

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Thursday, April 25, 1985 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF VISITORS

MR. HYNDMAN: Mr. Speaker, as Acting Minister of Federal and Intergovernmental Affairs, it is my honour today to introduce to you and to members of the Assembly a distinguished visitor in your gallery, His Excellency Kiyooki Kikuchi, the Japanese Ambassador to Canada. Although the Ambassador assumed his post in Canada some four months ago, he is no stranger to this country in that he first visited Canada in 1950, some three and a half decades ago, and he has been in this country on many regular occasions since that time. Accompanying the Ambassador today is the Consul General of Japan to the province of Alberta, Mr. Mamoru Funakoshi.

We're very pleased to note the interest that the Ambassador has expressed in further economic relations between Japan and Canada, and, of course, we in Alberta have been increasingly aware in recent years of the significance of our relations with Japan. Well known is our special affiliation with the prefecture of Hokkaido, which began in 1972. There've been some 300 missions and exchanges between the province of Alberta and Hokkaido since that time. We'd like to extend our warmest welcome to His Excellency and look forward to our association in the years to come as we work to further developing our very important relationship with Japan. I ask that you all join me in the Assembly and give Ambassador Kikuchi a very warm welcome at this time.

MRS. LeMESSURIER: Mr. Speaker, it is a privilege for me to introduce to you and to members of this Assembly three members from the cultural institute that is in the city of Edmonton. They are accompanied by Mr. Bob Griffin, the director of the institute, Mr. Paul Schrijnen from Holland, and Eunice Shankland from the Philippines. Mr. Speaker, they are in your gallery. I ask that they rise and receive the warm welcome of this Assembly.

MR. LEE: Mr. Speaker, it's a pleasure to introduce to you, and through you to my colleagues in the Assembly, a dynamic Alberta father-and-son team. Both pioneers, both entrepreneurs, together they direct the oldest company in the city of Calgary run by the same family in the same business. First, a resident of High River who is 75 years young but is raising bees and is well known for his contribution to the business community, Mr. Frank Fallwell, Sr. Secondly, the general manager of the Billingsgate fish market in Calgary, the only federally inspected fish processing plant in the entire province of Alberta, and the president-elect of the Alberta Food Processors Association and, I might add, the creator and founder of the buffalo fish. They're seated in the Speaker's gallery, and I might

add, Mr. Speaker, it's junior on the left and senior on the right. I would ask members of the House to give them a warm welcome.

head: INTRODUCTION OF BILLS**Bill 47****Special Forces Pension Plan Act**

MR. HYNDMAN: Mr. Speaker, I request leave to introduce Bill 47, the Special Forces Pension Plan Act. This being a money Bill, Her Honour the Honourable the Lieutenant Governor, having been informed of the contents of this Bill, recommends the same to the Assembly.

The purposes of this new Act, Mr. Speaker, are essentially to update and rewrite the legislation which has been in effect for seven years. It has principles similar to the other four pension Acts which have been introduced, two which were passed by the Assembly last fall and two now on the Order Paper, in that it maintains all existing benefits, continues the government guarantee of them, clarifies the judicial powers of the pension boards and their role as appellate tribunals, and also provides an appeal route to the courts for pensioners on matters of law or jurisdiction. The unique parts of this pension Act relating to special forces are brought forward unchanged at this time from the way they've been set out over the past seven years. However, an in-depth review of the actuarial situation, the recent Auditor General recommendations, contributions, and related matters has been commenced with respect to the relevant provisions of this Act and other related Acts.

[Leave granted; Bill 47 read a first time]

Bill 48**Members of the Legislative Assembly Pension Plan Act**

MR. HYNDMAN: Mr. Speaker, I request leave to introduce Bill 48, the Members of the Legislative Assembly Pension Plan Act. This being a money Bill, Her Honour the Honourable the Lieutenant Governor, having been informed of the contents of this Bill, recommends the same to the Assembly.

Mr. Speaker, this Bill is similar in principle to the new updations contained in the other five pension Acts I've mentioned. It clarifies the various powers of the pension board, provides for an appeal procedure, and there's no change in benefits.

[Leave granted; Bill 48 read a first time]

Bill 58**Banff Centre Amendment Act, 1985**

MR. JOHNSTON: Mr. Speaker, I request leave to introduce Bill 58, the Banff Centre Amendment Act, 1985.

Mr. Speaker, this amendment provides for similarity or parallel structure for the chairmen of the two boards, between the Banff Centre board and universities in the province, and provides specifically that the reappointment of a chairman can continue beyond the two-term period now prescribed in legislation.

[Leave granted; Bill 58 read a first time]

Bill 60**Motor Vehicle Accident Claims Amendment Act, 1985**

DR. REID: Mr. Speaker, I request leave to introduce Bill 60, the Motor Vehicle Accident Claims Amendment Act, 1985. This being a money Bill, Her Honour the Honourable the Lieutenant Governor has been informed of the contents of this Bill and recommends the same to the Assembly.

Mr. Speaker, the Bill increases the limits payable from the Motor Vehicle Accident Claims Fund for accidents occurring after January 1, 1986.

[Leave granted; Bill 60 read a first time]

head: INTRODUCTION OF SPECIAL GUESTS

MR. M. MOORE: Mr. Speaker, it is my pleasure this afternoon to introduce the president of the Alberta Gravel Truckers' Association, Mr. John Schettler. Mr. Schettler is here today meeting with me to discuss the completion of what he describes as the most successful winter works program ever undertaken by Alberta Transportation in co-operation with the Alberta Gravel Truckers Association. Mr. Schettler is seated in the members' gallery. I would ask that he rise and receive the warm welcome of the Assembly.

MR. STEVENS: Mr. Speaker, I have the privilege today to introduce to you, and through you to the members of the Assembly, a group of 10 students and their principal from a school in Banff-Cochrane that has just undergone a very serious circumstance. You may remember that on March 21 more than 120 students, their teachers, their principal, and their administration staff escaped unharmed from a fire which destroyed the Calgary Seventh-Day Adventist School which was located immediately west of the city of Calgary. The story of their escape, the heroics of students and staff members, the battle of the city fire brigade, and the support of many neighbours on that cold morning has been told elsewhere.

Principal Dallas Weiss advised me that although a few days of classes were lost, they have all been back to school in Calgary in temporary premises since April 1. They are pushing hard to finish their work. They hope to complete their school year on time. They've asked me to extend a special thanks to Alberta Education and to the Minister of Education, who promptly provided assistance and made sure that the school books and equipment were replaced and that their curriculum guides and other materials were available.

Mr. Speaker, 10 of the students are visiting today. The eleventh student, unfortunately, is in hospital today. These are 10 students from the grade 10 social studies class who, in fact, were in the vicinity of the fire breakout when it occurred and their principal. I wonder if they would rise and receive the warm welcome of the Assembly.

MR. KING: Mr. Speaker, on behalf of my colleague the hon. Minister of International Trade, who is necessarily absent from the House this afternoon, I would like to introduce to you, and through you to members of the Assembly, 45 visitors from the Always Welcome seniors organization in Bonnie Doon, accompanied by the tour organizer, Mrs. Germaine Lehodey. I ask that they rise to receive the warm welcome of the Assembly.

MR. GURNETT: Mr. Speaker, I'd like to introduce to you and through you to the other members here today, 12

students from the vocational skills program at Fairview College. I think Fairview College is one of the really exciting educational institutions in this province, always coming up with new ideas and implementing them effectively. These 12 students are accompanied by their three instructors, Brenda Tosczak, Maggie Richardson, and Ken Rintoul. I had the bad news shortly before we gathered here to meet with them for a little while, and I had to share the fact that while it was cloudy and rainy in Edmonton the sun was shining, as it always does, in Fairview. They said that although they missed that, they're enjoying their time in Edmonton. Many of them have visited the building before but haven't had the opportunity to see the Assembly sitting, so they're looking forward to their time with us this afternoon. I'd ask them to rise and receive the warm welcome of the members.

head: ORAL QUESTION PERIOD**Sunday Shopping**

MR. MARTIN: Mr. Speaker, I'd like to direct the first question to the Minister of Municipal Affairs. Yesterday, in regard to consultations with municipalities, he asked me to read *Hansard*. We've done that and read the Blues, and we're still not sure of the answer. So my question very specifically: did the minister sit down with municipalities and municipal organizations in this province and ask them directly what they would think of there not being one provincial law on Sunday shopping but rather the sort of proposal the government put forward yesterday?

MR. KOZIAK: Mr. Speaker, I don't know if I was standing up or sitting down when I discussed the matter with the president of the AUMA. I hope the Leader of the Opposition won't ask me to be definite on that particular point. However, what the Leader of the Opposition ...

DR. BUCK: Your arrogance is showing.

MR. KOZIAK: No, that's just a reflection off the bald spot on Mount Allan over there.

Mr. Speaker, I think the hon. Leader of the Opposition knows full well that the Municipal Government Act now provides the authority for the regulation of hours of business within a municipality. There was never an intention to remove that authority. Were there to have been that intention, that would have been discussed with the associations.

MR. MARTIN: A supplementary question. Is the minister saying that, after the Supreme Court struck down the Lord's Day Act yesterday, at this point there is really no change to municipal governments with the government announcement yesterday? Nothing has changed?

MR. KOZIAK: What I'm saying, Mr. Speaker, is that the Municipal Government Act provides authority for municipalities in the province of Alberta to regulate the closing hours of retail establishments within the bounds of the municipality. My colleague the Attorney General indicated yesterday that we would review the Municipal Government Act in light of the decision of the Supreme Court of Canada and will be strengthening the provisions that now exist with respect to that authority.

MR. MARTIN: Mr. Speaker, it's obvious from the answers that there wasn't much consultation. It's obvious by the press reports.

AN HON. MEMBER: Question.

MR. MARTIN: You'll get a question. You can ask a question too, if you like.

A number of municipalities, including the city of Edmonton, are upset about being handed this hot potato. My question is: has the minister scheduled any sort of special meetings with municipal organizations to receive their views on the government's announcement yesterday?

MR. KOZIAK: There seems to be a considerable amount of confusion in the minds of the opposition, Mr. Speaker. There is no change. We have municipal legislation in the Municipal Government Act which provides authority for the municipalities to govern the hours of business within the municipality. Nothing that has been said relative to that has changed. The only thing we have said is that we are reviewing that legislation in light of the Supreme Court of Canada decision to make sure that there isn't a flaw in the current legislation, and we will be strengthening the level of penalties provided for in the legislation. Unless certain people have finally found the Municipal Government Act and decided to look at the authority that's provided to them, I can't see how they can possibly be upset with a provision that has existed in that Act or its predecessors for decades.

MR. MARTIN: It's this typical type of nonsense coming from this government ...

MR. SPEAKER: Order please.

MR. MARTIN: ... people and municipal officials. The minister is well aware that the whole picture has changed.

MR. SPEAKER: Order please.

MR. MARTIN: My question to the minister is simply this: before taking this step ... [interjection] Petulant, yes, just a little bit. You would be too with those answers. Municipalities are too. Albertans are.

Before taking this step, did the minister commission any study of the economic impact for various communities of a system where we could end up, for example, with different Sunday shopping rules in Stony Plain, St. Albert, Edmonton, or Sherwood Park?

MR. KOZIAK: Mr. Speaker, it's as if a spaceship has landed and the Leader of the Opposition has walked out to find out what the circumstances in the province are like today. He asks the question against a background of ignorance. He does not accept the fact that there are municipalities that have legislated in this area. He does not accept that. He does not accept the fact that there are cities that have legislated closing hours. He does not accept that, and he speaks today as if that didn't exist. It does exist. Your questions can't change the facts.

MR. MARTIN: That's obviously right until after the next election. [interjections] Look at them there, a bunch of little smart alecks. They know precisely what the people of Alberta think about them.

MR. SPEAKER: Order please. There is no justification under any circumstances in this House for any member to call any other member or any other group of members "smart alecks".

DR. BUCK: Maybe "arrogant smart alecks".

MR. SPEAKER: Order please. I'm not going to make an issue of it at the moment, but it certainly is not the sort of thing that can be allowed to go on.

MR. MARTIN: I accept that, Mr. Speaker, because I used the term "smart" rather loosely.

My question to the minister is simply this: would the minister acknowledge that under the Lord's Day Act there was one law across the province dealing with Sunday shopping, that now has changed, and that is the difference?

MR. SPEAKER: The hon. leader is simply dealing with questions of law. If he would like to deal with questions of fact, I'll be glad to recognize him for another supplementary on this topic.

MR. MARTIN: Mr. Speaker, on a point of order. He was saying the municipal Act was there, and I'm saying there has been a change, because the Lord's Day Act was changed. That's my question to the minister.

MR. SPEAKER: It's still a question of law, and the answer, I suggest, is really not ...

MR. MARTIN: On a point of order. I thought we had this debate where they had a ministerial announcement, that the Supreme Court yesterday had struck it down and it is no longer a matter of law.

My question is to the minister. He is saying that the municipal Act has been there. Agreed. Nobody's questioning that, but I'm saying the circumstances are now changed. I'm just asking if he acknowledges that fact?

MR. KOZIAK: Mr. Speaker, I suspect we could probably reach a conclusion on this if the Leader of the Opposition would agree that what was struck down was a federal statute. By the way he phrases his questions, I think he presupposes that it may have been a provincial statute. It's a federal statute that was struck down. The provincial law dealing with the issue was what was and is still provided for in the Municipal Government Act. Then there was one other provincial law, the Alberta Lord's Day Act. All the Alberta Lord's Day Act did was provide authority to municipalities to hold plebiscites on the issue of Sunday sporting and cultural events.

That concept was municipality by municipality, knowing full well that the circumstances existing in one municipality may be different from the circumstances existing in another. That's the whole basis of local democracy, local government, that we live by. People in individual municipalities can determine what the circumstances in those municipalities are and act accordingly. The province does not set the rules for all the municipalities, unless that's what the Leader of the Opposition is suggesting in terms of his party's position relative to local government.

MR. MARTIN: I'd like to follow up with a question. Following the minister's logic, let's disband this provincial

government and give all the power to the municipalities. Maybe we'll have some good government then.

My question is to the Minister of Tourism and Small Business. Yesterday the minister said he had done no studies on the effect of open Sundays on small business. Given that this has been a matter of intense controversy at least in the last couple of years, can he outline to the Assembly why he deemed that not important enough to do?

MR. ADAIR: Mr. Speaker, two things. I didn't. He deemed that we did no studies. I'm not sure how he worded that, but what I did say yesterday was that we have been working with a number of organizations, and individual businesses relative to the concerns, and the inference that we were not concerned about that is just not right.

MR. MARTIN: If you've been working with them, what have you done about Sunday shopping and their complaints?

MR. ADAIR: Mr. Speaker, we have said to individual businesses collectively and individually that we were waiting for the results of the Supreme Court decision. It arrived yesterday. The Attorney General responded.

MR. MARTIN: Well, I'm sure they'll be pleased to know how you responded. My question to the minister is: has the minister brought his attention to any study which shows that wide-open Sunday shopping in fact increases unemployment?

MR. ADAIR: Was the question to me, Mr. Speaker? What was the question again?

MR. MARTIN: Pay attention. Has his department brought to his attention any study which shows that wide-open Sunday shopping can lead to increased unemployment?

MR. ADAIR: Mr. Speaker, yesterday we made reference to the term "wide-open Sunday shopping." I haven't had any information given to me on this particular point relative to wide-open Sunday shopping. We've had discussions about openings and closings individually or collectively within a number of communities in the province of Alberta by businesses that were affected directly or indirectly. We've been working with them and, as I said yesterday, monitoring those particular kinds of problems that may be there for those particular businesses but not in relation to everybody open or everybody closed.

MR. MARTIN: Well, Mr. Speaker, I'll move on to the next set of questions, but I have a study ...

MR. SPEAKER: I thought we were on the second set.

Kinetic Ecological Resource Group Ltd.

MR. MARTIN: My second set of questions is to the Minister of the Environment. Could he confirm that nine separate charges were filed against Kinetic in Ontario today as a consequence of the Kenora spill?

MR. SPEAKER: Let's not go through the newspapers and ask ministers to verify whether various newspaper reports are true. I'm sure the hon. Leader of the Opposition is as capable of reading the Ontario papers or our papers as the minister is. It really is not within the minister's official

duties to say whether he thinks those reports are right or not.

MR. MARTIN: Well, Mr. Speaker, we're told by the government that we can never trust the papers, so I just wanted to confirm it. I have no way of knowing. The minister obviously knows. But I'll ask the Minister of the Environment this: has the minister asked his officials for any evaluation of the effect on the financial viability of Kinetic of defending itself against these charges and of paying for them should they be sustained?

MR. BRADLEY: Mr. Speaker, I think that type of questioning is really outside the mandate of my department, to make assessments of what certain court actions against private companies in the province would be.

MR. MARTIN: A supplementary question. That's rather an unusual answer given that the minister said his department has been in negotiations with this particular company about their line of credit. Is the minister saying then that their having to defend themselves against these charges will have no effect on the viability of this company in Alberta?

MR. BRADLEY: Mr. Speaker, I really have some difficulty with this line of questioning. The hon. leader is suggesting that certain aspects and things have been under negotiation with regard to a line of credit. I'm not sure where he would have gotten that information, and I don't believe the questions have any relevance.

MR. MARTIN: Only you, Mr. Minister, would come to that conclusion.

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

MR. MARTIN: That's one of the reasons we're in difficulty right now. My question is: can the Minister of the Environment confirm that Kinetic Ecological Resource Group Ltd. has 34 different credit claims filed against it in Alberta in Court of Queen's Bench?

MR. SPEAKER: Surely ministers are not responsible for looking at what may or may not be before the courts in the province and then reporting on that to any citizen, such as the hon. Leader of the Opposition, who can go to the courthouse and find out for himself.

MR. MARTIN: On a point of order, Mr. Speaker. You're so anxious to intervene on this. We've been having debates all week over their financial viability in this province, and we have government money tied into this company. We have the possibility of taking over 5,000 tons of hazardous waste. We have checked, and this is in fact the case. I'm asking the minister what he's going to do about it.

MR. SPEAKER: That wasn't the question. The hon. member was dealing with whether or not this was a fact. Let's not be shifting ground in order to escape the point of order. If there is a question with what is before the courts in the matter of litigation, it's equally open to the hon. Leader of the Opposition to get that information from the courts as it is for any other citizen. It's not a fit topic to take up the time of the House in the question period.

MR. MARTIN: Mr. Speaker, again rather an unusual intervention. But let me put it this way. Has the minister directed his officials to review these claims, as part of the review of the financial viability of the company?

MR. BRADLEY: Mr. Speaker, again the hon. leader refers to a review of the financial viability of the company. I'm not sure of the relevance of that in terms of anything which my department officials have been involved in.

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

MR. MARTIN: The minister has said that he has 5,000 tons of hazardous waste. We have the example of D & D, who have gone bankrupt. Does the minister not think that the financial viability of Kinetic is something he should be directly concerned about?

MR. BRADLEY: Mr. Speaker, I think I have described in the House the requirements which the department has of the specific company which is in operation in the province in terms of what mechanisms we're asking be put in place. That's on public record.

Radioactive Wastes

DR. BUCK: Mr. Speaker, my question is also to the Minister of the Environment. This has to do with the transportation of radioactive wastes from the University of Alberta to their storage site. What involvement does the Department of the Environment have in monitoring the movement of radioactive wastes from the University of Alberta to their disposal site at Ellerslie?

MR. BRADLEY: Mr. Speaker, my understanding is that radioactive wastes are under the jurisdiction of the atomic energy commission of Canada. There are lower level radioactive wastes which I believe are in the Department of Workers' Health, Safety and Compensation under the radiation protection branch, but I believe the specifics are a federal responsibility of Atomic Energy of Canada.

DR. BUCK: Mr. Speaker, to the Minister of Transportation. Can the minister indicate what involvement the Department of Transportation has in monitoring the movement of these hazardous wastes through the city of Edmonton to the storage site?

MR. M. MOORE: The Department of Transportation has no involvement in the monitoring of those wastes, Mr. Speaker, but Alberta Disaster Services, in working with the municipalities, does a considerable amount of monitoring of the movement of hazardous goods. When the recently made public regulations for the transportation of dangerous goods are passed and put into effect, probably about the end of this year as I indicated earlier, Alberta Disaster Services, through the transportation of dangerous goods section, will have a considerable amount of control and policing, if you like, of the transportation of the kind of goods the hon. member refers to.

DR. BUCK: Mr. Speaker, to the Minister of the Environment. Does the Department of the Environment do any monitoring of the storage and disposal site at Ellerslie to

make sure there is no leakage or contamination of the air or the water?

MR. BRADLEY: Mr. Speaker, I believe that's the responsibility of the federal atomic energy commission.

DR. BUCK: Mr. Speaker, to the minister. When the material is broken down and discharged into the air — is the minister now telling me that is not the responsibility of the Department of the Environment of Alberta?

MR. BRADLEY: With regard to the specific substance, Mr. Speaker, as I understand, it is not within the responsibility of the Department of the Environment of Alberta. It's a federal Atomic Energy responsibility.

DR. BUCK: Mr. Speaker, to the minister. When the material is broken down and then discharged, surely the minister can't tell this Assembly that it's not the Department of the Environment's responsibility at that time to monitor the air and the water?

MR. BRADLEY: Mr. Speaker, the monitoring and regulation of the specific substance, as I understand, in terms of these high level radioactive wastes, is under the jurisdiction of Atomic Energy of Canada.

DR. BUCK: Mr. Speaker, to the minister responsible for workers' health. Can the minister indicate what involvement the minister's department has in ensuring that the safety of the workers that transport this hazardous material is being looked after?

MR. DIACHUK: In response to the supplementary question, Mr. Speaker, the department of occupational health and safety provides a support role, because as my colleague the Minister of the Environment indicated, the transportation, disposal, and overseeing of the radioactive material comes under the Atomic Energy Control Board. May I add that we've had excellent co-operation, and the Atomic Energy Control Board people welcome the expertise and the support that occupational health and safety provides.

Alternative Fuels

MR. MUSGROVE: Mr. Speaker, my question is to the Minister of Energy and Natural Resources. Has the minister taken any steps toward the promotion of compressed natural gas as a primary fuel in vehicles?

MR. ZAOZIRNY: Yes, Mr. Speaker. The approach of this government with respect to the use of alternative fuels to gasoline, such as compressed natural gas or propane, has been an initiative based upon providing information to the public; an educational approach, if you will, which we have done, for example, by way of information to fleet operators as to the economics of compressed natural gas and propane as alternative fuels. That has been the overall philosophical thrust. The view of this government has been that the final decision should be made by the consumer, based upon the economics as they assess them rather than, for example, getting involved in subsidies to particular fuels. So it's been, on the one hand, a matter of providing information to the public and, on the other hand, at the same time, allowing the public to make their judgments about which fuel they feel is most appropriate for their own vehicle.

I should add, Mr. Speaker, that whereas in some other jurisdictions they have, for example, removed the sales tax for CNG-powered vehicles or a road tax, we're not in the position of being able to do that in the province of Alberta. We don't have any of those taxes. Finally, Mr. Speaker, on a governmental basis I have been involved with a number of my colleagues in cabinet with particular responsibilities in this area, in discussing how we as a government might take some specific initiatives with respect to CNG utilization. For example, the Minister of Utilities and Telecommunications may wish to comment on a project that's been undertaken by Alberta Government Telephones in that regard.

MR. MUSGROVE: Supplementary question, Mr. Speaker. Has there been any promotion to manufacture vehicles that burn only compressed natural gas, given that this would take away a lot of the extra costs and that nowadays there are enough refueling stations in Alberta that there would be no problem for the person driving a vehicle that burned only compressed natural gas?

MR. ZAOZIRNY: Mr. Speaker, that's a useful suggestion, which we'll certainly take under advisement. A decision by a commercial automobile manufacturer would naturally be based upon the overall economics. Certainly, you would have to have a considerable run of vehicles. I wouldn't cite any specific numbers, but it would be in the range of thousands of vehicles on a particular run to make it economical as far as the production is concerned. It would be crucial, of course, to ensure that there were adequate fueling facilities available throughout Canada and, in this instance, in Alberta. In that respect the federal government has been involved with a program whereby new fueling stations are provided a \$50,000 grant. I should add that a good portion of the funding for that program comes about through the market development incentive program which Alberta has been supporting in the past few years. Certainly, that has proven to be useful and to provide a potential for mass manufacture of CNG-powered vehicles.

MR. HYLAND: A supplementary, Mr. Speaker, to the Minister of Public Works, Supply and Services. As the operator of probably the largest fleet of vehicles in Alberta, has the minister a pilot project in place or plans for a pilot project to burn some of our natural gas in some of our government vehicles?

MR. CHAMBERS: Mr. Speaker, perhaps I should first correct an impression. While Public Works, Supply and Services does operate some vehicles, we primarily provide vehicles as a service to other departments.

Over the past couple of years we have examined the economics of utilizing either natural gas or propane. It did appear that the economics for fleet use of these products could be quite favourable in normal, commercial fleets. However, the government of Alberta doesn't pay federal tax; therefore, the economics tend to be more favourable for gasoline, certainly with the size of the fleets that we're operating.

Dollar Dealers

MR. NELSON: Mr. Speaker, I'd like to direct a question to the Minister of Housing. Last Friday a master in chambers in Calgary gave an oral judgment to the effect that Alberta Mortgage and Housing Corporation couldn't collect money

it lost as a result of a woman selling her home. Is the minister familiar with this decision, and will Alberta Mortgage and Housing Corporation now re-examine the manner in which it deals with these particular cases?

MR. SHABEN: Yes, Mr. Speaker, I am aware of the matter referred to by the hon. Member for Calgary McCall. The policy of the Alberta Mortgage and Housing Corporation has not been reviewed subsequent to that decision, because in the normal course of events of matters before the courts the matter will go to the Court of Queen's Bench. It wouldn't be appropriate for me to discuss the details of the matter before the courts, but consideration of a change in policy wouldn't occur until the normal course of events takes place.

MR. NELSON: Mr. Speaker, a supplementary. Could the minister now stop or at least slow further actions against many who are victims of licensed professionals who have placed these people in jeopardy by selling these victims' homes on their behalf?

MR. SHABEN: Mr. Speaker, perhaps it would be useful to provide the hon. member and all hon. members some information on the procedures being followed by the Alberta Mortgage and Housing Corporation. The corporation clearly does not pursue individuals for deficiency judgments where they have lost their homes on account of an inability to meet their mortgage payments. I'd like to make that clear to the hon. member. We've established a review process, and under that review process where individuals have lost their homes on account of an inability to meet their obligations, they are not being pursued.

However, Mr. Speaker, there are cases where statements of claim have been filed against individuals who have benefitted as a result of failing to meet their obligations on their mortgage. Those are also subject to review. I think it might be useful to know that the dollar dealers or the scam operators, who operate in a variety of ways, have been skillful in managing to acquire properties by having vendors sign blank transfers, and then those transfers, for a dollar, are subsequently signed by an ultimate purchaser who rents the property and doesn't make any mortgage payments. Those cases seem to have been on the increase in recent times, and it is difficult for the corporation to deal with these matters other than to file statements of claim.

One of the results of the corporation's pursuing scam dealers has become evident to me in the first three months of this year. In examining the initial statements of claim that have been filed in the courts, about 12 percent of them involve Alberta Mortgage and Housing Corporation properties, whereas final orders had been running at 20 to 30 percent of the foreclosed properties which were Alberta Mortgage and Housing properties. The conclusion we have drawn is that our efforts at trying to stop the scam dealers has been effective to a certain extent in reducing their activities.

The tragedy of the activities of the dollar dealers, Mr. Speaker, is that it impacts on the vast majority of homeowners who meet their obligations. Most homeowners pay their mortgage payments. The impact of people who either deal with dollar dealers or are victimized by them, forces many properties on the market at reduced prices that drive down the values of the neighbouring properties and hurt the huge majority of people who would like to live in their

homes and meet their obligations. That's the difficult balance we have in the present circumstances.

We recently made a decision not to market foreclosed houses in order that it doesn't further drive down the housing market. CMHC made a similar decision, and we believe other lenders have made similar decisions. There is evidence now that the housing market is recovering, and that confidence is being evidenced in improved house sales and stronger selling prices. It is a difficult situation, and the early statistics of statements of claim being filed for April and final orders for the first two weeks of April lead me to some confidence in that the worst of the present situation is behind us. But I'd like to have some further time to assess it before concluding that the matter has eased for homeowners.

MR. SPEAKER: The hon. Member for Spirit River-Fairview, and then the hon. minister responsible for Public Affairs has some further information on a topic previously raised.

Kinetic Ecological Resource Group Ltd. (continued)

MR. GURNETT: Mr. Speaker, my question is for the Minister of the Environment. After our little journey into the area of radioactivity, I'd like to return and ask a question about our old friend, PCBs, and follow up on the test results the minister tabled here yesterday. I notice that the results are all for levels in surface water. I'd like to know, given the results that the Official Opposition made public and that the minister's department obtained in 1983, which were of ditch soil samples, whether or not there were soil samples taken as well.

MR. BRADLEY: Mr. Speaker, yesterday I tabled the results of all the sampling the department took on Sunday.

MR. GURNETT: A supplementary question, Mr. Speaker. Has the minister asked his departmental officials for any study or assessment of whether the PCB levels of 3.4 parts per billion that were found in the ditch by the Kinetic facility, as compared to the .05 parts per billion that was found in surface water downstream, means that either the soil at the site is highly contaminated with PCBs that have accumulated there or there is some sort of continual movement of these materials into the surface water?

MR. BRADLEY: Mr. Speaker, the results would appear to be similar to those results we received in 1983. I haven't asked the department for a specific review of the differences between the two sampling dates, but looking at the sampling, my initial review would indicate it's similar to the earlier results found in the area.

MR. GURNETT: A question to the minister, then. In view of the fact that we have results for only surface water tests at this time, would the minister undertake to have soil samples done so that instead of a surmise we know whether the situation with the soil is unchanged or is getting worse?

MR. BRADLEY: Mr. Speaker, there has been ongoing groundwater monitoring over a period of time. The department has been inspecting the site on a regular basis. If the department indicates that in terms of their enforcement measures with that specific site they feel that further samples are necessary, they will have them taken.

MR. GURNETT: A supplementary question, then. The low levels of PCBs that were in the water both downstream and upstream seemed to be a reassurance to the minister earlier this week. I wonder whether the officials of the department are doing any study of whether or not this situation indicates there is leakage from the Kinetic site that's seeping into the groundwater, into the water table, and accounts for the level being the same upstream as downstream.

MR. BRADLEY: Mr. Speaker, ongoing groundwater monitoring has been taking place at the Kinetic facility, and extremely low levels of PCBs have been found. In fact, the most recent samples, in September, would indicate that they are at or below the detection limit for those substances.

MR. GURNETT: A final supplementary then, Mr. Speaker, to the minister. The tabling of the results yesterday was helpful, and bit by bit the picture of PCBs in the area is being filled in. I wonder whether the minister would undertake to table all results of soil, surface water, or groundwater sampling received since the sampling program began.

MR. BRADLEY: Mr. Speaker, I'd certainly undertake to table all the results the department has of its sampling programs. I think it should be put on the record, too, that in terms of PCBs and their use in the environment, it is considered, and the regulations that are in place in the country and in other jurisdictions indicate, that levels of less than five parts per million are not considered to be a hazard.

MR. R. SPEAKER: Mr. Speaker, a supplementary question with regard to the tabling yesterday. Could the minister indicate the location of the sampling site as indicated by this document? Is the No. 7 ditch at the Nisku PCB storage site within the property fence of Kinetic, or is that ditch outside or surrounding the property?

MR. BRADLEY: Mr. Speaker, it is outside the property.

MR. R. SPEAKER: A supplementary question. Could the minister indicate whether samples were taken on the site of the property inside the fence to see whether the PCB level was comparable to that found outside the fenced area?

MR. BRADLEY: Mr. Speaker, in all the results of the department's samples that were taken, the requirement for sampling was to look in terms of the rivercourses in the area to see what would be in the rivercourses, particularly Blackmud and Whitemud creeks, to see if there was any effect downstream. That was the specific in terms of the actions on Sunday. Samplings were not taken within the Kinetic site. There was a report done in February of '83, I believe, which outlined some very detailed sampling both inside and outside the Kinetic compound.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate the seriousness of the level of PCBs that was found in the soil. The document here indicates 3.4 — whatever that unit is — per litre. Could the minister indicate whether that is considered a serious level of PCBs or not? Is it comparable to the .05 found in the water of nearby Blackmud and Whitemud?

MR. BRADLEY: Mr. Speaker, I can respond to the hon. member in terms of the regulations in place in the country.

Canada's regulations are such that PCBs in levels of less than five parts per million are not considered to be in any way a problem. The regulations of the state of California, which has some of the strictest regulations in the country, state that:

All retrievable liquids ... with greater than 7 ppm PCB shall be recovered and managed as hazardous waste ...

So in terms of a spill in California, levels of less than seven parts per million PCBs would not require any measures. It also says that:

All contaminated solids (e.g., soil, rags, absorbent, and vegetation) with greater than 50 ppm PCB shall be recovered and managed ...

Their action level with regard to PCBs in the environment is greater than 50 parts per million for spills, and I mentioned what their action level was with regard to liquids. The levels found are much lower in terms of those action levels which other jurisdictions have and which we have in place in the province.

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

MR. GURNETT: A supplementary to the minister, Mr. Speaker. We've heard some opinions about the level that is dangerous or not dangerous, and there are opinions that would be counter to that. My question to the minister is whether or not he will have his department officials undertake soil testing as well as surface water testing at the site and whether or not he will be tabling the results of all sampling that has happened at the site since sampling began.

MR. BRADLEY: Mr. Speaker, I've already undertaken to provide the results of all the sampling. I've also indicated to the House that if the department feels that further sampling is necessary, it will take that action. In terms of the levels that have been found and the regulations that are in place, I think I've indicated that they are significantly lower — at very low levels — at which anyone would have any concern in terms of a spill or a cleanup of such levels of these substances in the environment. They are extremely low. I'll have the department make an assessment of whether they feel any further testing is necessary at this time.

MR. SPEAKER: Perhaps we could come back to this topic if there's time, but we're running out of time. I've recognized the hon. minister responsible for Public Affairs, and I'd like to recognize the hon. Member for Edmonton Belmont for his first question.

MR. R. SPEAKER: Mr. Speaker, on a point of order. The supplementary I was going to ask was clarification of a term just used by the minister: "feeling" something should be done. I don't know how governments decide when they should do something because they "feel" like it. I wondered whether there were criteria in place to determine when you "feel" like finding serious hazardous wastes like PCBs. To me that question couldn't be asked tomorrow, because by then we may "feel" a little differently. It's unfortunate to see the government running on feelings rather than on logic.

MR. SPEAKER: I have a feeling that the clock is proceeding inexorably, and I really would like to ...

MR. BRADLEY: Mr. Speaker, perhaps I should just supplement that and say that if in the judgment of the officials

it is necessary to do further sampling, they will undertake to do it.

MR. MARTIN: Depending on how they feel.

MR. SPEAKER: The hon. minister responsible for Public Affairs. [interjection] Sorry. We're running out of time, and the hon. minister has asked to be recognized, and also the hon. Member for Edmonton Belmont. I have a feeling that we may be able to come back to this topic tomorrow.

Government Telephone Number Changes

MR. PAYNE: Mr. Speaker, I'd like to share an additional feeling, and that's in response to questions directed to me earlier this week by the Member for Lethbridge West regarding the recent change of the telephone number prefix of the government telephone system in the Lethbridge area. I'd like to provide some additional information.

As the member may be aware, we've been seeking for some months to improve the response time to calls on the RITE lines in the Lethbridge area. In order to change to improved digital switching equipment, a new prefix had to be adopted. We're now proceeding to install upgraded equipment and significantly speed up the time required to answer and connect calls. That equipment change is scheduled for early June.

As well, Mr. Speaker, if I may, in response to his question whether I'd commit to placing sufficient or additional advertising to inform southwestern Albertans of the phone number change, during the week of April 22 this one-quarter page advertisement, as the member may be aware, appeared twice in the *Lethbridge Herald* as well as in some local community newspapers. In addition, as mentioned in the House, Alberta Government Telephone operators are informing people who dial the old phone number of the change and the new number. I have reason to believe that local media coverage in the area has added to awareness of that prefix change.

We've had an official down there in recent days monitoring the development. Our best information is that while there's been some individual and isolated resistance or reaction to the change, most citizens seem to be aware of the need for the change and are tolerating what we hope will be a very brief inconvenience. Of course, we will continue to monitor the situation, and if before August, when the new AGT telephone directories are distributed, a reminder message is required, we will be more than prepared to place an additional advertisement.

Thank you, Mr. Speaker.

Sunday Shopping (continued)

MR. SZWENDER: Mr. Speaker, I hope my question will still be relevant even though most of the media have left. My question is to the Minister of Municipal Affairs and follows earlier attempts at questioning regarding the Municipal Government Act and local bylaws restricting the hours of business. Could the minister indicate whether he or his department has done any assessment on the effectiveness of bylaws in those municipalities which currently have local bylaws restricting hours of business?

MR. KOZIAK: Mr. Speaker, I don't have a scientific assessment, though I am aware that certain of the muni-

cipalities that have bylaws have not been enforcing them lately because of the challenge and the low-level fine provided for in the current Municipal Government Act. That is one of the reasons we'll be reviewing the Municipal Government Act relative to the level of fines that are permitted. Of course, with the Supreme Court of Canada decision, it will be important that bylaws municipal governments frame pursuant to the Municipal Government Act in fact take into account the decision the Supreme Court of Canada unanimously rendered.

MR. SZWENDER: One supplemental, Mr. Speaker. Could the Attorney General indicate whether he has had any representation from those municipalities with local bylaws restricting shopping requesting stricter penalties and what the request is?

MR. CRAWFORD: Not to my knowledge, Mr. Speaker. It's possible that some formal or informal representation might have been received within the department, but none has come to my attention.

ORDERS OF THE DAY

MR. SPEAKER: Might we revert briefly to Introduction of Special Guests?

HON. MEMBERS: Agreed.

head: INTRODUCTION OF SPECIAL GUESTS (reversion)

MR. CLARK: Mr. Speaker, it gives me a great deal of pleasure today to introduce to you, and through you to the Assembly, 32 pioneers from the Drumheller constituency. They're actually from the Carbon, Morrin, and Munson areas. They are accompanied by their leaders Dale Hector and Ellen Sharp. I believe they're going to stay here overnight because it's still storming and snowing down in their country. They're going to do a little shopping in West Edmonton Mall and leave a little more money there like the last group did. I ask them to rise and receive the warm welcome of the Assembly. They're seated in the public gallery.

MR. LEE: Mr. Speaker, in the absence of my seatmate the hon. Member for Lac La Biche-McMurray, it's my pleasure to introduce to you, and through you to members of this Assembly, 90 bright, spirited, and enthusiastic grade 10 students from the J.A. Williams high school in Lac La Biche. They're accompanied today by their teachers Mrs. Corinne Hedley, Bruce Adolf, and Paul Hawthorn. They are seated in the members' and public galleries. I ask them to stand and receive the warm welcome of this Assembly.

MR. CRAWFORD: Mr. Speaker, just before Motions for Returns are called, perhaps I can move that Motion 137 stand and retain its place on the Order Paper.

[Motion carried]

head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

208. Moved by Mr. Paproski:

Be it resolved that the government continue its program initiatives in the area of job creation and training and that the Assembly urge the government to consider further initiatives in co-operation with both the private sector and the federal government in programs such as a year-round hire-a-student operation, entrepreneurship programs, native employment programs, tourism training, and others. The government is also urged to investigate the impact and opportunities of high technology on the work force and the workplace.

MR. PAPROSKI: Mr. Speaker, I am pleased to introduce Motion 208. In leading off this debate and bringing this motion to the House, I am attempting to do three things, the first of which is to bring clarity to the vast number of initiatives this government and especially the Minister of Manpower have brought forward in the area of job creation and job training. These initiatives have created thousands of jobs and have trained thousands of Albertans. I might add that these many programs in place will extend to assist Albertans for many years to come. I believe somewhere along the line, hon. members in the opposition, the socialists and those in the other party, must become aware of what the Progressive Conservative government is doing to help those unfortunate citizens who are unemployed.

A second reason for bringing this motion forward, Mr. Speaker, is to provide ideas and suggestions to help create more employment opportunities for Albertans. It has been said by the Premier, the Minister of Manpower, in the Speech from the Throne, in the budget, and by many hon. members that there must be extensive initiatives by the private sector to create opportunities for work. Our government definitely believes in this philosophy and direction. In addition, however, it has been stressed that in this federation called Canada, the Ottawa government must also show leadership in solving our present and future unemployment woes, not alone but in concert with provincial and local governments, business, industry, and labour.

A final reason for bringing this resolution forward, Mr. Speaker, is to star, to flag a major area of change in our society that has impacted on many citizens, workers, and employers. That is the impact of high technology on the work force and workplace. With technological advances came many positives. Unfortunately, many negatives have resulted as well. This third area alone is so extensive that this member contemplated placing a separate motion on the Order Paper. Perhaps this may be done in the future, but I felt that all these areas are so intertwined and interconnected that one resolution might suffice at this particular time.

Mr. Speaker, it is difficult to broach a subject of such magnitude in a short period of time, but I will attempt to do so. Elected members of all political stripes, of all political parties, and at all three levels of government have had to struggle with the seriousness of unemployment — its statistics, its impact on the human condition, its impact on all of Canada, and its impact on the citizens of Alberta and indeed the citizens of the entire country. The issue is likened to an octopus with its tentacles extending in all directions of life. The present scenario was not in anyone's master plan. It was not intended; it is not liked by any member in this House. But it is a reality that many — young and

old, skilled and unskilled, professional and nonprofessional, men and women — are experiencing unemployment.

It is nonsense to bury our heads in the sand and simply weep about this problem, Mr. Speaker. It is nonsense not to strive to alleviate this condition for citizens. It is nonsense to blame this group or this body or this segment of society or this segment of elected officials. It's nonsense because we have to move to rectify it, to change the employment picture, to create jobs, to stimulate the creation of jobs, and to establish a positive environment for business growth. But whose task is it? I believe every citizen has a role to play in this area.

Mr. Speaker, your government has taken extensive new initiatives to create employment, to stimulate job creation, and to help Albertans retrain themselves. These initiatives do not force people into employment, but they provide assistance to those who want to hire, to work, to retrain, to be employed once more. I believe the vast number of initiatives announced by the Minister of Manpower over the last few months do just that.

Mr. Speaker, let's look at some of the government initiatives in the last few months. The Alberta wage subsidy program creates new job opportunities in the private sector. Wages are cost-shared up to a maximum of \$2.50 per hour for full-time employment. A total of 45,000 positions will be funded out of a budget of \$90 million over the next three years. Up to March 15, 1985, 18,318 employees have been working because of this program.

The summer temporary employment program provides full-time job opportunities during the summer months in the provincial government, in nonprofit organizations, or on farms. Wages are up to \$5.50 per hour for government employees or \$3.80 for those working in the private sector, with the employer's assistance. A total of \$60 million has been expended in this area and will be up to 1987. It is predicted that a total of 30,595 positions will be funded. Up to November 16, 1984, 10,140 citizens of this province were employed under this program.

The priority employment program provides temporary job opportunities during the winter months. Wages paid to provincial government departments are \$5.50 per hour, other employees are subsidized at \$3.80 per hour. A total of 8,600 positions will be funded out of a budget of \$39.5 million over the next three years. Up to March 15, 1985, 4,078 Albertans have been employed under this particular program.

The Alberta environment employment program supports environment projects of municipalities, nonprofit community associations, and provincial government departments. Mr. Speaker, \$14 million has been allocated to this program for the next three fiscal years. A total of 1,800 positions will be funded. Up to March 15, 580 citizens have been employed under this program.

The employment skills program provides work experience and skill upgrading within provincial government departments for people receiving social assistance. Mr. Speaker, \$5.50 per hour again; a total of \$10.5 million will be expended over the next three fiscal years; 2,440 citizens will be funded. Up to this point, 711 citizens of the province are employed because of this unique program.

Mr. Speaker, there are so many others: the special placement work experience program; the Quebec/Alberta student employment exchange program; the Alberta youth employment and training program, designed to assist young Albertans to establish careers through career guidance, work experience, and training, effective from November 1, 1984,

through March 31, 1987. A total of \$123.2 million will be expended over the next three fiscal years. A total of 16,140 Albertans will benefit. To this point 1,761 citizens of the province have benefitted from this program.

The Alberta training program is a training incentive program to assist Albertans in upgrading and developing their job skills. A total of \$38 million has been allocated in this program. A total of 14,000 individuals will receive training, and up to March 15, 8,309 citizens have benefitted.

Mr. Speaker, the opportunity corps program could be discussed. The whole area of private vocational schools that are funded extensively by our government have assisted over 2,937 students to obtain employment through private schools funded to a great extent by the Department of Manpower.

Mr. Speaker, one final program is the hire-a-student program. This Alberta hire-a-student program is a co-operative activity sponsored by the federal and provincial governments and by business, community, and student groups concerned with the placement of students in summer jobs. Last year in this province, through this one program, over 32,000 students were placed in the world of work because of the hire-a-student initiative. That is a difference from 1980, for example, where 24,000 students were placed. Just a super program.

Of course, I could also talk at length about the employment counselling and relocation services of the Department of Manpower that have assisted people to move from one end of this province to the other to obtain employment. Mr. Speaker, Challenge '85 is a joint federal/provincial program aimed at providing 16,500 summer jobs for Alberta students. In addition, it is very encouraging to see that our federal counterparts are increasing their investment in job creation and employment in Alberta. I am sure all hon. members will agree that this is quite a record that I have just listed in this Assembly.

Mr. Speaker, let's not forget other major initiatives of this government that have provided impetus to employers to start and expand business, to hire, and to improve our employment rates. Extensive efforts by the Minister of International Trade to market our goods and services throughout this world have helped create thousands of jobs. Vencap Equities Alberta Ltd. has stimulated new work opportunities. The Alberta small business equity corporation has provided large pools of funds to initiate new projects, new work, new jobs. The Alberta Heritage Foundation for Medical Research supports more than 1,000 scientists with grants from the earnings on the \$300 million endowment it was given in 1979. The Alberta Research Council, the Farming for the Future program, the Alberta Opportunity Company, the Electronics Test Centre in Edmonton, the new initiatives in high technology recently announced by the Minister of Economic Development, and the recently announced LRT electronics initiatives are all providing tremendous numbers of opportunities for Albertans to work.

Mr. Speaker, the House should remember that in addition to a sampling of some of the programs I've just listed, our government has taken the initiative of allocating close to \$2 billion this fiscal year for capital projects. That is close to \$2,000 million. Everyone knows the vast number of occupations, the vast number of jobs these funds will generate, but we can do more and I'm sure we will do more. But we need extensive new initiatives by our federal counterparts. The Ottawa and Alberta governments need to work more closely so that each province is not competing with another and there is not extensive overlap and dupli-

cation. I believe the federal government should start stepping forward on their own with some new directions and suggestions.

One area that simply must be emphasized is the current growth in the service sector in this country. The Conference Board of Canada recently stated that more than 70 percent of Canadians who work have jobs in the service industry. One component of this sector that requires more initiative is the tourism industry. I am encouraged that the federal government has finally appointed a minister totally responsible for tourism, an industry that it has been predicted will be involved with \$1 trillion by the year 2000. The recent Alberta budget stressed a tripling in tourism related areas. That is simply great, Mr. Speaker. The jobs are there and should be more plentiful in the future. I urge the government to pursue this area with even more vigor, to co-ordinate in a better fashion the entire industry with those directly involved in the industry. I would further suggest the establishment of a unique training institute in this province to complement the present excellent training facilities, so Alberta will become known as the leader in Canada in training the thousands that could benefit from jobs in this vast, growing industry.

The second suggestion pertains to the hire-a-student program. This program has been important to me for many years in that at one time I was involved as a member of the board of directors of the Edmonton hire-a-student society. It is time, Mr. Speaker, to open a full-time hire-a-student office in at least the two major urban centres in Alberta, Edmonton and Calgary. Employers would benefit from this initiative by knowing they have a constant contact if they require young people for work. Students would benefit greatly from the knowledge that there would be one location all year round that they could depend on to be a filtering point for jobs that may come for the asking. Many, many postsecondary students throughout Alberta are employed in part or full part-time employment while they're studying. Many secondary students, as well, are employed or are looking for work. This idea, then, of an all-year hire-a-student program would indeed assist those students.

A third initiative that I believe would create more employment is the development of entrepreneurship programs. The man or woman with desire, an idea, a plan, with the guts to jump into the world of work on their own to manufacture a product, market a product, or offer a service is growing more in this province. A number of initiatives can be taken here. First of all, many entrepreneurs are successful in developing their plan of action. They proceed on their own initiative. They gather their own finances and they are successful. Bravo to this group. They are growing in numbers; there is no question of that. But more could be done for a minimal outlay of capital to help those starting out.

Unfortunately, many entrepreneurs do not succeed. They fail due to the lack of some basic skills in business acumen or finances. I note with interest that some postsecondary schools in the province offer entrepreneurial skill courses. These are great for citizens on-campus. But I would like to share the idea presented to me by a constituent, a businessman, and a close friend by the name of Dirk Hiel — an idea he has seen work in Europe, where he was born and educated, and seen through other areas of this country. That idea is that postsecondary institutions be approached to have their graduate students or students in various programs offer their know-how, education, and ideas to the budding entrepreneur. Surely an arrangement could

be worked out with the various postsecondary institutions to provide those off-campus entrepreneurs with direct assistance in how to deal with lending institutions, how to apply for a loan, how to budget, how to bookkeep, how to set up proper accounting procedures, how to best market their goods or services. Perhaps a small, token fee for service could be arranged. I urge the Minister of Manpower to work conjointly with the Minister of Tourism and Small Business and the Minister of Advanced Education to attempt to see this idea implemented.

Another area I'd like to suggest is entrepreneurial programs sponsored by the provincial government, where citizens who have an idea, a plan, and the drive but don't have enough funds could receive a start-up allowance. Just two days ago in the House the Minister of Tourism and Small Business mentioned the student loan program. Students are slowly approaching his department and taking up this assistance. That program is an excellent one but, I believe, should be taken one step forward, be formalized and put to work for budding entrepreneurs. I am not talking about the investment of tens of thousands of dollars per individual. I am referring to the man or woman who has scraped up \$2,000 but needs double that amount to get an idea moving along, to get a business rolling — a business that could blossom and employ more people, take people off social assistance and UIC, and give these individuals needed independence and needed income.

Ontario, Nova Scotia, and other provinces have such programs. Let me quote, for example, from a publication by the Ontario government on their entrepreneurial program entitled Youth Enterprise:

Youth Enterprise offers young risk-takers the advice and financial backing they need to get new businesses off the ground. This Ontario government program brings together the expertise and resources of bankers, business groups and government to develop entrepreneurial talent for tomorrow.

New businesses not only create jobs for their owners but also for their employees. And small business is the leading job producer in Canada.

Already, more than half of new businesses in Ontario are started by people under the age of 30. So an investment in Youth Enterprise both promotes young careers and helps create economic prosperity for Ontario.

The program supplies the venture capital. The young entrepreneur supplies the hard work, imagination and commitment. It's a winning combination.

How does this program work, Mr. Speaker?

Youth Enterprise is operated locally through the Royal Bank of Canada and the Ontario Chamber of Commerce. They promote the program, advise young entrepreneurs, review and assess loan applications, make recommendations for loan approvals and monitor approved businesses.

Under Youth Enterprise, the capital flows in two streams:

1. Youth Venture Capital which offers interest-free loans of up to \$5,000 to help young people out of school start a year-round business, and
2. Student Venture Capital which offers interest-free loans of up to \$2,000 to help students — who will be returning to school — launch a summer business.

Mr. Speaker, it's a suggestion. I think it will work. I urge the Minister of Manpower and the Minister of Tourism

and Small Business to consider the implementation of such a program in this province.

A final area I'd like to discuss pertains to improved initiatives in native employment programs. All members are aware that Indian, Inuit, and Metis people experience the highest rates of unemployment in this country. I looked with interest at a new publication from Alberta Native Affairs entitled *A Guide to Native Business*, a publication that shows a growing number of native-owned and native-operated enterprises. I also looked at a report of the Native Venture Capital Co. Ltd. presented to its shareholders in March this year. Mr. Speaker, funding was approved for 11 new businesses and 51 full-time jobs. These figures are somewhat encouraging, but could we expand our initiatives in this area? How much do we do to stimulate knowledge of this fund's availability?

I suggest that there is a need for improved methods of communication throughout the province to advise natives of the exciting initiatives in the Native Venture Capital Co. It is my belief that improved consultation is in order. Extensive communication must be maintained with our federal counterparts, especially in the case of small communities in areas remote from the main urban centres. The federal and provincial governments must continue with extensive outreach programs. With respect to Indian, Metis, and Inuit who move to cities, programs and organizations must be maintained and adequately funded to help train, retrain, and provide career guidance to our native population.

It is my suggestion as well that there should be a concerted effort to train more native teachers, counsellors, and teacher aides for high schools, community colleges, and universities where there is a high native enrollment. I urge the Minister of Manpower to work conjointly with the Minister responsible for Native Affairs and the Minister of Economic Development to review training and employment programs in existence and obtain feedback from our native population with respect to new initiatives that are required and would be beneficial to them.

I also ask the minister to move on a recommendation from the report of the MacEwan joint Metis/government committee to review the Metis Betterment Act and regulations. The recommendation on page 58 of this report indicates the following:

It is recommended that the Departments of Economic Development, Agriculture, Tourism and Small Business, and Manpower undertake a comprehensive review of the economic development opportunities on and related to Metis settlements. The Metis Development Branch of the Department of Municipal Affairs has initialed some creative opportunities in the areas of forestry development and small business but clearly it has neither the resources nor the mandate to undertake the kind of analysis that is required.

I believe we should get on with that.

I have now come to my last comments regarding the impact of high technology on the work force and the workplace in this province. Much has been written outlining that we are easing out of an industrial age and into an information age. Much has been recorded about the upheavals that have occurred in our work force and our workplaces due to the advances in technology. Terms like microchip, Silicon Valley, informatics, and robotics are new and are here to stay.

To quote from a report issued by the Economic Council of Canada, the persistent high rate of unemployment can no longer be attributed solely to the recession. Clearly other

factors are at play, including a changing labour market, new and different employment opportunities, and a wealth of new technologies. The report goes on: all sectors of the economy will likely be affected by technological change in the future, but it is extremely difficult to predict how and at what pace these new developments will be implemented.

Mr. Speaker, fear, ignorance, and lack of understanding of what the future holds for us and future generations abound. I appeal to this Assembly to take a slow, long, cautious, and intelligent look at this area. Many citizens are waiting for a return to the late '70s, but will it ever come back? There are scary predictions made by those more knowledgeable than I that by the year 2000, due in large extent to the proliferation of the new technologies, perhaps 40 percent of citizens of North America will be unemployed. That is scary, but thank goodness it is only one study. Everyone knows that some employees have already been displaced and more are predicted. It's true that new jobs are being created, but what of the upheaval of jobs, those citizens skilled in certain areas who see their jobs disappear? It's happening. Will it continue? I ask members and the citizens of the province to answer that particular question. But how do we answer? It is my suggestion that we have a major study in Alberta initiated by this provincial government to investigate the positives and negatives of the new technologies on our work force and our workplace.

I thank members for listening. I am optimistic for new initiatives. I look forward to the comments from hon. members entering the debate, and I ask for your support in passing this resolution. Thank you, Mr. Speaker.

MR. WOO: Mr. Speaker, I want to begin by commending my colleague the hon. Member for Edmonton Kingsway for bringing this motion to the floor, because I believe it is both timely and certainly a very important issue. I'd like to begin my remarks by referring to three specific items, because I think the contents of these items reflect the philosophy that has been talked about by the hon. Member for Edmonton Kingsway and certainly reflect the thoughts and remarks that I am going to make.

The first one relates to a recent advertisement that appeared in the local newspapers. It stems from the Westerra Institute of Technology and has reference to a new computer engineering technology course which is being offered by that institution. That in itself is significant, but more significant, Mr. Speaker, are some of the statements that are made in conjunction with that advertisement. First of all, the advertisement indicates that extensive market research has been done on this program with major firms which are leaders in the field of computer and electronics design, manufacturing, and service, and that this research has led to a completely new and unique combination of skills targeted by business and industry as the most sought after in employees. Further on it states that over \$2.8 million in federal government skills growth funding has been received for initial development and delivery of the computer engineering technology program.

The second item I refer to comes from the publication *Folio*, which comes from the University of Alberta. It talks about a co-operative agreement between IBM of Canada and the University of Alberta. Under the recently negotiated three-year agreement announced on April 18,

IBM will donate to the University more than \$2.2 million in equipment, software and personnel, including more than 160 IBM Personal Computers. The Government of Alberta, through [the Minister of]

Advanced Education, will provide a cash contribution of \$431,000 to be used for services in support of this project.

The agreement will also provide a classroom/lab for students in the Faculty of Engineering to learn advanced computer skills for analysis and design.

As part of the agreement, IBM will donate an IBM 4341 system, to be housed in the Department of Computing Services.

The third item I refer to, Mr. Speaker, is also a publication from the University of Alberta, but it deals specifically with the faculty of business administration. It identifies what is known as an advisory council and certainly gives an indication of the role of that particular council. The council in itself is made up of various substantive people from both the public and private sector. Amongst them are people like Mr. William S. McGregor, president and chief executive officer of Numac Oil; Sandy Mactaggart of Maclab Enterprises; Arnie Nielsen, president and CEO of Canadian Superior Oil; Mr. Chip Collins, our former deputy provincial treasurer; Donald Cormie; and Eric Geddes. I would like to quote specifically from this publication in terms of some of the objectives, because I think they're relative to the debate that's taking place this afternoon:

The Council is a select group of public and private sector leaders who are committed to the further strengthening of management programs at the University of Alberta. Their contribution to this end has been substantial.

The primary objective of the Council is to relate the Faculty and its programs more effectively to the changing needs of the management community by

1. providing feedback on the effectiveness of existing programs and advice on new programs and developments;
2. serving as a communications bridge between the Faculty and other sectors of the community;
3. assisting in identifying means by which the business community can contribute to the strengthening of the Faculty of Business.

In relation to these specific items, Mr. Speaker, the suggestion that is left with me is that there is a need to broaden, to include in the area of job training and job creation a number of other relevant areas. They include the area of general education, universities, technical colleges, specialized industries, labour, students, the present work force in specific trades and professions, and certainly the private-sector entrepreneur. From their particular perspectives all of these have a vested interest in how best to mount effective programs. I think we must move from the tendency to examine the issue from a traditional government point of view, which has perhaps too often been narrow in concept. New knowledge, new information, and changing demands replace old initiatives and continually add new dimensions to how we interpret the necessary elements that will establish worthwhile and functional job creation as the objective of government programs.

An example that I believe is very important is the recent proclamation of equality provisions of the Charter of Rights and Freedoms, which will bring a new focus not only on government programs but also directly on the workplace and employment practices as they relate to women, the physically disabled, minority groups, and Canada's aboriginal peoples. The interesting thing about this, Mr. Speaker, is that it will be the courts, not governments, who will make the judgment and bring down decisions that will have far-

reaching consequences for our economic and social well-being in relation to both work opportunities and employment practices in this province. It will ultimately be the responsibility of the private sector to make adjustments to accommodate whatever those court decisions might be.

The motion calls for a continuance of government program initiatives in the area of job creation and training, but with all due respect, Mr. Speaker, I am often of the view that government should get out of job creation and redefine its role as a catalyst amongst those agencies that have a direct interest in job creation and job training. These include educational institutions, private-sector industry, and entrepreneurs, who can perhaps do a better and much more relevant job. I suppose that sort of statement can generate any number of arguments. But I think one certainly has to look at the billions of dollars of public funds that have been injected into all sorts of job creation programs by all levels of government. I am speaking about government programs initiated over the course of the last dozen years or so. At times I don't really believe the government track record in job creation is anything to crow about. Again, I must say that I firmly believe there must be a redirection of funds to the private sector. I think the only valid concern that leaves us as governments is to provide accountability as to how we expend those funds.

Mr. Speaker, I believe judgment decisions are best made by those who must stand or fall by those decisions. When it comes to job creation, long-term employment opportunities, job security, I think private-sector industry — whatever it might be — is best equipped to make those decisions, because they have a direct, vested interest in the labour force and their investment and survival depend upon it.

If we look at the human resource needs of industry on a sectoral basis, we should have a greater appreciation, a recognition that government programs cannot be all-encompassing to the extent that essential labour requirements of private-sector enterprise can be adequately met. If what I say is true, I believe we are only doing half a job. If we are indeed only doing half a job, perhaps we shouldn't be doing it at all.

How much do we as government programmers know about the labour requirements of such areas as the energy and nonrenewable resources sector, the mining area, engineering, the broad agricultural industry, forestry, tourism, manufacturing, the needs of science and technology, research and development, the international trade area, finance and law, business development, transportation and communications, and product design and marketing? Each sector, quite naturally, looks to its own needs in terms of labour requirements, and that is as it should be. However, I believe governments must look at all these sector components as part of a totally integrated economic entity when we pose programs that will hopefully maintain a balance to avoid, as best possible, an oversupply or undersupply of trained workers in any given field. We profess to know a little something of everything, but at times I wonder if we really know something of anything? If we are to continue on that basis, it is apparent to me that the more we profess to learn the less we know.

I have said that government must redefine its role in job creation and training. Mr. Speaker, I believe that redefinition should consider the role of government in terms of innovational leadership in the development, funding, and monitoring not so much of job creation as of job training programs in co-operation with our learning institutions and industry. The process of job creation would more realistically

require government to create an attractive economic climate that would attract investments, which will ultimately lead to a natural diversification of our present industrial base. Certainly, the consequence and incentive would then be there to encourage the development of brainpower and management expertise, new technical skills, new job classifications, and new professions, and still leave a need for the more traditional occupations and trades. We would have our own three major base strengths — the petroleum industry, agriculture, and our rich human resources — to give impetus to such an initiative. I believe we have the leadership in government, our learning institutions, and industry to give meaning to such new directions.

Mr. Speaker, we tend to overlook a number of important considerations when we go about the business of developing job creation and job training programs. For one thing, I believe we will become increasingly dependent upon what happens in other countries in the world for the types of jobs we will undertake in the future. Sectoral and global trade will certainly have a major impact, as will market demand and supply, changing needs in goods and services, the advance of technology, the introduction of new and innovative products, global climatic conditions, and geopolitical spheres of influence. All of these will have an effect on our future employment opportunities.

I believe we as a government must develop the ability to forecast those changes. We have very little control on external influences, and that requires us to ensure flexibility and a continuing review of what we do in establishing job training and job creation programs. Certainly, technically advanced nations will hold the higher profile job opportunities, income, and standard of living. If we do not move with changes, the alternative is quite apparent. We will become work poor, because all we will have left is poor work.

A number of areas which I believe will require attention are those that train people not only through programs for existing jobs but also the types of programs we will utilize to train people for jobs which we can reasonably anticipate as future opportunities. This will again require some accurate forecasting and some degree of accuracy as to industrial needs and domestic and global economic initiatives. We must develop mobility in our work force, because a number of component jobs will not come to those who wait. This is particularly true in the case of training programs directed towards our native communities.

Mr. Speaker, another important thing we have to get out of is the smug attitude we as Canadians hold that causes us to reject out of hand those models and experiences which have been successful and which have been developed by foreign countries. I'd like to use Japan, which provides us a good example. I don't think we should reject out of hand models or experiences simply because they are Japanese. If there is a need to reject them, I think it should be on the basis that the principles involved have no application to our economic conditions.

We have talked of the need to retrain some of our existing labour force, and the hon. Member for Edmonton Kingsway mentioned it to some extent. One of the areas that we should be addressing is with respect to the illiteracy rate of some members of our existing labour force, who, through no fault of their own, have not had the opportunity to gain the types of literary skills that are necessary, and we should make the opportunity available and have them retrained. I think there's a need then to create a balance in terms of the trainable work force and those that we look upon as possibly difficult to retrain.

I had hoped to make a number of other remarks in relation to technology and its impact on the work force, Mr. Speaker, but in deference to other hon. members who wish to speak, I will simply conclude by saying this: I think that by way of precedent and practice we as governments have usurped that particular area which has generally been the purview of private-sector industry in defining the types of parameters, training programs, and job requirements which in turn are addressed by our learning institutions and government programs. As a result of that, I believe future programs must address the concern of coming to grips with what amounts to an economic and social imperative: defining the role of human resources in the area of employment to and for the future of Albertans.

Thank you.

MR. JONSON: Mr. Speaker, I'm pleased to have the opportunity to speak to this important topic. By way of introductory remarks, I'd like to recognize many of the current initiatives that are being undertaken by the government, particularly the Department of Manpower. We have the Alberta youth and training program, the Alberta wage subsidy program, the priority employment program, the Alberta environment employment program, and the hire-a-student program, all of which have been elaborated on by previous speakers.

I'd like to make two comments on the programs currently in existence. I think one difficulty, rather a specific one, is that there is going to be an increased responsibility falling upon government to monitor the application of some of the aid we're providing under these titles. As many of these programs follow from year to year, quite often they become accepted and expected and have a rather deadening effect on the initiative and creativity that might be out there on the part of students and employers in terms of creating new jobs.

I can't help but relate an experience I had recently, when the town council in a fairly large town was thinking about building a new public works building. They had the revenue available — in fact they had a rather healthy surplus — and had the men engaged and so on. Members of the town council decided they could save some money if they could tap into some of these work programs. Consequently, the money was applied for and gained, and it did not in fact create any jobs that weren't already funded and planned for. That is just a caution I thought I would make about these programs that go on from year to year and become rather institutionalized.

The second overall comment I'd like to make and what I want to address most of my remarks to is that we have to sit back and look at the whole job creation effort, because the times are changing. We have to look at future trends, some trends that we see are definitely in place and others that are being speculated upon. As the future unfolds before us, we need to look at exactly what or who we can count on to create the jobs of the future, the particular areas of need within occupations and business enterprises, and the education and experience background that students need and that we need to look at initiating programs to provide.

Mr. Speaker, I think the term that's commonly used now is that we need to look at the structural changes that are taking place in our economy and how those are going to affect opportunities for entrepreneurship and employment. A rather extensive review of secondary education has recently taken place in the province. Much of the material, many

of the presentations made to that review have dealt directly with the whole area of occupational need in the future.

Mr. Speaker, there are a few points I'd like to make, because they certainly bear upon what we're going to be able to do in a co-ordinated way among governments as far as job creation is concerned. It is predicted that 80 percent of new jobs between now and the year 2000 will be in small businesses which are not yet in existence. There will be an increase in contract, short-term, and part-time relationships with respect to occupations — something we have to plan for. Skills and knowledge will be recognized as a marketable commodity in many new areas. As the previous speaker mentioned, the whole area of international and interprovincial activity is something that has to be looked at and the needs taken into consideration. We have all heard and accept that the young people now in our schools and soon to be out in the world of work need above all to learn how to learn, to be attitudinally prepared to accept occupational change, and to be flexible in career planning and career acceptance.

In terms of relating a few of these examples, the final point I'd like to make is that although some people say we are going to have to prepare for a leisure society, the reality that is pointed out over and over again is that we are going to be facing a more competitive society in which quality performance in the occupation we're involved in is going to be more and more essential than ever before for Canadians. I agree wholeheartedly with the previous speaker by stating that we as Canadians cannot afford any degree of smugness, if in fact that smugness exists, when it comes to looking at the quality that's going to have to be involved in the work we do in the future.

In terms of reflecting back on the changes I've mentioned, there's one caution I would like to make; that is, as we're looking ahead to new job areas, new industries, and new occupations, we should not neglect the fact that the nature of work, the nature of the occupations of our traditional industries, is changing very rapidly as well. We see that new skills, new approaches to agriculture, the energy industry, the forestry industry, and tourism, are in place as well.

As we run out of time, I'd like to try to just skip over or move very quickly through a number of points I had intended to make, Mr. Speaker. I'd like to deal with two matters. First of all, when we're looking at the educational needs we're going to have to prepare our students to have, I've looked through a great deal of material that has come from the business world to the secondary review, which I've been involved in. I'd like to relate to the House five or six points that come up over and over again. They do not sound very profound. They would almost be considered basics, but people who are looking down the road, whose business success depends a great deal upon these things, have come up with these particular points. When we in government are planning ways we can help prepare students for the future, I think we have to keep these in mind.

At the top of the list in terms of what people are looking for in our students and student graduates is the need for a high level of literacy, a need which goes far beyond the basic literacy of reading and writing and involves the ability to analyze, organize, and write reports — that seems to be a continuing need — and to understand complicated instructions. Overall, we're talking about basic literacy and the ability to manage information. Second, mathematical ability is also predicted to be crucial. Bookkeeping and accounting in commerce, technical and mathematical expertise for certain types of jobs, and an understanding of mathematical theory are going to continue to be very, very important.

People are going to need to have skills in handling and communicating with the general public, because our service industries are predicted to be one of the most rapidly growing employment areas in the future. In terms of what is going to be needed by our students in the future, above all is a positive attitude and an overall appreciation, as I said before, of the need for quality performance and how essential it is to the health of our economy.

I'd like to conclude my remarks, Mr. Speaker. I was going to go on to talk about some of the areas of job or occupational need which are predicted to be the big growth areas in the future. But I'd just like to conclude by saying that I think we need to back up somewhat from our current initiatives in job-creation programs and look at an overall strategy which might involve some things that are not traditionally thought of when we look at how we aid this activity. I noticed that one of the hon. members has made a proposal with respect to a tax credit system which might inspire business to invest more heavily in training and the hiring of young people. I think that's one of the ways we have to go. We have to back up in the ways we provide job creation programs and look at things other than the traditional activity type of job for students. We need to look at entrepreneurship opportunities, travel opportunities, and community service opportunities. Those things can be worked into and recognized in some of our initiatives.

Finally, I'd like to say that there are certain things in the overall structure of our labour laws and so on that could be looked at to make the whole business of accessing jobs easier for students. One of those would be to look at our school year and postsecondary school year and provide entry points for employment at times throughout the year other than the traditional summer break.

MR. SPEAKER: I regret interrupting the hon. member, but I believe the time allotted for this debate has come to an end.

MR. JONSON: Thank you for that indication, Mr. Speaker. I was racing along, but I didn't quite beat the clock.

I'd like to conclude by saying that I'm glad to have had the opportunity to speak to this important motion. I move that we adjourn debate on Motion 208.

MR. SPEAKER: The adjournment of the debate is automatic under the *Standing Orders*.

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

**Bill 206
Alberta Development Fund Act**

MR. MARTIN: Mr. Speaker, I'd like to participate and, first of all, give some rationale before we get into the contents of Bill 206, the Alberta development Bill. Of course, the whole purpose of the Bill has to do with diversification of the economy. I'd like to make some initial comments about why we've come to this position of advancing the Alberta development Bill at this particular time.

I'll go back. I won't quote the whole thing, but it seems to me that we've talked about the Premier's famous bold statement — and it led to the heritage trust fund — made

to the Calgary Chamber of Commerce on September 6, 1974. I couldn't agree more with what he said at that time. A couple of quotes:

We have perhaps another decade left to diversify our economy to become less dependent ...

Of course, he was talking about being less dependent on the sale of depleting resources. He went on:

Frankly, I despair of the short term thinking of a few Albertans who believe we can coast on the sale of our depleting resources for our continued prosperity ... Relying upon the sale of unprocessed resources for [the] next generation's prosperity is folly in the extreme.

Well said. A very good speech. We think that speech could be resaid by the Premier 10 years hence.

Unfortunately, Mr. Speaker, the government seems to have gone in a different direction, and I say regrettably so. When we talk about diversification as the Premier alluded to it in 1974 in Calgary, we see what has happened in Alberta. I think it's important to put these figures out to indicate to Albertans what has happened over that period of time. Alberta entered the '70s, I believe, with some real potential for diversification, and certainly the Premier was aware of it at the time. Agriculture still played a substantial role, although admittedly it was limited to what it had been, accounting for 14.9 percent of our gross domestic product. Manufacturing accounted for 21 percent. However, the danger signs were there, between mining with 35.5 percent and construction, which was heavily related to mining projects at that time, with another 22.6 percent. At that time, in the early '70s, the economy was already leaning dangerously toward overdependence on nonrenewable, raw resource production.

In 1976, Mr. Speaker, it was getting worse. Mining with 43.2 percent and construction with 22.6 percent now accounted for some 65.8 percent of our GDP by goods-producing industries. Manufacturing had slipped to 17.2 percent, and agriculture had slipped to 12.5 percent. Finally, in 1981 fully 69 percent of Alberta's gross domestic product by goods-producing industries was accounted for by mining and construction. Manufacturing and agriculture had continued to slip to 16.5 percent and 10.2 percent respectively.

Mr. Speaker, when the recession hit in 1982, there was still enough impetus in the oil and gas and related construction industries to carry the mining and construction sectors on at 53.5 and 19.5 percent respectively. But as a result of that, their total had grown to 73 percent of the gross domestic product by Alberta's goods-producing industries. Agriculture had slipped to 8.2 percent and manufacturing had slipped to 14 percent, continuing their slide towards insignificance. Thus, through overdependence, planned or otherwise — and only the government knows that — on the raw nonrenewable resource, the Alberta provincial economy was set up, I say, for the long fall we experienced through the years 1983 and 1984 and into 1985.

Mr. Speaker, that's the reality. That's what's happened over the years as we've slid. The point my late colleague Grant Notley and I, and some members of the heritage trust fund committee, have consistently made basically agrees with what the Premier said in 1974, that there is that overdependence. But it wasn't just us who made these points. I think it's important to go back and look at a study that was done for the Lougheed cabinet on the prospects for the Alberta economy. This was, as you're well aware, the Foster and associates report for the government, done in 1980. I think a couple of comments they made pretty

well sum it up. It doesn't have to be just an opposition position; this was a government document, given to the government at the time. They said:

Why does such a strategy have to be pursued with significant, imaginative and potentially difficult Provincial Government policy actions?

They're setting it up. They go on to say:

The Alberta government has the opportunity and perhaps the obligation, to take some of the bold initiatives required.

Further, they say that only with major public policy initiatives — I stress that — will the provincial economy be able to reduce its dependence on the resource sector and diversify its relatively small manufacturing base.

Mr. Speaker, I think we begin to see the problems. The government's white paper came back and indicated some of the concerns the Foster report did. To quote the government's white paper, on page 41 they said:

With the economy growing rapidly during the past decade, the government's role was to foster private sector activity and to play only a nominal part in focusing government assistance to specific industries.

They admitted in that white paper that they had not followed the direction of Foster and associates.

To come to government thinking, in 1983 the Minister of Economic Development said in the *Calgary Herald*:

The thing about diversification you have to remember is with oil and gas being such a dominant feature in our economy, diversification has always been belittled because of its (low) contribution to treasury.

A government minister said that. So we have to question the seriousness of the government in dealing with diversification when the Minister of Economic Development makes that statement.

We've come to Bill 206 basing some of our thoughts on what the Foster report said. They gave seven arguments, and I only want to list three or four. They said that a continuation of attempts to restructure the economy so it is less dependent on the natural resource and energy sectors is a key, and they suggested some ways to do it. They listed seven things. Let me just quote two or three or four of them, depending on how I feel, which led us to Bill 206. They say there are severe risks in pursuing a strategy which relies upon energy sector developments as the only major driving force to maintain and increase economic momentum. For example, when projected levels of oil sands development were reduced, the predictions of the Foster report were borne out. We've had a drop since then.

They also said that focused diversification is essential to ensure improvements in the equality of employment opportunities. Need I say more about where the unemployment rate is in this province today? The fifth thing they say, Mr. Speaker, is that diversification will not occur if massive energy projects are relied upon. To directly quote from page 33 of the Foster report: "It will only occur as a result of the implementation of specific strategies by government." I say that to my friend Adam Smith over there. The other thing they said at that time was that now is the time to act, before the ultimate decline in hydrocarbon-based resource activity.

That was 1980, Mr. Speaker. We are now in 1985. But I'm a born optimist, I think positively, and I have lots of confidence and all sorts of things the members talk about. I think there's still hope; I think there's still a chance to turn it around. This why we have advanced Bill 206. I know all the government members will jump up to support

it, simply because they want to follow what the Premier said in 1974 and they want to follow the Foster report. Besides that, they see the eminent good sense of this Bill.

Mr. Speaker, let me say that the original principle embodied in the heritage trust fund was a good one. When the government brought in the heritage trust fund, the original principles were good ones. One of those was to assign a substantial proportion of the province's rapidly accumulating nonrenewable resource revenue to a special fund and to use that fund to secure a more stable and resilient long-term economy for Alberta. No argument with that; it's a good principle. I believe this also had the added benefit of preventing the provincial Treasury from becoming overly dependent on nonrenewable resource revenue, if I may, from becoming royalty junkies, basing our income on something that was depleting. I suggest that it was a good idea. It has left the Treasury in far better shape as resource revenues have continued to decline, as we now know.

First of all, let me say that we agree with that overriding principle of the heritage trust fund. But I say to the government, Mr. Speaker, that I believe this principle has been violated in the year-to-year operations of the current trust fund. Rather than being used to diversify the provincial economy, I suggest the trust fund has been tied up, frankly, in a depressing series of unimaginative investments. I look at 14.7 percent — I know the Member for Barrhead is going to change it with his recommendations next time. I'm going to show you how unimaginative they are: 14.7 percent in deemed assets; I don't know how that's going to diversify the economy. Four percent in private energy industry corporations, precisely where we didn't need diversification; 52.1 percent in loans to our own Crown corporations. I made that speech the other day, and I notice the Treasurer has not followed when the heritage trust fund committee told him three times that that wasn't too wise. I want to know about our clout the next time we do this. And 7.9 percent in marketable securities.

Mr. Speaker, I suggest that the heritage trust fund has not done the job it was originally set up to do. Frankly, as a result of provincial government mismanagement, I believe we have now become trust fund junkies. I point out — and the Treasurer and I agree on these figures — that in the entire estimated 1985-86 budgetary revenue, 16.3 percent of our general revenues come from the heritage trust fund and 6.9 percent come from the 15 percent of nonrenewable resource revenue which, of course, until 1983-84 would have gone directly to the trust fund. Almost one-quarter of all estimated budgetary revenue will now come from raiding the trust fund as it was originally established.

I suggest to you, Mr. Speaker, that this has happened because of the Conservative inability to move the provincial economy away from overdependence on nonrenewable resources. I believe we've failed to use the fund imaginatively to diversify and strengthen Alberta's economy, and we now have a provincial Treasury dangerously based on the trust fund fixes. We expect it will have to go into it more and more if we do not diversify the economy.

The Bill I'm talking about, Bill 206, the Alberta Development Fund Act, really attempts to bring us back to the original principles of the heritage trust fund, Mr. Speaker. We're looking for and expanding principles that were originally embodied in the creation of that trust fund. One of the things we suggest in this is the devotion of a substantial proportion of the province's nonrenewable resource revenues to the fund. That's in section 3, Mr. Speaker. We also suggest the return of the fund's investment revenue to the

fund in section 4. We suggest the use of the fund "to strengthen and diversify the economy of Alberta." That's in section 6(1)(b).

Admittedly, Mr. Speaker, we have gone beyond the original trust fund concept in several important respects. We've made this point many times in the Legislature, and I expect we'll hear it many times more. It seems to us that one way to help the economy now, and also to diversify it through the small business sector and bring agriculture back to at least some of the stature and prosperity it held at one time, would be to have this development fund allow the granting of long-term, low-interest loans to individual Albertans in three areas: farmers, small-business people, and homeowners. That's in section 6(1)(a).

Mr. Speaker, I know all the arguments. I've heard them before — that it will dry up the credit and the banks will not deal with Alberta and all the rest of the things. But the point is that this is nonsense. We've had these things and they work. They would stimulate the economy faster than almost any way we could do it. I make the point that it wouldn't give the trust fund away; it's money that would come back into the trust fund. It would help Albertans to help themselves become successful. Surely this government can't ...

AN HON. MEMBER: Giveaway.

MR. MARTIN: The little member from Edmonton wherever says "giveaway". He doesn't understand low-interest loans. Maybe the Member for Barrhead will tell him. I know he's a little young for the Legislature; maybe he will understand it then.

The other thing we suggest in the Bill is an investment committee overseeing the operations of the fund, which would be much more democratically constructed than it is now, Mr. Speaker. We're suggesting representation from the legislative opposition. I know that's heretical, but it seems to me that, as small as we are, we were still elected the same as anybody else. It seems to me it would be a good debate to have. The government members would still have the majority on that committee, as they should have, and nobody would argue with that. I'll be coming up with another Bill, which I know members will be on the edges of their seats waiting for, for our economic council, and of course they would also be involved in that.

Mr. Speaker, one of the key things in the Bill is that the Legislative Assembly would have final approval over all major loans from the Alberta development fund. It seems to us that one of the rules of British parliamentary democracy is that the parliaments and the legislatures are supposed to control the purse strings. I thought I learned that in school. But in many areas in the heritage trust fund that's just not the reality.

I'm glad that the hon. Member for Barrhead is here. He heads up the committee and does a good job; even I have admitted that from time to time. I just wish they would listen to him a little more. Mr. Speaker, the legislative committee which would review the operations of the fund every year would have much more power and would be required to hold annual public hearings on the use and operations of the development fund. Being the kind person I am and always thinking of my fellow human beings, I wanted to help out the Member for Barrhead. I think he'd do an excellent job on something like this.

Admittedly, the Bill will not by itself ensure the emergence of a resilient, diversified, and stable Alberta economy.

AN HON. MEMBER: Agreed.

MR. MARTIN: That's good that somebody agrees, but it would sure go a long way. There are two other elements needed, Mr. Speaker, and this is where I think it breaks down. The Member for Red Deer is with me right here on this. We need an activist government committed to the progressive fostering of such an economic base in the province; in other words, a government with the political will to get the job done as envisaged by the Foster report, to take some risks and some chances. We also need an independent source of ideas and evaluation through which all sectors in the Alberta economy can bring their considerations to bear on public economic policies.

MR. COOK: The PC caucus.

MR. MARTIN: PC caucus. I just about had a heart attack when you said that.

Mr. Speaker, it may come as a shock to the Member for Edmonton Glengarry that all the great thoughts in the world do not emanate from this dome, that other people have ideas.

MR. COOK: I'm shocked.

MR. MARTIN: As shocking as it is, it's true. That's why we would have an Alberta economic council. Mr. Speaker, we will have the opportunity to debate that in two weeks. If the Member for Edmonton Glengarry wants to come, I'll even bring Laxer along for him so he can straighten him out a bit.

MR. COOK: Please do.

MR. MARTIN: Mr. Speaker, this is a serious proposal, and the Member for Edmonton Glengarry will find out how serious a proposal it is after the next election. We advance that and say quite frankly and sincerely that the Alberta Heritage Savings Trust Fund as originally conceived was a commendable attempt to establish a framework within which the provincial government could pursue legitimate economic development goals. [Mr. Cook and Mr. Szwender left the House] Look, there they go, the Bobbsey twins. Come on back. I thought they might get into it.

Mr. Speaker, the current government, frankly, has failed badly to use the potential of the fund to achieve any perceptible economic diversification. I've already gone through the figures on that. In fact, as I mentioned, two years ago they were forced to alter the fund's very nature by slashing the nonrenewable resources revenue, going to the fund and cutting it in half, and appropriating all the fund's investment income to general revenues because of the complete failure in diversification.

Mr. Speaker, being always the optimistic person I am, and with confidence beaming out of us over here in the opposition, feeling good and positive and all the things that they want us to feel, we fervently hope and believe there is still time to return the fund to its original purposes. We just want to help the government out, to bring it back to the times when they believed in the heritage trust fund and to augment these purposes in a constructive and progressive way.

AN. HON. MEMBER: Sounds like Moses.

MR. MARTIN: No, hon. member, I'm not Moses, just an Albertan with some common sense; that's all. If that's Moses for this government, then they're really in big trouble.

Mr. Speaker, we believe there is still time to implement a real economic diversification program in Alberta. There is still time to help Albertans who are facing difficult times. And I say frankly to government members that Albertans do not understand why their own heritage trust fund that we hear so much about cannot be used to diversify the economy and, in particular for low-interest, fixed loans to the three groups I've talked about, to help Albertans to help themselves become successful. People are asking those questions.

Mr. Speaker, the Alberta development fund is a tool whereby government committed to Alberta and Alberta's real economic development could use the time remaining — unfortunately, it grows shorter every day — to aid in the construction of a stable, diversified, and resilient provincial economy. The purpose of Bill 206 is to start to forever rid this province of the curse of boom-and-bust anarchy. I know the government members have now seen the wisdom of what we're advancing, and I wait to hear them stand up and praise this Bill.

Thank you.

MR. DROBOT: Mr. Speaker, in rising to speak on Bill 206, which is before us, I have to ask myself: why replace what is already a very successful program? Since 1976 the heritage fund has proven its worth. As we farmers say, if the machine ain't broke and working beautifully, why in heck take it apart? The Conservative government has developed the heritage trust fund to save for the future, to provide supplementary income, to strengthen the economy, to improve the quality of life in Alberta, to provide hospitals, senior citizen services, education, and health services, and to make all of Alberta grow and prosper. Heritage fund programs have been very sensitive to their economic consequences. Capital projects are built when need is demonstrated. On all these counts the heritage fund has been a success.

Bill 206 would create an Alberta development fund, but what is its goal? To interfere in the economy, to increase taxes, and to require that all capital projects be funded through the General Revenue Fund. These are very dubious goals. Interest shielding has been introduced only for specific time periods and specific sectors. The Alberta Opportunity Company, the Agricultural Development Corporation, Alberta Home Mortgage: all these act as a lender of last resort. These programs recognize that Albertans receive government assistance without damaging the private sector.

The Bill 206 development fund has no sensitivity toward the private sector. Forty percent of provincial resource revenues would be used to have Crown corporations and Crown lenders unfairly compete with private-sector business. On the government side, where do we make up all that lost revenue? On the private-sector side, you might as well pack up and leave. You can't compete against government.

Mr. Speaker, since 1976 the heritage fund has evolved into a very effective and useful tool for development: \$10 million in workers' health and safety grants, \$100 million in scholarships, \$9 million in library development, recreational facilities and parks, cancer and health research, hospitals, oil sands recovery, housing projects, senior citizen projects, Farming for the Future, irrigation, food processing, the Prince Rupert terminal, grain hopper cars, reforestation, land reclamation. The list can go on and on, but the point has been made. These are programs that help all Albertans

and, most importantly, make provision for future Albertans. Bill 206 with its ill-conceived fund would drastically change all this. It would see government money used to a much longer and larger extent to compete with private-sector initiatives.

On a final note the NDP development fund proposes that an investment committee be struck, to be composed of members from cabinet, the opposition, and the proposed economic council. This proposal would slow down the decision-making process and transfer some of the legislative control from elected individuals to members appointed to the council. With the current numbers in the Legislature the proposed development committee would be composed of five government, four opposition, and four economic council. With this level of opposition, it's easy to understand and to guess who sponsored Bill 206.

Mr. Speaker, the public is generally very pleased with the heritage fund. The heritage fund has proven its effectiveness while maintaining its assets. It provides economic stability and long-term benefits. I urge members to continue to support an innovative but well-thought-out concept, the Alberta Heritage Savings Trust Fund. This can be done by voting against Bill 206 and the proposed Alberta development fund.

Thank you.

[Two members rose]

MR. SPEAKER: I believe the hon. Member for Lacombe caught my eye first, followed by the hon. Member for Spirit River-Fairview.

MR. R. MOORE: Mr. Speaker, in rising to speak to this Bill sponsored by the hon. Leader of the Opposition, I feel confident that the Alberta Heritage Savings Trust Fund can compare very favourably with the Alberta development fund. The proposed Alberta development fund is foolhardy to say the least, ill-conceived, and could have disastrous economic effects, while the heritage fund has proven its worth since 1976. There are numerous helpful programs, outlined by my colleague speaking ahead of me, that have assisted thousands of Albertans. The heritage fund is self-sustaining and continues to grow. It is a long-term source of strength for this province.

The proposed Alberta development fund would receive 40 percent of the province's nonrenewable resource revenue. For the 1985 budget year this would have been \$3 billion that would have to be found somewhere, either through taxes, cuts, or deficit spending. I might note that the socialists love deficit spending. It's one of their key economic planks as outlined by their fearless leader, Mr. Broadbent. Whether these revenues were raised through corporate income or sales tax, the removal of business incentive programs, or cuts in provincial programs, this is a significant amount of money that would be lost by the private sector and private individuals.

From 1976 to 1982 the heritage trust fund received 30 percent of resource revenue. In 1983 the transfer was reduced to 15 percent. Since September 1982 all the investment income earned by the heritage trust fund has also been transferred to the General Revenue Fund. The reason for this reduction was clear: the rainy day had come. That's what this fund was set up for. It was there. The heritage trust fund was used to maintain our province's favourable tax environment and credit rating.

Despite recent difficult economic times, Mr. Speaker, Alberta pays only .95 percent, less than 1 percent, of our general revenue for debt servicing. Bill 206 would drastically change this favourable situation. They would like us to follow the red Liberals, their friends over the past few years in Ottawa, who put us in a position where 34.6 cents out of every dollar goes to financing the debt of the country. No wonder the socialists want a program like this. They'd go right along with their Liberal friends.

The NDP's Alberta development fund would raise the percentage of resource revenues directed to the fund to 40 percent. This means that only 60 percent of the resource revenue would go into the general budget. Somehow we would be asking the general budget to do more with less revenue.

The Alberta development fund is a result of public hearings held by the NDP in 1981. They maintain that the public-sector fund will be used to, number one, regain control over areas of the economy. That's a great socialist deal. They can't stand to see the private sector out there doing it; they want to get control of it into the government. That's the socialist theme. More power to them, but it certainly isn't the way I look at it.

Number two, support activities that bring long-term economic strength. I imagine that was one of the things we heard when we were going to nationalize, or whatever they called it, the oil industry, and we brought Petro-Canada into it. That's their goal. It's not mine. I don't think it's Albertans' position either, Mr. Speaker.

Number three, diversify our tax base, increasing corporate taxes to decrease personal taxes. That's a good one. It's the same old socialist theme: bring the rich down to the level of the poor. That isn't my philosophy. My philosophy is bring the poor up to the rich and give them every chance to make it up to the rich.

Number four of their fund's objectives: capital projects would be funded solely through the General Revenue Fund. Great. We'd pay for all this out of the General Revenue Fund. More taxes, taxes, taxes. They don't care. The NDP never produced a dollar in their life. They've always been on the spending end. They don't know what it's like to go out there and earn that dollar that pays the taxes that pays into the general fund that gives us what we have today, Mr. Speaker. But it's great.

Once again the NDP demonstrates a willingness to intervene for intervention's sake. Bill 206 would give us 100 percent publicly owned utilities, government equity participation in enterprises receiving government loans, and public loans unfairly competing with the private lenders. Imagine, if you can, the oil and gas sector's reaction to the news that Alberta Energy would be converted to our own little Petro-Canada backed by provincial royalties. What a way to encourage drilling, Mr. Speaker. It's the way our Alberta socialists would re-create the economic climate of the Liberal days. Do Albertans want that? I ask you, Mr. Speaker: do Albertans want to go back into that era? That's exactly what they would like us to do.

Imagine, if we can, the private lenders' and banks' enthusiasm at hearing that they will compete with credit union and Treasury Branch loans that will be made easily accessible and well below market rates. Haven't we learned from the 1930s? I'm glad the Leader of the Opposition referred to this in his little words. We've learned something from the 1930s. The Socialists decided they could place Alberta in some sort of artificial bubble and dictate policy to the private lenders. It took us decades, Mr. Speaker, to

recover those lost pools of credit, and now we have the NDP playing the same game. Just ask your born-again Socreds sitting in the opposition about the chaos created back then. They can tell you it was chaotic. I don't hear them advocating that we go through this exercise again. But the NDP do. They may be schoolteachers, but they didn't learn their history, or they didn't read that section of history.

Interest rate subsidization on a massive scale is economic disaster. I've always said, and my colleagues know I've always said, that subsidization for short-term gain is long-term chaos. Interest shielding must be used for very specific circumstances and very specific amounts of time. Subsidization should not be used as an end unto itself.

The heritage trust fund has always provided low-interest rates for a very specific purpose. The AOC, the ADC, and the AMHC have always operated as lenders of last resort. I'd like to underline that, Mr. Speaker: lenders of last resort. In this way, the heritage trust fund programs developed their own place in the lending world. They filled a void and a need not serviced by conventional lenders.

It was interesting to see that Bill 206 would have all capital projects funded through the General Revenue Fund. Mr. Speaker, this would mean that \$1 billion of the heritage trust fund capital works projects would either not be built or be financed through other routes. I would love to see the Leader of the Opposition on the steps of the Legislature telling those construction workers that are out of work that capital construction would be limited to the money that's immediately available from the general budget. I would like to see him out there. It would be a happy day. The General Revenue Fund would be receiving less resource revenue, 60 percent instead of 85 percent, yet we would be asking it to do more. I wonder how the leader ever balances his bank book. On the other hand, I guess I know how he balances it. He actually practises his Ottawa leader's plan: keep spending money you don't have, don't worry about the debt, and saddle future generations with paying for it.

In conclusion, Mr. Speaker, the heritage fund has proven its worth. If there is a problem, it is getting the necessary information to the public on the enormous benefits we have derived and will continue to derive from it. It has helped every Albertan and will continue to help future Albertans. Mr. Speaker, I urge members not to support this disastrous Bill 206.

MR. SZWENDER: On a point of privilege. I listened with great intent to my esteemed colleague's words. They were extremely well taken, although I would like to make a slight correction to his comment with reference to schoolteachers.

MR. SPEAKER: Possibly that could wait until the hon. member is in possession of the floor.

MR. GURNETT: Mr. Speaker, it's a real joy to stand up after listening to the Member for Lacombe and to try to address some of the misunderstandings that exist about Bill 206. I was happy to see the member recognize in his statement that more power is in fact going to come to the New Democrats, and I think the practical evidence of that will be there after the next election.

I'd like to take a few minutes, Mr. Speaker, to particularly address some misunderstandings about the intent and the effects of Bill 206. I think my colleague has addressed very well the case for the Alberta development fund and the contribution it would make to this being the kind of province

all of us know it has the possibility to be. He has also addressed very well the distortions and twisting of the original very healthy intentions of the Alberta heritage fund that have taken place over the years and that have sidetracked it from what it was really intended to do. But there are some points that have been raised in objection to the Alberta development fund, both this afternoon in debate and in the past when we in the official opposition have referred to the development fund. I think it's worth fully understanding so that some members will feel more able to support it than others are right now when they misunderstand these things.

One of the points relates to the idea that somehow the Alberta development fund is going to result in a massive giveaway of the heritage fund, that somehow the heritage fund would be gone if it were used in this kind of way, that we would lose this valuable capital pool. I just want to point out, and I think it's a very simple thing to understand, that taking that position is a very strong lack of confidence in the people of Alberta, because the uses we're talking about for that capital that would take place through the Alberta development fund are uses that would in fact return money to the Treasury of this province. The loans that went out to people and the equity investment in small business in this province would result in money being earned for the province. So we're not going to see the heritage fund, if it were re-created as the Alberta development fund, shrivel away gradually until nothing is left and we've shown ourselves wasteful of this thing. Not at all.

Another very serious issue that's been raised is the fact that we're told the idea of the Alberta development fund is unworkable for various reasons. Perhaps because there wouldn't be nearly enough money to meet the demand for loans or because there would be some kind of run on the Treasury Branches, everybody would want one of these new loans, we couldn't possibly begin to accommodate the need for money, and nobody would bother going near the banks again. That misunderstanding was also addressed in part yesterday in comments the Provincial Treasurer made when he was speaking about estimates. Let me quote some statements from yesterday:

There is probably... \$45 billion a year loaned by financial institutions to Alberta individuals and companies during the year... no one would borrow any money from any of the other institutions.

The heritage fund, at a figure of \$11 billion — of course, that's not liquid funds — is only a quarter of what Albertans borrow in any one given year.

That \$45 billion figure is an interesting one, and it relates to this concern that somehow the available capital in the heritage fund is totally inadequate to accomplish the kind of things we're talking about with the Alberta development fund. In fact, my research says that the total assets of the various financial institutions of Alberta in 1982, which is the last year I was able to get figures for, were as follows: chartered banks, \$42.7 billion; mortgage loan companies, \$3.2 billion; trust companies — and there were more of them in 1982, of course — \$5.4 billion; the Treasury Branches, \$2.8 billion; and credit unions, \$2.3 billion, for a total of \$56.4 billion. That \$56.4 billion represents the total assets of all these financial institutions in 1982, not just the loans they made that particular year but their total loans outstanding as well as whatever other assets they might have in the way of buildings, typewriters, pencils, and various other things like that.

The Economic Development department's own publication, *Alberta Industry & Resources 1984*, shows that the

chartered banks operating in Alberta in 1984 had total assets of \$43.1 billion. That included \$15.8 billion in all business loans and \$4.7 billion in all residential mortgages. So I think the figure being talked about is significantly higher. If we understand the real scale we're looking at, then the ability to go a significant way in meeting the need amongst ordinary borrowers for funds for home buying, supporting a small business, or operating or beginning a small farm becomes much more reasonable. By the way, no one is suggesting that the Alberta Development Fund is going to take over the entire loan business in this province. So the figure we're looking at is much more reasonable.

What we've tried to make clear with the Alberta development fund, as long as the idea has been talked about, is that the idea of low-interest, fixed, long-term loans would be selective. It would be targeted specifically to people buying homes, to farmers, and to independent businesspeople who need financial assistance and would benefit from getting it in this particular way.

Of the \$17.6 billion the chartered banks had out in Alberta in business loans in 1982, only \$5.7 billion was in loans that had a value of \$5 million or [less]. Even this ceiling, I think, is much higher than anything we would particularly envisage being eligible for Alberta development fund lending. We wouldn't feel particularly compelled to lend development fund money, in the way we're talking about through fixed, low-interest loans, to homeowners like Peter Pocklington or Charles Allard, and we wouldn't feel particularly required to make the same kind of fixed, low-interest loans to farmers farming 15, 20, and 25 sections.

We're talking about a simple point. Through careful public administration developing guidelines for the Alberta development fund, this money would be made available to those people who would obviously and practically benefit from the money. Mr. Speaker, we're not talking about introducing people like we find around us on the average street, in the average neighbourhood, in the average farm district in this province. We're not talking, with the same kind of cheerful abandon that characterized the spending spree of this government's oil and gas recovery program, about simply giving money away. We're talking about a carefully thought out development program that would make money available to those who would benefit from that money.

The speaker before me also referred to the issue of the Alberta development fund resulting in greatly increased taxes for people in this province. I think that's a very important area. Some information should be made available, both to members here and to people in this province, about what's really happening with taxation. I hope members will bear with me as I remind you of a few facts and figures that should embarrass all of us. In 1981, Mr. Speaker, 52 Albertans with incomes in excess of a quarter million dollars paid no income tax at all. In 1981, 300 Albertans with incomes in excess of \$100,000 paid no income tax at all. That is 20 percent of all of the people in that income tax bracket who paid no income tax. In 1981, 1,824 Albertans with incomes in excess of \$50,000 paid no income tax at all. So now we can see that there are some obvious problems with personal income tax in this province.

AN HON. MEMBER: Only in Alberta.

MR. GURNETT: In fact, "only in Alberta" becomes painfully true when you realize that of all the people filing income tax returns for earnings of \$40,000 and above, only 9 percent were Albertans, yet amongst the group that ended

up not paying any income tax, 21 percent were in Alberta. Certainly, the advantages are there for people in Alberta.

There are some similarly unpleasant realities for the average taxpayer about corporate income tax as well. The average taxpayer wouldn't be very happy to know what's happening with personal income tax, that those that have don't pay and those that have much more modest incomes end up carrying a heavier burden. The same thing . . .

MR. SPEAKER: I hesitate to interrupt the hon. member. Certainly, I wouldn't want to be too restrictive. I know the rule of relevance is a very difficult one to apply, but I have some difficulty in relating the discussion of income tax, howsoever important it may be, to the advisability or not of setting up a sort of investment corporation.

MR. GURNETT: On a point of order, Mr. Speaker. Some of the previous speakers have suggested that the ability of the fund to function the way we're proposing in the Bill is hindered by the fact that it would cause massive tax increases in the province, and I'm suggesting that, in fact, that would not be an effect of the Bill. Thank you.

In view of the time, I won't review in detail the figures about corporate income tax, Mr. Speaker, but we see a similar kind of situation with corporate income tax in this province. That can be supported using figures from the Alberta public accounts. In 1983-84, for example, the corporate income tax system paid out \$151 million more than it took in. I think that kind of situation is very disturbing. So there's a great deal of room to manoeuvre with the tax system in this province. As we instituted a fairer tax system, there's no question that the kind of apprehensions some members have expressed about the Alberta development fund resulting in greatly increased taxes would be laid to rest.

Mr. Speaker, right now the capital we have available in the heritage fund that we're suggesting be used in the Alberta development fund represents income from nonrenewable resources that belong to the people of this province, not particularly to the government. The government, however, is responsible to use that capital for the greatest good of the people in this province, to be involved in a creative stewardship of that money. That's what has not been happening with the heritage fund. We must now look at a forward-looking way of creating a long-term economic base in this province that would free the province from the boom-and-bust cycle that's hurt so many families over the past few years and also from the continual export of our raw materials and, instead, develop a healthy provincial economy that is diversified and strong.

Instead of responding too late and too inadequately to situations, this government, by instituting an Alberta development fund, would demonstrate real leadership and would create an environment where heavy-handed government meddling to apply bandages because of damage that's been done would be eliminated. We'd have fewer of these kinds of emergencies that require that kind of government behaviour, and we'd have creative, solid leadership instead, Mr. Speaker. I think it's much more exciting to envisage an Alberta where ordinary Albertans have the chance to know some real stability in their life-style, to get on with the kinds of occupations they'd like to get on with, and to develop the kind of communities they'd like to develop than to have to continually depend on emergency intervention.

Mr. Speaker, in view of the hour, I will adjourn debate on this topic. There are many more things that could be

said in support of this, one of the most exciting Bills before this Legislature, but I'll adjourn debate there.

MR. SPEAKER: The hon. Member for Spirit River-Fairview has moved that the debate be adjourned. Is it agreed?

HON. MEMBERS: Agreed.

MR. SPEAKER: It is so ordered.

MR. CRAWFORD: Mr. Speaker, the Assembly will be in Committee of Supply at 8 o'clock this evening to consider the estimates of the Department of the Environment and, if there is time after that, the department of energy. I therefore move, Mr. Speaker, that the Assembly adjourn until the Committee of Supply rises and reports.

MR. SPEAKER: Is it agreed that when the members return at 8 o'clock, they'll be in Committee of Supply?

HON. MEMBERS: Agreed.

MR. SPEAKER: Do the members agree with the motion by the hon. Government House Leader?

HON. MEMBERS: Agreed.

[The House recessed at 5:30 p.m.]

[The Committee of Supply met at 8 p.m.]

head: COMMITTEE OF SUPPLY

[Mr. Appleby in the Chair]

MR. CHAIRMAN: Would the Committee of Supply please come to order to continue our study of the 1985-86 estimates.

Department of the Environment

MR. BRADLEY: Mr. Chairman, I thought I would start out tonight by giving a brief overview of some of the activities in the department, some of the things the department has been involved in and will be involved in over the next year, some of the accomplishments, and where we're at in terms of environment in the province.

First of all, with regard to water quality, I think I've mentioned before in the House that the department is involved, through the assistant deputy minister, Mr. Primus, in the review of Canadian drinking water quality guidelines. This was initiated by Alberta at the meeting of the Canadian Council of Resource and Environment Ministers in 1983. This task force is chaired by Mr. Primus, the assistant deputy minister of environmental protection services. It is undertaking a review and inventory of the water quality criteria and guidelines used by governments throughout Canada. It's identifying emerging issues in the area of water quality, and it's assessing the ability of current criteria and guidelines to deal with these issues.

It's a very important area which the Canadian Council of Resource and Environment Ministers has undertaken. It's

important to all Canadians and particularly Albertans. We're pleased to have initiated this review, and the task force will continue its work. There was a report at the last meeting of the environment ministers last fall. We'll continue this very important work with developing new guidelines. It takes some time to review all the different criteria and substances which may be in water and come up with a new set of guidelines. The task force is expected to report in 1987.

This evening I also want to talk a bit about the report done by the Canadian Nature Federation, which was basically a report card on environmental and conservation agencies across Canada and ranked the provinces. Alberta placed second overall across Canada in terms of the report card which the Canadian Nature Federation prepared. In the area of pollution control, Alberta was rated the highest in Canada on the basis of the amount of dollars that had been expended per capita on pollution control equipment. Ontario placed second. They were way down the list in terms of expenditures.

One of the areas in which the province has been involved, previously this department and now the Department of Utilities and Telecommunications, is in the development of the Edmonton regional sewage treatment plant. This is a very important system in terms of the ongoing water quality in the North Saskatchewan River. A number of municipalities will be hooking into this system. It's anticipated the final cost of this system will be around \$146 million, a very considerable expenditure by the province to assist municipalities and to improve the quality of the water in the North Saskatchewan River.

I want to briefly touch on the topic of acid rain. It should be noted that we have an ongoing research program with regard to that in conjunction with the federal government and the other western Canadian provinces of Manitoba, Saskatchewan, British Columbia, and the Northwest Territories. It's entitled the long-range transport of atmospheric pollutants. It's a major research effort by the western provinces to give us continued information on the effects of acid rain in western Canada. It's really the major effort that we are taking to ensure that we have adequate information so that we can prevent the types of problems that have happened in the eastern part of the country.

As members are aware, the provinces east of the Manitoba-Saskatchewan border have adopted a guideline of reducing acid rain or wet sulphate deposition rates to under 20 kilograms per hectare annually. The average over the last five years in Alberta in terms of wet sulphate deposition was around 10 kilograms per hectare, which is one-half the target to reduce the acid rain emissions to in eastern Canada. In the most recent year we have information for, the actual level of wet sulphate deposition in Alberta was eight kilograms per hectare, so we're well below the national guideline. We're going to continue our efforts in terms of research in this important area in order to ensure that we prevent the problems that have happened in other parts of the country.

In terms of the efforts that are being made in the eastern Canadian provinces, Alberta is participating in a low sulphur coal task force, which is looking at the use of western Canadian coals as a pollution abatement measure in terms of the acid rain which is caused by coal-fired generating plants in eastern Canada. That's ongoing; I anticipate that there will be a report from that coal task force to the federal minister, me, and the minister of Ontario sometime towards the end of June of this year.

Also with regard to the problems of acid deposition, we have a very ambitious research program going on under the acid deposition research program, which is jointly funded by industry and the provincial government. It was estimated to be an eight-year program with some \$8 million expended over that period. There are two components to the research program: a biophysical component and a human health component. For the biophysical program we've selected a prime research contractor, which is really a joint venture involving an Alberta-based private-sector environmental research consultant, Western Research, and the Kananaskis Centre of the University of Calgary. The first phase of the biophysical research contract, for some \$2.9 million over 32 months, has been initiated to provide an inventory of sulphur oxide and nitrogen oxide in Alberta, air quality assessments, and initial assessment of the potential impacts on the environment of acid deposition in Alberta.

Also under the acid deposition research program, under the human health subcomponent a medical diagnostic review of health concerns in the Twin Butte area is under way. The program design for that has almost been completed, under the direction of an international, independent scientific advisory board chaired by Dr. Benjamin Burrows of the University of Arizona. An announcement regarding the selection of the principal investigator for this medical diagnostic review is expected shortly. I should note that this aspect of that program is under the Department of Social Services and Community Health in terms of funding, but it's being done under the auspices of the acid deposition research program overall. There is going to be a public announcement on May 1 as to the principal investigator for this very important study.

Also under the acid deposition research program there has been the establishment of a public advisory board with representatives from agriculture, health care, environmental groups, municipal districts and counties, and the general public. It's a very ambitious program in terms of looking at the long-term effects of acid deposition in the province of Alberta.

Mr. Chairman, I want to also review this evening another aspect of the budget of the Department of the Environment, the Alberta Environmental Centre. There is some \$11 million spent annually there in terms of different programs. I think it's a unique approach perhaps in North America, perhaps the world, in terms of environmental research from an interdisciplinary approach. There are two aspects to the centre. One aspect is service-related; the other aspect is the applied research which is conducted there.

There are a number of services provided. The centre provides to about 20,000 Alberta citizens every year analytical and diagnostic services in several areas, from water samples to air samples, plant diseases, insect, weeds, soil, and pesticide samples. The Alberta Environmental Centre also serves as Alberta Agriculture's northeastern Alberta regional crops laboratory. The centre provides courses in pest control to district agriculturists and conducts Alberta weed inspectors' courses. The centre also provides calibration of air monitors and analysis of precipitation, water and soil samples, and other sampling, which was done for the recent Lodgepole blowout incident. It also provides a 24-hour response time analysis service for drinking water problems in the province. In addition to that, in the service side it provides chemical analysis for pollution emergencies and incidents. For example, the samples which were taken at the Kinetic Ecological Resource site in the water courses were done by the Alberta Environmental Centre — very

quick response time in terms of getting the turnaround and back to us.

On the research side, there have been some important things done by the centre. The centre was involved in looking at how to control an insect outbreak at the Muttart Conservatory here in Edmonton, and through the biological facilities at the Alberta Environmental Centre we were able to come up with a biological control agent rather than using chemical or pesticide sprays to control the insect outbreak there.

The centre has also carried out a survey of heavy metals, polychlorinated biphenyls, and 43 other pesticides in fish from all the major rivers in the province. No concerns were identified except for slightly elevated mercury levels in walleye, pike, and goldeye in a few of the rivers in the province. Those results are well known and have been discussed in the Legislature.

One exciting area in which the centre is involved is in the development of magnesium oxide process to remove sulphur dioxide emissions from sour gas plants — tail gases. This is a very exciting initiative by the centre and may result, if there is proven commercial technology there, in a new method in terms of the cleanup of tail gases from sour gas plants. The scrubbing of the gases results in a saleable product which would also have a market. So we're looking forward to further development with regard to this magnesium oxide process.

There's been developed at the centre in Vegreville an inhalation toxicology facility, which has just been commissioned and will be doing inhalation toxicology research on hydrogen sulphide and sulphur dioxide. Another area of research at the centre, which is being conducted on behalf of the Fish and Wildlife department and the Fur Institute of Canada, is a program with regard to research on humane trapping. Finally, the centre is involved in an international study looking at solidification as a means of neutralizing special and hazardous wastes.

I'd now like to turn to a development that is taking place in the constituency of Wainwright. The department is funding the municipalities there, the town of Wainwright and surrounding municipalities, on an incineration facility research project to deal with solid wastes of that municipality. Normally, the province is involved in funding regional sanitary landfills for the disposal of wastes in municipalities and surrounding municipal districts or counties. In this case we funded the town of Wainwright and their surrounding municipality with an incineration project, which will provide us with some valuable information in terms of looking at incineration as an alternative in waste management in the rural areas of the province. It's a very exciting research project and is now in the finalization stage in terms of the construction of it.

Finally, Mr. Chairman, I'd like to turn to the special waste management program in the province, which has been developing over a number of years, and give a brief overview to the committee of where we're at and where we've come over the last number of years. In 1979 there was a proposal for a special waste management facility to be located at Fort Saskatchewan and, later, one to be located at Two Hills, which ran into considerable opposition by citizens in the area. Because of the opposition and concern which was expressed with regard to the siting of these special waste management treatment facilities, the province placed a moratorium on all off-site treatment facilities for hazardous waste in Alberta and in that year, 1979, appointed a Hazardous Waste Management Committee to review where

we were at with regard to a program to handle this type of substance in the province.

In 1980 the report of that Hazardous Waste Management Committee was referred to the Environment Council of Alberta. There were public meetings held across the province by the Environment Council of Alberta, and hearings were conducted by them with regard to this important subject. In 1981 the Environment Council reported with their recommendations after having gone across the province. The province then set up a siting committee, known as the Hazardous Waste Implementation Team, and it went on a series of provincewide meetings to look at the siting and how you go about siting a facility to treat special hazardous waste in the province. In 1982 the siting committee reported to us as to how to proceed. There were five municipalities in the province who expressed very serious interest in having a special waste management facility located in their jurisdictions. Plebiscites were held in those five municipalities. Also in 1982 requests for proposals went out to the private sector requesting their interest in developing an integrated treatment facility to handle special waste in the province. There were 19 companies which expressed interest at that time. Also in 1982 amendments were introduced to the Hazardous Chemicals Act in the Legislature, and there was an Act passed in the Legislature to establish the Alberta Special Waste Management Corporation.

What was envisioned at that time was that we would have an Alberta Special Waste Management Corporation which would have the responsibilities for implementing a special waste management system but that there would be a single treatment facility and the treatment facility itself would be run and operated by the private sector with the necessary oversight of that facility by the Special Waste Management Corporation. So we have a Crown corporation overseeing what was going on, implementing the system with contracts to the private sector to handle the various facilities and components.

Nineteen eighty-four was an exciting year in terms of special waste in the province. We were able to announce in March of that year the site location for a special waste treatment facility at Swan Hills. In April we proclaimed the Alberta Special Waste Management Corporation Act and in June appointed members of the corporation. Last November we introduced amendments to both the Special Waste Management Corporation Act and the Hazardous Chemicals Act, further refining the role of the Alberta Special Waste Management Corporation, providing in that legislation that the corporation would have the exclusive right in terms of the handling and storage and disposal of special waste in the province or they could authorize contracts to private-sector individuals to handle components of that. It further strengthened the role of the corporation to deal with special waste in the province. Also, in December we signed a memorandum of agreement with Chem-Security to proceed with the development of the facility at Swan Hills. We are still negotiating with Chem-Security in terms of an operating agreement with them and the type of facility which will be put in place.

This March, Mr. Chairman, we proclaimed the amendments which we put into legislation last fall which provided for the storage of waste off-site in the province and passed the amendments which gave the Special Waste Management Corporation the ability to further have the control function in terms of what activities were taking place in the province with regard to storage.

We also have appointed a new Hazardous Chemicals Advisory Committee, which has broad representation from

various interest groups in the province, including the Environmental Law Centre, the Alberta Fish & Game Association, and the scientific advisory committee of the Environment Council of Alberta, to review the proposed hazardous chemicals regulations. Earlier, a number of groups had been requested to provide input in the first draft. We now have a new committee in place which will be reviewing the second draft of the regulations, a very important activity that we hope to be able to conclude in the not too distant future in terms of these regulations.

I think that gives the framework in which we have been operating in terms of special wastes in the province. With that, Mr. Chairman, I welcome questions from the members.

MR. GURNETT: Mr. Chairman, I have several questions about the estimates that I'd like to put to the minister and maybe some other things that we can come back to later. Initially I'm concerned about the figures I see proposed for the administration side of things, for the minister's own office and for the assistant deputy ministers. We see major increases in these areas. I have a concern that in a budget that isn't by any means generous in view of the importance of environmental issues in this province, it's a little surprising that those areas see fairly big increases while a lot of other areas that are important to the people in the province don't see the same kind of attention and commitment of resources. I'd be interested in what's happening administratively that means that some of these assistant deputy ministers are looking at increases of 22 percent, 146 percent, and 75 percent in their budgets.

When you go from those kinds of administrative increases and look at some of the figures in vote 2, that deals with pollution prevention and control, something that all of us who are involved with the environment in any way — who have streams or soil near us or are in touch with any of these kinds of things — have a much greater importance on, I see that in several areas of pollution prevention and control we've got cuts instead. In vote 2.4, pollution control is cut for municipal water and sewerage management. In vote 2.6, pollution control for waste management has a big cut. I think these are things we should be addressing very carefully, Mr. Chairman. A lot of the time municipalities end up being blamed for pollution situations and problems in their areas, yet the money isn't being committed to see what we can do to make sure these kinds of situations don't arise or are dealt with more effectively for the municipal areas.

In the land conservation area, vote 3, I'm concerned that again we see actually a very big cut of 18.6 percent in this whole area of land conservation. Environmental impact assessment reviews are especially suffering here. These are very important. The Environment Council of Alberta has indicated how important the preservation of our land base is. If we allow damage to the soil resources in this province, the land resources, it's something that can't be recovered within a few years or even, in many cases, a few generations. So it's something that has a serious priority as far as the attention that should be going to it.

As I said, I'm concerned especially that environmental impact assessment studies are apparently going to have considerably less money available to them in the year ahead. I'm wondering if the minister can confirm that they're still requiring that these environmental impact assessments be done in the way required by the existing guidelines. If there's less money available, I wonder if the assessments are being done more superficially than has been the case

in the past, and I wonder how they could continue to meet the existing guidelines and still see those kinds of cuts in their budget.

I'm concerned too, Mr. Chairman, when I look at the water resources management vote. Obviously, the importance of dams in this province comes across when you realize that almost half the total budget for the entire department is taken up by water resources. For example, last year we were told the cost of the Three Rivers dam would come from general revenue, and I'm wondering why there's not a budget item for the Three Rivers dam here. Are they going ahead with planning? Are they going ahead with site acquisition in connection with the Three Rivers dam? If so, how can that be happening if funds haven't been voted. I wonder where the money is going to come from for that particular dam project. I think it is important that people know, for example, what the cost of the land that has to be acquired for that dam is going to be so that we realize what kind of investment there is in the development of the Three Rivers dam. There's no money indicated either for the Paddle River dam, and I wonder about that.

Staying with water resources management, I'm very interested in section 4.4, under vote 4, and whether or not the minister could give us some estimate of the value and also the physical extent of the canal systems and headworks that the Alberta government now owns as opposed to what's owned by the irrigation districts themselves. I'm concerned when I look at section 4.4, Mr. Chairman, and see that project rehabilitation has a very small amount of money devoted to it. My understanding is that rehabilitation of existing irrigation systems is something that's relatively inexpensive and yet could result in significant savings as far as water that's lost or wasted water, and that the entire system could be considerably more efficient if that large amount of water wasn't being wasted in the system.

Then, Mr. Chairman, I'm concerned about the waste management vote. As the minister knows, that whole area of waste management is something we've been working on and talking a lot about in the past days. I continue to be concerned about the fact that we seem to be taking an approach with waste management that says that this is a legitimate area for private enterprise to be involved in in this province. I think there are areas where we should be encouraging more involvement of private enterprise and the government should be less involved than it has tended to be, but when we come to something like hazardous wastes, particularly the storage and disposal of hazardous wastes, I'm concerned that there's still this option for private enterprise to be involved there.

The implications and the effect of hazardous wastes in our environment are so potentially dangerous and still, despite the various people we've heard quoted in recent times, so largely unknown, especially in regard to their long-term impact, that I'm very concerned that we still are permitting private enterprise, which obviously is interested in making money and realizing a profit from what it's doing, to have any kind of significant role in this. I think we should be starting to see from our experiences with Kinetic and D & D corporation that there is certainly not a high priority put on the protection of the environment by firms like that, compared to their interest in simply getting on with a job that can tend to earn them some money.

I say that this is an important thing because I'm concerned that we're still not really being given a clear understanding of the danger of some of these substances in our environment. We've talked a lot in recent days about PCBs. As I was

saying earlier today in question period, some information has been given to us by the minister about some levels that some people are satisfied with and feel are safe. But PCBs are one of these things that I think we still don't know as much about as we need to know. The one thing we do know that has a lot of implications for us is that PCBs accumulate and that everybody is carrying a growing amount of accumulated PCBs around in their bodies.

I'd like to read a little from one other source that talks about PCBs. This is a book called *America the Poisoned* by Lewis Regenstein. He's talking about the toxicity of PCBs. This is what he says, just to make clear that there are still a range of viewpoints on this and that the position, for example, of the state of California, is not necessarily the final position about PCBs. He says:

It is impossible to know just how toxic PCB's may be to humans, since scientists cannot find a level of exposure in test animals that does not produce adverse health effects.

So in connection with some of the water testing that's gone on, we've heard that the levels are very low and that that should reassure us. But I note that this man says:

[We] cannot find a level of exposure ... that does not produce adverse health effects. Researchers ... [are] unable to find a safe level, and indications of carcinogenic and mutagenic effects have occurred at doses as low as one-half part per million, and even 25 parts per billion.

These are accumulated quantities inside a person.

A fellow that's quoted in this same book, Dr. James R. Allen, goes on and says:

There is no question that PCBs are a carcinogenic agent. And without doubt, high levels are transmitted through mothers' milk.

So we're faced with a situation where something like PCBs, that may be at a fraction of a part per billion in a particular stream, tend to accumulate and to build up by the time they go through increasing levels of the environment.

The effects of PCBs on human beings are pretty awful kinds of things too. This man goes on and describes some of the physical symptoms, the medical symptoms of PCBs. When we hear people telling us that we should not worry a whole lot about the levels, people should be aware of the kinds of physical effects that can result from exposure to PCBs. This goes beyond just the immediate and well-known danger of their carcinogenic effects.

I want to quote once more from this book, Mr. Chairman, in connection with the danger of PCBs in an accumulative way. This is what *America the Poisoned* says:

A major source of PCB contamination in humans is the eating of fish from lakes and rivers into which these substances have been discharged. Fish that migrate through, spawn, or live in waters containing PCBs quickly absorb the chemical, and it has been estimated that fish can accumulate as much as 9 million times the amount of PCBs in the water.

So we might have a level of .5 parts per billion or even .05 parts per billion in water, but when you realize that with the accumulative effect in fish living in that water you could have up to 9 million times that level of PCB accumulation over time, and that fish is then eaten, you start to see the potential of these very dangerous chemicals to send out an effect and a damage that goes far beyond the apparent and the immediate levels we see.

I think those are concerns that have to be kept in mind when we start looking at some of the proposals of this

government to deal with hazardous wastes in this province, proposals that would basically allow private enterprise to still have a significant role in dealing with these kinds of things. So I'm interested in what's happening with the Special Waste Management Corporation and the connection it's going to continue to have with private enterprise. I'm interested in the breakdown of the almost \$9.5 million that we're being asked to vote to the Special Waste Management Corporation. Obviously, a significant amount of that is for the building of the plant. I understand something over \$6 million of that is for the building of the plant. I'm wondering whether the over \$3 million remaining is operating funds, and if it is, what the justification is for over \$3 million for something like that when we've recently heard the minister tell us that the facility won't be operating in any significant way for another two or three years. It seems like a lot of money for them simply to begin storing some hazardous wastes there, perhaps by this fall, as we've been told.

I'm also concerned with the cuts that I see in vote 8, Mr. Chairman. The Environment Council of Alberta has done some very important work, and I see they're going to be looking at a cut of over 11 percent in their budget for the year ahead. I wonder if that's related to the fact that they don't hesitate to criticize some of the directions the government is taking with the environment and it makes it harder to effectively do that job if they don't have the money available.

So there are a lot of areas where I think the money we're voting to Environment is being reduced when it perhaps shouldn't be and is not seeing the kind of attention it should in some other areas. In the votes that cover research, I have a particular concern. Votes 5 and 6 both involve a fair amount of money that's going to research, and we really see no change whatsoever — I think a tiny, tiny overall increase — in the actual number of dollars being spent over last year. Yet as I said a little earlier, we don't have the information about many of the kinds of threats we have in the environment right now. I'm concerned that we're not dedicating any more significant amount of money to it. Certainly, there's a big percentage increase for a particular project related to acid rain or acid deposition investigation, but there are still very few dollars going to research in environmental areas. Some of that research is expensive and time-consuming.

It seems to me that we need to have a real commitment to protect the environment in this province by making a significant contribution here so that we can have some assurance not just that the environment will be safe and usable for us in the next few years but that our children and our grandchildren will have some assurance of having an environment that's as good as or preferably even better than what we have available to us now in all areas: in soil, in air, in water. I think we're still at a place where we could undo what damage has been done and could assure ourselves of an environment that wouldn't pose threats to us in the future. But week by week, month by month, and year by year, we lose that possibility if we don't make a priority of and a commitment to protecting our environment and investigating the implications of what we're doing with our environment. As the minister responds, I hope he will be able to indicate that the intention, particularly in the area of research, is to give it a higher priority than I see indicated by the amount of dollars that are being allocated to it in this budget.

As I said, there are a number of other issues related to environmental things. I'll sit down now and let some other

members that would like to pose questions do so as well and be able to come in a little later as the minister responds to those.

Thank you.

MR. LYSONS: Mr. Chairman, I would like to get into the Environment estimates tonight. I certainly appreciate the hon. Member for Spirit River-Fairview sitting down so that we can clear the air in here a little bit.

I have listened to a great deal of nonsense in the last few days when we've been dealing with the Environment budget. One of the things that has annoyed me more than anything else is the fact that when we get into the Department of the Environment, we have these political and media events where we have something such as PCBs being the focus and the highlight of the whole department. Like a lot of things, PCBs are certainly dangerous, but if you talk to the old linemen that worked around these materials, you'll find that they used to take the cover off the transformers and reach in there and work with this oil. I don't know of any who have broken out in great, god-awful sores or died of cancer from that, although it may not have done them any good. There are a lot of things we wouldn't do if we could see what we were doing, and I think every one of us has experienced some of those things.

Mr. Chairman, the question to the minister is: are we doing enough with our waste management to at least be improving all the time? It's not so much a question as to whether we have everything perfectly safe; we never will have. Regardless of how hard people try, you'll never have everything perfectly safe, but are we doing enough to simply improve our lot? It's one thing for a government, a province, or a country to have everything the best they possibly can by modern technology and modern science and modern handling, but when we have other countries in the world that are far larger, far more populous, and far more industrialized, polluting our rivers, streams, and oceans, is it really going to do us that much good if we are 100 percent? I was reading an article in the paper the other day about a country in South America where doctors went on strike, and they had 30 percent fewer deaths while the doctors were on strike. I think that has to tell us something.

We often hear of pollution and what we should do about it. Cigarette smoking — I'm a heavy cigarette smoker. I smoke a pack a day. That's pollution, and it's hard on my health. But I enjoy it, and I've got to die of something. I won't die of PCBs, because I've handled lots of PCBs in my lifetime. That didn't kill me, so maybe cigarette smoking will. But it's far more toxic, I'm sure, than all the PCBs I've ever handled.

I've burnt an awful lot of aspen poplar trees as a young man and as an older man. When you're out there with nice green poplar trees burning, you're sucking up an awful lot of these very deadly chemicals that we hear of that are creating acid rain and all this other good stuff. The hon. member from Spirit River-Fairview lives in an area where they're doing a lot of land clearing and so on. He would probably feel much safer in the city, because he's not sucking up all this terrible stuff that we do out on the farm.

I suppose what really annoys me is that we had an opportunity near my constituency where we could have had a hazardous waste plant that would have been reasonably close to the city of Edmonton, reasonably close to some of the greater population areas and industrial areas in this province, and because of the great hue and cry of people

and the politics involved in it, that plant was moved to Swan Hills. Now, I don't begrudge the town of Swan Hills or the community up there receiving this plant. But it seems to me that by placing that plant up there, and God knows we need a plant, we're costing industry a terrible amount of money, and that has to be passed on somewhere.

The hon. member said that government should handle all the wastes. Well, by God, if we had to have the government handle all the hazardous waste in this country, the two million-plus that are living in Alberta would probably all end up by working for the Department of the Environment. As much as these 10 people in the gallery — by the way, the score is 5 to 3 for Edmonton — as hard as they work, they don't necessarily get as much done as they would in private enterprise. You have to hustle a little more with private enterprise. Hopefully, some of this work could be done without the confines and restrictions of unions and the extra costs there.

Mr. Chairman, I would like to say that in my lifetime, I've seen things from absolutely no environmental protection to one of what I believe is adequate or, in some instances, better than adequate protection for our environment. We have to compete with the rest of the world. We are able to compete, but we're fast approaching a point in time when we're dealing with countries like China, where they've got a billion people. They're becoming industrialized, and they could care less about the environment. If you could have seen a little documentary a few weeks ago about some of the rivers in China and what they look like — that's what we're competing against. They're dumping that slop into the oceans willy-nilly — it's a socialist government, too, I might add — with no regard whatsoever and no idea of what they're doing. At least here, we've come from where I saw waste dumped into streams and sloughs and on bare land a few years ago to the way we handle this material now. I think we can be very proud of what our department has done for us and just how far we have come along. Certainly, as time goes on, we will improve. But we cannot improve if we make every spill of chemical a national issue. Sure, there are some frightened people, but that's life; that's absolutely the way life is. You're not going to have everything perfectly safe and without risk. There's a certain amount of risk associated with living.

As many people have said, if we could get a proper business attitude toward the handling of waste, where we could go into our towns and cities and into our country and pick up the waste and have it economical and handle it in a way that we can, as we learn the technology, and recycle a lot of this material — just in my own little business I have tires and paints and batteries and a few odds and ends of chemical, waste oil, and all those good things. What do we do with it? We have a little scheme going now where we can take our waste oil into a little plant, but that's just a drop in the bucket.

It's interesting that our little bulk-fill stations that we have in the country sell about 20 percent of the hazardous waste. When we consider that we've handled that in the country for years and years, and most of the people I know of in the country appear to be reasonably healthy and so on — Mr. Minister, I would certainly appreciate that you just ask your department to do the good things you're doing, but with moderation and respect and the respect that must come in having people that are in business, people in homes and everyone else, that we can survive and compete. Let's try to do it as well as we can but not to the point of absolute ridiculousness.

Thank you very much, Mr. Chairman.

MR. MARTIN: It's really fearsome to enter into the debate after that thorough and penetrating look at the environment by the Member for Vermilion-Viking. I'm sure anything I have to say will be disappointing after that, because he really did show us what it was all about here; no doubt about it, Mr. Chairman. But with all due respect, I will continue and ask some questions about the environment, if I may.

I'm sure the minister would be disappointed if we didn't take a look at some other areas at this particular time. I'm sure the minister is anxious to respond in more detail than we can in question period about the whole Kinetic area. Let me just say to the hon. member who wants to lecture about free enterprise that it seems to me we have a good example of free enterprise with what's already happened in the province with D & D. Is it free enterprise when we take in hazardous wastes and then Treasury bails them out? Is that free enterprise? We end up with the cost anyhow. So what's the difference, my hon. friend?

The point is that we have some difficulties. Hazardous wastes are not like another commodity that you can just say, well, it's there and we made a profit or somebody went bankrupt or it's the old Adam Smith law of supply and demand. There is no demand for hazardous wastes. That may come as a surprise, but in fact that's the truth.

It seems to me that we have some options here, Mr. Chairman. I really ask, as my colleague did, if dealing with hazardous wastes is an appropriate place to make a buck. Obviously, the government has made that decision, with the new Chem-Security, and I will come to that. But in my opinion it's not an area that's appropriate. In most other endeavours the private sector can do it and do it well. But it seems to me that where there's a natural inclination to cut corners to make a profit, we're dealing with something so serious and so potentially dangerous that it is not an appropriate place. Say that as we may, the government has already made that decision. I don't expect that they are going to change.

First of all, I would like to take a look at the whole aspect of Kinetic. The minister is aware that in early 1983, the Official Opposition revealed that the Kinetic site at Nisku was insecure and leaking. We raised it. We traded figures, although the minister didn't give us the last figures there. We had this debate about whether PCBs were dangerous or not. As my colleague said, the evidence is mounting that there is no safe level. Obviously, .05 is safer than 3.4; we can accept that. But it is a cumulative effect, as he pointed out.

Be that as it may, it seems rather strange to us, and I ask the minister sincerely, why he didn't ban the importation of waste at that time. That was two years ago. They were obviously having difficulty at that particular time. We raised that the company may be in some difficulty financially. The minister denied it, but why wasn't something done at that particular time? Why did we wait until a major foul-up, basically happening in Ontario, before really announcing such a halt? It seems to me that we could have saved some of our problems if we'd looked at it. The minister can shake his head, but the fact is that this was known two years ago. I believe the minister said in the House that there are 5,000 tons there now. How many tons were there in '83 when this was raised? What increase have we had in those two years? I ask the minister if he would refer to that question.

It seems to me that we now have limited options in dealing with this situation, Mr. Chairman. The minister can correct me if I'm wrong, but I suggest we have some options. The minister said today that he couldn't see how a charge being laid against the company and the possibility of suits and all the rest of it could have some impact on Kinetic's financial capability. But the fact is that of course it does. We don't know how serious, at this point, but I asked the minister if they were assessing that. Today I mentioned that there are other creditors in Alberta that have liens against the company. If it were just another company like any other company, that would be one thing. But the minister is well aware, it seems to me, that the buck is going to come back here, to the taxpayers of Alberta.

Mr. Chairman, I suggest there are about four options. Maybe the minister can tell me how it can be other than these four options. It seems to me we can stave off the company's possible financial problems by buying their wastes from them and storing them at Swan Hills once that's ready. But I believe the minister has said it would be a minimum of two years, and it could be up to three years, before the Swan Hills plant is even ready. I suppose we could seize the wastes if we have to, as we have done in a sense with D & D. I suppose we can allow the possible bankruptcy of the company and then take it over. Or we can allow another company to take over the site. But I'm sure any other company is certainly going to want a lot of government subsidies before they want to take over 5,000 tons of wastes. I know if I was the president of the company, I certainly would. So I'm suggesting to the minister, I say in retrospect, how much easier it would have been to deal with this problem when it was first raised in 1983. As a result of doing nothing, we have a more serious problem now.

I wonder if the minister could be a little more up-front. It's more difficult in question period to tell us precisely what is going on there. In the estimates of the Minister of the Environment, if the potential is there as there was in D & D for this to be coming out of Treasury, now is the time and the place that we should be debating that possibility, because it's certainly going to have an effect on the budget. But, Mr. Chairman, the minister has said that the Special Waste Management Corporation is negotiating with them about their future role.

I say to the minister, that it's his responsibility to this Assembly not to evade or make inaccurate statements but to be fully forthcoming about these options at this particular time. We don't want to read about it in the paper a month from now. We want to know what the options are, what the government is considering. Maybe there aren't many options left; I don't know. But I hope the minister will update us during the time we're having estimates here about what is going on. Mr. Chairman, if we are looking at the possibility of spending money while the Assembly is considering these estimates, we should have this information so we can know what we're voting for. The minister says this should be coming to some sort of conclusion soon. Perhaps he will update us and go over those options.

I have other questions following from some of the answers in question period, Mr. Chairman. The bond that the government is seeking — we're not sure if they're going to get it or not, but I believe the minister said he's seeking \$600 a ton. Will the minister update us on what precisely that \$600 a ton will cover — spills, picking up the tab for managing the wastes, whatever. If the bond is only a line of credit, what good will it do if the company happens to go bankrupt, as D & D did?

Another question following along with that. What is the cost, Mr. Chairman, of dealing with the waste at the D & D site? That may give us some idea of what we might be looking for at Kinetic. As I recall, the minister said there were 700 tons at the D & D site.

My other question is: was there a tender for the contract given to Chem-Security? I want to get into that whole new area of private enterprise. How did Chem-Security get this contract? Was there a tender? Were they the lowest bidder? Along with that, what are the details of the arrangement out there? Why did the corporation get a private company to do that? Regardless of the philosophy, I wonder if there was some consideration of the Special Waste Management Corporation doing it themselves. Was that option looked at and rejected? If so, why?

The other question I have: why does the Special Waste Management Corporation insist on only a minimum of \$1 million of insurance? It seems to me, Mr. Chairman, that this is very minimal when we're dealing with hazardous wastes and the potential as we now know it from the Kenora situation. Why not more insurance? It is my understanding that the company that insures Kinetic would have offered more, \$5 million or perhaps more. Why only the minimum of \$1 million?

The other question, that we haven't raised in question period but flows into this whole area — it is my understanding that there has been some recent press coverage, at least, about other PCB generators. Could the minister update and give assurances, although that might not mean much, that some of these other sites are safe. I'm speaking, of course, of yesterday's revelation at the annual meeting of Canadian Utilities that Alberta Power has had 10 recorded spills of PCBs in the last three years. This is news to me. My question is to the minister. Will they table the Environment department's bailout reports on each of these spills? These are things we should know. I wasn't even aware they had PCB spills. Are there other sites we don't know about until something happens or somebody makes a report?

Mr. Chairman, back to Chem-Security. We say, and we raised it at the time, that we think it's a good thing the government insisted that Chem-Security at least come into Canadian hands, although it is rather intriguing that the company which purchased them in 1983 has on their board of directors George Govier, the ex-chief deputy minister of Energy and Natural Resources and ex-chair of the ERCB. But that's beside the point. I think the more major thing is this. The major consulting contract was very interesting. They set out and got a consulting contract for technical advice on the Swan Hills project from Chemical Waste Management Inc. I remind members of the Assembly that this is the firm that's had such a spotless record in the United States in environmental matters. We find that the Reagan administration, which has certainly not been known as environmental zealots, if I can put it that way — even they have levelled a \$6.8 million fine, the largest in history, against a company that is giving us advice on how to run the new Swan Hills plant. That should be some advice we're getting. I wonder how much we're paying for that. I say quite frankly, Mr. Chairman, that when the Reagan administration finds their record so bad that they're giving them a record fine of \$6.8 million, I wonder what in the world we're doing having them as a consultant. Surely the minister must be a little worried about that. I'm sure the minister is aware of this now, because he didn't seem to be too aware of it during question period. But I know he probably is now and will give us some details of that

contract and indicate why we are dealing with this particular company.

Mr. Chairman, there are some other areas I would like to go into and ask a few questions. One has to do with Edmonton water. I know the minister likes to take a drink before each question, so I hope he will feel free to help himself. I have to drink it too; it's the only choice I have. The minister has this sort of idea that everything is okay; just trust me. He gets rather annoyed when some people don't, and they go out and do tests and all these sorts of things. As the minister is well aware, there has been a fair amount of discussion about Edmonton water. I live in Edmonton. My water certainly smells, but the smell doesn't kill you. We know that. But there have been some legitimate tests run by various groups questioning the Environment minister. Nobody knows for sure, but there are people who are saying that PCBs, those favourite little goodies, are in the Edmonton water. Again, I go back to saying that we hope not, but we don't know.

It seems to me that the mayor of Edmonton has made a reasonable request that the two levels of government get together and do an independent study that neither one of them is involved in. Two or three days ago, I believe the minister hadn't made up his mind about that. During his estimates here Thursday night, because there is probably some money involved, has he come to any decision about that? Has he made a reply to the mayor of Edmonton? Could he update us on that situation? I think it would be an excellent idea.

Mr. Chairman, just one other area that I would like to cover, and that's in the acid rain area. Certainly we recognize that Alberta, at this point at least, does not have the problems they do in Ontario or the northeastern United States. But I'm curious why we refused to sign a national agreement on acid rain. I know the minister said that that's not really a serious problem and that they will co-operate. I know he has read a naturalist friend of his, Andy Russell, who has a lot to do with this area. He knows the minister's own home area pretty well. I think his family still lives there. He indicates — and I'm sure the minister will correct me if he's wrong, but I'm just saying what he indicates — that Alberta is the second largest contributor to acid rain in western Canada. He says we're certainly responsible and that we're putting a lot of tons of sulphur dioxide into the air every day. He says it's not necessarily coming down in Alberta. A lot of it comes down in northern Saskatchewan and northern Manitoba. If that's the case, and he says that we are a major contributor to acid rain, it seems to me that we should have joined with the other provinces. If the minister is going to deny that we're not a contributor, that Mr. Russell is wrong, I'd be interested in hearing that and the logic behind it.

Mr. Chairman, with those few short remarks, I will allow some other members to get into the debate. I'm sure there are many other things we can raise in the course of the minister's estimates.

MR. NELSON: Mr. Chairman, it's been suggested that I give my afternoon speech tonight, but unfortunately I can't do that. I wish I could. It would sure shape up a couple of socialists in this place.

I have a couple of very short comments and questions, Mr. Chairman, with regard to the Department of the Environment. I guess the first question I have, which is a little bit quizzical as far as I'm concerned, is the area of dangerous goods control which has been expressed over the last number

of days by members opposite with regards to the transportation of same, and so on. I'm just a little bothered as to whether in fact the Minister of the Environment should be the person we should be questioning on this and discussing this with as far as the estimates are concerned, considering that the estimates are really under the control of Executive Council. What appears in our estimates is under Executive Council and is of considerable concern to me regarding inspection services, which it appears is going to be decreased in the next year whereas operational support is going to be increased by 30 percent. I'd really like to know from the minister whether he has control of the activity of dangerous goods in the province as far as the transportation, storage, et cetera, of same, or whether it's Executive Council, possibly under the Minister of Transportation.

Many times it's difficult to understand the manner in which we deal with these estimates in any event, because there are so many different things that you think are going to be worked with by one of the ministers. In some cases, obviously, they're all over the place, hodgepodge, maybe to confuse the members. Believe me, when we get this sort of thing, I can be confused rather quickly.

AN HON. MEMBER: Agreed.

MR. NELSON: No comments from the peanut gallery, thank you.

In any event, Mr. Chairman, I would like to address this question of who is responsible for dangerous goods control, who is responsible for the transportation of those goods, and so on and so forth, even though under the estimates the minister has put forward, the special waste management program is under his department. Here we have a concern about waste management within the province that appears to be split between at least two areas. First of all, the Department of the Environment has a program called special waste management; it doesn't say anything about dangerous goods control. Then under Executive Council we have Disaster Services and dangerous goods control. Quite frankly, Mr. Chairman, I'm confused, as I think probably all members would be unless they've had this explained to them. Obviously, members of the Opposition may not have read their estimates, as others may not have, but I trust most have.

The other concern I have is that in the total estimates, we have 1,031 people proposed. I'm really surprised at the number of people that actually work in the department. I guess what I'd really like to know is what all those people do. A thousand people in Environment, gee-whiz. Whatever they're doing, I guess they're doing a pretty good job.

I'd just like to say this, Mr. Chairman. It's interesting. I've done a bit of travelling in my day, and I think those people that work in the environment area, generally speaking, do a pretty good job here in Alberta. If some of our socialist friends would stop using little tunnel vision and go out and have a look at some of the world — mind you, I guess it's difficult, when you don't put anything into that world, to do a lot of things — and have a look at some of the concerns that Mexico and many of our neighbours to the south and some of the places in Europe and different countries in the world have with regard to the environment, we've got a pretty good place here in Alberta. I don't really begrudge the minister for having a thousand people in his department, although I question that. If we can protect the environment that we have, I'll tell you, that is worth more than money. When you get off an airplane and all

you can smell is fumes, when you go downtown in a large city and you've got a smell of fumes of some nature, where the water is polluted — we've got a pretty good province to live in. Anything we can do with the environment, we should do.

However, I'll get back to the numbers of people working in the department. I just question whether some of that money might be better spent on the Bow River in Calgary and on the North Saskatchewan, and so on and so forth, to ensure the quality of water we have in those areas. Mr. Chairman, I'd like to say that I don't find the water in Edmonton odorous; in fact, I find it quite good to drink — it's clean; it's clear. I don't have any problem with it. And I come from Calgary where we have a little better water than you do in Edmonton. [interjections] Of course, if something had been really strange, I'm sure I would have noticed it before now. But I think the quality of water in Edmonton and Calgary is reasonably good.

The other question I have is with regard to the Swan Hills project and the management of waste within the province. Is it not the intention that the destruction of waste material is to be supported by the private sector rather than the government? That being the case, I don't really understand, other than having some control over the destruction of same and to ensure that our environment is looked after by the private sector, that the taxpayers should be concerned that private enterprise is not doing their thing and assisting in that area.

All in all, Mr. Chairman, I find the estimates reasonable. I'll go back to the one major concern I have, where we disseminate the difference between dangerous goods control and waste management, because they are under two areas in the estimates. I think they should be identified. If the minister really doesn't have the responsibility for the dangerous goods control, we should certainly state that, and then maybe the opposition would get in a straight line instead of the crooked one they seem to go on.

Thank you.

MR. R. SPEAKER: Mr. Chairman, maybe we should start where we left off this afternoon in terms of approaching this whole problem of hazardous wastes and PCBs and how the department and the minister look at it.

The question I raised this afternoon was really: what system is in place for the department to make checks on hazardous waste sites, such as the Kinetic site, the D & D site? The impression I received from the minister, and the impression I have received over the last few days, was that when the department had time and was passing by the site and felt it was necessary, the feeling was there, they would drop in and take a sampling of the water or the soil, and then we'd find that we have a recorded result. When the Kinetic site has been highlighted in this Legislature, the only documented evidence of sampling that has been presented so far, and hopefully there is other evidence and maybe the minister can comment on that, has been during this last weekend, as I see it, the date of April 21, 1985. The question I raised: were there regular samples and inspections prior to that point in time? How long have we had 3.4 parts per billion of PCBs outside the fence, outside that Kinetic site — in the ditches, in the puddles, in the groundwater? Today it's been raining, and I'm sure water is running off the site at Kinetic, running down towards Blackmud, which goes into Whitemud, which goes into the North Saskatchewan River. How much of the PCBs have

been washed off the Kinetic site? Has the department looked at that possibility?

It's a contributing factor and, as we have said in this Legislature, PCBs are accumulative; the stronger the dose that goes in the water, the more that's there, the more we drink, the more that we accumulate as individuals. Certainly the growth of cancer is evident. We don't know the relationship; that's what we're told. Is it a cause or is it not? We think it is. What precautions are we taking? At a stage in our history where we do have the financial capability of taking those precautions, the question is: are we taking them? Well, from the question period so far in this Legislature, we haven't taken those precautions. We haven't had regular checks on the sites at Nisku.

The other question I raise with the minister that I'd like him to respond to it tonight, and I don't think it has been clearly defined — the minister's remarks triggered this inquiry. How many other sites in the province of Alberta, such as Dow and other facilities, are storing hazardous chemicals that do not receive regular checks by the department? It just happens that here we have storage of PCBs out at the Nisku site off the site where they were actually manufactured, but I understand that in this province there are a number of chemicals maintained on sites that are right next to where they're manufactured. What kind of checking procedure is in place? Can the minister confirm to us in this Legislature that there are regular checks, that there is a systematic way of reviewing and making recommendations by which we can control any loss of those hazardous chemicals, PCBs or whatever they are, into the general environment around the site?

In terms of what we've been told about the Kinetic site and the fact that outside of the site and the water, there's 3.4 parts per billion of PCBs, we don't know the effects of that. I understand that there isn't any continuous surveillance of that site and how long that relatively high level has been there. We don't know whether other people — I understand there are offices in the area. We don't know whether there's access to — let's say if parents stopped on the road and children were going to play in the water, how safe is that water for them? Is it safe or not? Nobody has said that it is or it isn't. The minister says, oh, it seems to be a very minor thing. As I read *Hansard*, Ontario accepts a level of 3 parts per billion, and they say it's okay for the water in Ontario. The rate of death possibly by 3 parts per billion doesn't seem to be unusual in Ontario; there don't seem to be any unusual effects. We have questioned the minister as to whether there's any authority that states whether .05 parts per billion has a detrimental effect or 3 parts per billion has any detrimental effect. The minister is saying he has heard other people say no, that's acceptable; it seems to be an acceptable rate. Sometimes one supposed politician or some authority says, "Well, I think it's okay." Then if we all repeat it across North America many many times, all of a sudden it becomes an accepted fact; that's an accepted rate. Well, who knows? We don't know, and that kind of information is not acceptable. For the minister to stand in his place and say it's all right, Albertans; drink the water; let your kids play in the puddles.

MR. MARTIN: Wade in it.

MR. R. SPEAKER: Wade in it; let them stand in it. There's a rain today. It's washing down to Blackmud Creek. The government is saying: it's okay Albertans; go ahead and

wade around in it all you want. I'm sure that if a bus load of school children drove out by the Nisku site tomorrow and the driver let them out and they walked out to the puddle of water, they could all go out there and play and no environmental people would be out. I'm sure there are no signs on the fence that say: "Here is water that has PCBs in it. For your own safety please stay away." I'm sure there's nothing like that. They must be washing off the site itself.

I noticed in *Hansard*, in my earlier question, that the minister indicated that 3.4 parts per billion were found in the compound itself. In our questions today the minister corrected that.

MR. BRADLEY: I corrected that on Tuesday in *Hansard*, Ray.

MR. R. SPEAKER: And corrected it Tuesday as well. I appreciate that correction by the minister; I wasn't aware of that.

MR. BRADLEY: In fact, I corrected it on Monday.

MR. R. SPEAKER: On Monday, and I thank the minister for the correction. So it's outside the site. But the question is: as the rain today washes more off the site, what's happening to that water that is sitting along the road? The minister is confident that it's no problem; it's great. I want to see him stand in his place tonight and say he is confident that 3.4 parts per billion will not hurt any Albertan. I wonder if he can say that with confidence.

As I think about that, what I want to do tonight is offer the minister a challenge. I have time tomorrow at 2 o'clock, after the session is finished. Tomorrow at 2 o'clock I'd like to go with the minister. If he has confidence that there's no detrimental effect of PCBs, this 3.4 parts per billion, in that water around the site, the minister will take off his shoes and socks and stand in the water for five minutes, with total confidence. We have to show Albertans in some way . . . [interjections] The thing I find from this House is that I don't think the minister has even been to the site to see what's going on out there. I really don't think the minister has been out there. We had a correction in where the water was. From the answers, I kind of gather that the minister hasn't been there. The minister wasn't sure what was going on at the D & D site. I challenge the minister to go out and stand in that water at 2 o'clock tomorrow and show Albertans. I hope somebody will come along and take — I'll go out and rent a camera if necessary and take the appropriate picture and send it around to Albertans at my expense. That would show people that there is nothing to worry about in the PCB scare in the minds of Edmontonians and people across this province.

I get phone calls at my office. I have people coming and saying: "I'm concerned. Stand up in that Legislature and ask questions about PCBs." And I said: "We do, and the minister tells us it's in great shape." The Conservative Party is a little shaky, but in terms of the environment and PCBs, it's in great shape. There's nothing to worry about. The PCBs in this province will not hurt the health of people. The only way you can show the people is to demonstrate yourself that you're prepared to go out and act physically. Stand in the water and show it. If the minister can't accept that challenge, we in this Legislature all know what the opposite is. I know what I'm going to believe: the minister is afraid to do it. What are the people of Alberta going to

say? They're going to say the very same thing: "You know, the minister wouldn't even go out and stand in that water." "The minister wouldn't go out there and demonstrate that it's safe by his standards" — not my standards, because I don't think we should allow any of the nonsense that's going on out there. We see the minister allowing it to run off the site.

They think it's funny. Well, I was amazed because some very professional people — a lawyer phoned me yesterday and said: "Somebody had better sharpen up the government on that PCB. I've supported this party, but ask them what they're going to do." I bet other people around the city do the very same thing. People that belong to our organization have come in and said, "Look, that's an issue out there in this community." It's not a funny issue, because people are worried about their health. They want to be assured that this government has things in hand. The minister has to do things to demonstrate that.

So I offer the challenge. Tomorrow at 2 o'clock, we'll go out together. I haven't got a vehicle here, but maybe we can even get someone to take us.

MR. CHAIRMAN: I believe the hon. leader of the Representative Party is repeating himself for about the third time now.

MR. R. SPEAKER: Well, that's my choice. That's the flexibility of the study of the estimates, where you can present your ideas.

MR. CHAIRMAN: There are rules regarding repetition, though.

MR. R. SPEAKER: Anyway, just to summarize it for the minister. Tomorrow at 2 o'clock we'll go out to the Kinetic site at Nisku. I challenge the minister to stand in that water. I'll provide the camera, take the picture, and distribute it accordingly so that Albertans know it is safe. If the minister doesn't do it, we know what the understanding is: that his own statistics, his own levels of safety really don't hold water.

MR. CHAIRMAN: Are there any further questions or comments?

MR. BRADLEY: Mr. Chairman, I've really enjoyed the amusing antics of the Member for Little Bow. However, I'll start at the beginning with some of the questions that were raised by other members.

First of all, there was a question by the Member for Spirit River-Fairview. He asked some questions with regard to increases in the various executive offices of the department. In terms of my own office, it is a very small increase in dollars. It covers word processing and office automation equipment which is necessary for the functioning of the minister's office. In the deputy minister's office, the 3.1 percent increase is reflective of the increased activity of the Canadian Council of Resource and Environment Ministers, to which the deputy is required to provide his advice regarding the management committee there. In terms of the ADM and pollution control, there's been an increase of one position in that area. The ADM is responsible for pollution control, and it reflects the ongoing responsibilities in that area that a position has been transferred in. It also reflects the very important responsibilities which the assistant deputy minister has on the various task forces he's involved in on the national level — one being the water quality task force and the other being the use of low sulphur coal, which I think are very important things. There are also funds in there for word processing equipment.

In vote 3, land conservation, that increase reflects office automation equipment. In terms of water resources, there's been a transfer of one position into that particular area to assist the assistant deputy minister in the ongoing responsibilities there in water resources management in the province. Also reflected there is the office automation which has taken place in terms of word processing equipment.

With regards to vote 2.4, it really reflects some of the reorganization in the department in terms of the ongoing priorities. We're looking at the municipal and water treatment aspect of pollution control. With the program that the province has had in place over the last six years, from 1979 and onwards, and the expenditure of some \$600 million to upgrade and improve water supplies for Alberta municipalities and improve sewage treatment plants, the role of that particular department has decreased because of the introduction of new first-class facilities. That's reflected in the Canadian Nature Federation report which gave Alberta the high marks in terms of pollution control, first in the nation.

With regard to the reductions in 2.6, this is really a reflection in terms of where the Waste Management Corporation is going. Significant funds which used to be in the waste management branch of the Department of the Environment are now allocated in the waste management appropriation in vote 8 for the Special Waste Management Corporation. There has been a transfer of responsibilities, and fundings which were in waste management are now with the Special Waste Management Corporation.

The hon. member asked with regard to land conservation and the reductions in that area. Those are basically due to the completion of studies which have been taking place in the Edmonton and Calgary areas with regard to the restricted development areas. We have been doing a reassessment of the transportation utility corridors, a major study initiated last year, and the reduction reflects that those studies are now in their completion stage. If you had looked at the year before, you would have seen a massive 33 percent increase in that area to reflect this particular study that was taking place. Now, with the activity decreasing, there is an 18.6 percent decrease.

With regard to environmental impact assessment reviews, the department itself does not pay for environmental impact assessments which are done by private companies in the province and are required under legislation. The private

companies pay for that. The reduction in terms of the EIA review component is actually a reflection in terms of the activity which that branch would be carrying out in the province, so it's actually a reduction in activity.

The hon. member asked with regard to water resources and where the funding was in terms of the Oldman dam. I should like to advise the Assembly that supplementary estimates are going to be introduced in the House under the Heritage Savings Trust Fund, and it would be appropriate at that time to discuss the Oldman River dam and any questions which hon. members have on that specific project. The hon. member asked with regard to the Paddle River and where estimates would be with regard to that specific project. Again, that lies under the Heritage Savings Trust Fund estimates and was discussed last fall. That's the appropriate place for discussions with regard to that project to come forward.

The hon. member asked questions with regard to PCBs and his analysis of the health effects. I guess there could be some debate in scientific circles. I don't believe there are conclusions. Contradictory studies have taken place with regard to health effects of PCBs. It is clear that PCBs do accumulate in the environment. They accumulate in the food chain. They're a very persistent substance. It's not something we should take lightly because of their persistence in the environment and the accumulation over time. It should be noted that since PCBs have been banned, the levels of PCBs which are probably in all of us — in terms of the studies that have been done in the United States, there has been a decrease in the accumulation of PCBs in humans over the period since they were banned. So the controls that have been in place are effective. There aren't increased amounts in human exposure. There are decreasing amounts with the ban and the more restrictive measures that are taking place.

There have been some incidents which cause that concern. There was an incident in Japan called the yusho incident, in which PCB-contaminated oil got into rice oil which was used for cooking. The specific example in terms of human exposure which has been used over time has been this incident in Japan in which cooking oil was contaminated with PCBs and perhaps other substances and used as cooking oil. Certainly there were some health effects there. There were some long-term health effects because of ingestion of PCBs at some fairly high levels. There were some ongoing effects, but I'm not aware of any deaths which were related to that incident.

In terms of the effect of PCBs on laboratory animals, there have been contradictory studies. One study said there was cancer caused by PCBs. Another study said cancer wasn't caused in laboratory animals in terms of investigations. So in terms of the cancer-causing effects of PCBs, there is no definite conclusion one can make with regard to laboratory animals. The evidence is contradictory.

In terms of the evidence that has been brought to my attention, I'm not aware that cancer has been caused in humans by PCB itself. That is information which has come to my attention. So when the media and members discuss this very important subject, I think we should realize that ascribing the words "deathly" and "cancer-causing" are not necessarily words that can be attributed in terms of human exposures at this date. I've had three members of this Assembly come to me and say: "We've worked with these types of substances in our occupations as linemen with utility companies. We were exposed to them over a long period of time at obviously very high concentrations."

These members told me they have not experienced any adverse health effects in terms of their exposures.

The real concern with PCBs is in terms of ingestion into the system through food that's been contaminated with PCBs and that specific type of exposure to them. The cooking oil incident in Japan is the classic example which led to the concern, and rightfully so. We should be concerned about PCBs because of their persistence. They do not degrade naturally. They are a very persistent substance which will exist over a long period of time. So in terms of the management, the strategy in the country has been not to manufacture any more of this substance and to take the necessary steps to see the eventual destruction of these specific substances. The difficulties we've had in other jurisdictions in the country is getting facilities in place to handle and destruct these specific substances.

In terms of managing the whole gamut of special wastes, not just this one substance PCB, the province of Alberta is playing a leadership role in the country. We're far ahead of other provinces in terms of being able to site a facility, getting on with the job, and getting a facility in place and constructed that will handle these types of substances. I'm advised by the chairman of the Alberta Special Waste Management Corporation in terms of where they're heading that they expect that early in 1986, one of the processes which will come on stream at the Swan Hills facility will be the treatment capability to handle PCBs. So we are making progress, and we are moving forward.

There were questions asked with regard to the budget of the Special Waste Management Corporation. I guess it's fair to say that the budget of the corporation is split between the capital budget for providing the services to the site — the roads, the utilities, and those types of things. There is some \$6 million in the budget of the Special Waste Management Corporation for those off-site services. There is another \$3 million to cover the manpower of the Special Waste Management Corporation and the costs and expenses of the board — probably \$375,000 to handle those aspects.

In supplies and services, there are a number of consulting studies which the corporation is undertaking, which is the largest part of the operating budget. These consulting studies are looking at the groundwater and air monitoring that will take place. They are looking at the overall implementation of the system, at the development of collection and transfer facilities which will be necessary to get the PCBs and other special wastes to the Swan Hills site. We can construct a facility at Swan Hills and have the best operating facility in terms of the treatment processes we have there, but we have to have a system in place to get the waste in the province to the Swan Hills facility. So we have to look at how we do that, and that's what the Special Waste Management Corporation is doing in terms of looking at special wastes in the province. How do we get the different special wastes from the various centres throughout the province to the facility? They're planning. They're looking at the implementation of the overall system, how you transport the goods to the site, et cetera. There's a lot of thought and consideration being given at this point in time in terms of the implementation of the system.

The hon. member wanted to know where in fact the Environment Council of Alberta places in terms of the priorities of the government. Of course, the Environment Council has just wound down a major public hearing with regard to the agricultural land base in the province. I think the budget reflects the decrease in activity of the Environment Council with the winding down of the major study with regard to the agricultural land base.

With a new study coming on stream, if there are additional funds which are required, we will of course be looking at that. The Environment Council is now looking at the very important topic of recycling. When we talk about special wastes and other wastes in the province and recycling these wastes, are there special wastes or other wastes that can become economically useful goods? That's specifically what recycling is about — not about special wastes in particular but the other gamut of wastes which we produce as a society. If we're able to reduce the amount of substances that go into landfills in the province — paper, for example. We know it's very difficult to site landfills in this province; there's concern by citizens. It's the same type of reaction we get when we attempt to locate a special waste facility or a sewage treatment lagoon. They're very necessary things to society. We have to be able to handle the wastes we produce. If through the recycling hearings we can come up with some new, imaginative ideas, new ways in which we can look at waste products as economic goods, and can reduce the amount of these things going into landfills in the province, we will increase the capacity of our current landfills to handle the number of wastes which are currently going in there. Talking about paper, the estimate I've received is that some 20 percent of the material which goes into landfills is paper. If we can get an effective recycling of that type of good, we can increase the capacity of the useful life of our landfills by some 20 percent.

The hon. member went on to talk about research and the dedication of the resources of the department toward research, and questioned some of our priorities. I think it's fair to say that if you looked at the budget of this Department of the Environment and compared it to other departments across the country, we would rank very favourably with what other jurisdictions are spending in this area. Probably it would come out on the plus side; we're doing a little bit better. I know we've targeted our resources basically in terms of industry which is here in the province and environmental concerns which may result from industrial activity. There's a lot of work.

I outlined some of the very useful things the Environmental Centre is doing in terms of looking at the sour gas industry which has been — and the hon. members opposite have questioned in the past this particular area in terms of effects. We're spending dollars there to find out some of the questions with regard to low-level exposures of hydrogen sulphide and sulphur dioxide with the inhalation toxicology facility which has been developed at the Alberta Environmental Centre at Vegreville — very important. Another research priority is the acid deposition research program — major, in terms of the industry in this province — looking at that specific effect of the sour gas industry in terms of acid deposition. The other area we're looking at is the long-range transport of atmospheric pollutants, which deals with the question of acid rain.

Perhaps I can now answer some of the questions which were asked by the Leader of the Opposition in terms of the long-range transport of atmospheric pollutants. This is a major project. There are four provinces involved — Manitoba, Saskatchewan, Alberta, British Columbia — the Northwest Territories, and the federal government. Alberta contributes more resources by far to that particular study on the long-range transport of atmospheric pollutants than the other four provinces, the territory, and the federal government combined. We're the largest single contributor to that research program.

The hon. Leader of the Opposition asked why we weren't in the national program, why we didn't sign the acid rain

abatement agreement which the other seven provinces signed. That agreement basically dealt with strategies to reduce levels of substances which those provinces were emitting down to a precipitation rate of some 20 kilograms per hectare. In Ontario and Quebec the acid deposition rate is somewhere around 40 kilograms per hectare in some areas. They have a long way to go to get down to that 20 kilogram per hectare target which they say will reduce acid rain levels so that moderately sensitive lakes in those areas will not be affected. So they're really looking at a program to reduce emissions from industry they have in place in their provinces. That abatement strategy which they're following, the agreement that was signed, committed those provinces to strategies to reduce it, and committed financial resources.

The reason the province of Alberta is not signatory to that would basically be that we do not have the need to reduce to the 20 kilogram per hectare level. We are already substantially below it. The cleanup of gases coming from our sour gas industry is 97 percent, where the other provinces — the smelting industry and the thermoelectric generating industries — are substantially less in rates of cleanup. We've adopted the highest standards in the country for sulphur dioxide emissions — 17 parts per million. It's the highest standard in Canada. Ontario, which has an acid rain problem, has adopted a standard in terms of emissions of .23 parts per million — significantly higher than the standard Alberta has adopted. So we've put more significant controls on our industry. Our industry has a higher cleanup rate.

But the major thing in terms of the question why we're not in the study really focusses around the research we're doing, the commitment that is there and an agreement we and the other three western provinces have signed in terms of this long-range transport of atmospheric pollutants. We are involved in an agreement. It's been an agreement which has been in place for some time and which looks at research, at monitoring, at the effect of the transport of these precipitants. That is what that agreement is: to monitor and do research to ensure that we have the information, so that if there isn't we can see a problem occurring. If acidification rates are increasing, we can take the action to prevent what has happened in the eastern part of the country.

So we are involved in a national abatement strategy. I think our record is very clear in this area. We are doing very significant research, and a very significant effort is being made in that area.

The hon. member asked about the headworks and canal systems and the ownership of headworks and canal systems in the province. The province basically has ownership of two major canal systems, the Bow River Irrigation District main canal and the Lethbridge Northern Irrigation District main canal. Most of the other canal systems are owned by the irrigation districts themselves. The member was concerned with what rehabilitation work was going on. The major work that is going on in terms of rehabilitation of headworks and canals isn't in the Department of Environment's estimates here today. It's in the Heritage Savings Trust Fund. Back in 1980 the province committed some \$234 million of funds in the Department of Environment for rehabilitation of headworks and canal systems. That program is ongoing. It's something we can discuss in the trust fund estimates of the department when those come forward.

The second major commitment, by the Department of Agriculture, again funded through the Heritage Savings Trust Fund — \$100 million committed over a five-year period in 1980 — was spent within the districts improving the canals

in the districts and the efficiencies of the canals and rehabilitation. Last fall the Minister of Agriculture announced a further commitment of another \$150 million over the next five years to continue that effort. So there is major work being done there.

The hon. Member for Spirit River-Fairview asked about special waste and the role of the private sector. I think it's fair to say that we've looked at this very carefully. I think I've outlined that we are going to have a Special Waste Management Corporation. It would be contracting certain components of the special waste management system to the private sector. That was initiated before the Special Waste Management Corporation came on stream with the request for proposals to the private sector for a private-sector operator to come forward with a proposal to build a facility. Included in that would be an operation and management contract with that private-sector component to manage and operate the system within the province through the contract with the Special Waste Management Corporation.

There will be other components of the system as they come on stream which would be through the Alberta Special Waste Management Corporation contracting with the private sector. There is a direct responsibility and relationship with the province through the Special Waste Management Corporation to see that this work is carried out. We believe the private sector can provide us with the efficiency which is there, while the Special Waste Management Corporation will provide the oversight and overall management of the system, looking at the various components which are involved from transportation to collection systems, et cetera. There may be various roles; there may be roles for municipal governments in terms of collection facilities which they have in operation at landfill sites they currently have.

So there'll be this overall co-ordination by the Special Waste Management Corporation contracting but components as required. The major contract is with the firm Chem-Security for the operation of the plant at Swan Hills. They will also be involved in terms of the overall transportation system in the province through that overall operating agreement that we would have with Chem-Security. There would probably be components which would then be subcontracted out through the aegis and overview of the Special Waste Management Corporation. So we've given very careful thought to that.

The hon. member also asked about the regulations which were in place. We've had some discussion about PCBs in particular. I guess the best answer I can give — and perhaps it will also answer some of the questions that the Leader of the Representative Party, the Member for Little Bow, asked — is that we have been acting on the regulations which are in force in Canada and the United States and looking at examples of other jurisdictions. In terms of polychlorinated biphenyls, PCBs, the Canadian regulations I've seen are that PCBs at levels of 5 parts per million or less are not considered to be a hazardous substance. That is the United States. That is Canada. Those are the regulations that are in place. When governments go through a review and look at these things and look at putting in place those types of regulations, they consider the evidence they have as to what they would consider to be the effects of these substances, and they put in place those regulations accordingly. Those are the regulations we've been operating under.

I alluded in the question period today about how the state of California handles certain substances in terms of accidental spills and their action levels — 7 parts per million

for liquids; less than 7 parts per million they don't have any real specific concerns. Less than 50 parts per million in terms of solids which are contaminated are the action levels they look at. If on an incidental spill in California, there were 7 parts per million for liquids or under 50 parts per million for solids, they wouldn't recommend any specific cleanup action. There may be site-specific cases where they would in terms of the location, et cetera, but generally they wouldn't look at a cleanup or a spill response. Of course, we action at much lower levels than that. We would take steps for cleanup if it was over the 5 parts per million.

The Member for Vermilion-Viking provided some very interesting views in terms of the concerns he had. He was concerned about the location of the plant in Swan Hills. I guess it was the judgment of the government, given the difficulty that other jurisdictions have had in siting special waste management facilities, that Swan Hills best met the criteria we were looking at: first, that the environmental safeguards were there, and secondly, in terms of the acceptance of the people in the general vicinity of the plant. In our judgment it met those two key criteria.

There's been some discussion by several members of standard setting and what we do in terms of research and allocation of resources for these things. There's quite a process when you go through a certain substance to find out what its effects are. The province of Alberta on its own could not dedicate all the resources to look at every single substance and do research on every single substance area. The responsibility for telling us about the toxic or health effects really lies at the national level through the department of Health and Welfare Canada. They are the overall agency which provides us with that type of information. Of course, even at a national level we could not dedicate the resources to find out everything about every single substance that's in the environment in the world. They rely on studies which are done by agencies in other countries too. So there's a co-operation and co-ordination role that has to take place throughout the world in terms of examining these different protocols for different substances. The responsibility still lies with Health and Welfare Canada to come back and provide more detailed information with regard to the specifics in terms of effects, and the federal Department of the Environment has some responsibility in terms of toxicological effects.

I just wanted to give some overview of how we set standards. For any specific substance it may be a long-term project: two, three, five years, maybe 10 years before you can define what the standard should be with regard to some substances. The expense may be some \$2 million, \$3 million, or \$4 million for each specific substance. So it's not a question of being able to press a button and give a specific response on a certain substance at a certain time. There are known effects and there are other studies going on on various substances. But the responsibility lies at the national level.

The hon. Member for Edmonton Norwood and the Leader of the Opposition asked some questions with regard to Kinetic and D & D. I think I've outlined the system we're trying to implement in terms of special waste management in the province. Obviously, we're in a transition period. We're in the process of implementing a system. We brought in legislation last fall which we felt would provide us with the legislative authority to deal with the questions of implementing a special waste management system. With the overview and management responsibilities the Special Waste Management Corporation would have, it was decided that

any company which was going to do storage and treatment and transportation in the province would have to receive authorization from the Special Waste Management Corporation. They would have the ability to apply terms and conditions as to how that would happen.

The Special Waste Management Corporation is still working on implementation of an overall plan in terms of how this is going to fit together. In the transition period, with the regulations and sections of the Act having been proclaimed on March 13, we went forward and authorized companies which were currently in the business of storage off-site and gave them an authorization with terms and conditions. One of the terms and conditions — and this was on March 20 when this was initiated. The hon. member should be aware that we were taking these actions well before the April 13 incident in Kenora. So there were systems in place in this transition period; work was moving forward. Recognizing the legislation we had, we were moving forward to implement things in terms of this transition.

So we're in a transitional phase. Authorization had been given. The company obviously was in business. We have been concerned about the import of waste into the province over a period time. The mechanism was put in place last fall. With the proclamation this spring we were able to start to implement that. There is now only one company that is actively in business in terms of storing waste off the site of a generator, and that is the Kinetic Group. The authorization said that any contracts that were in existence on April 4 could be honoured — we gave authorization to the company to honour those in terms of bringing waste in from outside the province — and that they had until May 15 to conclude that. So as I say, we were in a transition period dealing with this.

On behalf of the government, the Special Waste Management Corporation has been looking at what the future role of the private sector, specifically this company, will be in the overall management of waste. At the same time we've also authorized the company to continue to store wastes in the province in terms of within-the-province activities until the end of September. So I think I have explained that we've been in this transitional period.

The hon. leader asked a number of questions in terms of what is going on with this company. I think I've explained that we are in a transition period. There are obviously some discussions that have been going on in terms of the role this company would play. When you're in this type of discussion and looking at the role, I don't think it would be useful for me to lay out options at this time as to what specific action may be taken. As I say, if you're in this type of thing, you don't lay your cards out for the other party to necessarily see what all your options are at this time. It's an evolving process. We're in a transitional process, and things will become clearer over time in terms of the definitive role which will take place and what actions will be taken.

The hon. member asked some questions with regard to the bond that has been required by the department. Again, that requirement for the bond was an action taken on March 20, and discussions have taken place over time. I think we've gone over that many, many times in question period in the last eight days. The bonding requirement is to provide for the secure storage of wastes which would come into the province after March 20. The bonding is for new material that would be brought into storage to ensure that it is securely stored and provided for over the longer term. So

there's that \$600 per ton which is required on these wastes coming in.

The hon. member asked with regard to the D & D facility. The company effectively went out of business, I believe, at the end of January. The hon. member asked what the department was doing. We've asked the Special Waste Management Corporation to be our agent, because under the Hazardous Chemicals Act the department has certain responsibilities and things it can do. We've asked the Special Waste Management Corporation to act as our agent in terms of carrying forward with the ongoing management of the waste at that facility. The Special Waste Management Corporation does not in itself have the personnel that would deal with this kind of thing. The Special Waste Management Corporation is more in the management area and the implementation area. They do have the ability to contract with other private sector companies to handle that.

Chem-Security, being the proponent for the plant in Swan Hills, will be playing a major role in terms of the implementation of the system and having continuity. With the development of the plant and bringing it on stream, it was felt they would be best able to provide the services to us for the ongoing management at the D & D site. So the Special Waste Management Corporation has appointed them as their agent to carry out those ongoing management responsibilities at the D & D site. We'll be assuming the leasing responsibilities at that site, so the landlord who was left with the waste and storage there will have an arrangement whereby his lease, which, I guess, was broken by the D & D firm when they went out of business — we will be paying him for the use of his facilities. Chem-Security is developing an action plan for the Special Waste Management Corporation in the department as to how they will be managing that facility, ensuring that the waste there is securely stored.

The hon. leader asked about the insurance requirement with the Special Waste Management Corporation. The specific policy, which I think we've had some discussion on, was with regard to having insurance in effect for the transport of goods. That specifically relayed that Kinetic, under its authorization, must have insurance in place up to \$1 million — general comprehensive liability insurance is the specific term — for each incident and spill. So the \$1 million must be there for each incident. It's basically spill insurance — sudden release and spill insurance. So this policy is in place for \$1 million for every incident they would have. It covers each incident if there were an incident.

The hon. leader asked about the storage of PCBs on generators on user sites in the province. While there are a number of utility companies in the province which have storage facilities — it would be fair to say that TransAlta Utilities, Alberta Power, and Edmonton Power have such facilities. The department inspects these facilities. They inspected them in 1983 and made some recommendations to the companies with regard to certain improvements which the department would like to see at those sites. The inspections in 1984 showed that the companies had taken the actions to implement those improved storage requirements.

With regard to spill reports, there are many different and small incidents throughout the province on an ongoing basis. Some are reported in the media; others are not. If they were of major concern, I'm sure they would have received a much greater profile. The department has published in the past an incident report, which showed these different involvements and actions the department has had. I'll undertake to look at where the current report is with

regard to the spills which are reported to the department. I know that is something through the Pollution Emergency Response Team, and there's a 24-hour number which these incidents are reported to. We have that information, and we'll look at making it available.

The hon. leader asked about a consulting contract with Chemical Waste Management. One of the conditions it was necessary for the province to look at through the Special Waste Management Corporation in terms of the memorandum of agreement which was signed with Chem-Security in December was that the technology which the former Chem-Security had would be maintained. The hon. member is interested in this, I trust; he asked the question. In terms of Chem-Security and the fact that it was bought out by Bow Valley Resources, in terms of signing a memorandum of agreement, Chem-Security had access to certain technology which Chemical Waste Management had the proprietorship interest in. What took place in terms of the memorandum of agreement is that we wanted to make sure that, in terms of the original proposal that was put to us, Chem-Security would continue to have access to the proprietary technology on which their original proposal was based.

This doesn't mean at all that Chemical Waste Management is going to be the sole adviser with regard to technology which will be used at the Swan Hills facility. As a matter of fact, I'm advised by the chairman of the Special Waste Management Corporation that they are looking at a number of different treatment processes. But one of the conditions that was put in place was that we did not want to lose access to technology which Chemical Waste Management had a proprietary interest in. The hon. member may be chuckling, but I think it's very important. When you look at Chemical Waste Management, it's one of the largest waste management firms in the world. It has available to it certain expertise in technology which is in the forefront in terms of waste destruction in the world. The hon. member may be laughing, but that's a fact. We didn't want to lose the access to that technology in terms of the takeover by Bow Valley. Without the technology agreement in place, that would have been lost. I think that was an important consideration in terms of that agreement. But it's not the sole source for which we will be reviewing in terms of the technical processes or the treatment processes that will come on stream. The hon. member made some suggestion that he'd raised that in a question period. I'm not aware that that's been raised to date in a question period.

The hon. member asked about Edmonton water. With regard to the request from the city of Edmonton the mayor made to me, which I received last Monday, I think I responded in the question period earlier this week that we would be reviewing the proposal from the city of Edmonton, as to whether or not the province would be participating in it. I think we welcome the initiative of the city to look at the question of water quality and review what has taken place, but we need some time to look at what they're suggesting. Perhaps there may be some improvements in the terms of reference that we may suggest to them. We are considering whether or not we would actively participate in that. I think one must also realize that we are the agency which licenses the treatment facilities, and as such we would have to look at our appropriate role in that area.

I should advise hon. members that the department is funding a study with the federal government at the University of Alberta which is reviewing various alternate treatment processes, particularly using the city of Edmonton Rossdale

treatment plant as the pilot facility. So we are expending money in research looking at improved treatment technologies and specifically looking at the situation here in Edmonton. We've assisted the city in the past in terms of reviews of specific treatment processes or what capabilities they have. I look back at the independent study we funded with the Environmental Protection Agency in the United States to look at the adequacy of the Edmonton city treatment facilities to handle the giardiasis incidents which might occur. Did the plant have the capability of treating for that specific type of — it's not bacteria; I guess "organism" is probably the right word. So we have made efforts in the past to assist the city, and we'll be reviewing that.

The hon. member asked about why we didn't sign the national agreement. I think I answered that question.

The hon. Member for Calgary McCall asked about clarification in terms of the Transportation of Dangerous Goods Control Act. [interjections] I've been asked some questions, and I wish to answer them tonight. Perhaps the hon. acting Deputy House Leader will adjourn when I've concluded my remarks.

SOME HON. MEMBERS: Agreed.

MRS. CRIPPS: Are you filibustering?

MR. BRADLEY: I'm just attempting to answer the questions which have been asked of me.

The hon. Member for Calgary McCall asked about clarification as to who was responsible for the Transportation of Dangerous Goods Control Act. Clearly, it's within the area of Alberta Disaster Services, through the Minister of Transportation, that the Transportation of Dangerous Goods Control Act will be implemented. Our department works closely with that department in terms of the overall national strategy for implementation. The specific responsibility we're looking at is in terms of the manifest system. We want to ensure that the manifest system which is in place for the transportation of hazardous chemicals, which will be implemented through the Department of the Environment, will not duplicate the efforts which are being made in terms of the Transportation of Dangerous Goods Control Act. So there's going to be co-ordination there in terms of the manifests. The manifests are very important to us in terms of tracking chemical or hazardous waste shipments in the province, to know where they came from, where they are going, and what the final disposition of these goods is. We'll know if they're coming from the generator, what amounts, where they're going, and how they're handled. It will be very important in terms of the implementation of the special waste management system.

The hon. member asked some questions about the special waste management facility. I think I've already answered that the private sector will be constructing the facility through a contract and operating agreement with the Special Waste Management Corporation. So private-sector funds will be used to set up the system.

The hon. Leader of the Representative Party, the Member for Little Bow, asked some questions with regard to the monitoring of the storage facilities. I believe it's fair to say that the department has had in place a monthly inspection system with regard to the storage sites at Nisku. Last year we also had in place a groundwater monitoring program to specifically look at the Kinetic site and if there was an effect on the groundwater from that specific site. The results that I have received, which I will be providing to the hon.

member, show extremely low levels or levels below the detection level in terms of the groundwater through the period of monitoring or towards the conclusion of monitoring. We had a specific concern that there was a storage tank at the Kinetic facility, and we went in and did some inspections. We looked for pesticides and PCBs to see whether there was groundwater contamination taking place. There was a groundwater monitoring system put in to see whether or not there was any effect with regard to the groundwater in that area.

With regard to PCBs and drinking water specifically in the city of Edmonton, I'm advised that in terms of the treated water survey which the department does on a monthly basis in major cities in the province including Edmonton, they have never detected any PCBs in the water supply of the city of Edmonton. I should clarify exactly what was found in the levels which were measured in Blackmud Creek and Whitemud Creek from the recent monitoring over the weekend. I said it was .05 parts per billion. When the detailed lab reports came in, it said it was less than .05 parts per billion, which means that basically if there were PCBs there, the level would be less than .05 parts per billion, which is the detection limit of the instruments which were used to do the analysis. So they were off the bottom end of the detection limit of our equipment.

The hon. member gave us a long and eloquent — I'm not sure how to categorize it. In terms of the whole issue of PCBs and other substances in the environment, I think we have to be very careful about how we talk about them and that we do not incite panic and scare amongst the citizens of the province. What has been found in Blackmud and Whitemud Creek is below the level of detection, extremely low levels of this substance.

I daresay that when we took the trace atmospheric gas analyzer equipment around the province, the TAGA unit — this was done in 1982. They took it to different areas and places in the province — downtown in cities, out in barnyards, out in 'farmers' fields. We found levels of almost any substances, different types of substances. You can find them almost anywhere. So when you find PCBs at less than the detection limit in Blackmud and Whitemud Creek, we should not have any concern, backed up by the fact that our treated water surveys have not detected any PCBs in the water supply of the city of Edmonton.

The hon. member introduced a certain type of challenge. I have no qualms about putting my feet in water at the Nisku site. I have no problems with that. There are hon. members in this Assembly who tell me that they've been in almost pure PCBs up to their elbows, literally, in terms of the work they've been in. So the levels we're talking about out there are not levels of concern or levels which should provide any concern to the public. I think we have to assure the public. Let's not blow PCBs out of proportion in terms of what we have here. We have them in extremely low levels, probably at background levels or less than you would find measuring and sampling almost anywhere in the province, not necessarily just adjacent to a storage site. There are background levels of substances all over the place. What we are basically finding are at background levels.

We talk about substances. If we want to talk about things that are proven carcinogenic substances, that we know are harmful to health, we should talk about cigarette smoke. There are substances that are known to be carcinogenic in cigarette smoke, and we are exposed to them as a public all the time. In my estimation cigarette smoke has a higher degree of risk in terms of being proven to cause cancer

than the health effects information I have to date in terms of PCBs. It's proven beyond a doubt. We know that. Before we see the headlines about "deathly" and "cancer-causing", and the concern and scare tactics that come with this — obviously it's an emotional issue, and we have to deal with PCBs very carefully. They are something we don't want to see in the environment. But there are other more dangerous substances out there which we treat less casually. We have to be very firm in our approach to PCBs. We have to make sure they're adequately stored, that they are destructed, that they're transported properly and carefully. That is the commitment we have. With the Special Waste Management Corporation that's what we're implementing.

Look, for example, at gasoline. There are substances in gasoline which are proven carcinogenic substances. We are all familiar with gasoline. We use it in our automobiles, and we are exposed to it on a fairly regular basis.

I conclude my remarks with that. We have a commitment in terms of special waste in the province. We have a commitment in terms of ensuring that there's safe storage. We have a commitment through the Special Waste Management Corporation implementation of it to handle these substances in a proper manner, to safeguard the environment and protect the people of Alberta.

Thank you, Mr. Chairman.

MR. CHAIRMAN: Did the hon. Acting Government House Leader wish to present a motion?

MR. R. SPEAKER: Mr. Chairman, on a point of order. The minister has accepted a challenge, and I appreciate that very much. I will be prepared at 2 o'clock tomorrow to be with the minister at the site and with a camera. That challenge is accepted.

MR. CHAIRMAN: The hon. leader could work out the details with the minister at another time. [Interjections]

MR. BRADLEY: Mr. Chairman, I have no fear in terms of doing that. But perhaps it could be scheduled at a time which ...

MR. CHAIRMAN: The details are not necessary to come before the committee. I recognize the hon. acting Government House Leader.

MR. R. SPEAKER: Mr. Chairman, on a point of order.

MR. CHAIRMAN: That is not a point of order. That's something you can discuss with the minister.

MR. R. SPEAKER: The hon. minister has accepted the challenge and ... [interjections]

MR. KING: Mr. Chairman, I would like to move that the committee rise, report progress — some progress — and beg leave to sit again.

[Motion carried]

[Mr. Speaker in the Chair]

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

MR. SPEAKER: Having heard the report and the request for leave to sit again, do you all agree?

HON. MEMBERS: Agreed.

MR. KING: Mr. Speaker, the House will be in Committee of Supply tomorrow morning for consideration of the estimates of the Department of Hospitals and Medical Care.

[At 10:25 p.m., on motion, the House adjourned to Friday at 10 a.m.]