; provincial share of capitalization of native venture capital corporation, which was welcomed and appreciated by natives in my constituency and, I know, many others.

This one touches close to home, so I will have to mention it: Municipal Affairs, \$242,180 to provide additional extraordinary unconditional assistance to the towns of Cold Lake, Grand Centre, and Bonnyville. On behalf of those towns, I thank the Minister of Municipal Affairs for a very responsive, responsible decision when he announced that program, which provided additional unconditional funding to the three communities involved and had us, as a provincial government, picking up some of the interest on capital water and sewer debts because of an overbuilding in preparation for growth. I for one feel more comfortable if our communities are slightly overbuilt than underbuilt. I find it difficult, on this one

and a couple of others, to understand the inconsistency we are experiencing with the current Leader of the Opposition.

I can recall a night last July, when the hon. Member for Little Bow sat in the audience in the rotunda of the Grand Centre high school and observed the debate going on between various politicians, and would-be politicians, on the problems this government was causing in the Cold Lake area. The leader of the party the hon. leader represents was very sympathetic to the people of the area, very critical of our government for not being responsive enough, and made statements such as: look, we as the Official Opposition would support this government in doing anything to relieve the pain you people as individuals and your communities are experiencing. The hon. Member for Little Bow sat in the audience, agreeing with every word by nodding his head. Today he stands in the House and says, no, we shouldn't have done that.

I think the same argument would apply to a contribution through special warrants that this government, in a very quick, responsive action, made to the Cold Lake skiing society to develop the Kinsora Ridge Hill, which I commented on in my participation in the throne speech; again, an expenditure that I feel was very productive and justifiable at that point in time. It provided not only some additional short-term projects in the area for a construction industry that was searching hard for work, but also a tremendous boost to the winter tourism industry in the area. I think you can go out in that area now and talk to a couple of operators of sport shops who think that expenditure was one of the best things that ever hit them. Also café and motel operators are benefiting as a result of increased tourism activity in the wintertime — very, very productive. I think one of the big advantages is the skiing society, which is organized off the Canadian Forces Base, Medley, as the sole operator of that hill, and we have no operating commitment to follow it.

By the way, for any of my hon. colleagues who are interested in skiing, it's a very modern hill, with a chair lift of 76 chairs and a total length of 3,200 feet; seven different runs, some as long as three-quarters of a mile, some expert, low expert, intermediate, and beginner slopes. [interjection] I go up and down the lift. It's almost interprovincial, in that you're standing right on the Saskatchewan boundary when you take off. I welcome you to come out and support our area. That's my commercializing; sorry, Mr. Speaker.

I look at people programs. Social Services and Community Health: \$6.8 million special warrant, funds required for the Alberta aids to daily living and extended health benefit programs. I wonder why the Leader of the Official Opposition would oppose an expenditure of that nature. An additional \$10 million in Social Services and Community Health was required to cover projected '81-82 deficits resulting from increased single parent and physically handicapped case loads and an increase in transient costs.

Mr. Speaker, I think I've reviewed enough of the expenditures to indicate that many of them were very important and desirable. I and, I'm sure, my constituents and many other constituents in this province would have a difficult time understanding why someone, especially a leader of an Official Opposition, would oppose those types of expenditures.

I look at Bill 203, which has two sections. It proposes an addition after Section 30 of the Financial Administration Act which, in reading it over, I conclude is a lot of prattle like we were listening to earlier. I notice the hon.

leader did not expand on it, explain, or attempt to justify that section. I think I've given my opinion quite clearly on the total amounts of special warrants being held at 4 per cent.

The hon. Leader of the Opposition made a couple of other comments that I would like to respond to before resuming my seat. He talked about this government not being responsible. I think he should be prepared to stand up and indicate which of those programs were not responsible. Otherwise, I suggest that he is not being responsible in his accusation.

MR. R. SPEAKER: When you start from irresponsibility, the rest follows.

MR. ISLEY: You'll get your turn when we close debate, sir.

He talked about this government spending money without accountability to the public. As I understand it — and maybe I'm shedding some light on the system for the hon. leader opposite, who has been here much longer than I have — the mechanism in our system for accountability for the expenditure of public money occurs through the Public Accounts Committee. I've been a member of that committee for three years. I've seen him in his place, but I have yet to see the hon. leader from Little Bow aggressively going after and criticizing areas where this government has spent money it shouldn't have. Again, I suggest that the area of accountability is there. If the hon. member will grace the committee with his attendance on a regular basis this year and aggressively get involved, he can make this government account to the public.

With that, I thank you for bringing it in.

MR. KESLER: Mr. Speaker, I too would like to speak in reference to Bill 203. It's rewarding to me to see the arrogance of this government in action. They sit with smirks and smiles. We talk about the accountability of individuals in business, and we consider their bankruptcies because of an inability to manage their affairs. I'm also amazed, as is the hon. Member for Bonnyville, by the degree of latitude he gives the word "urgent". It reminds me somewhat of the word "abnormal" in a federal bill called the emergency planning order. It is open to much interpretation.

In his remarks, the hon. member talks about worth-while and important matters instead of "urgent". Certainly worth-while and important matters must be considered. But as the Bill reads, the word is "urgent". It seems to me there is a considerable difference between "urgent" and "worth while".

I'd also like to say that if we have worth-while and important matters that should be considered in our province, those things should be considered at the time the budget is put together. Then let's take care of the urgencies, as they arise, with warrants.

He talks about the gratitude of his constituents. Mr. Speaker, I guess I'm fortunate to have just gone through a by-election. I've had an opportunity to find out that the constituents of Olds-Didsbury are completely dissatisfied with handouts from government. The hon. Member for Bonnyville talks about this as being 1982, not 1965. If in fact we had a responsible, free-enterprise government in 1965, perhaps we should get back to that type of government.

Many times in the last few weeks, I've heard the hon. Premier talk about responsible free enterprise. I don't see

very much reflection of responsible free enterprise as I see government handing out subsidies, incentives, grants, and bonuses. If this government believes in responsible free enterprise, I suggest they leave those dollars in the pockets of the industrious farmers and small business men in this community and in this province, so they can use those dollars efficiently and effectively in their lives. Any time those funds have to be laundered through government departments, they continually shrink in value.

The hon. minister also talks about not being very sympathetic toward various causes and areas in society and the needs those people have. I suggest that government should get back into the constituencies and find out what's really happening out there; find out that this Bill is being presented because the hon. member of the opposition knows the feeling of those people. They're tired of government intervention and government spending. They are especially tired of wasteful spending by government.

We've also heard talk about a great cattle subsidy. Instead of a low-interest loan through the heritage trust fund that would revert to Albertans for future generations, we use a subsidy. It seems to me that subsidies are tools for the purpose of gaining votes in elections. They're not designed to help individuals, especially those subsidies of the cattle market. If we take a look at a little history, we'll realize that any time this province has given subsidies to the cattle industry of this province, the buyers from eastern Canada invariably drop the price 5 or 6 cents a pound within the next weeks or days. In fact the eastern buyers absorb those subsidies and the Alberta market never gets that dollar.

In closing I'd like to say that if the government is going to tell the people that times are tough and that the time has come to tighten our belts, as many politicians across this country seem to be very adept at doing, perhaps this government should revise and relate accordingly to the word "urgent", and should structure their budget so that 4 per cent warrants would suffice. If they are unable to do that, I suggest that in the next election the people of this province will tell them they should have done it.

MR. STEWART: Mr. Speaker, this afternoon I take an opportunity to discuss this private member's Bill. I feel that this Legislature is an opportunity for all political parties, as well as the government, to express their position on different issues. This afternoon we spent an hour debating a motion that I felt was fairly current, and an opportune time to discuss what many people in this province feel was an urgent issue. But the opposition was disinclined, didn't have a position, or was prepared to wait until after something has happened and then criticize and say, I told you so. Mr. Speaker, if I take this opportunity now to talk to the Leader of the Opposition about his Bill, I hope he'll recognize that he has to defend something he has put forward. So now that he has a position, we can discuss it.

In discussing it, I think the previous member covered mainly the issues that I feel are quite defensible. If you look at the list I have — and I question that the Leader of the Opposition will take any of these and single them out as issues he would personally have voted against and done so in the public arena. About 95 per cent of the things are itemized. I won't take the time of the Legislature to go over them again. It was well done. From my point of view, to criticize the special warrant process is a distortion of what takes place, when you consider the fact that in a budgetary process it would be almost impossible to anticipate the timing, the need, or the dollar value of

most of the money that has been spent by special warrant.

In discussing some of the special warrants that went to Agriculture, I know the hog program was something that was discussed for a long time until we had what we considered the majority of the people involved in the industry agreeing on what the process should be. At that time, the government responded.

In the beef industry last summer and fall, and until the first of December when the program was announced, I am sure that everyone in the industry had an opportunity to voice his opinion about what type of program was required, whether one was required at all. Some people in the industry are more fortunate than others and could have weathered the storm. They spoke of their feelings that the industry could survive. I'm quite sure that in some areas, the industry could have survived and will survive. But recognizing that this government governs for all the people in agriculture, it has to recognize that there are inequalities of opportunity in this province: to public land, to cheap sources of grazing, and alternatives that would make it equal for everyone in the industry. I recognize that most of the people who were advocating that we do nothing for the industry were also making the greatest use of public land in this province. I think we all recognize they are not paying an exorbitant price for the privilege.

I think we have a feedlot industry in this province that has been expanded since about 1965 or 1968 to where it's a major secondary process as far as agriculture is concerned. We don't particularly want to lose it. We process about 40 per cent of Canada's beef, from grazing cattle until they're beef cattle ready for market. As agriculturists in this province, I believe we want to maintain that. It's part of our basic industry. It's another step in the process that has developed as a consumer of feed grain in this province; it's a market for the barley growers. I find very few people in my area who disagreed with the policy that some sort of stabilization to the beef industry was not only urgent but necessary. I fail to believe that many of the people in the Olds-Didsbury area would take a very different attitude on that particular issue.

Talking about the beef stabilization subsidy being absorbed by the markets in eastern Canada. I think we'll recognize that the program came out after the fact and would be very hard to deviate from in that manner. I hope that most people listening this afternoon will recognize that, almost without exception, every item discussed as being part of the special warrant process over the last year could not, on examination, have been anticipated when the budgetary process was taking place. I question whether any of the programs could have been left until the following year. I hope the Leader of the Opposition will be honest with himself, if not with the rest of us, when he sits down and designs another Bill, and bring forward a process that's constructive instead of destructive.

MR. HYLAND: Mr. Speaker, I'd like to make a few comments on Bill 203. I'd like to bring out a few things that are, to quote the hon. Leader of the Opposition, products that are a drain on the tax dollar and non-productive for the people. We'll see if my quote is right when we see in the Hansard [Blues] tomorrow exactly what was said. The town of Bow Island needed assistance in storage for raw water.

MR. R. SPEAKER: That was five years ago.

MR. HYLAND: They applied and found that the budget allotment was used up. So we did some work with the minister's office and with cabinet, and Bow Island, along with many others, was part of the extra special warrants of the Department of the Environment.

Let's see what we're looking at in population, per-person cost. The first cheque that went to Bow Island was approximately \$910,000, which was the government's share of 50 per cent of the cost of the project. With a population of 1,500, which the town is near, that's about \$1,200 per person saved on tax dollars for that town. That's the initial payment. Another payment has been made since, and the total will come to twice that. So that's money saved on the tax dollars of the people of that town. In that particular instance, Mr. Speaker, there was a problem of a shortage of water the year before, and water had to be trucked into town because the dugouts weren't big enough.

This afternoon we've heard many examples of the various special warrants related to agriculture, hospitals, et cetera, all supposedly non-productive. I have a hospital board in one hospital in Bow Island, that for many years operated on a balanced budget. But because of some problems they were overbudgeted, and the deficit has been picked up. I think that's a good use. We've heard words like we don't listen to the people and we're out of touch. The hon. Member for Wainwright illustrated the actions and things that happened when we dealt with the cow-calf program, the feeder program, and hog stabilization. All these have been outlined.

I think the use in specific issues like this for such areas as Bow Island, as I mentioned . . . I would like to hear the thoughts of the hon. Member for Bow Valley on part of the moneys that went to ID 1 for the hamlet of Suffield; \$137,000-plus for water and sewer. I wonder what that works out to per person.

Mr. Speaker, in view of the hour, I'd like to adjourn debate.

MR. HORSMAN: Mr. Speaker, it is not proposed that the House sit this evening.

[At 5:31 p.m., on motion, the House adjourned to Friday at 10 a.m.]