

LEGISLATIVE ASSEMBLY OF ALBERTA**Title: Friday, March 16, 1984 10:00 a.m.**

[The House met at 10 a.m.]

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF VISITORS

MR. HORSMAN: Mr. Speaker, I am pleased to take this opportunity to introduce to you, and through you to members of the Assembly, some very special guests from the province of Heilongjiang, Alberta's sister province in the People's Republic of China. As you know, Alberta enjoys a very special relationship with that province, based on similarities between our two provinces in the areas of climate, agriculture, and hydro-carbon resources. This relationship has produced important co-operation between Alberta and Heilongjiang in the areas of petroleum technology trade, agriculture, forestry, and education, as well as in culture and sports.

As you are aware, Alberta will soon be hosting the largest exhibition of Chinese products ever held in Canada. This will take place at the AgriCom Building at Edmonton Northlands, and will officially open on April 14 and continue for a period of three weeks. The delegation from Heilongjiang, which I am about to introduce, is here to discuss arrangements for this important exhibition.

The members of the delegation are: Mr. Zhang Jizhi, deputy director of the Heilongjiang foreign affairs office; Mr. Wang Yintian, adviser to the Heilongjiang economic commission; Mr. Xue Changong, director of the Heilongjiang pricing bureau; and Mr. Wang Wangui, the interpreter with the party. Please join me in expressing a warm welcome to our distinguished visitors.

head: INTRODUCTION OF SPECIAL GUESTS

MR. ALEXANDER: Mr. Speaker, this morning I beg leave to introduce to you, and through you to members of the Assembly, a very large and important delegation of citizens from Edmonton Whitemud. I said "large" because there are 101 grade 6 students from the Duggan elementary school. They are accompanied by teachers Mr. N. Girard, Miss L. Ma, and Mr. O. Stephanson, and by their vice-principal Mr. Langevin. Obviously, they are seated in both galleries. May I take this opportunity to express my regret to them for being unable to meet them personally this morning, due to other commitments. I would request that they stand and be welcomed in the accustomed fashion by members of the House.

MR. ADAIR: Mr. Speaker, it's my pleasure to introduce to you, and through you to members of this Legislative Assembly, Mr. Clarence Frank, a farmer from the Fairview district in the Peace Country of Alberta, a councillor for improvement district No. 21, and an active community worker. Mr. Frank has been in Edmonton this past week attending the 22nd annual conference of the Association of Improvement Districts. I would ask

Mr. Frank to stand and receive the warm welcome of this Assembly.

MR. ISLEY: Mr. Speaker, it is my pleasure to introduce to you, and through you to members of the House, 33 grade 9 students from Grand Centre junior high who are looking forward with interest to viewing our first question period. They are accompanied today by teachers Mr. Saran Ahluwalia, Mr. Ron Young, and Mr. Denis Dery, and by parents Mrs. Marg Elson and Mrs. Gillespie. They are seated in the members gallery, and I would ask that they rise and receive the welcome of the House.

MR. OMAN: Mr. Speaker, it is my pleasure today to introduce to you and the Assembly seven broadcast journalism students from the Southern Alberta Institute of Technology. I am not sure if they have ambitions to be in the gallery that is above you, Mr. Speaker, but we welcome them here. They have obviously had excellent instruction from their teacher, Mr. Dale Janz, who is from Calgary. I would like to have them stand and be recognized by the House, please.

head: ORAL QUESTION PERIOD**Alberta Economic Conditions**

MR. NOTLEY: Mr. Speaker, I would like to direct the first question to the hon. Premier and ask the Premier to outline to the House what plans, if any, are in place for a special economic recovery package in response to the Conference Board of Canada prediction that Alberta will be the only province in the country to suffer an increase in its 1984 unemployment rate.

MR. LOUGHEED: Mr. Speaker, that's going to be an important subject for debate in the budget debate, and I think that would be the time for it. We would welcome it after we have presented the budget to the Legislature.

MR. NOTLEY: Mr. Speaker, a supplementary question to either the hon. Premier or the Provincial Treasurer. Given the Conference Board of Canada forecast, will the government give an undertaking to the Assembly that there will be no additional layoffs similar to the ALCB cutbacks of some 1,700 temporary workers?

MR. HYNDMAN: Mr. Speaker, as indicated in the throne speech yesterday, we expect the economy to strengthen considerably in 1984. The detailed fiscal approach that will be taken for the province for the coming fiscal year will be laid out in the upcoming budget on the evening of March 27.

MR. NOTLEY: Mr. Speaker, a supplementary question to either of the hon. gentlemen. Can the government indicate to the House what specific steps will be taken to pick up the slack, in particular with respect to those people laid off by the Alberta Liquor Control Board?

MR. HYNDMAN: Mr. Speaker, again that relates, I think, to the overall plan of government; the interest by the people of the province in having government expenditure reduced; the need, as we've indicated in past years, to trim the government public service as appropriate, by reason of positions that are redundant and unnecessary. So that will be part of the budget that will be dealt with on March 27, in what will be a balanced approach.

MR. MARTIN: Whose balance?

MR. NOTLEY: I hope people don't starve in the meantime.

Could I ask the hon. Provincial Treasurer or the Premier whether or not the government has any particular plans in place now to stimulate consumer demand, in light of the Conference Board prediction that Alberta will rank 10th among the 10 provinces in terms of increase in retail sales?

MR. HYNDMAN: Mr. Speaker, I don't think the hon. leader is doing his homework. The fact is that month after month, the highest per capita retail sales in Canada are in Alberta. Albertans are spending more, buying more goods and chattels, and purchasing more services every month. [interjections] Those are the statistics: more than Ontario, more than British Columbia. And it continues month after month.

MR. NOTLEY: Tell that, Lou, to the 150,000 people out of work.

However, my question to the hon. Provincial Treasurer is to ask what particular steps this government has in mind to increase consumer demand, in view of the Conference Board prediction that the increase will rank 10th out of 10 among retail sales.

MR. HYNDMAN: Mr. Speaker, I just indicated that consumer demand, which I think is evidenced very strongly by retail sales per capita, is at the highest level in Canada, has remained so for at least a year, and continues month after month after month. [some applause]

MR. NOTLEY: A supplementary question. Apart from the weak enthusiasm on the part of the backbenchers, is the Provincial Treasurer or the Premier telling the House that this government is satisfied with the level of retail sales and has no plan whatsoever in place to increase consumer demand in this province?

MR. HYNDMAN: I guess it's part of socialist philosophy to have a government deal with retail sales, Mr. Speaker, but retail sales are a function of what ... [interjections] As the throne speech points out, we see the 1984 economy in this province strengthening considerably. I think that that and the budget which will be upcoming — if the hon. member would just contain his excitement until the evening of Tuesday, March 27, he will have more.

MR. R. SPEAKER: A supplementary question to the hon. minister. Has the minister recently — in January, February, or March — walked the streets of any urban centre, village, or town centre in the province of Alberta and asked the businessmen whether their retail sales were up in January and February? Has the minister done that kind of personal poll, or has anybody in the Conservative Party done that street level type of poll, to determine the statistics thrown around so loosely in this Assembly?

MR. SPEAKER: Perhaps in the question period we aren't going to get into what various parties may be doing.

MR. R. SPEAKER: Mr. Speaker, on a point of order. My question is directly to the minister, asking him about his action. I'll limit it to that part of my question.

MR. MARTIN: They talk to each other.

MR. HYNDMAN: Mr. Speaker, yes I have, and I can assure you that all members of the government party in this Assembly certainly have done the same. They've conducted their polls. They're very much in tune with what is happening in Alberta today.

MR. R. SPEAKER: Mr. Speaker, could the hon. minister then indicate to this Assembly what those recent findings are? Are they in support of the earlier statements made by the minister?

MR. HYNDMAN: Again, Mr. Speaker, the facts show that we have the strongest economy in the country. If you want to get down to statistics, the retail sales per capita are the strongest in the country every day.

MR. NOTLEY: Mr. Speaker, I'm sure we'll have an opportunity to discuss the unemployment question on and on and on, and will.

Justice System

MR. NOTLEY: Mr. Speaker, I'd like to direct the second question to the hon. Attorney General. It concerns the administration of justice. Could the minister outline to the House the overall policy with respect to proceeding with charges when agents of the Crown are of the view that there is sufficient evidence to warrant prosecution?

MR. CRAWFORD: Mr. Speaker, perhaps I can briefly describe the system that has been used for many years with respect to the assessment of evidence and the determination of what charges should be laid in specific instances.

Naturally, at some point after the belief that an offence may have occurred, all of the necessary investigation is undertaken. That is pretty well exclusively a police function. The interface between the police function and that of the law officers of the Crown is the one that the hon. leader would probably most logically expect to be the type of relationship; that is, the police present information and, indeed, investigation reports, statements of witnesses, and the like, to Crown attorneys, who then, depending on the complexity and seriousness of the case, do an assessment, either by an individual Crown agent or by that individual who would have primary responsibility for the file, plus other colleagues of his who are also Crown attorneys. At a certain point, Mr. Speaker, a decision is then taken as to whether or not charges should be laid and, if charges are to be laid in those circumstances, as to the nature and number of charges. That's basically the process.

MR. NOTLEY: Mr. Speaker, given that answer, could the Attorney General advise the Assembly why no action was taken on the recommendation of two senior Crown prosecutors to prosecute Luscar Sterco (1977) Ltd. under the Fisheries Act for violation of the provisions of that piece of federal legislation which is administered provincially?

MR. CRAWFORD: Mr. Speaker, in order to respond to the hon. leader within whatever areas may be appropriate with respect to that question. I would have to do some checking and see whether or not it's a matter that could be reported to the Assembly.

MR. NOTLEY: Mr. Speaker, perhaps I can then pursue the question with the hon. Associate Minister of Public Lands and Wildlife and ask that hon. gentleman whether the department

he is responsible to this Assembly for obtained evidence concerning violations of the Fisheries Act by Luscar Sterco.

MR. SPARROW: Mr. Speaker, I will have to take that under advisement and report back on the question.

MR. NOTLEY: Mr. Speaker, a supplementary question. Is the minister saying to the House that he is not able to answer that question? I'm not asking detailed questions at this moment. Is the minister not able to answer today the question of whether or not his department was in possession of any evidence whatsoever?

MR. SPARROW: Mr. Speaker, as I said before, I'll take that under advisement. We do have on file and do carry on investigations on a lot of different cases. I will take that under advisement and report back.

MR. NOTLEY: A supplementary question. During the course of the last few months, did the minister have occasion to meet with the president of Luscar Sterco, concerning alleged violations of the Fisheries Act or difficulties with environmental control?

MR. SPARROW: Mr. Speaker, to my knowledge — and I have checked my file — I have never met with the president of Luscar.

MR. NOTLEY: A supplementary question to the hon. Minister of the Environment. Is the minister in a position to shed any light on the water quality order of March 22, 1983, issued by the Department of the Environment, concerning the problem of pollution of the Lovett River?

MR. BRADLEY: Mr. Speaker, I would have to check into that matter and report back to the House.

Natural Gas Marketing

MR. R. SPEAKER: Mr. Speaker, my question to the Premier is a follow-up to a question I asked in the fall session with regard to natural gas. At that time the response of the Premier was that the pursuit was to maintain markets for natural gas from Alberta. I'd like to know from the Premier what actions have been taken since the fall session to maintain those markets. Have we been able to maintain them by the actions taken?

MR. LOUGHEED: Mr. Speaker, I refer that question to the Minister of Energy and Natural Resources.

MR. ZAOZIRNY: Mr. Speaker, since the House was last in session, there have been some important developments. One very notable development in respect of our natural gas sales to the United States in particular is of course the presentation of the guidelines of the Economic Regulatory Administration in the United States, better known as the ERA, who came forward with guidelines for sales of natural gas in the future.

One very important component of those guidelines is the clear statement there would be no measures taken that would impact or cut through the existing contracts in place between our country, this province, our producers and pipeliners, and the United States companies. This is a very important and significant part of those guidelines. Many representations were made by the government, through the Premier and me, to ensure that that was an important ingredient of those guidelines.

At the same time, we are working in consultation with industry. We have a task force at work: the Alberta government working with industry toward developing a more market-oriented approach to our natural gas sales in the United States. This view came forward in the initiatives document, which was brought forward in late 1982 and is now being actively pursued by industry and the Alberta government.

As well we are working hand in hand with British Columbia and federal government officials to ensure that in the future we do in fact maintain and develop those very important markets for us.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. In terms of the guidelines that have been agreed upon, I understand, between the Canadian government and the American government, is there a term in which those guidelines will be held in place to assure us longer term markets rather than just a year or two years? Is there a term with regard to those guidelines?

MR. ZAOZIRNY: Mr. Speaker, the guidelines are stated in a very broad fashion and deal with future arrangements between the countries and the parties to contracts in those two countries. It should be pointed out that our existing arrangements, the contracts that are in place, are contracts of many years' duration. It varies from contract to contract, of course. But for the purpose of clarity and no misunderstanding, it should not be thought that those contracts are of a short-term nature; they are not. Given the very nature of the natural gas business and the industry, it's important to put in place these longer term arrangements to ensure that adequate financing can be obtained to deliver the gas.

MR. R. SPEAKER: Mr. Speaker, supplementary to the minister, with regard to the border gas price change as of February 1, 1984. The Alberta border price was increased by 15 cents per gigajoule, whereas there was a reduction of 15 cents per gigajoule under the natural gas and gas liquids tax. Could the minister indicate what effect that had on the price of natural gas in Alberta in terms of the Alberta market?

MR. SPEAKER: We're really getting into a matter of market analysis, which I really don't think is a public function of the minister, although the members probably all make their own private market analyses. But the question having been asked, perhaps it should be dealt with briefly.

MR. ZAOZIRNY: Mr. Speaker, the short answer is that in the province of Alberta we have an open-market situation, where arrangements entered into within the province between buyers and sellers operate simply in the marketplace. Therefore, with the increase in the border price, there is no impact on the Alberta consumers.

If I might add this comment, Mr. Speaker, it's very important to note that the arrangement which occurred on February 1, with the increase in the border price but the decrease in the natural gas and gas liquids tax, was the result of an agreement arrived at with the federal government last June 30, whereby the natural gas and gas liquids tax is now at zero.

Forest Industry — Whitecourt

MR. APPLEBY: Mr. Speaker, I'd also like to ask a question of the hon. Minister of Energy and Natural Resources. What steps has the Alberta government taken with respect to the default by British Columbia Forest Products of their forest management agreement to develop the Berland forest?

MR. ZAOZIRNY: A little more than six months ago. Mr. Speaker, the government was approached by British Columbia

Forest Products and the Alberta Energy Company, with a request that they be granted a six-month time frame within which they could assess the viability of proceeding with a major bleached kraft pulp mill in the Whitecourt area. That request was granted, and during the ensuing six months, approximately \$1 million was expended by those two companies in pursuing the feasibility of this project.

On February 27 I met with Mr. Benson, the president of British Columbia Forest Products, and Mr. Hector McFadyen, of the Alberta Energy Company, and was advised by them that the results of their work indicated that, in the first instance, the proposed bleached kraft pulp mill is a project having merit; however, they pointed out that in order for the project to be viable, it would require a significant increase in the world price of pulp from its present level. At the same time it was indicated by Mr. Benson, of the British Columbia Forest Products organization, that in any event their organization would not be able to proceed with initiatives because of the difficult financial circumstances of that company — and, I think it's fair to say, of many other companies involved in that part of the industry.

Having received that information — and on that note, Mr. Speaker, I should add that it was also indicated by the Alberta Energy Company that, firstly, they would be meeting their commitment on July 1 to proceed with a \$25 million facility in the Whitecourt area as part of their separate forest management agreement. It was also indicated by them that while they have a continuing interest in a development in that area, they would have to obtain and find a partner who has experience in the field, because they have no experience in that kind of development.

As a result of that information coming to me, Mr. Speaker — and in response to the hon. member's question — a recommendation was taken to cabinet, which was approved by cabinet, under which I have served formal notice of default upon British Columbia Forest Products in respect of their forest management agreement. The terms of that forest management agreement provide a six-month time frame within which BCFP can remedy the default. That can only occur through an actual commencement of the facilities, which, as has been indicated, is highly unlikely to occur, although they are seeking out other possible participants.

Mr. Speaker, our view is that the follow-up has to be first of all to ensure that that resource is again made available for other development opportunities. We are working actively with industry to determine what those opportunities might be, and that will be the course we will follow in the months ahead.

MR. APPLEBY: A supplementary question, Mr. Speaker. As a result of the default, which was mentioned earlier, is the government considering any change in policy regarding future timber resource development?

MR. ZAOZIRNY: Mr. Speaker, I think it's extremely important that our forest resource development policy contain the appropriate balance between, on the one hand, ensuring that we have an available resource that can attract the major kinds of facilities, such as a pulp mill or newsprint mill, that will be so advantageous to this province in the years ahead — we have the resource, and we have to ensure that we manage it in a way that will allow that to occur — and, on the other hand, ensuring that our existing operators have an adequate supply of timber to ensure their continued operations and their prosperity. That is the policy which is in place, and that is the policy which will be pursued.

Telephone Toll Revenue Sharing

MR. MARTIN: Mr. Speaker, I'd like to direct my question to the Minister of Utilities and Telecommunications. The minister has publicly indicated that the government agrees in principle that Edmonton Telephones should share long distance toll revenues. Is the minister in a position to clarify his statement in that regard?

MR. BOGLE: Mr. Speaker, after a lengthy review by a five-member committee jointly appointed by Mayor Cec Purves and me, a document was made public on July 19, 1983. There were two basic principles contained within that document. The first was that telephone companies are entitled to a share of toll revenue in Alberta, and that in the case of Alberta all telephone companies accept the obligation to provide funds to service the areas which are not self-supporting. That was accepted as a principle upon which to proceed, and it was endorsed by the government some eight months ago.

There have been discussions with the current administration of the city of Edmonton on finding ways to resolve the outstanding differences between the two telephone companies.

MR. MARTIN: A supplementary question, Mr. Speaker. Has the minister yet arrived at some ballpark figures regarding the annual amount of long-distance toll revenue generated by Edmonton Telephones for AGT and the amount received by Edmonton Telephones as its share? It seems to be in dispute.

MR. BOGLE: Mr. Speaker, it's important to recognize that, while trying to settle any outstanding differences, the discussion should be based on principles and not on someone's figures or interpretation of what should be the case. Those are matters which can best be done by the appropriate regulatory authority.

The principles I've outlined are the principles the government of Alberta is very comfortable with; that is, that Edmonton Telephones is indeed entitled to a share of long-distance revenue and that there is an obligation on both telephone companies to provide cross subsidization to the non-profitable parts of the system within Alberta.

MR. MARTIN: Mr. Speaker, principles are fine, but I think they want to know how much money they're going to get.

I believe the city of Edmonton has confirmed its support for the principle of cross subsidization. My question to the minister is: why is the AGT public relations campaign attempting to drive a wedge between rural and urban customers by implying otherwise?

MR. SPEAKER: Order please. Whether that motive is in the advertising or not is most obviously a really debatable question. At best, it's a rhetorical question. The hon. member has submitted an argument to the Assembly that somebody is trying to drive a wedge, so let's let it go at that.

MR. MARTIN: Mr. Speaker, I thought the minister was in charge of AGT.

A supplementary question. I'll ask specifically, then, sort of the nub of the matter: what plans does the government have to repeal section 7 of the AGT-Edmonton Telephones Act this session?

MR. BOGLE: Mr. Speaker, the current AGT-Edmonton Telephones Act contains two important provisions which are interwoven, sections 7(1) and 7(2). Section 7(1) prevents Alberta Government Telephones from sharing long-distance toll with

Edmonton Telephones. Section 7(2) very clearly removes any obligation of Edmonton Telephones to provide assistance to the non-profitable areas within the province. That is a matter which I believe — and I've stated so in correspondence to the mayor of Edmonton — could be addressed as early as the current sittings of this session. We are looking for a resolution to the problem, and those matters are being and will continue to be addressed.

MR. MARTIN: A supplementary question.

MR. COOK: A supplementary question, Mr. Speaker. I wonder if the minister could clarify ...

MR. SPEAKER: Order please. Perhaps procedure is a little more effective and orderly if the member who has asked a question is able to ask a reasonable number of supplementaries before other members enter into the question.

MR. MARTIN: One final supplementary, Mr. Speaker. In view of the inconvenience caused to all Edmonton Telephones subscribers, the loss of business, and the problems to the hearing-impaired, can the minister tell us when he is prepared to sit down with Edmonton Telephones, with a firm offer of a share of long-distance revenue in order to bring this dispute to an end?

MR. BOGLE: First of all, Mr. Speaker, I reject the allegations of the inconvenience with reference to the hearing-impaired. It's accurate to say that when the unprecedented action was taken by Edmonton Telephones on February 14 — after, according to officials at city hall, about three months of planning in the so-called war room — there was an inconvenience caused to the system. Alberta Government Telephones responded two days later by intercepting calls through operators so that proper billing arrangements could be made. It's also fair to say that, over the period of time, all members of Edmonton's hearing-impaired community using the telecommunications devices are now able to make their calls through arrangements which have been made by AGT.

MR. MARTIN: Mr. Speaker, I'll still ask my question, that the minister didn't answer. I think the nub of what people in Edmonton and Alberta want to know is, when is the government going to present a firm offer to Edmonton Telephones to bring this dispute to an end?

MR. BOGLE: Mr. Speaker, at a meeting on February 20 with members of the Edmonton city council, the Edmonton government members' caucus worked long and hard to develop an understanding, based on principles, to resolve the current issue. The agreement reached the evening of the 20th called for adoption of the two basic principles and three of the four recommendations outlined by the Milvain committee. That was confirmed the following day in a letter by the chairman of the Edmonton government caucus to Alderman Ed Leger. I followed up with a letter to the mayor, following the full caucus's endorsement of the position put forward by the Edmonton government caucus members.

We felt we were very close to reaching an agreement. But clearly, Mr. Speaker, that agreement requires, first, a formal acceptance by city council and the government of Alberta of the principles and recommendations to be followed. Once that has been achieved, it would be incumbent upon the officials in both telephone companies to sit down to work out, according to the Alternate Appendix B formula, the numbers which are

part of the Milvain committee recommendations. Those figures would then be referred to the Public Utilities Board, who would review it and apply the two basic principles. It is at that point that the principle of cross subsidization would be applied by the Public Utilities Board. Then, of course, the necessary legislative changes would be made to allow for the whole arrangement to become effective.

That is the arrangement which has been spelled out. It's clearly following the intent and spirit of the Milvain committee report and recommendations.

MR. COOK: Mr. Speaker, I wonder if I could ask a supplementary question. Could the minister clarify the dispute on interprovincial and intraprovincial long-distance telephone revenue sharing? What is the government's position on inter and intraprovincial revenue sharing?

MR. SPEAKER: I wonder if I might respectfully suggest to the minister that the question be answered briefly even though it may have a very broad scope. I have a considerable number of members who wish to ask their first questions, and we're substantially past halfway in the question period. I'm concerned now about the length of questions and answers.

MR. BOGLE: Mr. Speaker, I will certainly comply with your wishes. I would respectfully remind the Speaker that we're dealing with very technical matters, and some explanation is necessary.

On the question of calls made within Alberta and calls made outside Alberta, there is an arrangement on calls made from Edmonton to points outside Alberta and within Canada whereby, according to the Telecom Canada formula, Edmonton is compensated for those calls. The total compensation in 1982 was \$3.4 million. An additional \$2.9 million was provided by Alberta Government Telephones to Edmonton Telephones for the use of calls within the province.

Mr. Speaker, those matters were clearly addressed by the Milvain committee, in terms of the recommendations made as to how this matter should be finalized.

MR. PAPROSKI: Mr. Speaker, my question is to the minister as well, dealing with this dispute. First of all, I'd like to ask the minister a specific question pertaining to the Appendix B formula that is in the Milvain commission report. I understand, as the Member for Edmonton Norwood indicated, that the city of Edmonton is in agreement that this particular formula takes into consideration cross subsidization. What is the position of the Alberta government pertaining to this issue, please?

MR. BOGLE: Mr. Speaker, in looking at the Milvain report, principles and recommendations, the position of the government of Alberta is that the cross-subsidization factor would be applied by the Public Utilities Board after the two companies have worked out an arrangement using the Alternate Appendix B formula. That is a formula, Mr. Speaker, which was developed between Bell Canada and Thunder Bay, Ontario.

Very clearly, Mr. Justice Milvain and his committee indicated that in the case of Alberta telephone companies, they accept the obligation of providing cross subsidization. On that particular matter, I have written to Mr. Milvain requesting clarification on the specific intent of the committee as to when the principle of cross subsidization is to be applied. Is it as the city contends, that it has already been taken into account in the Alternate Appendix B formula? Or is it, as we believe is the case, during the step at which time the Public Utilities Board would adjudicate and would apply the principle?

At this time, Mr. Speaker, I would like to table with the Assembly a copy of the letter sent to Mr. Milvain yesterday.

MR. ALEXANDER: Mr. Speaker, a very short supplementary requiring a very short answer. If an agreement is reached on toll revenue between the two telephone companies, could the minister advise when that would be effective?

DR. BUCK: Order.

MR. ALEXANDER: When an agreement is reached? [interjections]

MR. SPEAKER: The question is clearly hypothetical. I must acknowledge that many hypothetical questions could qualify fully for the rules of the question period if they were put in a slightly different way. Perhaps there might be some indulgence on this occasion.

MR. BOGLE: Mr. Speaker, the question of when the agreement would be effective was raised the evening that four of the five Milvain committee members met with government MLAs and members of city council at Government House. At the time, the response by Mr. Milvain was that normally the agreement takes effect once there's a signed agreement. We have offered to the city that — and of course it's under the understanding that we are able to reach an understanding in the not too distant future — we are prepared to make the agreement retroactive to January 1 of the current calendar year.

MR. SZWENDER: A supplementary.

MR. SPEAKER: Perhaps we could come back to this topic. I'm very much concerned about not being able to reach other members who also have important topics.

Hazardous Waste Disposal Plant

DR. BUCK: Mr. Speaker, I have a quick question for fast Freddie, the Minister of the Environment. In light of the fact that we finally have an announcement on the hazardous waste plant [interjections] — that's why he's fast; it only took three years, Mr. Speaker — can the minister indicate if tenders have been called for the proposed plant in Swan Hills?

MR. BRADLEY: No, Mr. Speaker, tenders have not been called for the plant in Swan Hills. Currently we have the question of the component under review, and I expect to make a decision on that in the near future.

DR. BUCK: Mr. Speaker, can the minister indicate the projected completion date of the plant?

MR. BRADLEY: Mr. Speaker, there will be a number of components put in place with regard to a facility. Initially we would see that secure storage would be in place there. That would be in place in a very short period of time. We'd also expect to have laboratory facilities in place. Within a two-year period there would be physical/chemical treatment for solidification of wastes. The eventual entire plant would be in operation within a four-year period, which would include incineration or equivalent technology. So we'll be able to deal with special waste problems in a very short time frame.

DR. BUCK: Mr. Speaker, has the minister or the minister's department had any consultation with the Swan River Indian Band as to the location of the proposed site?

MR. BRADLEY: Mr. Speaker, there was an extensive consultation process throughout the province, with 52 different municipalities initiating requests to locate a special waste facility in their communities. That was shortlisted to five communities, and plebiscites were held in the general area. There was a broad consultation process.

I'm not aware if the specific group the hon. member has alluded to was in fact consulted, but there was a broad consultation process in the specific area of each municipality which applied for the plant site.

DR. BUCK: Mr. Speaker, my final supplementary at this time. Can the minister indicate what safeguards will be in place to assure that no pollutants will go into the waters that head into Lesser Slave Lake?

MR. BRADLEY: Mr. Speaker, in terms of the plant design itself, there will be no release of any contaminants into the watercourses.

School Closure Guidelines

MR. LEE: Mr. Speaker, my question for the Minister of Education is with respect to the process of school closures that is taking place in the city of Calgary due to declining enrollment. Could the minister advise the House if he is satisfied that local concerns are being adequately taken into account with respect to the closure ...

DR. BUCK: Mr. Speaker, if you're going to enforce points of order and the rules of the House, do it. You might as well start today, on that side of the House. [interjections] You've been halfway out of your Chair several times, Mr. Speaker, but you haven't done anything to the government members.

MR. SPEAKER: Let's not get too excited. As a matter of fact, I was about to intervene. Perhaps the hon. Member for Clover Bar has quicker reflexes than mine.

MR. LEE: Mr. Speaker, to the Minister of Education. Is the minister satisfied ...

MR. SPEAKER: We're having the same problem. The satisfactions of members of the Assembly, including those of ministers, are not really assessed in the question period. In other words, to be blunt about it, it's a straight matter of opinion; it's not a matter of fact or of information in the ordinary sense.

MR. LEE: Mr. Speaker, is the Minister of Education monitoring the school closure process in Calgary, to ensure that the minister's guidelines with respect to consulting the citizens affected are being followed, particularly in view of the fact that seven of the proposed 20 schools are in the constituency of Calgary Buffalo?

MR. NOTLEY: And the MLA is getting a lot of heat.

MR. KING: Mr. Speaker, we are monitoring the situation in Calgary because, under the law, any motion by a board to close a school must be ratified by the Minister of Education. Because that means that, in effect, an appeal exists to the Minister of Education following on a decision of the Calgary Board of Education, I'm not prepared to comment at this moment about whether or not I am satisfied with the process.

MR. LEE: Mr. Speaker, a supplementary. In view of the devastating impact the closure of a community school has, particularly on the Shaganappi neighbourhood ...

MR. SPEAKER: Well, there might be some members who might have a different opinion about that.

MR. LEE: Thank you, Mr. Speaker. In my opinion . . . [laughter].

Would the Minister of Education consider revising the guidelines with respect to school closure, to ensure that other concerns are taken into account prior to the minister signing a school closure order; for example, the impact the closure would have on a local neighbourhood, such as the Shaganappi community in Calgary Buffalo?

MR. KING: Mr. Speaker, the school board is responsible for making educational decisions, and they are responsible for the organization of resources in support of educational activities in the community. Their responsibility is to the education of children. If it happens that facilities under their administration are significant to the community for reasons other than educational reasons, because they are used by the community or because they affect property values, then it has to be the municipal government which is involved in and concerned about those questions. They are not the responsibility of the school board to the extent that the school board would be obliged to sacrifice educational intentions for those other concerns.

MR. LEE: A supplementary, Mr. Speaker. In view of the strong support being expressed by residents of the communities that are impacted, would the minister consider revising the guidelines that have been issued in the past with respect to school closure, to establish a special small schools community funding program to allow local communities the opportunity to show their support for keeping these schools open with financial support?

MR. NOTLEY: More money, Dave [inaudible].

MR. KING: Mr. Speaker, I am interested to hear that the hon. Leader of the Opposition is associating himself with the idea that wealthy communities should be able to levy a special tax for the support of their schools. Of course, on the basis of his recommendation I'm prepared to consider that, as I'm prepared to consider all the very worthwhile presentations made to me by the hon. Member for Calgary Buffalo.

But consideration is quite different from a commitment made at this moment. I can say that I will consider the question; I certainly can't say that we would undertake such a program.

MR. ANDERSON: Mr. Speaker, a supplementary question.

MR. SPEAKER: Might we have just one supplementary by the hon. Member for Calgary Currie, and then the hon. Member for Edmonton Belmont, and — I think we might have time — the hon. Minister of Energy and Natural Resources wishes to deal further with a question asked in this question period.

MR. ANDERSON: Mr. Speaker, with the admonition of one supplementary on this crucial topic, I'll ask the hon. minister if it's the policy of the government to encourage such a mass change to the Calgary system as is implied by the over 20 schools that are being attempted to be changed. Is he willing to tell the Calgary Board of Education in the strongest possible terms that they must involve the parents, completely and fully, in any such decisions?

MR. KING: Mr. Speaker, I think the government has been quite clear on this question. We have issued school closure

guidelines to every board in the province, including the Calgary Board of Education. Without going into the guidelines in detail, I can confirm that the thrust of these guidelines is to say to each board that they must give notice to a community if they're considering closure of a school, that they have to serve notice of motion if they arrive at a conclusion that school closure is actually the course they want to follow, that they have to notify the community of their intention, that they have to provide information to the community, and that they have to provide the community with the opportunity to participate in the decision-making process.

Nothing in the guidelines gives any community the right to veto decisions that can properly be made by local school boards. But we do believe that the community should be involved, and we think that the extent of that involvement can be demonstrated against the guidelines we have issued. It's very simple to determine whether notice was given to parents. It's very simple to determine whether or not information was provided. If the conditions set down in the school closure process have not been met on the face of it, then in my capacity as minister I would have to take that into consideration before deciding whether or not to authorize a school closure.

It is because an appeal lies to the minister that I am not prepared to say at this time what my decision might be in the event that a resolution is passed. I believe it is very important that the position of the minister should be left clear and neutral until such time as resolutions are actually adopted by the board.

MR. SPEAKER: We've actually reached the end of the allotted time. If the Assembly agrees, perhaps we might hear briefly from the hon. Member for Edmonton Belmont, since I already mentioned him, and the hon. Minister of Energy and Natural Resources. Is that agreeable?

HON. MEMBERS: Agreed.

Telephone Toll Revenue Sharing (continued)

MR. SZWENDER: Mr. Speaker, a brief question to the Minister of Utilities and Telecommunications. It relates to the Milvain committee's recommendations on the telephones dispute. As I understand it, Milvain's first recommendation focussed on the privatization of one telephone company, and the city said they would not merge with AGT. Is the minister saying that the recommendation is now no longer being considered or discussed with the city?

MR. BOGLE: Mr. Speaker, while that recommendation had been agreed to in principle by the former mayor, it was rejected by the present mayor of the city. In meetings with me early this year, he indicated that that was also the wish of the city council. Therefore, with the recommendation of the Edmonton government caucus members, we removed Recommendation No. 1 from the issues to be discussed with the city, so that that could no longer be an objectionable item.

The short answer to the question is that Recommendation No. 1 of the Milvain committee is no longer being discussed with the city.

Natural Gas Marketing (continued)

MR. ZAOZIRNY: Mr. Speaker, in responding to the question from the hon. Member for Little Bow, I indicated that in Alberta natural gas is purchased on a market basis. That is the case. There is one area which is tied to the Alberta border price, and that is our ethylene-based industry, which is impacted to some extent by the Alberta border price. I just wanted to make that clear so there was no misunderstanding.

MR. SPEAKER: The time for the question period has elapsed. Before Orders of the Day are called, I should draw attention to the intention of the hon. leader of the Independents to raise a matter in regard to a possible emergency debate.

Before we do that, might we revert to Introduction of Special Guests?

HON. MEMBERS: Agreed.

head: **INTRODUCTION OF SPECIAL GUESTS**
(*reversion*)

DR. ELLIOTT: Mr. Speaker, it's my pleasure to introduce a group of students from the Sexsmith secondary school. They're in the members gallery and are accompanied this morning by their teachers Jake and Agnes Paetkau and Barry Valleau, with their bus drivers Duane Haakstad and Morley Eide. I'm proud to introduce this group and ask members to give my first group of visitors from the Grande Prairie constituency a warm welcome.

MR. SPEAKER: Before we start the routine: the hon. leader of the Independents.

Request for Emergency Debate

MR. R. SPEAKER: Mr. Speaker, I'd like to rise pursuant to Standing Order [30] to request leave to adjourn the Assembly to discuss a matter of urgent public concern. Naturally it's the critical unemployment situation that prevails today in Alberta as well as in other parts of Canada. I do that on the basis of three arguments.

First of all, in the throne speech yesterday the government announced that an economic strategy would be announced this spring. But in looking at that, Mr. Speaker, we have facing us in the spring the graduation of many young people from high schools and graduates from the universities who will be looking for employment at that point in time. If we wait till spring, when there is that rainy day it could be a very cloudy day for a number of people. I think the debate today is necessary so we can have the input into that spring strategy paper now — not in the spring, not later than that point in time. That's the first argument for the need for an emergency debate now.

Secondly, the budget, which comes down on March 27, is some 10 or more days from the present date. The Legislature should have input into that budget. It's very emergent that we have that input today, that we have some say and determine some of the direction of that budget on March 27. If we wait until the 27th, we will make decisions after the fact. I've been in this Legislature over 20 years, and after the budget is presented to the Assembly, there has never been one change in any one of those budgets. So it's a situation where it is an emergency, where we should debate the matter now, make suggestions to this Legislature, and hopefully affect the direction of government in terms of their budget. If we wait into the week and debate the matter under the throne speech, most likely the budget will be finalized, the printing will take place, and the emergency to debate the matter before the budget comes down is lost. That's my second argument.

The third argument is certainly the circumstances which Albertans face at the present time in terms of this situation. We all know that unemployment is serious: over 10 percent in Alberta as an average, over 14 percent in Edmonton, over 12.5 percent in Calgary, and over 18 percent amongst the young people, the youth of this province. I think that in itself makes

the matter important and one to be looked at as an emergency item on our agenda in this Assembly.

Secondly, we note that there are many people in Alberta who have just quit looking for employment and no longer register at the various employment agencies. Estimates have been made that that could bring the unemployment rate in Alberta up as high as 20 percent. That makes the issue even more serious — 25 percent for Calgary and up to 30 percent for our youth in the province of Alberta. We've lost some 68,000 jobs in Alberta since August of 1981. I think that's a serious situation, Mr. Speaker, and that makes the need for the emergency debate even greater.

MR. COOK: Mr. Speaker, on a point of order. Standing Order 30 states that "the member may briefly state the arguments in favour" of conducting a debate. I suggest that the hon. member is conducting the debate now. He's gone beyond briefly stating the arguments and is now into the motion.

MR. SPEAKER: I think there is some substance to what the hon. Member for Edmonton Glengarry has mentioned. Of course it's difficult to draw a line. Once you start discussing urgency, you're into the topic. But a line does have to be drawn, because otherwise we'd simply have the debate as soon as the member served notice. I would like to suggest that the hon. leader confine himself to the purpose of the present discussion, which is not to discuss the topic but to discuss the urgency, even though I realize the difficulty in making the distinction.

MR. R. SPEAKER: Mr. Speaker, in summary of my three points. The first one is that in terms of the government's proposal of an economic strategy in the spring, it's necessary that we debate the question of unemployment now to prepare the government for that presentation. Secondly, the budget format — we need to discuss the issue before the budget is brought into this Assembly so we can effect change in that budget. It's an emergency. Thirdly, the circumstances in Alberta, as I have outlined — maybe somewhat in detail — bring about very clearly that the situation out there is an emergency. We should recognize that in this Assembly and respond accordingly. We should show to Albertans that we are concerned. By having an emergency debate, we would show that concern to Albertans and, at the same time, relate to this Assembly and to Albertans some relative steps that should be taken to look after the situation.

MR. HORSMAN: Mr. Speaker, responding briefly to the matter raised by the hon. Member for Little Bow, I draw his attention and that of the members of the Assembly and of Your Honour to the *Beauchesne* citations 285, found at page 91, and 287, found at page 92 of the fifth edition. Quoting from ruling 285, let's make it quite clear that in order to proceed with an emergency debate "there must be no other reasonable opportunity for debate". And:

287. "Urgency" within this rule does not apply to the matter itself, but means "urgency of debate", when the ordinary opportunities provided by the rules of the House do not permit the subject to be brought on early enough and public interest demands that discussion take place immediately.

Under the circumstances, Mr. Speaker, in view of the fact that the throne speech debate permits members of the Assembly to discuss any matter whatsoever relating to matters of competence of the government, the jurisdictional competence of the government, and issues facing Albertans, there is clearly the utmost opportunity for hon. members to debate this and

any other matters they wish to bring before the Assembly in the throne speech debate.

Mr. Speaker, a similar motion came before the Assembly last year. Unfortunately, the bound *Hansards* are not available, and I do not recall whether it is true that this request came at the time of the budget debate or in the motion that the Premier moved in the fall sitting or on the throne speech. I can't recall the exact time. But it was quite clear at the time that the subject matter then raised by a member of the opposition was of a similar nature and that the opportunity for debate was there. It is here today under the throne speech debate. It will be here during the course of the throne speech debate in the next few days in the Assembly. Therefore in my submission to you, Mr. Speaker, it just does not come within the terms of the rules which apply to emergency debates under our Standing Order No. 30 or the *Beauchesne* citations which I have cited to Your Honour.

MR. NOTLEY: Mr. Speaker . . .

MR. SPEAKER: I don't want to delay the hon. Leader of the Opposition. The occasion last fall to which the hon. Deputy Government House Leader referred was one in which there was a categorical assurance given by, I think, the Government House Leader that the topic which was proposed for emergency debate was going to be raised by the government for debate on the ensuing Friday, and that was only two days away. It was on that basis, because of the opportunity for debate, that that proposed emergency debate did not proceed.

MR. NOTLEY: Mr. Speaker, in addressing the proposal today for an emergency debate, I'd like to deal with *Beauchesne* citations 285, 286, and 287.

Citation 285 indicates that "the question be specific and must require urgent consideration". Mr. Speaker, I think members in the House can agree that the proposal is specific: it is to deal with the question of unemployment. It is certainly a matter that requires urgent consideration, perhaps not in the mind of the Provincial Treasurer. But in the minds of 150,000 people out of work, I think it requires urgent consideration.

The hon. Minister of Federal and Intergovernmental Affairs is suggesting that there is another provision; that is, "there must be no other reasonable opportunity for debate". I want to come to that in a moment, but before I do I want to draw your attention to Citation 286. The matter "must be so pressing that public interest will suffer if it is not given immediate attention". Admittedly, the issue of unemployment is a matter of opinion, but a legislature, a parliament, is a place by which public opinion can be ventilated in debates. The process of our rules is to allow the ability to crystallize the thinking of people in a jurisdiction in formal debate within the Assembly or in the House of Commons. While I got the impression today from the Provincial Treasurer that we had a Sir John A. Macdonald approach to unemployment, I suggest that the fact of the matter is that among the vast majority of Albertans, there is a very serious concern about the pressing nature of this problem.

I want to deal with 287:

"Urgency" within this rule does not apply to the matter itself, but means "urgency of debate".

At first glance the Deputy Government House Leader may seem to have a point. But let us just reflect for a moment. We are going into the Speech from the Throne debate, Mr. Speaker, and the minister quite properly points out that the Speech from the Throne is an opportunity to discuss everything. It's an opportunity to discuss matters of urgent importance but also matters that may not be of urgent importance. For example, I

can think of the items that I would want to raise from the viewpoint of people in my constituency who wouldn't argue that the issues are of urgent importance but feel that they should be raised. The place to raise them is in the general debate.

I suppose government members can say: there's no problem; if a member feels that unemployment is such an urgent issue, move an amendment. But, Mr. Speaker, the difficulty is that members can move only one amendment. We don't have an opportunity to move countless amendments. I could think of a number of items that I would want to move an amendment on to the Speech from the Throne debate — and without suggesting I will, may move one. There are a whole series of issues where this government has done such an absolutely outrageous job that we could have a series of amendments which would sharpen the debate.

Mr. Speaker, the point I want to make is that because the Speech from the Throne offers that sort of general panacea but the rules limit an individual member to one amendment when he or she may have several items, that really raises the question of whether it makes sense to use some other legislative device to properly debate the question of unemployment. Bearing that in mind, I believe the proposal the hon. Member for Little Bow has advanced today is appropriate. I think it is consistent with the rules of the House.

I note that in 1980 we had a debate in this Legislature on the subject of a nurses' strike. You may recall your ruling at that time, sir, which allowed a public debate. There were a number of difficulties that were not dissimilar to the concerns expressed by the hon. Member for Medicine Hat, but because there was widespread public concern at that time, we proceeded with an emergency debate.

Mr. Speaker, in view of the limitations which the throne speech puts on the ability of individual members to move amendments, I would suggest that the other factors in citations 285, 286, and 287 should be given greater weight by yourself; that is, it is a specific request, and it is a widespread matter of genuine urgency. That being the case, an emergency debate in the Legislature at this point in time would, at least in my submission, be appropriate.

MR. KOZIAK: Mr. Speaker, contributing to the discussion on the issue, which is that of urgency, I think we should look at this in perspective. There is no doubt that all of the elected members of this Assembly are concerned about the specific problems that members who are unemployed face. No one would suggest that anybody in this Assembly would not act to assist in that respect. Through their remarks and through the programs they have supported, many have already done so, as the Speech from the Throne has outlined.

Mr. Speaker, the important thing to consider is that in an Assembly of 79 members, one person suggests to this Assembly that his thoughts are more significant than those of all the others and that he should be given precedence in the lineup; his position in the lineup is somewhat back, but his thoughts should come to the floor so he can express them in advance of those that have been set forth on the agenda. The motion that is before us hasn't justified that change in the agenda. The issue is whether or not the leader of the Independents should raise his thoughts before those who have raised theirs on the agenda.

DR. BUCK: Back to law, Julian.

MR. KOZIAK: I know there are smiles because that has in fact hurt, but that is what we are seeing this morning. The rules are quite clear. It's not the matter of the urgency of the topic

that is under debate; it is the urgency by the hon. member of entering debate on the topic.

We will have a mover and seconder on the Speech from the Throne debate. Mr. Speaker, I am sure that members of the opposition will want to participate in the throne speech debate, and I am sure they will want to do so today following the remarks that will be made very shortly by members of the government caucus. In light of their comments and their arguments on this particular motion, I am sure we will see members of the opposition entering the throne speech debate today. I am looking forward to hearing those comments today.

MR. KING: Mr. Speaker, opportunities such as this are what make me glad to be back in the Legislative Assembly. I was interested in listening to the remarks by the hon. Leader of the Opposition. As is so often the case when he speaks eloquently, he betrays his misunderstanding of situations.

Looking at Annotation 287, I note that the question of urgency of debate refers to the discussion itself, not to any decision which is made at the end of the discussion. Of course it is in the nature of an emergency debate that no decision is made by the House at the end of it. So it's rather spurious to argue that we must have an emergency debate, at the end of which no decision will be made, because we can't move amendments to the address in reply to the throne speech debate.

If what the hon. member wants to discuss is unemployment and if he is satisfied that at the end of the discussion there should be no conclusion reached, as is the case with an emergency debate, then of course he has an equal opportunity to speak to the address in reply to the Speech from the Throne and is under no obligation to move an amendment or a subamendment. The effect will be exactly the same in either case. As my hon. colleague mentioned, the hon. Leader of the Opposition will have the opportunity to speak in about an hour, and I look forward to hearing his comments on this important question.

MR. MARTIN: Mr. Speaker, I won't go over a lot of the arguments my colleagues have raised, but I would like to come to one specifically. At this particular time as we travel across — the Member for Little Bow — most Albertans now see this as an emergency situation, and they are looking at the relevancy of this institution. I am well aware that we may not come to a resolution, but surely it would be appropriate to deal with the most pressing matter in Alberta. I refer to 286 of *Beauchesne* where it says the matter "must be so pressing that public interest will suffer if it is not given immediate attention."

Mr. Speaker, I believe that Albertans, on the first day of this session, are watching more closely than ever what we as legislators do, and they are looking for some answers. They want to at least know that we are aware of the problems and that we see it as serious enough to debate it on the first day the House is back. The Member for Little Bow went through the figures. There is a lot of despair out there. There is a lot of despair in my constituency, as I know there is in other hon. members' constituencies.

We are specifically showing that the public interest will suffer. If we don't at least recognize that we're aware of the problem and debate it seriously on the first day back in the House, then I think we're sending a message to Albertans. For that matter, I think the matter is so pressing that public interest will suffer if it is not given immediate attention.

In conclusion, Mr. Speaker, as I said, there is a lot of despair out there. People know the Speech from the Throne is basically ceremonial. They know nothing is going to come out of it. But on the first day of the House, what better way than to have an

emergency debate on this issue that is affecting thousands and thousands of Albertans throughout? I think we would make this institution relevant if we show it's an urgent matter and get on with the job that Albertans want us to do here: debate the real issues of the day.

MR. YOUNG: Mr. Speaker, if I could make just a few brief comments on the question the hon. member has raised in terms of the relevance of the Speech from the Throne and the debate that could ensue with respect to the matter that is proposed for emergency debate. One has only to look at paragraph three of the Speech from the Throne, the number one priority. I don't know how hon. members in this House can properly address the Speech from the Throne without addressing the very matter which is being proposed in the motion.

Secondly, Mr. Speaker, again referring to the Speech from the Throne, how can one talk about the development of international trade and economic development, how can one talk about a number of matters — tourism, small business, housing, transportation — without bearing on the concern that has been put forward? From my point of view, it's a question of urgency of debate and whether there is an opportunity for the same topic to be dealt with elsewhere, and there certainly is in this instance.

MR. SPEAKER: As has been said in the course of the discussion, there is no question at all that this is a topic which is of the utmost concern to all members of the House without any exception, including myself. What is now before us is, how are we going to deal with it?

The fact of the matter is that in the debate on the throne speech, which is about to start, there is ample opportunity to deal with any topics the members consider urgent. We must remember that this emergency debate provision is something which is not entirely democratic, and that's the reason the Speaker is given the job of dealing with it. As our *Standing Orders* are, it is possible for a minority of the House to compel such a debate.

I have some difficulties with the proposal, notwithstanding, I must acknowledge, the very persuasive arguments that have been made in favour of holding such a debate now. My understanding and recollection is that this sort of proposal is not accepted except in the case of a rather sudden emergency, something that has risen rather quickly. It is not used to deal with something that is ongoing, and that is the situation we have here. I think what we have done in the House in that regard in the past 10 or 12 years will support what I have just said.

All members know that when we get into the throne speech debate, which I assume is going to be the business of the House for the next week or more, they can bring in, during these next few days, whatever they think is urgent or requiring attention. There's absolutely no inhibition in that regard. The rule of relevance is practically out the window or, if there is a rule of relevance there, it's so extremely broad that you can't find the limits of it.

With regard to the suggestion made that the debate should be held now because there is opportunity for only one amendment in the throne speech debate, it seems to me that that just strengthens the difficulty. Clearly the opportunity for that one amendment, or possibly the subamendment, gives an opportunity to focus the throne speech debate even more on this particular topic.

With regard to this being an opportunity for some members in preference to others to state their opinions to the House and to the province, I can't accept that. As hon. members know, under the standing order each member is given 10 minutes, so

all members who decide to take part between now and the ordinary closing time for today would be able to express their opinions equally well.

There is something in *Beauchesne*. There's been reference made to several citations in *Beauchesne*, but I think we stopped a little short. I'd like to go on to Citation 289, which says:

Matters arising out of the debates of the same session ...
cannot be submitted to the House under this Standing Order.

I've left out some intervening words that are not relevant to this situation. If ever that applied, it certainly applies in this instance.

Under the circumstances, whether we're concerned about sending a message to the province, enhancing the credibility of the House, or indicating the concern of the members, there is really no time in this session when the opportunity for doing that will be better than it is right now, without interrupting the ordinary important work of the House for this particular purpose. I therefore have to say that the motion does not qualify under our practice or under the *Standing Orders*, and we should proceed with Orders of the Day.

ORDERS OF THE DAY

head: CONSIDERATION OF HIS HONOUR THE LIEUTENANT GOVERNOR'S SPEECH

Moved by Mr. McPherson:

That an humble address be presented to His Honour the Honourable the Lieutenant Governor of Alberta as follows:

To His Honour the Honourable Frank Lynch-Staunton, Lieutenant Governor of the province of Alberta:

We, Her Majesty's most dutiful and loyal subjects, the Legislative Assembly, now assembled, beg leave to thank Your Honour for the gracious speech Your Honour has been pleased to address to us at the opening of the present session.

MR. MCPHERSON: Mr. Speaker, it is with considerable pride that I rise today on behalf of the constituency of Red Deer to move His Honour's Speech from the Throne. In so doing, it affords me a great deal of pleasure to be the first member of this Second Session of the 20th Legislature to extend to you my profound respect for your thoughtful leadership and direction as the leader of this Assembly. We in Alberta are singularly fortunate to have the most experienced Speaker of any parliament in Canada rule this Chamber. I have a deep and abiding respect for the conscientious manner in which you ensure that the proceedings of this Assembly are conducted in proper parliamentary decorum and that debate is directed in a fair and equitable manner. I look forward to your continued guidance.

Mr. Speaker, I would also like to pay my deep respects to His Honour the Lieutenant Governor. Our representative of the Queen is a shining example of the pioneer spirit of the people of Alberta. I wish him, his wife, and his family health, happiness, and long life.

I would also like to thank the Premier for according the citizens of Red Deer the honour of having their representative move the Speech from the Throne. In so doing, Mr. Speaker, the Premier has made a very interesting historical connection. This is the first time since the Progressive Conservative Party has formed the government that the Member for Red Deer has moved the throne speech, and it happens on the occasion of the 100th anniversary of the selection of the townsite of Red Deer by Dr. Leonard Gaetz in 1884.

In my maiden speech last year, I traced some of the history of Red Deer, which saw it grow from a small townsite with a population of 300 in 1884 to the thriving urban centre with a population exceeding 50,000 today. Red Deer lies in the middle of the most heavily populated area in the province. It has often been described — in jest of course — as the valley of contentment between two hills of conceit. [laughter] Over the years Red Deer has capitalized on its location, becoming a major regional trading centre, and as such it is serviced by a wide range of manufacturing, wholesale, retail, and service industries.

Being in the centre of some of the most productive farmland in all of Alberta, our historical base is of course agriculture. With a stable agricultural sector as its base, Red Deer has developed a diverse economy that has helped to shield us somewhat from the recent economic downturn. Another ingredient, equally important, that has helped Red Deer weather this storm is the spirit of the citizens. People in Red Deer recognize that it is a wonderful place to live and raise a family. There exists a well-developed community spirit, where volunteerism is a rule rather than an exception.

I believe that yesterday's throne speech contained many important directions, not only for all of Alberta but also for the constituency of Red Deer. With your indulgence, Mr. Speaker, I would like to reflect on some of these topics.

The throne speech lists five priority areas, the first of which is fiscal policy directions. This challenge is articulated in this direction: to balance fiscal responsibility with an economic climate that will stimulate growth and promote private-sector jobs. In addressing fiscal responsibility, surely it can be fairly said that the Keynesian theory that governments can spend their way out of recessions is pure folly. For example, we are saddled with a federal government fiscal policy that is increasing the deficit in the order of approximately \$2.4 billion a month. Federal debt servicing represents one-quarter of our federal budget. Such relentless deficit spending, if left unchecked, mortgages our children's future. It is a tragic burden that we, our children, and our children's children will have to bear. Moreover, it could be said that unchecked deficit financing diminishes the sanctity of democracy. In the end, deficit financing is a way of spending money, robbing from the future, in order that we might have a better standard of living today. Isn't it only fair that future generations should expect to be able to decide where they want their tax dollars to go, instead of having to spend a great deal of their tax dollars on interest to pay our bills?

In last year's budget, Mr. Speaker, the Provincial Treasurer observed that Alberta would not be immune to the national and international economic downturn. Albertans now know that this province is not an economic island. We have gone from the dizzying heights of unprecedented economic expansion, coupled with rising budgetary expenditures that responded to the demands of a rapidly increasing population, to a time of economic slowdown and a slightly diminishing population which has resulted in budgetary deficits. This should not surprise us when one considers that roughly one-half of provincial revenue is tied to the sale of our nonrenewable resources, and the worldwide recession has reduced the demand for such commodities. Unlike the federal government, the citizens of Alberta need not fear a structural deficit. Our government is adjusting to these conditions. After all, governments, like families and individuals, do have finite resources. As Adam Smith wrote, over 200 years ago, in *Wealth of Nations*: what is prudence in the conduct of every private family can scarce be folly in that of a great kingdom.

Mr. Speaker, in discussing the issue of government spending with my constituents, I point out that we spend more on health

care alone in this province than we collect through normal taxation, that the three government departments of Hospitals and Medical Care, Social Services and Community Health, and Education represent over 60 percent of the total provincial budget. In my conversations with constituents, I ask if we should simply resign ourselves to allocating whatever resources are necessary to fund these government services and at the same time accept mounting deficits and increased taxes or if we should make a conscientious effort to bring government expenditures in line with revenues. I believe the citizens of Red Deer will endorse responsible fiscal policy which will strengthen the economic climate, instill confidence in the private sector, and attract needed new investments which in turn, of course, will create permanent, long lasting jobs.

Mr. Speaker, I'd like to turn my attention to the second priority area of His Honour's speech which deals with basic education initiatives. It is encouraging to see that a major emphasis will be placed on reviewing the junior and senior high school courses of study, with a view to ensuring that our students are better prepared to respond to new world technology and international competition. It is equally encouraging to learn of the extensive public input being requested in the implementation plan. His Honour has also confirmed that a major review of the School Act will be undertaken in the '84-85 fiscal period. High government priority in our education system falls in a year when the funding mechanism will provide greater autonomy and flexibility for school boards in determining how provincial funds will be used to meet the needs of their students. It strikes me that this increased flexibility will enhance the opportunity for innovative and prudent budgetary allocation by our school boards.

In the city of Red Deer, we have witnessed leadership by our school boards, teachers, administration, parent groups, and all those involved in the crucial role of education, which certainly must be commended. In this time of restraint, to which no sector is immune, our two school jurisdictions have announced that there will be no tax increase passed on to property tax payers this year. Moreover, this decision has been coupled with the announcement that there will be no school closures. In fact both the public and separate school boards in Red Deer are building new schools this year and renovating existing schools. The boards have pledged job security for their staff, the teacher/student ratio will not increase, and programs at all schools will be maintained. In fact in Red Deer, programs are being expanded. It is my understanding that the program expansion calls for a pilot program for gifted and talented students, additional computers, additional teachers for an extension of the French immersion program, extra teacher/librarians, and extra ECS teacher aides.

It would be trite for me to suggest that our school boards laboured long and hard over difficult budgetary decisions. Without any doubt it was difficult to hold the line on the mill rate, but they have done that. I believe they should be commended, as should all of the parties associated with our fine education system in Red Deer.

Mr. Speaker, 1984 marks the 20th anniversary of Red Deer College. Through the determination and dedication of the founder, Dr. Margaret Parsons, Red Deer College has grown from a wing of the local high school with 300 students in 1964 to a bustling educational institute with some 4,000 students today. With the opening of the new trades and technology wing this past summer, Red Deer College is now the third largest technical school in Alberta. His Honour made reference to the new \$14 million fine arts centre, which is currently under construction. Red Deer College is a source of great community pride and will greatly enhance the opportunity for all central Albertans to participate in educational and cultural activities.

Mr. Speaker, I would be remiss if I didn't speak on the subject of small business. After all, it is a vitally important part of our economy and our communities. Based on the widely accepted definition that a small business is a firm that generates less than \$2 million of sales, small business in Alberta accounts for 33 percent of the gross provincial product, employs over 50 percent of the provincial labour force, creates two out of every three new jobs, and of course small business invests and circulates its capital right back into our communities. To trot out an old cliché that reveals a telling truth: small business is the backbone of our economy. I believe government can regain much-needed employment in Alberta by doing whatever is necessary to encourage the birth of new businesses and the growth of existing ones. This is where future meaningful employment and economic opportunities will come from.

We need our owner-operated type of businesses and, frankly, some of them are in trouble. The economic downturn has seen an erosion of owner equity, reduced cash flow, and devalued assets. We have witnessed employee layoffs and underemployment in the private sector. I know of a number of companies in Red Deer where the employees have not had a raise in over two years. Frankly, they're thankful to have their jobs and are quite prepared to sacrifice wage increases for job security. Many businesses are encumbered with debt, and I'm told that the banks are somewhat skittish. The small businesses that have survived the economic downturn are lean; however, they are quite willing to participate in our economy as we move steadily into recovery. If there's a problem, it's from a lack of confidence and a fear of increased burden of debt.

His Honour has indicated that the government intends to encourage small business in a meaningful way by recommending to this Assembly the establishment of a small business venture capital program. I believe that by stimulating the formation of private-sector pools of venture capital, the government will provide an economic climate which will assist small business to flourish.

Mr. Speaker, as recently as a month ago, a committee of the Red Deer Chamber of Commerce took a bold and innovative move by announcing the formation of a venture capital company called Red Cap Ventures Ltd. Apparently it is the first instance in Canada where the businessmen of a community have boldly gone forth and established a mechanism to attract businesses to their municipality. The government's initiative to provide small businesses with accessibility to equity capital through the private sector will have a positive impact on the economy of Red Deer and indeed throughout Alberta.

Mr. Speaker, the throne speech reaffirms the government's commitment to reduce the burden of unnecessary regulations on the lives of our citizens. I say reaffirm because of the enormous effort, of which all of us are familiar, being made by the committee chaired by the hon. Member for Edmonton Whitemud. This committee is seeking input and will make recommendations to government in relation to unneeded regulations. As legislators, all members of this Assembly have heard the old cliché: there ought to be a law. There are a lot of laws and regulations, some of which place an unnecessary burden on people's lives. If regulations enhance people's ability to provide marketable goods and services which contribute to Alberta's wealth or if they are thoughtfully established for the public good, they are accepted as a legitimate cost of doing business or conducting our affairs. However, oftentimes this is not the case. There are instances where people are so heavily laden with government regulations that it becomes uneconomical to continue their pursuit of activity. I applaud government direction in this pursuit.

Mr. Speaker, the throne speech refers to the petrochemical industry in Alberta. Reference is made that a second ethylene

plant and associated derivative plants with investment of over \$2 billion will be commissioned this summer. Without question, Alberta's economy in general and that of central Alberta in particular have been significantly bolstered by virtue of the value-added petrochemical industry. The impact of the recession has been lessened to a great degree because of the construction activity at Prentiss and Joffe over the past few years. These major plants export 80 percent of their end product and must compete fiercely in the international marketplace. Any efforts on behalf of government to enhance the competitiveness of the Alberta-based petrochemical industry in the world marketplace would contribute significantly to the security of Red Deer's economy.

Mr. Speaker, another area which His Honour addressed was Alberta's energy sector and its prospects in the near term. It goes without saying that this area is of utmost importance to all Albertans. It is of particular importance to members in my constituency, where that industry impacts very significantly on exploration, drilling, and servicing. It is now admitted that the national energy program, which had such a devastating effect on oil activity in Alberta, has been a colossal failure in moving Canada toward energy self-sufficiency. Rather than creating new jobs in frontier and offshore projects, the NEP robbed exploration activity from Alberta. However, recent geological reassessments have shifted interest back to the western sedimentary base, and we in Red Deer look forward to a rejuvenation of exploration activity.

Mr. Speaker, while I'm no expert vis-à-vis the oil industry or oil exploration, I recently reviewed an interesting synopsis of the potential economic stimulus that an exploratory well can make on our economy. This report calculated the development costs of a typical central Alberta oil well. It illustrates that one well contracts 45 various central Alberta companies, with a total capital investment of all companies of almost \$10 million, has a contract price of \$536,000, requires 692 man-days to completion, and pays over \$197,000 in wages. We're dealing with a very real economic stimulus here.

Red Deer, and indeed all of Alberta, requires and depends on a vibrant and expanding energy sector. It is heartening that our government has continued to work with the industry to overcome some of the negative aspects of the national energy program. We in Red Deer look forward to 1984 as a year of continuing growth in that industry.

Mr. Speaker, in the time left to me I would like to touch briefly on a number of points that demonstrate how the quality of life of the citizens of Red Deer has been enhanced over the past year as a result of recent government initiatives and legislation. The Alberta widows' pension program, introduced last spring, fulfilled an election commitment and has provided widows and widowers in Red Deer with a monthly income ranging from a maximum of \$624 and including an average income of \$320. The Alberta home mortgage interest reduction program has reduced mortgage payments for 4,980 Red Deer families, amounting to total interest savings of \$4,920,000. The small business and farm operator interest shielding program has shielded interest rates at 14.5 percent, saving a total of \$1,190,000 in interest payments for 1,353 small businesses in Red Deer and over \$300,000 in interest savings for 330 farm operators and agricultural businesses.

Through the sponsorship of the Red Deer Twilight Lodge foundation, 1983 saw the Alberta Housing Corporation fund 137 self-contained senior citizens' apartments, with a capital cost exceeding \$5 million. Another 112 units will come on stream in '84. Through forecast and planning by both the city and the province, Red Deer opened a new water treatment plant and a new sewage treatment plant in 1983. The provincial contribution to these projects amounted to \$19,555,000.

The quality of life of Red Deer is being greatly enhanced with the rapid development of Waskasoo Park. This \$28 million investment of the Heritage Savings Trust Fund not only provides many, many jobs in Red Deer at this time but will be a significant legacy to future generations of central Albertans.

Residents of Red Deer and the surrounding area can now bring and hear all forms of provincial litigation to the new courthouse in Red Deer, which opened in November. By virtue of Bill 43, the Municipal Government Amendment Act, 1983, the Towne Centre Association was formed in January to promote Red Deer's downtown core. This active committee has already established a budget and is busy working on downtown revitalization.

Early last year, oil industry spokesmen reported that the development, drilling, and servicing incentive program announced last spring by the hon. Minister of Energy and Natural Resources would encourage oil companies to spend \$60 million in labour and create 4,000 jobs. Much of this activity would be located in central Alberta. The Westerner Exposition received a \$417,000 one-time grant by virtue of the new lotteries distribution program. This grant totally eliminated the Westerner's deficit.

Progress continues with the province and the city toward designating the old courthouse in Red Deer as a provincial historic resource. Discussions between the city and the province continue in an effort to find an efficient cost-effective means to relocate the downtown railway yards in conjunction with Red Deer's transportation network. Supported by a strong volunteer component and ever mindful of economic conditions, I hope that discussions can continue to ensue with the city and the select committee of cabinet in planning for a new coliseum.

Mr. Speaker, I have highlighted just a few of the recent facilities and initiatives that heighten the quality of life that we in Red Deer so deeply respect. This quality of life is not solely dependent on institutions, facilities, or government initiatives. Rather, it stems from the people of Red Deer. These people have a well-developed community spirit and a fundamental belief in the uniqueness of the individual. These people are proud of their accomplishments and heritage, and they have shown time and time again that they can come together to solve their problems. The people of Red Deer are optimistic and quite prepared to take hold of the reins of opportunity as we move into the future. These are the people of Red Deer that I am so proud to represent in this Legislature, and on whose behalf I move the Speech from the Throne. [applause]

MR. FISCHER: Mr. Speaker, it is my honour and privilege to second the motion proposed by my colleague the hon. Member for Red Deer. I congratulate the member for the excellent presentation to the motion and for the ease that he delivered it. I would like to thank the Lieutenant Governor too for the Speech from the Throne. I was extremely happy to learn that the hon. Premier intended to honour the constituency of Wainwright by asking its representative to second the motion before us today. I am all the happier because I am that representative. Today will leave a lasting imprint on my memory, whether or not it does on yours. [laughter]

To you, Mr. Speaker, I wish to offer my warmest appreciation for the impartial and intelligent way in which you chair the debates in this House and for the tolerance and understanding for which you are so widely and properly respected. I am proud to be part of the decorum which is characteristic of this Assembly and which is a model for all Canadian legislatures.

Yesterday's Speech from the Throne outlined our government's priorities and objectives for the year. It should be praised for its well-balanced approach to the current eco-

conomic realities of 1984. Alberta businesses have demonstrated the ability to face the current economic conditions head-on and accept the challenges. Yes, Mr. Speaker, I know we've all had to work a little harder and sharpen our financial pencils. I know that in the Wainwright constituency our businessmen have taken more care in deciding where and how to spend their business dollars than in the past. The result has been an increase in efficiency and productivity and a leaner, wiser, and more stable environment.

It is the petroleum industry, agriculture, and small business that will lead our province into future economic growth. These groups share certain common characteristics. Because they exhibit a spirit of free enterprise, they are flexible enough to apply the harder work, sharp pencil, wise spending approach. It has been demonstrated time and time again that when these businesses are freed from overregulation — and we are now carefully reviewing regulation — they are given the room to help themselves. The result is a strong and stable economy that creates jobs for the constituency of Wainwright and for all of Alberta.

Mr. Speaker, the Speech from the Throne notes the developments by the petroleum industry in the Cold Lake, Wolf Lake, and Elk Point areas. In the past few years we in the east-central part of the province have been fortunate to see steady growth in our oil and gas industry. This growth is having a stabilizing effect on our local economies during this difficult time. Co-operation between the private sector and the government has resulted in these projects being undertaken. They are a boost to small business in our area and provide employment opportunities for those young people who are hardest hit by unemployment. The Wolf Lake oil sands project will create 450 construction jobs and 200 permanent jobs when it becomes operational. The Cold Lake project will create 700 jobs for local residents during its peak period of construction and 90 permanent jobs when fully operational. In Elk Point, the thermal oil sands recovery project will create 350 construction jobs and ultimately 300 permanent jobs.

The federal government and the provincial governments of Alberta and Saskatchewan along with Husky Oil are presently negotiating a large heavy oil upgrader plant to be located in the Lloydminster area. An agreement to go ahead with this large project would mean a great boom to our entire area and across the province. It is important to note that each of these facilities will create many additional jobs through the employment provided and the buying of goods and services in the community. The many positive effects of these projects will be felt all across our province.

The successful privatization of Pacific Western Airlines has led the way to our government taking a long and hard look at other likely corporations that could be run by the private sector. The government's intention to contract out more work in road construction and maintenance to the private sector is a welcome example. This reaffirms our government's commitment to letting the private sector operate freely where it is best suited to do so. I know that this will be well received by my constituency, because they believe strongly in the encouragement of free enterprise.

The people of the Wainwright constituency, along with other Albertans, have always had a keen interest in education of our young people and will, I'm sure, support our government's efforts to improve and upgrade Alberta's educational system. Alberta students preparing for the future deserve the highest quality education we can provide and an educational system that is future-oriented. Steps have been taken to ensure that an updated and effective education will be provided to every student in the province. Albertans will soon be asked for their

opinions on the direction education should take in the province. The review is welcome, and I encourage as much public input as possible.

I am a farmer representing an area which has historically had a farm- and ranch-based economy. Recently we have benefited from petroleum and natural gas developments, but into the distant future the base will surely remain agricultural. Mr. Speaker, there is no other industry that directly or indirectly employs more Albertans than agriculture. The strength of our province comes from a strong agricultural family farm base. It is the key to our province's current and future economic stability.

In the eyes of many of us, the family farm is not only an economic asset but also a great contributor to our social stability. To succeed or even to survive, the family must work together. All members must learn to accept their individual responsibilities in order to contribute to the citizens of our great province. The invaluable benefit of the family farm is that it teaches young people life's most important lessons.

The continuance of such farms is also invaluable in supplying the world's people with food. Alberta farmers can be proud of their accomplishments. Fully one-half of our grain exports feed the people of China, and specialized crops are sent to Saudi Arabia. The commitment and the expertise of our farmers extend across both oceans to customers in far-off corners of the world.

The Speech from the Throne noted effects of the recent Crow settlement by the federal government. There is likely no single issue that will have as large an impact on our agricultural industry. The Western Grain Transportation Act has left Alberta producers and processors in a difficult position. The Crow settlement will upgrade our rail service but will not remove the distortions that have limited the realization of achieving our full potential. With the full payment to the railroad, the disincentive to raise livestock and develop secondary processing industry in Alberta will continue to hurt our economy. Crushers, the trucking industry, and commodity groups will all feel the ill-effects of the new settlement.

The agricultural industry in the Wainwright constituency and across western Canada must be very aggressive in the review of the Western Grain Transportation Act. I look forward to our government's evaluation and input into that review, scheduled for 1985-86.

Mr. Speaker, I strongly support the government's effort, in co-operation with the private sector, to promote the marketing of agricultural products abroad. The success of promoting the sale of agricultural goods to the Pacific Rim and the United States is being positively felt by the agricultural industry. Further orders in this highly competitive market will help all Albertans.

One particularly encouraging market is canola. In Wainwright we are looking forward to the Canada Packers canola oil refinery, which will employ 25 people. It's a \$9.1 million project and will produce at least 60 million pounds of refined oil a year. The edible oil produced at this refinery will be sold to Alberta food industries and will also be exported.

As you can see, Alberta relies heavily on trade, and our government's efforts have had a real impact. It is important that the agricultural industry, researchers, and government co-operate with each other and work toward preserving our land so that agriculture remains a renewable resource. The conservation of the topsoil is the number one priority of every farmer. I have great faith in the level of professionalism among farmers and ranchers. Their skills in producing are impressive, and I also believe that their expertise in preserving can guarantee a bright future for the generations of farmers to come.

Being a new member of this Assembly, I have become very conscious of the complex balances of our system and of the intricate way in which each life touches every other life in our society, and how we carefully consider our decisions and the impacts on the province. It has been an enriching, humbling, and altogether valuable experience. I have a greater appreciation for the value of our parliamentary system and a much greater respect for the members of all parties who have committed themselves to serving the people of our province in this elected Assembly.

We can go forward with confidence that the implementation of the policies outlined in the Speech from the Throne will be beneficial not only to the oil and gas industry and to the agricultural industry but to all the people of the province. Mr. Speaker, I am exceptionally proud to be an Albertan and to call this province my home.

For all these reasons, and many others, it is an honour for me to second this motion of the hon. Member for Red Deer.

MR. NOTLEY: Mr. Speaker, notwithstanding the invitation of two of my cabinet friends to immediately participate, may I be conservative and follow tradition, and beg leave to adjourn debate.

MR. SPEAKER: Having heard the motion by the hon. Leader of the Opposition, do you all agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: The motion is adopted.

MR. HORSMAN: Mr. Speaker, I move we call it 1 o'clock.

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

[At 12:03 p.m., pursuant to Standing Order 4, the House adjourned to Monday at 2:30 p.m.]

