

LEGISLATIVE ASSEMBLY OF ALBERTAhead: **ORAL QUESTION PERIOD**Title: **Friday, May 3, 1985 10:00 a.m.**

[The House met at 10 a.m.]

PRAYERS

[Mr. Speaker in the Chair]

head: **READING AND RECEIVING PETITIONS**

MR. STILES: Mr. Speaker, I move the petition of John and Wendy Ibbotson for the Paul Mark Ibbotson Adoption Act be now read and received.

[Motion carried]

head: **PRESENTING REPORTS BY
STANDING AND SPECIAL COMMITTEES**

MR. STILES: Mr. Speaker, pursuant to Standing Order 93, I've taken the petition of John and Wendy Ibbotson for the Paul Mark Ibbotson Adoption Act under consideration and wish to report to the Assembly that Standing Order 86 has not been complied with.

head: **INTRODUCTION OF SPECIAL GUESTS**

DR. BUCK: Mr. Speaker, I take great pleasure in introducing to you, and through you to members of the Assembly, 28 grade 6 students from Our Lady of the Angels school in Fort Saskatchewan. They are accompanied by their teacher Mr. Robertson and parents Mrs. Maxwell, Mrs. Agar, and Mr. McKinley. They are in the public gallery. I would like you to accord the warm welcome of the Legislature to this fine young group.

MR. SHABEN: Mr. Speaker, it's a pleasure for me today to also introduce a group of grade 5 students from the E.G. Wahlstrom school in Slave Lake. They have had an excellent visit to the capital city, having visited the Space Sciences Centre, among other attractions. They are accompanied by their teachers Mrs. Johnson and Mr. Barath and parents Mrs. Engerbretson, Mrs. Labby, Mrs. Olson, and Mrs. Melin. I ask the students, who are in both galleries, to stand and receive the welcome of the members of the Assembly.

MR. DROBOT: Mr. Speaker, it gives me great pleasure on behalf of our colleague from Chinook who is away on irrigation business, 40 students from the Consort school. They are accompanied by their group leader, Larry Kjeersgaard, and they are here to see democracy in action. I would now like them to please stand and receive the warm welcome of this House.

Regulation of Business Hours

MR. MARTIN: Mr. Speaker, I'd like to direct the first question to the Attorney General. It flows from answers to questions posed yesterday when the Attorney General said the government had given no consideration at all to the problem of small business people being forced to open on days on which at times they may want to be closed. My question is: can the Attorney General advise on what basis the government has determined that this problem is not worthy of consideration?

MR. CRAWFORD: Mr. Speaker, I think I indicated yesterday that the decision was not to interfere in contracts between private parties.

MR. MARTIN: A supplementary question. It is interesting about contracts, but is the Attorney General saying that it's the policy of this government that no rights are violated and there is no problem when owners of business concerns are compelled to open their doors on days when they would rather be closed?

MR. CRAWFORD: I think the hon. leader will find that that is done by the terms of a lease under which a businessman may lease property from another.

MR. MARTIN: I'm aware of that, Mr. Speaker, but the Attorney General refers to contracts. He would recognize that in those contracts there were protections in place dealing with the federal Lord's Day Act. They are no longer there, so the situation has changed dramatically. My question is: is the government actively reviewing what it can do to help business people who are being compelled to do business against their will?

MR. CRAWFORD: Mr. Speaker, I think my previous answers dealt with that question. I indicated that those are matters of contract. The Supreme Court of Canada has determined that the earlier provisions relative to Sundays cannot stand under the Charter of Rights, and as a result, the commitments that are made in contracts then govern the conduct of the parties.

MR. MARTIN: A supplementary question to the Attorney General. We're aware of contracts, but the point I'm trying to make is that it's changed under those contracts. There was a federal Lord's Day Act. Now there isn't. Let me ask the Attorney General this question then: can he assure the Assembly that there are no legal impediments in the provincial government's way and that it is not for lack of ability to amend legislation that the government does not act?

MR. SPEAKER: Order please. As soon as we start talking about legal impediments, we're in the area of legal opinions, and it seems to me there have to be better ways of dealing with legal matters than to bring them into the question period.

MR. MARTIN: A supplementary question, Mr. Speaker. Can the Attorney General tell the Assembly if it would be possible for the provincial government to bring in a law so that this could be stopped?

MR. SPEAKER: We really haven't moved very far off the previous position. Whether it's within the legal, legislative, or constitutional competence of a provincial government to introduce a certain law is in itself a question of law, and I'm sure the hon. leader could find better ways of getting that information than by having a legal consultation here while the rest of the members sit and wait for it to end.

MR. MARTIN: On a point of order, Mr. Speaker. We're trying to find out if they can bring in legislation. It's as simple as that. Can the government or will the government bring in legislation to deal with this matter?

MR. SPEAKER: That's different.

MR. CRAWFORD: Mr. Speaker, there's no intention at the present time to bring in legislation of that type.

MR. MARTIN: My supplementary question, Mr. Speaker: why not? Are not the concerns of small business people that are being raised with the government sufficient to cause this government to move on this issue?

MR. CRAWFORD: Mr. Speaker, I recognize the concerns and the two sides to that particular debate. All I indicated to the hon. leader was that there was no present intention to deal with that legislatively.

MR. MARTIN: A supplementary question, Mr. Speaker. Is the government giving any consideration to introducing further amendments to Bill 64, which was introduced and is now before us, so that as a minimum, municipalities would have the authority to protect business people from compulsory openings?

MR. CRAWFORD: Mr. Speaker, once again there's no intention to submit amendments to the proposed amendments to the Municipal Government Act. They speak for themselves.

MR. MARTIN: A supplementary question.

MR. SPEAKER: Might this be the last supplementary by the hon. leader on this topic.

MR. MARTIN: A supplementary question to the Attorney General. In view of the fact that we seem to have seven-day shopping, and it's now a reality in Alberta, has the Attorney General any evidence at all that other areas that have traditionally remained closed — i.e., hotels, beer parlours, courts, those sorts of things — will be moving to a seven-day week?

MR. CRAWFORD: Mr. Speaker, I don't have that information.

MR. NELSON: Mr. Speaker, a supplementary to the Attorney General. Considering that leases were taken out prior to the Sunday phenomenon by many of the people in these shopping centres that have been described, would the Attorney General give consideration to either bringing forward a government Bill or placing Bill 233 onto the government side of the Order Paper?

MR. CRAWFORD: Mr. Speaker, I believe I answered that question yesterday when a similar question was asked by

another hon. member. The answer is that there is no present intention to legislate in that way.

Garnishment of Doctors' Incomes

MR. MARTIN: Mr. Speaker, I'd like to direct the second set of questions to the Attorney General, seeing that it's his day today. Yesterday the hon. Member for Calgary Foothills moved first reading of Bill 63, the Maintenance Enforcement Act. I think it's a commendable effort, and it certainly enjoys the support of the Official Opposition. Can the Attorney General indicate whether or not to his knowledge there are any categories or types of income received by a spouse which would be exempt from the provisions of this Bill?

MR. CRAWFORD: Mr. Speaker, I think once again that's a question of legal interpretation. I think the hon. leader would have to look at court rules to see if the limits relative to garnishment apply in such cases. The Exemptions Act is another potential area to look. The recollection of it I have is that when a garnishee is carried out under existing law, the normal exemptions do not apply. But the hon. leader would have to consult the Bill that was introduced yesterday relative to the way in which that deals with priorities of payment, because that very subject is to some extent, I believe, dealt with in that Bill.

MR. MARTIN: A supplementary question, Mr. Speaker. I was not trying to get into the legality of it. I was wondering if there was intent to allow any group. I'm curious. I mentioned this with the Minister of Hospitals and Medical Care, and he confirmed my reading of section 15 of the Alberta Health Care Insurance Act that fees received by doctors from the Alberta health care insurance plan are exempt from garnishee for any purpose, including maintenance payments.

My question to the Attorney General, flowing from this: can he advise whether, during the preparation of Bill 63, any consideration was given to amending section 15 of the Alberta health care insurance plan to allow enforcement of maintenance orders against physicians?

MR. CRAWFORD: Mr. Speaker, that particular question was not addressed, to my knowledge. I say again, though, that I think that in the course of examining the Maintenance Enforcement Bill introduced yesterday, in the course of committee study it may well appear that because of the priorities declared in that Bill itself it may have an effect on some previous interpretations of the law.

MR. MARTIN: A supplementary question, Mr. Speaker. Can the Attorney General indicate to the Assembly why Alberta's doctors are accorded this special treatment? For example, what considerations have required that doctors be exempt from a law that applies, as I understand it, to virtually everyone else?

MR. CRAWFORD: Mr. Speaker, I'm not aware of the philosophy behind the medical care statute when it was originally enacted and couldn't, without research, say to the hon. leader whether or not for some reason that particular provision has existed since the 1960s, when health care legislation first came into effect in Alberta, or whether it had a more recent birth. It's an interesting enough subject, and the hon. leader raises an issue which, on the face of

it, would appear to be contradictory. I shall perhaps become as interested as he is in the reason for it.

MR. MARTIN: A supplementary question flowing from that, Mr. Speaker. Can the Attorney General indicate whether or not to his knowledge there is any other group in Alberta which enjoys this exemption currently enjoyed by Alberta doctors?

MR. SPEAKER: It's very well disguised, I should say, but it is a question for a legal opinion, because in effect it's asking the Attorney General whether he knows of anything in the law anywhere that would provide for further exemptions. I think we should finally make up our minds that we're not going to do legal consultations during the question period, when other members could be busy at their work while these consultations are taking place outside the question period.

MR. MARTIN: On a point of order, Mr. Speaker. I'm not trying to get into if there are legal parts of it. What I'm finding out is if it's the intent of the legislation to exempt people. This is obviously clearly an intent by legislation to do this. My question is: is there intent, in any other legislation the Attorney General is aware of, to exempt people from these sorts of orders?

MR. SPEAKER: Surely the question of the intent of legislation, contracts, or anything of that kind is essentially a legal question. Ordinarily the intent of legislation is taken from the text, especially if there's a preamble. But even without a preamble, the intent of all legislation is taken by the courts and everyone else from the text of that legislation, and that is a question of law. I don't know how I can put it any more plainly.

MR. MARTIN: Mr. Speaker, on a point of order. Maybe if you would listen, we would understand each other. What I'm saying is: if they bring in a law that exempts certain people and they do it deliberately, that's not a legal intent. That's what I'm asking. This was done deliberately. But I think I've made my point, anyhow.

MR. SPEAKER: Order please. I'm a little surprised that this misunderstanding should persist, because we're not talking about the intent of the government; we're talking about the intent of the law. That is clearly a legal matter, and there's no way you can get around that.

MR. MARTIN: That's rather amusing. I wonder who makes the laws. I guess I'm a little confused here.

MR. SPEAKER: Order please. The hon. Leader of the Opposition is one of those people.

MR. MARTIN: Thank you. That's what I'm trying to do, Mr. Speaker. I appreciate that.

My question, then, is to the minister of medicare on this issue. I just quote what he said about this the other night, because I'm still not sure what he means.

With respect to the maintenance order guarantees, I'm told that it's simply a legislative requirement of the Alberta Health Care Insurance Act that health care benefits must be exempted from garnishee provisions because they're a benefit paid on behalf of somebody else.

What difference does that make in terms of a maintenance order? Why should that be exempt?

MR. SPEAKER: Really, it's getting a little bit much. The hon. leader is persisting in getting legal advice, and there's no other construction I can put on it. I've run out of reasons. The ones I've mentioned are still valid, and the only thing I could do would be to repeat them.

MR. MARTIN: Mr. Speaker, you must have had a bad evening last night. I don't understand it. I'll go on to the . . .

MR. SPEAKER: On the contrary. The hon. leader is having a bad morning.

MR. MARTIN: You're right. If you'd sit down, I'd have a better morning, Mr. Speaker.

My question, then, to the Attorney General — and may I check this with you first so I can have a flowing question period here. Will the Attorney General now undertake to review section 15 of the Act with a view to amending it so that maintenance orders against doctors can be enforced up to and including guaranteeing garnisheeing of fees in the Alberta health care insurance plan, if necessary? Is that okay? Thank you.

MR. CRAWFORD: Mr. Speaker, before I would make any recommendation to the Assembly with regard to amending any law, it would be necessary for me to undertake certain consultations. It may be that I will do so.

Hazardous Materials Transportation

DR. BUCK: Mr. Speaker, I would like to address a question to the Minister of the Environment. This has to do with a question I asked last March about hazardous waste transportation within the province. I quote from *Hansard*. The minister stated that along with the disposal facility at Swan Hills

we hope to have in place an efficient and safe transportation system for special wastes in the province.

Can the minister indicate what progress has been made to ensure that we do have a policy in place to make sure hazardous wastes that are moved through parts of the province to their disposal site are completely safe?

MR. BRADLEY: Mr. Speaker, in terms of the implementation of the Alberta special waste management system, the transportation component is very important. That is being worked on by the Alberta Special Waste Management Corporation to ensure there is secure and safe transport of these wastes to the Swan Hills facility. It will be part of a contract between the Alberta Special Waste Management Corporation and the proponent. Parts of that transportation component will be contracted out to the private sector. It's a very important part of the system, and it will be given every consideration prior to being implemented.

DR. BUCK: Mr. Speaker, in light of the fact that the storage portion of the facility will be ready in September, will that policy be in place by that time as, I believe, the minister indicated?

MR. BRADLEY: Yes, Mr. Speaker. It will be in place prior to any waste being transported to the Swan Hills facility.

DR. BUCK: Mr. Speaker, in the central collection areas that it has been indicated will be in place in the province, can the minister indicate if procedures are in place at this time to have central collection agencies and to move them from there to the storage site? Are those plans proceeding?

MR. BRADLEY: Mr. Speaker, I believe I gave a fairly detailed answer in my remarks on the budget last Thursday night with regard to the system which is being set up. One of the important aspects of the special waste system would be to have collection centres. That's part of the plan, and the Special Waste Management Corporation is working on a system to see that that is implemented. We can have the plant set up in Swan Hills, but an important part is the collection of wastes and to make economic transportation of those shipments to the Swan Hills facility.

DR. BUCK: Mr. Speaker, to the minister. In moving these hazardous wastes, are any provisions being made to bypass the major centres, such as the city of Edmonton? Is there any consultation with the minister and civic authorities to make sure that hazardous wastes do not move right through the centres or the outskirts of the cities?

MR. BRADLEY: Mr. Speaker, that is an important part of the consideration in terms of the implementation of the system. We've been working very closely with the transportation of dangerous goods co-ordinators in the province. There are designated routes by which dangerous goods can be transported. I understand that's something that is currently implemented.

DR. BUCK: Mr. Speaker, to the minister. What co-ordination is there between the people who will be moving the wastes and the department to ensure there would be immediate reaction if a spill took place? What crack or SWAT team would be in position to take care of those wastes, the same as industry has? I use the example of Dow Chemical. They can respond to any place in Canada if they have a spill. Will a system such as that be in place with the Department of the Environment?

MR. BRADLEY: Mr. Speaker, that is a very important part of the whole transportation policy which will be developed with regard to the shipment of wastes to the Swan Hills facility. One of the requirements of the contract Special Waste Management Corporation would be entering into would be that the people shipping the waste would have a spill response team in place that would be able to react immediately to any emergency.

Automobile Insurance

MR. PURDY: Mr. Speaker, I'd like to ask a question of the Minister of Consumer and Corporate Affairs. The minister recently stated that she's considering hiring a private consultant to investigate auto insurance rates with respect to under-25 male drivers. Is the minister really serious?

MRS. OSTERMAN: Mr. Speaker, I certainly am, but I think the member may have misconstrued my comments. My department will be taking charge of this particular issue, and it will be the Superintendent of Insurance, who will have actuarial expertise at his disposal. We do not have on staff the expertise in that area to provide him with information in terms of an analysis of the new statistical

plan the insurance industry has in place as of, I believe, this January. There is a lot of information that needs to be assessed, as well as the opinion the industry themselves have provided to us and to other provinces across Canada. Since we mandate certain automobile insurance that must be carried by the public, I think it's important that we as government, and particularly my department and the minister, comment on the information that's available and make that information available to the public in the best way possible, so they too can have some input.

MR. PURDY: Mr. Speaker, a supplementary. That's very well regarding the compulsory part of it for the pink cards, but I'm concerned about the collision end of it. In view of the fact that the insurance industry of Alberta is in the marketplace as a competitive group of free enterprisers, how can the minister rationalize interference in that system?

MRS. OSTERMAN: Mr. Speaker, I don't think we really propose to interfere, so to speak, as the hon. member has said, in a way that would put the industry in a position of operating on an actuarially unsound basis. I think we have to look at the historic classifications that have been in place in which the costs to the insured have been developed and see if there isn't another way, or other ways, to form categories which would be fairer to all the public who are involved in purchasing insurance.

MR. PURDY: Mr. Speaker, a supplementary. I guess we could go on debating this in the minister's estimates when they come up. But in the event that there is a recommendation by the superintendent's office, through various people, that the under-25 male driver should get a lower rate, then is the minister planning an infusion of provincial dollars into the system so that people such as myself are not penalized? The rates will have to go up someplace to make up for the lost revenues.

MRS. OSTERMAN: Mr. Speaker, that's a hypothetical question. I don't know whether it's appropriate to give an answer, other than to reinforce that we're not talking about the government getting into the insurance business and we are not talking about the insurance industry being asked in any way to operate on a nonactuarial basis. What we are talking about is review of the historic classifications to see if there isn't a fairer method or grouping that could be achieved for all those in the public who I hope would realize that it's appropriate to judge them on their driving experience and record as opposed to what particular classification they belong to.

Ambulance Services

MR. GURNETT: Mr. Speaker, I have a question for the Minister of Hospitals and Medical Care. A citizen got in touch with our office recently regarding an experience with the ambulance system. He had been taken to a hospital in Banff with a cardiac problem, and then was told he needed help in Calgary. But because he was not officially admitted to the hospital as an inpatient and didn't have Blue Cross coverage, he ended up with a \$540 bill for the ambulance. Can the minister confirm that if a person is defined as an inpatient, ambulance costs are covered by the hospital insurance system, but if you're not an inpatient, they're not covered?

MR. RUSSELL: Yes, I can confirm that that's correct, Mr. Speaker.

MR. GURNETT: A supplementary question, Mr. Speaker. Does the minister's department monitor this discriminatory aspect of the ambulance system to determine how often this kind of situation occurs, and has he asked for any estimates of how much these extra bills for hospital transportation may amount to for citizens during a year?

MR. RUSSELL: Mr. Speaker, we monitor it only to the extent that we pay for the interhospital transfers, and last year that was just in excess of \$8.5 million. I'm going by memory now, but I'm very close to having the right figure.

I know there are cases where a patient will arrive at a hospital, be examined, and situations occur, as the hon. member outlined. The doctors will say this patient should be taken to another facility for care. So they're never in the hospital system. That is the responsibility of the private citizen. That's why so many people carry Blue Cross insurance.

MR. GURNETT: A supplementary question, Mr. Speaker. Has the minister's department made any assessment of how many of the people who end up having to be transferred, not as inpatients, do not have Blue Cross and, therefore, end up paying for the transfer themselves?

MR. RUSSELL: No, Mr. Speaker. It's always been a citizen's responsibility to look after those things for themselves. The insurance is available. Once they're in the hospital system, the interhospital transfer is looked after. I believe it's a good system.

MR. GURNETT: A supplementary question, Mr. Speaker. The information we're provided with indicates that, for example, if two people are in the same car accident, one could end up paying for their own ambulance and one would be covered by the program. That seems strange. My question, though, is whether or not the minister's department has done any investigation of how many cases where a person cannot be admitted and is transferred without being an inpatient are due to lack of staff able to provide care in the hospital he first arrives at, even though the hospital may have facilities to provide the care.

MR. RUSSELL: To my knowledge, Mr. Speaker, a study of that kind has not been undertaken. I believe the hon. member might appreciate what would be involved, if you consider the 123 active hospitals around the province, people showing up for admission in either an ambulance or some other vehicle; in some cases transfers or nonadmissions are involved, and in many other cases admissions are involved. I'm not quite sure how we would get that information, but I make the distinction that once an Alberta citizen is admitted to the hospital system, all his costs are looked after, including transfer to another facility. But ambulance service per se is not covered, and that is still the responsibility of the private citizen, as it has always been.

MR. GURNETT: A supplementary question, Mr. Speaker. It seems that there could be a lot of money being spent by private citizens for care that we're not really sure should be provided by the department or not. My question is whether the minister has given any consideration to including

outpatient interhospital transfers as an insured service under the program?

MR. RUSSELL: No, we haven't, Mr. Speaker. The Alberta medical care system is so rich in coverage compared to that given by other provinces that I don't believe now is the time to expand it even further. I think it's a reasonable thing to ask our citizens to be responsible for their own ambulance coverage. It's not a big item, if they take out insurance. Surely it's not asking too much of a citizen to look after that kind of thing.

MR. GURNETT: A supplementary question, Mr. Speaker. In view of our attention earlier this week to the fact that we want to be responsive to citizens in this province and that people are concerned about hospital transfers and other areas related to the provision of ambulance services, my question is whether the minister is giving any consideration to establishing a task force on ambulance service in Alberta that would hear representations from the public on various aspects of service that they think could be improved?

MR. RUSSELL: Mr. Speaker, there was a study of that kind carried out probably about six or seven years ago. Hon. members may recall that for some time the province was considering giving some financial support to local ambulance services by way of capital and ongoing operating. That decision was considered for some time, and we had to withdraw from it. I've spoken on that issue many times in the House. The fact remains that Canadians living in Alberta get a far broader coverage of health care services than Canadians living in any other province. All we're asking them to do is be responsible for their own ambulance service. It's an insurable item, which is purchased at a very reasonable rate. I think that's the proper attitude for the government to take.

Small Business Financing

MRS. CRIPPS: Mr. Speaker, my question is to the Provincial Treasurer. Since some of my constituents indicate that there has been a reluctance by the main banks to support small businesses in rural Alberta communities, would the minister undertake to bring this problem to the attention of his federal counterpart?

MR. HYNDMAN: Mr. Speaker, if the hon. member or others can provide me with specific information with regard to individual situations, I will look into bringing them to the attention of the individual financial institutions.

MRS. CRIPPS: A supplementary. Has the minister had discussions with the Treasury Branches to ensure that small businesses are, in fact, treated with as much support as possible and that the policies of the banking establishment are not the cause of some of the business failures?

MR. HYNDMAN: Mr. Speaker, the situation with respect to business difficulties varies with respect to each individual case — each business, each partnership, or each individual, in some cases. Certainly, the Treasury Branches continue to carry forward their historic mandate; that is, being sensitive to local Alberta situations with regard to a resource economy that in its ups and downs has wider swings than many others. The major goal and mandate of the Treasury Branches continues to be servicing the agricultural com-

munity, the 60 communities that have no other financial institutions at all, and the small business community throughout Alberta. I look forward to receiving any further suggestions, though, that the hon. member might have to facilitate that mandate.

Support for Financial Institutions

MR. ALEXANDER: My question has something to do with banking as well and is directed to the Provincial Treasurer. I note in a national financial newspaper this morning that one of the major banks has expressed the view that the banks ought not to have been involved in the guarantee or bailout of the Canadian Commercial Bank. In the course of the discussions with the parties to that guarantee, can the Provincial Treasurer clarify whether there was a resistance on the part of the banking system to the concept of guarantees or support agreements in general? Did the banks, governments, or any party at the table resist the idea of guaranteeing or supporting financial institutions, such as the CCB or the credit union system?

MR. HYNDMAN: Mr. Speaker, I don't have any detailed information in that regard. Certainly, the six schedule A banks involved in the restructuring made the decision to become part of that. However, I have noted the statement by the chairman of the Toronto Dominion Bank as reported today, which I understand was to the effect that he felt it would have been better to have let the regional Canadian Commercial Bank and credit unions fail. I feel that to a degree it's regrettable and unfortunate. I do not share that view. In my view, the concentration of further ownership and decision-making in other parts of Canada is not what is desired. What we need is a dispersal of and greater support and viability for regional financial institutions in western and Atlantic Canada. In my view, not only Alberta and the west but the country would be well served and business confidence across Canada would be well served with a dispersal of that ownership and decision-making and not a situation where small and middle-sized businesses in regions such as the west are put at risk.

MR. ALEXANDER: A supplementary question, Mr. Speaker. I'm really trying to get at something that is crucial, in my view, and has become almost another institution. In the course of the discussions with the Canadian Commercial Bank, can the Provincial Treasurer tell us whether there was something unique about this particular guarantee? I'm trying to differentiate between whether the banks are herein objecting to the guarantee as a concept or an idea, or they're suggesting that neither the major banks nor the governments ought to guarantee institutions. Or is there something about these two guarantees that this particular individual suggests ought not to have been undertaken that sets them apart from other guarantees that have been taking place in the country? It struck me that there was some regional element to this. Is there an objection to the idea of guarantees, or is there something unique about these two guarantees that sets them apart and that is why they ought not to have been undertaken? If the Treasurer can throw any light on that, it seems to me to be a very important discussion. It has been within this House and certainly will be ongoing for financial institutions.

MR. HYNDMAN: Mr. Speaker, I have difficulty in getting into the minds of some other larger financial institutions as

to their reasoning in this regard. Certainly, as I've indicated, the government of Alberta took the position and to this day feels strongly that the moves taken with respect to credit unions and the Canadian Commercial Bank were proper and justified, insofar as they carried forward a valid Alberta government policy not only to continue to take steps to maintain confidence in the west and in the country but also to buttress, support, and ensure the viability of financial institutions in western Canada.

As I indicated the other day, if the Canadian Commercial Bank had failed, a large number of small and middle-sized Alberta businesses would have failed, because quite a large number of small and middle-sized Alberta businesses have borrowed from the Canadian Commercial Bank. Had there been a liquidation, those loans would have been called, and that would have been the end of those businesses and those jobs. I hope that in future there is some sensitivity to that reality by all members of the Canadian financial community.

MR. ALEXANDER: Just a final supplementary, if I could, Mr. Speaker. Was there any discussion that the hon. Treasurer is aware of that such guarantees ought to be undertaken only by governments and not by financial institutions? To the best of the knowledge of the Provincial Treasurer, was part of the discussion that this is a government responsibility as opposed to a responsibility of financial institutions?

MR. HYNDMAN: There were a number of positions presented, Mr. Speaker. I think there was a feeling that a partnership of both the private-sector financial institutions and the governments involved would be appropriate in this particular and unique case.

MRS. CRIPPS: A supplementary, Mr. Speaker. In your remarks, Mr. Treasurer, with regard to regionalism — I understand that it is a general policy of the major banks not to lend to small businesses; i.e., small general stores in outlying areas of Alberta. That kind of general policy, which I believe would be discriminatory, would certainly hurt the communities scattered all over Alberta. I believe that's a major thrust of what the member is saying there. My question to the minister is: has he had any discussions with the banking establishment about the special needs of rural Alberta and the flow of traffic during the summer months, say, as opposed to the slowdown during the winter?

MR. HYNDMAN: Mr. Speaker, I don't believe it's a general policy of the large, schedule A banks not to lend to small businesses outside Edmonton and Calgary. I'll certainly make inquiries, though, as to what their policies are in that regard, and then we can discuss the matter further.

MR. MARTIN: A supplementary question, Mr. Speaker. In view of the feelings publicly expressed by one of the major financial institutions, my question to the Treasurer is: why did the private financial institutions go along with the bailout of CCB? Was it because of pressure from the federal government, especially, but to a lesser degree the Alberta and B.C. governments?

MR. HYNDMAN: Mr. Speaker, I believe it was because they were able to see that there was a responsibility, individually and collectively, on their part in terms of the financial institutions of Canada and the need for confidence

in those institutions in Canada and in regions of Canada, and in order to keep the recovery proceeding.

MR. MARTIN: A supplementary question to the Treasurer then, flowing from his answer. At the time of negotiations, was there no alarm expressed by the financial institutions? They agreed with the bailout at the time and didn't raise the objections they're raising now?

MR. HYNDMAN: I guess the fact that the various six banks have become part of and have forwarded their share of the moneys with respect to the support of the Canadian Commercial Bank is evidence that they felt that was the right thing at the right time.

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. CHAMBERS: Mr. Speaker, I would like to introduce to you, and through you to the Assembly, 46 grade 6 students from the Bishop Savaryn school in the constituency of Edmonton Calder. They are accompanied by their teachers Mr. Marler and Mr. Kowalczyk. They are seated in the members' gallery, and I would like them to rise and receive the usual warm welcome of the Assembly.

MR. TOPOLNISKY: Mr. Speaker, seated in the public gallery is a youthful group of Albertans, some 30 grade 6 students from the Thorhild elementary school in the Redwater-Andrew constituency. They are accompanied by their teachers Mrs. Olga Radomski, Mrs. Ingrid Kapach, and Mr. Ken Zinyk, parent Mrs. Schryer, and bus driver, Mrs. Faye Zelenski. I'm delighted, Mr. Speaker, to introduce them to you and to the members of the Assembly. I ask that they rise to receive the warm welcome of the Assembly.

MR. McPHERSON: Mr. Speaker, it's my pleasure today to introduce to you and to our colleagues in the Legislature 30 grade 6 students from that classic example of community co-operation in the school known as the G.H. Dawe community centre. These students are from St. Patrick's school in Red Deer. They are accompanied today by their teacher John Adam, parents Mrs. Gilchrist, Mrs. Quinto and, interestingly enough, Mr. Zip. While I can't see them, I understand they're seated in the public gallery. I ask that they take to their feet and be recognized by the Assembly.

head: **COMMITTEE OF SUPPLY**

[Mr. Appleby in the Chair]

MR. CHAIRMAN: Perhaps the Committee of Supply could come to order and we could get started here. Could we have order, please. Some of these conferences going on might well adjourn to the lounge or somewhere, I believe.

Department of Tourism and Small Business

MR. CHAIRMAN: Does the hon. minister wish to make some comments?

MR. ADAIR: Yes, Mr. Chairman. I would like to take this opportunity to say a few words before we get into any questions there may be relative to the estimates of Tourism and Small Business. Nineteen eighty-five will in all probability be one of the most exciting years for the entire department. My comments are made with mixed emotions, because there are a great number of things that are extremely positive, and there are still some difficulties out there in the business world itself. I thought it would be important if I gave an outline of some of the actions and concerns that have been expressed to us by the business community, and through us to the department, and where we fit in our role of assisting the private sector and the small business community, at their request, coming to us to seek some advice, if we are in the position to be able to provide that, and where we are going.

Some interesting statistics, Mr. Chairman: in the small business area, in counselling service, which is probably the most important part of our division relative to contact at the request of the private sector, this past year, 1984-85, we handled 19,000-plus requests for assistance relating to new business opportunities, existing business opportunities, and what we call general information. That is up 49 percent over the 12,800 requests in 1983-84. The kinds of counselling that are being sought are related to problems in operating the business, problems related to departments of government, financial problems, legal problems, marketing problems, others in that area, and of course a number of calls have come to us about the management assistance program which is probably one of the most successful programs we have operating out there. That's a co-operative program between the chambers of commerce in the various communities, the business people of the communities, and a private-sector consultant hired through the Department of Tourism and Small Business to speak to, work with, and provide some suggestions as to how improvements can be made. This year we will again be holding a number of them. Eleven communities this spring will have received assistance through the management assistance program. We will be operating two special retail ones in Edmonton, one hospitality one in Medicine Hat, and one in the Cold Lake-Bonnyville area.

I lay those statistics out to give us a bit of an idea of the kinds of requests for assistance that we get from the private sector and the small business community. It's not a case of our going into a business and saying: "Hi, I'm from government. You have a problem; we're here to help." Basically what does happen is that we get the request from the private-sector business and then attempt to work it out with them, assist them, and give them some direction or guidance as to what may be able to be done to assist their particular business.

I should also point out some figures relative to business incorporations. New business incorporations for 1984 were 14,572. That's up slightly from 1983 and again up slightly from 1982. In addition to that, a number of new partnerships and proprietorships were registered. That may well be some adjustments being made between existing businesses who were changing ownership or partnerships, and there were 14,000 of them that in fact had some opportunity to be re-registered as a change was made in the partnership or proprietorship. I don't think I would be remiss in also

pointing out that albeit that we have roughly 29,000 either new incorporations or new adjustments in the proprietorships and partnerships, there were also 1,000-plus bankruptcies in the past year. That's constant with the year before, and hopefully that will see a decrease in the year coming up.

Having said that on the small business side, I guess the other one I should mention is the small business equity corporation program. It is a program in its own right. It's not a private corporation of the government. It's a program whereby the individual citizens of this province can invest in and register as a corporation, and then the funds they in fact would use to form this small business equity corporation would be invested in eligible small or medium-sized businesses in the province of Alberta. The original \$15 million we had as an incentive for grants or certificates of corporate investment last year — 142 applications were received, 136 were registered, two were rejected, and two were withdrawn. That took up the initial \$15 million we had in place in the program. You may recall that we provided, or are in the position of providing with the approval of this Legislature, an additional \$35 million as an incentive for the program that is now in place. With the co-operation of everybody in the Legislature, we approved the amendments to the Act to allow that to happen, and I thank everyone for that. We have approved the regulations, and that particular part of the program is continuing. We received roughly 126 new applications since that time in January when we ran out of the first \$15 million, and we are working on those right now. They have basically another \$15 million worth of commitments to the \$35 million that we had set aside.

All in all, in the current budget \$7.4 million is assigned to the balance, basically, of the original \$15 million, and in essence that's what it is. Two things should be kept in mind when they register their corporation. They then have one full year in which to make investment decisions to a minimum of 40 percent of the capital they had registered with the corporation. With the fact that the program is really only eight or nine months old at this point, we don't have the total moneys invested at this stage to that 40 percent. It's encouraging in the sense that we have roughly \$13 million of the private-sector funds invested in small and medium-sized businesses throughout the province of Alberta. Some interesting statistics are where the SBECs are located: 10 in northern Alberta, 17 in central Alberta, eight in southern Alberta, 65 in Edmonton, and 35 in Calgary.

When you look at the kind of investments in the actual sectors, the agricultural community has seen four investments and manufacturing has seen 14. When we're not really considered, in essence, a manufacturing centre, that's encouraging. We're basically considered to be a service sector, so manufacturing is a bright light on the horizon for us in that particular program. In construction and transportation, three investments; wholesale/retail trade, 16 investments; business and personal services, 16 investments: just an idea of some of the areas they are invested in.

I should also point out that where they invest and how much they invest in the particular business is their business. It is not ours. In essence, that's confidential commercial information and should remain that way. So we don't really get into a position of indicating that we know that SBEC number one invested X number of dollars in business number two and why. The success of the program has been that government acts as a catalyst. They make the decisions as to where or how much they invest, and they make the

profit or loss from those investments. If there are profits, they gain, and we indirectly gain by way of any taxes that may be accruing from that. If they lose, we have gambled with them and we, in essence, have lost as well. But that's the business community that we live in and have for many, many years.

I don't think I should go on too much more on the SBEC program. It's certainly very successful, highly motivated; many, many numbers of people in the province invest their funds and become part of the investment community and the small business community in the province of Alberta.

We also handle the Alberta Opportunity Company. Quite a number of requests come in as to the role of the Alberta Opportunity Company. As a lender of last resort, it has worked extremely well for us over the number of years since its inception. If I can use the actual figures, 3,234 loans have been approved for a total of \$354,784,955. That is basically balanced over the entire province in the sense that 27 percent of those loans over that entire period have been in the northern part of the province, 25 percent in the central part, 26 percent in the south, 12 percent in Calgary, and 10 percent in Edmonton. We've had some discussions over the years as to whether we should change the concept of having a better rate in rural Alberta than in the two metropolitan centres. We have not changed it to this point in time, Mr. Chairman, because the intent of the program was to assist in rural Alberta where the banks didn't appear to be interested.

The hon. Member for Drayton Valley was asking the Provincial Treasurer a moment ago whether the banks had changed some of their policies in any way. I might point out that it appears that some changes are being made out there. In many cases the small operator, the country general store or the small business, is having some difficulty because of a decision by the bank, no particular bank, to in fact reduce the operating line of credit and thus keep that little business in a little bit more difficulty. I guess the best example is that they were using an operating line of credit of \$16,000 two years ago; today it's \$6,000 for some reason. Of course, that little business is having some difficulties with that. So anything we can do to highlight the fact that we'd like to get the banks back into business, get those operating lines of credit up where they should be, and let the business carry on would be very much appreciated. It can't be done if the decisions are being made in Toronto. So the Opportunity Company in its own right, of course, has that.

[Mr. Purdy in the Chair]

One of the thrusts the Opportunity Company is making this year, at the direction of discussions we had with the board of directors, is that the student loan program, which has been on the books and in place in the Alberta Opportunity Company for a good number of years, has been accelerated and highlighted. I'll use the example of 1984: five applications for student loans for the then amount of \$2,000 were approved. In 1985, by some aggressive marketing in the sense that they were writing to all the postsecondary schools in the province, advertising in school newspapers, and talking to student groups, we have received to date 24 applications, 17 of which have been approved. Two have been declined, one cancelled, and four are pending. We also approved an increase in the amount they could obtain, from \$2,000 to \$3,000. The whole idea behind the program is that if they are 18 years of age or older and enrolled

as a full-time student, they can receive a loan by way of application, if it's approved, and the schedule for repayment begins in September of that year. That's an exciting move and direction to assist our young people in the work community.

I guess I should move on to the northern development section of the department, Mr. Speaker, and indicate that under chairman Norm Weiss, the M.L.A. for Lac La Biche-McMurray, they have provided and will continue to provide excellent service through the Northern Alberta Development Council in the series of meetings and public meetings they hold around the northern part of the province. This year's budget includes an additional sum for a conference that we have generally held every five years. That conference in this particular case is similar to the one in 1975 called the Opportunity North Conference. In 1980 we had Transportation North. In 1985 it's our intent to have a conference called Challenge North on northern economic development. That will be held in Fort McMurray in October of this year. Funds are provided in the budget this year for that particular conference. It will involve a great number of the citizens of the northern part of the province, along with experts in the business community and the economic development area to assist us, through the work and help of the branch and the Northern Development Council, chaired, as I said, by Norm Weiss. I should point out that Bob Elliott, the M.L.A. for Grande Prairie, also sits on that council.

[Mr. Hiebert in the Chair]

I guess that sort of brings us to what I might call the best part of the program. It's going to be an exciting year for tourism. A great number of things have occurred. I should probably start with what has occurred just this week, the buy/sell conference, if I can use that term, called Rendezvous Canada, sponsored by Tourism Canada in co-operation with the provincial host. In this case it was held right here in the city of Edmonton and was just completed as of Wednesday. Roughly \$80 million worth of business was transacted by Canadian sellers selling to world buyers. Over 1,000 delegates attended that particular conference. When you have them coming from all over the world and sitting down with Canadian sellers — and when I speak of the \$80 million-plus in business sold, that's Canadian business sold, and because it was held in the province of Alberta, we would probably benefit to the tune of 10 to 12 percent of that particular business being Alberta related or Alberta-Yukon-Northwest Territories related. The hosts — the city of Edmonton, the convention authority, the governments of the Yukon and the Northwest Territories, Travel Alberta, and the Department of Tourism and Small Business — did an excellent job of hosting that. All the people involved are to be commended.

Some of the areas that are important for us are using the meetings and leisure travel and incentive travel areas within the department. As a result of a mission we had to Europe last February, we were able to make contact with 116 world organizations and let them know — and we took with us private-sector people involved in the two convention authorities in Edmonton and Calgary — that we had world congress facilities in the two major metropolitan centres. We were sort of letting them know that we're in business, we want them here in Alberta, and we're prepared to invite them. My role as minister and our department's role is to get these people interested in Alberta, and after that Edmonton and Calgary can go at it as to who is better in the presentation they may make for the use of their facilities.

Just to give you an example of a couple of the congresses that have resulted from that particular one, there is a major one called the International Congress on Alcoholism and Drug Dependence in 1985. Of course, we were working before we went overseas and have continued to work with the hon. Member for Lethbridge West, the chairman of AADAC. That will be the 34th conference, held in the city of Calgary this August with 1,200 to 1,500 delegates. In 1988, as a direct result of our mission to Europe, we will be hosting the International Federation of Hospital Engineering. That is slated for Edmonton with roughly 600 delegates. Those are a couple of the ones that are involved and the kind of business that can be generated.

One of the things we must do is ensure that our Canadian representatives on that world council ensure that invitations are made to visit not just Ottawa and Montreal but Alberta, Edmonton, Calgary, and the facilities we have here. We will continue to do that to the best of our ability.

The area of new programs is probably the exciting one for us when we start talking about where we're going in tourism for this year. The increase in our budget this year will allow us to do a number of exciting things. If I can maybe segment them for a moment, I'll talk about advertising. I think international advertising needs some clarification. This is advertising that will be done by the department on behalf of the industry outside the province of Alberta. We will be shoring up and increasing our advertising in the west coast U.S., Texas, the northwest states in the United States, Canada, the U.K.-Europe theatre, and the Pacific Rim.

[Mr. Purdy in the Chair]

Our biggest competitor in that particular area, Mr. Chairman, is the province of British Columbia. Their budget up until now has sort of caused us some consternation, in that they have had some \$6 million. We had been working on a budget of \$1.4 million. We are now getting close to theirs, so we'll be pushing them a little bit. I guess it might be of interest to suggest to you that with the increased dollars we will be working primarily in California, Ontario — Ontarians coming to the province are big supporters of tourism in Alberta — Texas, B.C., Saskatchewan, and Manitoba, along with the states of Oregon, Montana, Idaho, and Washington and, of course, the Pacific Rim. We will be providing direction in that area. That will be exciting for us, because the industry has been asking for that increase for quite some time, and with the support of all my colleagues in the Legislature we have been able to provide that. I hope we have the unanimous support of everyone in this Legislature to approve those funds.

One of the more exciting ones to begin with is that we will be starting, at the insistence of the industry and with the support of my colleagues, another Stamp Around Alberta program. I use the term "Stamp Around" for comparison only. It will be another in-province campaign. The idea behind it is to duplicate in some ways but better the program that started in 1978-79 and finished in 1980, our 75th anniversary, by having a program that will start in 1986-87 and culminate in the Olympic year of 1988, not just with the Olympics but through the summer of 1988 as well. So we're working on that program, and there are funds in the budget this year so we can get the mechanism in place and have it all ready to go in early 1986.

One of the other programs that really has a lot of excitement for us, particularly for the small operators in

the tourism field in the province of Alberta, is a program called the tourism marketing development fund. What we're doing here will assist the small operators — I can use examples of the fly-in fishermen or the country vacations or the trail riding groups — to promote their products through advertising and marketing in the international sector, in other parts of Canada, and in the province. This program will allow that to happen by setting in advance percentages of our participation in that co-op advertising with them. Prior to this, any co-op advertising we did with the various sectors of the industry was up to 50 percent of the advertising. Under this new program, in the international marketing area we will pay 85 percent of the ad and 15 percent will be paid by the small operator; in the domestic or other Canadian area we will pay 75 percent and the operator will pay 25 percent; and in Alberta we'll pay 65 percent and the operator will pay 35 percent. This will assist the smaller ones in promoting their particular tourism products to the international and domestic markets and in bringing tourists to Alberta and allowing them to enjoy it.

Probably the most important sector we're going to be talking about in the increase in funds is in the area of service industry training and retraining programs. I think one of the things that has to be said is that dollars alone are not going to be the major benefactor for the tourism industry. Dollars alone can only do so much. The industry itself has a number of things they must do and react to. With their co-operation we will be reviewing all the existing training programs that are in place, similar to the train-the-trainer program, the ski resort hospitality seminars, the zone travel counsellors program, customer relations and hospitality training programs, with the institutions that they are being held at — NAIT, SAIT, Grant MacEwan college, Lethbridge college, and the likes of that — to see if they are in fact doing the job they were originally intended to do. If they are, fine; we'll expand them. If they are not, they will be adjusted and new ones will be put in place.

We are also going to be working on a feasibility study where we will be bringing in a consultant to assist us in looking at all the programs in place and all the requests for training programs, possibly including the degree program that has been suggested and requested for quite a number of years. In fact, if that is the direction we would get from the consultant, we will be moving in that direction. For the initial stages there are funds in this year's budget, and part of that increase is to ensure that proper new and enhanced training programs are in place.

Having said that, Mr. Chairman, I really think there's a number of other areas I have to point out. Probably the most significant part is that the tourism budget this year has increased by 58 percent across the board. That's a major increase in an area that I guess we could say has received some benefit from the economic downturn. There's a recognition of the value of tourism, of the labour intensity of the industry, of what can be done in the industry if we all work together at it. In many ways that's really a result of the presentations that were made to us through the white paper as the committee moved throughout the province of Alberta. There were things like "Tourism is a very important part of the industry; we must do something." There were specific suggestions as to what could be done, and as a result of those, we in the department are working very hard right now to put in place a position paper on tourism. I hope we get it in place and are able to announce it sometime by early summer. That will give us a direction of where we're going in the period 1985-1990.

Some other excitement in the area of tourism is that we are presently in the negotiation stage with the federal government relative to the first ever tourism subagreement for the province of Alberta. We've tried. My colleague the hon. Bob Dowling tried in his years to negotiate with the federal government to get a subagreement in place. Probably the low point in those particular discussions was when a subagreement was signed with our sister province British Columbia. The funds were then pumped into improving the ski facilities in British Columbia in a period when we were having difficulty with snow. There was a time when there wasn't even snow on Mount Allan. I thought I'd just make sure you were listening. But there was a time when there wasn't even snow on the Eastern Slopes, and it was difficult. Of course, our skiers were going to British Columbia because they had upgraded the facilities as a result of a federal/provincial agreement, and at the same time they were telling us they weren't prepared to look at one.

I can assure you that the change in government in Ottawa has assisted us greatly. The provision for the first time of a tourism minister in the Hon. Tom McMillan is encouraging, because he is attempting to show some equality in the nation in allowing each of the provinces to participate in that. So I'm hoping that within the next month to six weeks we'll be able to sign a subagreement with the hon. Mr. McMillan relative to tourism in Canada and particularly in the province of Alberta.

Another area of interest is that we're now getting down to the shorter strokes, if I can use that term, in our negotiations relative to the operator for Nakiska on Mount Allan. It won't be that long from now that we'll be able to provide the recommendation to my colleagues for approval for an operator for Mount Allan. I'm not going to be stuck to a time. It will be some time soon. We are also in the final stages of negotiation relative to parcel A of the alpine village, which is located on a beautiful knoll overlooking Kananaskis golf course — a 36-hole golf course with silica sand traps, silica sand brought in from Golden, B.C., rather than the Peace River country because of the transportation costs and put there so that everybody understands that it's a wind factor. This may be a learning process for you, sir, but I just thought I should point that out. Having said that, that village will also be a very important part of Kananaskis Country, and if all other pieces are put in place, it will be on show there for the world during 1988, our Olympic year. I can only say there's a great deal of co-operation. Credit must go to both the Olympic committee and all the various individuals at the international level as well as at the provincial level in the workings and the approvals and the areas that we have worked with them to see Nakiska on Mount Allan developed as the alpine venue for the 1988 Winter Olympics and my involvement in that.

Before I close off my remarks, I want to point out one other thing I think is important. In this past year we did exactly what we said we were going to do: we finished off a program called the interest shielding program. It was put in place for two full years, a good number of citizens were hired on project positions to assist us during that period, and it had a sunset clause so that when it was all finished, it would be closed down. I am pleased to say that the interest shielding program was probably one of the best programs we in the department have operated. There was \$77.5 million paid out to small and medium-size businesses and farm operations. Over that period more than 50,000 applications were received. At one point in that two-year period the staff, who were hired on short-term project

positions, reached a peak of 160. On February 15 the program was closed. The computer time was shut off and the program has since ceased. It's an indication that there is the possibility of putting in place programs that have sunset clauses and can adjust to a situation to assist the business and farm community.

With that, Mr. Chairman, I'll attempt to answer any questions.

MR. MARTIN: Mr. Chairman, I appreciate the minister's remarks. With a limited amount of time before I have to leave, I will not get into cedar-clad toilets and white sand. I know that will disappoint the minister, but there are a couple of other areas I would like to go into in the minister's estimates.

One is something that perhaps neither of us is particularly happy about, but I think we have to talk about it. That has to do with business bankruptcies in the province. Mr. Chairman, according to the federal Department of Consumer and Corporate Affairs, bankruptcies in Alberta are up 22 percent from a year ago. I know the government likes to talk about recovery and confidence and all the buzzwords, but when I see these sorts of statistics, it's hard to be confident about something like this. Unfortunately, it contrasts with what's happening in the rest of the country. National bankruptcies declined by 17 percent during that period. So we had a 22 percent increase while the national average went down 17 percent. I notice that even in the first two months of 1985 we have 223 bankruptcies, certainly up. Dealing with personal bankruptcies, Alberta suffered a 2 percent increase in 1984 while the rest of Canada, again the opposite, had a decline of 15 percent. I'm sure the minister would agree with me that these are very serious figures.

Again, it's not the figures; I always try to come back that we're dealing with real people who are losing their businesses. My question in that area is: is the Minister of Tourism and Small Business thinking about implementing any special measures at all to counteract these trends? I know that the government — I take it the backbenchers sometimes speak for the government; I'm not sure. When we raised debt adjustment, there didn't seem to be much hope there. Are there any things the government is contemplating? We can talk about government intervention and all the rest of it, but the fact is that when a bank was going under, we did something — \$60 million in low-interest loans. To be fair, is there not something we can look at, at least as a temporary measure, to help out small businesses?

Mr. Chairman, I suggest that small businesses have an effect on employment, and I think the minister would agree with me. They are the biggest employers in this province. He will correct me if I'm wrong, but I think the figures are that over 50 percent of jobs in this province are created by firms under 20. If they're hanging on by their fingernails, as some of them are — and as I talk to them, they don't feel the same buzzword confidence the government does — and if there's a recovery coming, surely it would be nice for some temporary measures to keep some of these people in business. I say that to the minister with sincerity.

Alluding to that, I notice that Mr. William Neapole, the president of Northland Bank, was quoted this week as predicting that bankruptcies in the province will increase this year, because if there is a slight recovery, it will become more profitable for banks to liquidate bad debts. He said they didn't want them before because the value of

the businesses was going down so badly during the recession. If there is a slight recovery, businesses are going to be worth more and so the banks and financial institutions are going to move. This is what he said. Because of those comments, my question simply is: has the Minister of Tourism and Small Business met with the president of Northland Bank or any other bankers to discuss what could be done to prevent the situation he talked about? Maybe it's not just in his department; it could be the government generally. But I would say that that's a pretty serious statement.

The other area I would like to ask about in the limited time is a specific case dealing with AOC. The minister is well aware of my feelings about AOC as a lender of last resort; we've had that discussion. I don't think we need bureaucracies and government to lend money when we have our own Treasury Branches, and I don't believe in a lender of last resort. But I won't bore the minister, because we've gone through this before. I know he will stand up and say what a great job they're doing. I just suggest that there are better ways to loan money. There shouldn't be a lender of last resort, and we shouldn't create government bureaucracies when we have financial institutions, our own banking system, right here.

Let me go into one specific example I'm sure the minister is aware of. I won't talk about Ram Steel. We've talked about that from time to time. I'd like to talk about another one, Mr. Chairman. It's Westmills Carpets Ltd. I'm sure the minister is aware of it. It's my understanding that in early March, Westmills Carpets of Calgary was put into receivership by, I believe, the Bank of B.C. and the Northland Bank. This seems to have occurred just after AOC had agreed to provide a loan of \$4.2 million. It seems that the company had over \$2 million in outstanding loans and guarantees from provincial funds already. This seems rather a strange operation, that as soon as they get the money, the other banks pull the plug on them. I want to know some things. Did the minister meet with representatives of the foreclosing banks and attempt to save Westmills Carpets Ltd., and would he update us on precisely where that situation is now? I think you would agree that that is a lot of taxpayers' money.

Let me go from there into two other areas, if I have time. One has to do with the whole thing about Sunday shopping, because it is affecting people that fall in the minister's area. He's well aware from the discussions that Londonderry Mall has said that small businesses must stay open. He's aware that many of them are saying this will add to their overhead and that Sundays don't bring in that much money. Many of the small businesses that have met with us — I'm sure they've met with the minister — are criticizing it both in an economic sense and from the freedom aspect. I know the Attorney General says there's a contract, but the contract changed once the federal Lord's Day Act was thrown out.

Mr. Chairman, when we're getting as much flak from small business, when there are petitions and malls like Capilano in Edmonton where 90 percent of them are against it, and when you sit in the government in the very important portfolio you have — if I can put it this way, they need an ombudsman in that government to try to bring in legislation. You, Mr. Minister, are the representative of small business.

I hope the government will keep an open mind on this, because they haven't heard the last of it. The minister said the other day that the reason we brought that study from

England is that it had to do with the Minister of Manpower's statement that increased employment — well, I admit that it wasn't quite the way he said. They predicted there would actually be an increase in unemployment — slight, admittedly, but still an increase. That was the point. It doesn't add employment. It adds more part-time people, and that's all it does. It cuts down on full-time people. It was a counteraction to what another minister was saying.

I strongly urge the government, maybe through this minister, to take a look at the whole Sunday shopping issue. It's not good enough to slough it off on the municipalities; that's the last thing they want to be involved with. As I said, the people I'm getting the reading from in the small business community are not happy with this situation.

I'm running out of time, but my colleague can follow up on some of the things. Just briefly, the other area has to do with the small business equity corporation. I've complimented him. I think it's a good program, and I've said that before. I don't think it's necessarily the be-all and end-all to everything, but I think it's a good concept generally. As I understand it from talking to people, the program has been successful. I've complimented the minister before about that program and I will again. I was sort of curious about the information we have on the Order Paper, though. They keep putting it away. I wonder if the minister has that information or if it is going to be forthcoming at some point, because I haven't had a chance to get at it. I hope that he would be glad to give that information, basically to show the success, as he said, of the program.

Mr. Chairman, let me conclude there. I apologize, but the minister is aware that sometimes we have things to do in other cities. I assure him I will read his remarks in *Hansard* with great interest. Thank you.

MR. ADAIR: If I can, I'd like to respond on that one particular point while I have it fresh in my mind, because I think it's important that I do that. That is relative to the small business equity corporations program; it's not a corporation. There are presently 136 small business equity corporations registered; that's whoever they are out there. Some of the difficulty I'm having is with the way it's worded. It talks about a corporation, and there isn't one; there are many of them and there is a program. So I'm working out the details as to what is available.

The other thing I pointed out, and I think it's important that I re-emphasize it, is that wherever they — whoever they are, SBEC 76543 — invest is their business. It's not ours. It's what is called commercially confidential between the client and the investor. We don't want to know, and we're not basically in the position to say. Once they've reached the stage of being an eligible investor and an eligible investment, that's all we want to know. Those numbers can be there, so we'll be working on that. But I think it's important we talk about that particular one.

I think you also wanted some confirmation on Westmills. Westmills had a loan approved by the Alberta Opportunity Company, restructuring the debt of that company at the time. I believe there was approval for \$4.2 million, which was not disbursed because the terms and conditions had not been met or signed at the point when the company went down. To clear it up, the \$4.2 million was not provided to them. The existing loan from some time ago was still involved. I don't have the figures at my fingertips as to exactly what that particular one was, but I certainly can get those for you. In relation to the one that was approved just before they went down, it went through the normal

process of getting approved. It was subject to their acceptance of the terms and conditions, and that had not happened when the company itself went down.

Relative to AOC as a lender of last resort, we can continue for the rest of our days. I have some difficulty with it because of your particular philosophy and mine, when you say we already have private-sector institutions, that we should let them do it and not bring in government institutions. I'm not sure where you're coming from.

MR. MARTIN: We have the Treasury Branches.

MR. DEPUTY CHAIRMAN: Will the hon. minister use the parliamentary form.

MR. ADAIR: I'll try. Mr. Chairman, it's a disappointment when I have to watch the hon. Leader of the Opposition walk out while I'm trying to explain to him what he is having difficulty understanding.

MR. MARTIN: I apologize, Mr. Chairman, but the plane won't wait for me. Maybe they do for the minister.

MR. GURNETT: Mr. Chairman, I have several matters, too, that I'd like to raise with the minister, particularly when we talk about small business. I'll try my best not to end up as the other night, talking too much about agriculture. Of course, I do have a concern that in rural Alberta the small businesses are just about all there is. They tend to suffer a great deal from the effects of things that are happening in agriculture on a wider scale. So when we look at some of the situations in the farm community that are causing a lot of economic stress in these times, of course, the spin-off of that is also seen in what happens with the small-town businesses in the province. The two are certainly tied closely together. I hope the minister is well aware of that and has particular concerns for the small businesses in the small towns in this province.

My colleague talked about the figures for business bankruptcies in the province this year. They seem to have a remarkable parallel to what's happening with bankruptcies on the farm. I wonder if it's not fair to continue to look to some of the same reasons why these situations are arising and to think about the need for some basic kinds of assistance that would benefit not just the farmers in this province but also the small businesses.

Without going into a great deal of detail, the whole concept of fixed, low-interest loans being provided through the Treasury Branches seems like a reasonable one to me. The benefits for small business are certainly there. Some of the tensions that exist when a separate Crown corporation is involved in small business loans, even on a lender-of-last-resort basis, could be avoided through this system. If the loans were being provided through the existing Treasury Branches and credit unions, we would be able to avoid a perception that maybe a Crown corporation can interfere in the economics of a small community and unfairly support a few businesses with the result that other businesses that may have been viable end up suffering because of the intervention or the activities of the Crown corporation, AOC in this case.

I certainly encourage the minister, Mr. Chairman, to continue to look at that possibility of getting rid of AOC and, instead, making those loans available through the Treasury Branches and credit unions, specifically in the form of low-interest loans so that people have the option

of getting money at a rate of interest they could really budget for. They could schedule themselves for four or five years down the road and have a pretty good idea of whether or not their little business in whatever small town they are working has a reasonable chance of succeeding. I still think that's an idea worth considering.

I won't elaborate on the idea of debt adjustment, which I talked about yesterday. Again, that's something that wouldn't cost the government money but could make a significant dent in these frightening figures about bankruptcies that we're looking at, without the lending institutions being afraid that they're going to lose out either. As an interim measure before we have programs to introduce real low-interest loans in this province, a debt adjustment board would at least assure some of the small businesses that they have a chance to survive and prosper in this province.

I wonder if the minister is also looking at new programs of support in other areas that would benefit small business. I am thinking particularly of the help that small businesses could use in research and in developing new areas, new products, new markets, and specifically of assistance to benefit business in the north. In one of the votes, I note we do have money designated for northern development. I understand that is primarily for the Northern Alberta Development Council. I wonder if there is money there to provide this kind of market research or other kinds of assistance that would specifically assist the expansion of small business in northern Alberta, whether there's even any kind of cost-sharing arrangement so that a small business in the north and the department would share in investigating these kinds of areas.

[Mr. Appleby in the Chair]

Another area that concerns me is that in many of the small communities what tends to happen is that the small stores can't compete with the showiness of businesses in the larger centres or cities. Are we looking at specific assistance along the lines of the Main Street program that has existed in Manitoba, whereby small communities are assisted to brighten up and improve their main streets and, as a result, make the community and particularly the shopping area, the Main Street area, look attractive? I know there is a definite psychological effect. In some small towns, if the frontages of a lot of stores start to look kind of drab, if they haven't been painted for several years, if those kinds of situations arise, people start to feel that it's more exciting to go to the nearest city and do their shopping there. So pride in the local shopping community is lost. Then we tend to lose business from the local community to the city as well. I think that's an area that merits particular attention and I wonder what's being done there.

I also wonder about the minister's interest and support for the development of local development corporations. The province would assist in establishing these kinds of groups, especially in communities where there's long-term unemployment, where there's slow growth or even in some cases lack of growth and businesses being lost. Here in Alberta I think there was a trial project that involved funding from the federal government and the city of Drumheller. In that case representatives of various sectors of the city, not just the business sector, got together and were involved in surveys, in promoting the city as a business location for people to consider, in offering advice and, I believe, even in offering some business loans.

Although that takes some initial government seed money to establish, it seems to me that local development corporations like this have a good chance of eventually becoming self-supporting and providing independent economic assistance so that they don't have to depend on government funding. The interest earned on the loans that a local development corporation like this would let out would eventually allow it to keep operating, and then we wouldn't need to depend on more intervention and assistance from the provincial government. I wonder what investigation has been done of support for local development corporations like that in different parts of the province.

Another area that particularly interests me is the whole area of worker co-operatives. I'm interested in the minister's comments on the support for them in this province. In a worker co-operative what basically happens is that you have a business that provides employment to its own members and is owned and controlled by those worker members. It's a little different from some of the traditional co-operatives, which are basically owned by the members but the members don't necessarily work there: they hire other people to work there. I know Manitoba has a department that particularly supports and encourages worker co-operatives and that Saskatchewan is increasingly looking at this.

It seems to me that there are some real benefits to worker co-operatives in these economic times, Mr. Chairman. The research seems to say that worker co-ops have a better survival record than other small businesses, and I think that's an important thing when we look at the figures we were talking about earlier for bankruptcies of small businesses. According to a lot of research, they also have better productivity than other small businesses, because the employees are working together for benefits they'll all enjoy together. So they tend to have a built-in incentive to make an effort that doesn't exist in employee/employer types of businesses. Research also says that job satisfaction is very high in worker co-operatives because of that solidarity that everybody is trying to accomplish the same thing.

They have an advantage in that when a business is considering relocating and being lost to a particular community, a worker co-operative means that it stays in that community instead and neither moves somewhere else nor simply closes down. I think industrial relations would also be improved with worker co-operatives. If you're working for yourself, you may not get involved in the same kinds of labour difficulties that can happen in a lot of other areas and that we've had concerns about in the past.

As I said, the Manitoba government has a department that tries to provide some support and backup to the development of worker co-operatives and makes sure that these co-operatives get equal access. Many times they don't have the staff or the experience to be able to access some of the government programs. If we support worker co-operatives, I wonder whether the minister of small business is looking at ways to make sure that worker co-operatives know in every way what's available to them in government programs and government assistance.

The minister responsible for the employment agency in Saskatchewan has also supported the idea of worker co-operatives, and I'll just share a quote. His name is Gary Lane, and he said:

Old formulas and old ways of operating are not always effective. We have to get over our fear of innovation and our fear of change.

He said that in indicating that the Saskatchewan government is going to look increasingly at worker co-operatives, so

I'm certainly interested in what we're going to be doing with worker co-operatives.

My colleague talked a little bit about the Sunday shopping issue, Mr. Chairman, and I want to make a couple of brief comments about that, also in relation to small communities. In a couple of small towns near where I live, we had a first experience with Sunday shopping this past Christmas season. The fact that we had that experience is related to this whole reason why it seems to me dangerous that we're considering letting decisions about Sunday shopping stay in the hands of each local municipality. In fact, the implications of Sunday shopping in one area spread out, and often we end up with Hobson's choice in these things, especially in the small communities. We end up with them really not having any choice about whether they're going to move to Sunday shopping. They don't choose to make legislation about it; they simply have to.

In my area the small communities of Spirit River and Rycroft basically had to look at Sunday shopping because Grande Prairie was, and it's only an hour or so's drive, or even less than that, for most people to go to Grande Prairie to shop. If Grande Prairie permits it, you'd better permit it in Spirit River as well, or your businesses are going to suffer. From talking to both owners and employees in some of the small businesses in Spirit River and Rycroft, I know there was a lot of anguish about being pushed to that, even for the limited scale that was involved for that season. I urge the minister of small business to look at an urgent study of the wide implications, particularly in the small communities and small business areas of the province, of the direction we seem to be taking on Sunday shopping and particularly to have the courage to stand up and support small business if that kind of study indicates that for social and economic reasons small communities in the province are going to be hurt by decisions in this area being left up to each local municipality.

To touch just briefly on tourism, it's one area that again relates to the big versus small difficulties and issues. I'd be happy to hear the minister tell me a little bit about what's happening with regard to the support that exists for small, local tourist developments as opposed to major developments. All the publicity seems to be about things like Mount Allan and Kananaskis. I wonder whether that's also an indication that the lion's share of the financial assistance for developing tourist facilities and the access to advice and expertise that the department can offer goes to large-scale facilities rather than to small, local facilities. Is the possibility for people to travel just a short distance but enjoy a quality tourist facility nearby being lost because we're encouraging a few tourism megaprojects in the province as opposed to a lot of small, local ones?

For example, I'm concerned about skiers in the south leaving Alberta for British Columbia, as was mentioned earlier. The same situation happens in the Peace country. An attractive ski facility exists in British Columbia, and as a result there's a lot of weekend traffic from our whole area that goes to ski in British Columbia rather than enjoy and spend money at quality tourist facilities that exist within Alberta. Again, I'm interested in whether we're providing adequate encouragement to small, local tourist developments that could have a quality that would let them compete with some of the large, comfortable, exciting-sounding tourist attractions.

With those questions, I'll conclude for now and turn the floor over to someone else, Mr. Chairman.

MR. KOWALSKI: Mr. Chairman, I'd like to say at the outset that I'm really pleased with the initiatives brought

forward by the Minister of Tourism and Small Business. I note that the Proposals for an Industrial and Science Strategy for Albertans 1985 to 1990 had considerable text in it with respect to tourism. I was doubly pleased to see the text contained within the Speech from the Throne given on March 14 and then, of course, the very specific initiatives that came through in the 1985 budget. All in all, I believe we have excellent stewardship with the minister, that we're on the right track, and that 1985, 1986, and 1987 into the future are going to be great years for tourism and small business in this province.

However, one specific question I would like to raise to the minister deals with the small business equity corporations program. I've written to the minister about a specific constituency concern that was brought to my attention, and I provided information to the minister on two occasions in the last several months. There seems to be some difference of opinion between officials in his department and my understanding about the basic premise of what the small business equity corporation is all about. I would like to raise that with the minister, asking him to specifically take a look at it in the light that really the final board of appeal with respect to interpretations of the law and the regulations dealing with SBEC should be with the minister — and the responsible minister is the highest level of legislative authority that we have within our parliamentary democracy — not with officials in his department.

He doesn't have to get back to me today, but I would just like to draw that to his attention again. The dates on which I have corresponded to him are February 6, 1985, and April 9, 1985. I think it's a matter of significant interest, not only to me but to a number of individuals in the province of Alberta. I would ask the minister to view the information I've provided to him fully within the spirit and the intent in which members of this Legislative Assembly ask to have SBECs dealt with, rather than to have the final court of appeal be officials within his department.

Thank you.

MRS. CRIPPS: Mr. Chairman, I concur with the Member for Barrhead. I'm really pleased with the new initiatives we're taking in the Department of Tourism and Small Business, especially with the tourism industry, because I believe it has such growth potential. The minister knows the concerns that I raised this morning regarding the available credit for small business. I am assured that the minister will emphasize the needs of small business when meeting with the appropriate groups. I just really want to emphasize that point, Mr. Minister, because there is a concern out there.

I have to concur with the Member for Edmonton Norwood in my uneasiness about Sunday openings. I agree that there will be extra costs involved, because if you work an extra day certainly you get an extra day's pay. I'm also concerned with the quality of family life in the smaller operations. If it's a family operation, it means you're working seven days a week instead of six days a week. Having done that for the past six years, I know it is stressful. Aside from that, the consumer purchasing power is the same whether they purchase in five days, six days, or seven days. So all we're really doing is spreading the consumer dollar over a longer period of time. I have some concerns about that.

I know that I'll be criticized by my urban counterparts who say that — in fact, Rollie said it to me before — farmers work on Sundays. We do, when we have to. We work on Sundays in seeding and in haying. If the weatherman

would co-operate, I would far rather do it on Monday, Tuesday, Wednesday, Thursday, or Friday. Again, someone will say, well, your oil industry works on Sundays. They do work on Sundays, when it's absolutely necessary. But, Mr. Chairman, when it's possible and when the job will warrant the weekend off, quite frankly they don't. They work an ordinary work week. So that is a concern.

The other concern I have on Sunday opening, and I don't know whether this is the ministry to raise it with, is the quality of life. I'm not sure if, in some cases, the family is ever going to be able to have a day when they are all home. The children go to school five days a week and they're home on weekends. If the parents are working weekends, it's going to be very difficult. So I do want to raise those points; maybe I should have raised them under another department.

I guess the main reason I stood up is that I wanted to recognize the importance of tourism. I believe it's incumbent on the industry, the government, and Albertans to ensure that both local Canadian and international tourists leave this province with a favourable impression. I just want to encourage the minister, who I know is working with industry, to ensure that happens. We have some very strong points in Alberta, and quite frankly I don't think we do a good job of selling them. We sell summer, but we don't sell spring and fall, which I personally believe are some of the nicest seasons in this province.

We have some excellent motels, restaurants, and hotels. The Twin Pine Motel in Drayton Valley won the Good Housekeeping Award for the second year in a row. I think that's important. It's important to highlight that. We have an agricultural hall of fame banquet every year, which is highly publicized and highly promoted. We don't do the same thing in tourism. I would certainly support some sort of minister's excellence of service award, because service is the key to a happy tourist.

I noticed in the budget, I believe, that we talked about creating educational programs in tourism. I think that's terrific. We need to emphasize the educational aspects and that tourism is an industry where there's an entry point for almost anybody who's interested and willing to work and willing to provide the service. There are all kinds of opportunities for growth right through to management positions, cooking positions. But in so doing, I don't want us to become so structured that we don't leave a place for the entry-point people to come in and that everybody has to have a certificate to be a waitress. Certainly a certificate isn't going to make a good waitress any more than a doctor's certificate makes a good doctor or a teacher's certificate makes a good teacher. There has to be some emphasis placed on personal development and personal commitment to that service.

Mr. Minister, with those few comments I'd like to say I really do support the initiatives of the department and hope we can make some inroads, especially in tourism.

MR. McPHERSON: In my view, Mr. Chairman, there is a conspicuous absence of questioning from the opposition this year with regard to the Ram Steel issue in Red Deer, which was roundly discussed about a year ago at this time. I thought I would just take a couple of minutes during the estimates of the minister responsible for the Alberta Opportunity Company to discuss a little about the Ram Steel issue in the aftermath of that controversial issue about a year ago.

I thought the committee might find interesting what I consider to be a fairly large body of thought in Red Deer on the subject of Ram Steel, which has been particularly well enunciated in a recent letter to the minister from the president of the Red Deer Chamber of Commerce. I sought the permission of the president of the Red Deer Chamber of Commerce to put this letter on the record, and I'd like to do that. It's to Mr. Adair:

Re: Ram Steel/Ipsco

At the March directors meeting of the Red Deer Chamber of Commerce we discussed the Ram Steel problems and the resulting sale of the assets to Ipsco.

It was agreed that the manner in which the government handled the closure, the sale of assets and the write off of the AOC loan, is a credit to your department and to the officers and directors of the Alberta [Opportunity Company]. We believe the benefits that will accrue to the province as a result of the sale to Ipsco will far exceed [any] loss experienced by AOC.

Today the plant is operating around the clock, seven days a week and is already providing annual salaries approaching \$7 million a year. It has meant employment for some 120 workers and provided a tremendous boost to Red Deer and area.

This would never have happened had a sale not been handled in this manner, and we can only express our sincere thanks to you and those that were involved in turning a potential disaster into a creditable benefit to all Albertans.

Sincerely,
Gary Seher,
President,
Red Deer Chamber of Commerce.

Mr. Chairman, that's really the only point I wanted to make in my brief remarks to the minister today, except perhaps to ask him to offer some comments in the aftermath of the Ram Steel situation relative to the benefits the IPSCO plant on the outskirts of Red Deer may offer to the citizens of Red Deer and surrounding area and the citizens of Alberta.

MR. LEE: Mr. Chairman, I'd like to begin by acknowledging the minister for his constant, consistent level of positive attitude towards the job. Knowing him as an alderman before I had the pleasure of sitting in this Assembly with the minister, he impressed me that he was unflappable and was always charging towards a constructive solution. In some respects the minister has become known in Alberta as Walt Disney was for Disneyland. He is a constant, positive salesperson for tourism for this province. I just want to acknowledge him personally for that.

I'm pleased, Mr. Chairman, to note the significant increase in the advertising budget. It's an important breakthrough. When we look at the challenge in the next two years with the tremendous opportunity we have because of our proximity to Expo 86 and the exciting, dynamic change that's going to take place in this province as we become known the world over because of the Olympics, my question is: is it enough? I recognize that we have to choose priorities. The minister has identified them in a form of priority. But when we look at the competition there is for advertising dollars today, is it enough?

I understand that in the course of a normal day, the average citizen is exposed to 2,500 messages of one kind or another. There are TV, radio, newspapers, billboards, matchbooks. I go home at night, and I think that at last I'm going to avoid being exposed to advertising. I look out my front window and there are hot air balloons with additional advertising messages. So we're practically unlimited by the number of messages that are delivered. If we are going to get the message out that Alberta is a four seasons destination to visit, is the current budget going to be adequate? Could the minister comment on that, particularly in view of the intense competition in aggregate dollars from provinces like B.C. and, say, Nova Scotia in terms of per capita spending?

Mr. Chairman, one other brief area, and that is the major initiatives that are taking place in terms of training and retraining for management and personnel in the hospitality field. When I hear about new initiatives, all I can say is amen, hallelujah, let's go, because we have so far to go. While it's true that many areas of the hospitality industry have established a field of excellence in this area, I think the question of the quality of service, the level of service, and the attitude of service being delivered by the people involved at the grassroots needs examination.

I believe that Alberta and its management in the hospitality field are well qualified in terms of technical competence, but the challenge for the remainder of this decade is to find a way to instill in the individual working in the hospitality field an attitude of intense desire to please, a desire that is fostered by willingness to recognize that service is not just a transient occupation. It's not just an occupation you pass through on the way to school or between other occupations and careers. It is a distinguished, respectable career and profession in itself. I believe the challenge through educational institutions is: how do we instill that intense desire to please that leaves the customer with the attitude, "By golly, not only do they have good food or products but the service is first class, and I want to come back."

I read a study on the skiing industry not that long ago that showed that the number one reason skiers seek a resort is not the snow or the weather conditions, and those are important. It's not the quality of accommodation, and that is important. It's the attitude of service. Mr. Minister, I think that is the great challenge. We have incredible resources in this province. We have tremendous talent. We have a growing industry. I understand that the tourism industry today is somewhere between the fifth and the seventh most important industry in this province. But by the year 2000, it could be number one. If we're going to be number one and if we're going to be competitive, it's going to depend on our being able to instill that intense desire to serve, that philosophy of serving other people.

That is the question I pose to the minister as well. On that note, I'll take my seat.

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

MR. ADAIR: Mr. Chairman, I'm pleased that we ended up on a positive note. I'm not sure we started that way. We got talking, and then the hon. Member for Spirit River-Fairview regurgitated some of the things relative to bankruptcies and the likes of that. I don't think there's any question that they should be downplayed. They're there. It's part of the private-sector world we live in. Businesses will rise and businesses will fail. I guess the question that

comes up in many cases is: at some point, whom do you blame? Was it a decision that you personally made as a business in the field that you chose to be in that caused you to fail? Was it the economy in general, and are those all the factors, related not only to Alberta, to Canada, and to the world but to the community you live in? When you look at all of those, obviously some of that had to bear.

I have said in this House before, Mr. Chairman, that many of the businesses in the last number of years succeeded in spite of themselves. Things were going very well. They opened the door and people were there. The moment people stopped, they started to look around and say, "Now what do I do?" I guess the key word there is that there was quick identification that one of the major problems we were incurring in the province of Alberta was management. Management is key. The next one was the heavy debt situation our business community got itself into. The ability to borrow seemed to be just endless. You could go out and borrow money. In many cases businesses did that. I'm not the one to judge whether they did that in the best interests of their businesses. I think they did, but the end result of that heavy borrowing and the interest rates that were applied to that all have a bearing on how much you can do.

We also got talking about how we might be handling that. I can go back right now to the small business equity corporations program, which is a program that's in place to allow the private-sector people who have funds in savings accounts or the like to place them into a small business corporation, to invest in businesses within this province to do a number of things. Probably one of the most key ones that relate to the question is to adjust the debt/equity situation, to be able to give them some base from which to work. Obviously, that program is working very well.

Again, that's not the end-all of all the programs. I'm not sure we will be able to provide all of the end types of programs that would be there, because at some point or another there would still be someone somewhere who had a concern about some aspect of their business and would possibly be looking for someone, whoever it is, to possibly blame it on. That's not a criticism, because I think that's a human trait that we have. When we get into some difficulties, we lash out at whoever happens to be in front of us, whether it's the MLA, your wife, your partner, or whoever it is in business. You take those extra little shots at them.

Some comments were made about the Alberta Opportunity Company. Interestingly enough, the Alberta Opportunity Company, since its inception, has had fixed-rate financing. It has had low interest rate financing. They are still in place. It's a high-risk lending institution, a lender of last resort. It has been criticized in a number of cases after the fact — I think it's important that I say "after the fact" — when a business has got into some difficulties. I'll use an example, without naming the community or the business. An application comes in. The application is supported by the entire community: all the other businesses related to it, the chambers of commerce, and everything else. "It's another new business for this community. AOC, you should support it." AOC does their homework. AOC supports it. Three years later the economy has turned down, and some of the businesses that originally supported that business are now saying, "The reason I'm in trouble is because you, AOC, loaned them money." So after the fact, that kind of problem starts to surface.

On the best information at the time, the decisions AOC makes for anyone, including Ram Steel, I might point out

— on the best information provided at the time, Ram Steel was a good investment as far as the Alberta Opportunity Company was concerned. It was a high profile one because it happened to be \$8 million. Yes, there were lots of questions from the opposition about what was going on. I, too, am maybe somewhat disappointed that they haven't followed it up. I guess one of the reasons might be the good news. It's not necessarily a total intent to provide good news, in the sense that there are now, as the hon. member for Red Deer said, 120 confirmed jobs. I believe that at the time we were dealing with it, we were in the range of about 40 or 46 jobs, and they were in jeopardy. We were concerned about that. The board of directors of the Alberta Opportunity Company and the members of the Department of Tourism and Small Business, small business division, worked very diligently at assisting that community and that company to come out.

The fact that there are 24-hour jobs in that business is excellent. The fact that the loss is really foregone interest, that the principal of \$8 million was and is protected — and there was an inference and a hue and cry: "You've lost \$8 million, and you've probably lost your marbles with that. Why did you get involved with that?" It was difficult to respond to, because at that particular point in time there were negotiations going on. So you sit and take it. I guess that's part of the business world we live in. But the end result of that project is that it is going very, very well and that the organization called IPSCO is in fact doing an excellent job in providing steady work on a 24-hour basis for a good number of people in the Red Deer area. For that I'm thankful.

They aren't all success stories like that. There isn't any question that when you're talking about a lender of last resort and getting involved in some of these loans that are high-risk, we take the risk with that — we being the Alberta Opportunity Company, its board of directors, and its management. Of course, as the minister responsible I also take that risk with them. I recognize that everything isn't going to come out successfully, that there are going to be ones that, in fact, fail. But I would rather have given the opportunity to attempt to make it go and fail than sit and do nothing. I will stand here or wherever I am, anywhere, and say that same thing, because most of the ones that are criticizing what we are doing are, as my father said many years ago, those sitting on their butt watching you work and make mistakes. They can't make a mistake if they're doing nothing.

Mr. Chairman, I think the hon. Member for Spirit River-Fairview talked about a Main Street program in Manitoba. There was a Main Street, Alberta, program funded by the private sector for a good number of years, and that has worked. As a matter of fact, it has completed its course. Millions of dollars were provided to communities to do beautification. That was an excellent program; there isn't any question about it. At the present time, to my knowledge there isn't another one being contemplated by government at this stage, but it certainly has some merit, to assist those communities in any way you can, and I'm more than prepared to look at it.

Mention was made about Sunday shopping and about last Christmas. That isn't unusual, in the sense of Sunday shopping when Christmas happens to be midweek. In my life span that has occurred on a number of occasions, but because it was profiled by the Sunday shopping problems that were incurred in the province, it certainly reached that level of intensity and profile, I guess you could say. I am

concerned. I'm going to speak now as an individual, and I qualify that — not as the Minister of Tourism and Small Business. I'm concerned, as I think all the members in this House are, about the family situation and about Sunday shopping or Sunday opening. I should also point out that I'm an owner of a business that operates 24 hours a day, seven days a week, Sundays, holidays, Christmas, and every other day, and has since they started. I believe radio station CJCA is celebrating its 63rd year of operation. For 63 years they've provided that service on every Sunday and every holiday, and we want it. I think the biggest problem I would have is if we shut it down for a Christmas or for a holiday or a Sunday: what about the weather, what about the news? We know that.

There are many others. There are nurses and firemen that are in that particular area. There are other businesses that provide service on Sunday. There are shift workers who work in businesses where they may well be working Sunday and have alternate days off. They have to be recognized.

One of the difficulties I have found as the minister — I'm now back to being the minister — is that there's a reasonably close to fifty-fifty split as to which way this should go or how it should go. Doing what the Minister of Municipal Affairs is doing is to shore up an existing policy that has been in place for many, many years, the opportunity to make that choice. That choice still remains in the local area rather than those in the big dome, whoever we are, making a decision that may affect the small communities in your constituency or mine or wherever they may be. We have that right of choice, hopefully, under that Constitution, and we can exercise that with some teeth to make sure it works. But I'm personally concerned, as I said, about what that means.

The hon. Member for Barrhead talked about the small business equity corporations program and the final decisions being made by departmental staff. I should correct the hon. member. I will check. I thank him for the dates of February 6 and April 9, just to refresh my memory on that. But we have a review committee of private-sector people in place to assist us in reviewing and then making recommendations to and through me as minister for my approval or disapproval, if I can use that term. It isn't really the departmental staff in there. But I will check that particular one for you and get back to you personally.

I guess when we're talking tourism — the hon. Member for Drayton Valley mentioned a number of things, and it reminded me of the fact that probably the most important thing we can do, individually and collectively as members of this Assembly and as representatives of the people in our various constituencies, is wherever you can, from a positive point of view, point out the value of tourism and the first impression. It comes right down to that little gal that may be working in the hotel as the chambermaid making the beds. You as a tourist come into that facility, and you want to know how to get to the community centre. You have never been in that community. You ask her, and she shrugs her shoulders because she doesn't know or doesn't want to know or doesn't want to give you the answer. Maybe she has not been given any direction by the management that she plays a very important part in this tourism world we live in. Just saying, "Ma'am, I don't know, but if you'll check at the front desk," may be all it takes to give that first impression that you're interested and ready to help in any way, shape, or form. It may be the garbageman out at the back trying to find out where the parking lot is; I don't know.

We tend to live too often on the fact that we are considered to be very friendly, that we are considered to be the western kind of hospitality. We've got to practise that. We can't sit on it. We keep reading about it, but we've got to reassure ourselves that the best way and the only way for us to do it is practise that and in essence practise what we preach. If we all do that individually, we will have gained miles in where we want to go as the number one area of tourism in the Dominion of Canada as well as in the province.

The hon. Member for Calgary Buffalo made some excellent comments about where we're going. I apologize, because he was kind enough to mention Expo 86, a very important one for us. In 1967 it was evident that one of the things that did occur was that as people travelled across the nation, they stopped in Ontario or in Manitoba or the maritimes or wherever it was by making that trip on rubber-tired traffic, to take a day or two to spend some time to see other parts of the area. We're making a concerted effort to ensure that other Canadians and international visitors stop in Alberta either going to or coming from the Expo 86 site in Vancouver. I might add that we're getting excellent co-operation from the minister responsible for Expo in British Columbia and all the partners involved in that program as well.

I guess the very pertinent question, and I'm pleased it was asked, is with the increase in tourism advertising dollars and with the increases we have received in tourism, is that enough? My simple answer is no. Having said that, I also have to appreciate that my colleagues have recognized that we were somewhat behind our competitors, and they have provided us with the opportunity to begin to catch up. So that's a major step forward. But I can assure my colleagues that I'm not going to stop at that particular point, because there is a need to improve. One of the areas of improvement may well be partly tied into the federal/provincial sub-agreement, when and if we can get that signed. If we don't get it signed, I've got to find another route to go, and we'll find one. We'll work at that.

Really it all comes back to one word when you're talking tourism, and it's called attitude. That word in its own right — if we were to practice saying it once or twice when we go to bed and once or twice when we get up. It's called positive attitude. I might point out to the hon. Member for Spirit River-Fairview that a real way to start would be working on that term "positive". I'm not saying that in the sense that everything isn't positive, but there's a tremendous amount of the other side, and I guess that's a way of making a point that has to be made in this Legislature. But in the same sense, regardless of which side of the House we're on, if all of us, collectively, in the interests of tourism in this province, display that positive attitude and leave that positive first impression with whoever it is — whether it's our next door neighbour 50 miles down the road, because once that person visits your community, he or she is a tourist. So it's important to us that we have that. There isn't any question that we intend to continue to work with the industry to develop the kinds of programs that will assure that we head down toward that first effort.

I do want to thank everybody in the Legislative Assembly, Mr. Chairman, for their kind remarks relative to the increase in tourism and for their concerns relative to the small business community. There isn't any question about it.

I'm remiss in that I didn't cover the one point made by the hon. Member for Spirit River-Fairview about whether there are any specific programs related to northern Alberta

relative to small business. No, there aren't in that sense. Really, in the area of the small business equity corporation, it applies equally in Etzikom as it does in Indian Cabins. Quite honestly, as a northern MLA and as a person born and raised in a small community in Alberta and living and owning a business in a small community, I really wouldn't want it any other way, although I think there are areas where we can apply a different perspective relative to assistance in providing resource people to assist those people. We stand ready to do that and have done that for quite a number of years.

Having said that, Mr. Chairman, I would leave it to you.

MR. GURNETT: Mr. Chairman, just to respond quickly on a couple of items. In connection with the positive attitude, I suggest to the minister that I'm as glad to be positive as anyone and think it's a good approach. I think the problem is, though, that when we discuss some of these things related, for example, to small business and what's happening here, instead of looking at it in terms of positive and negative, we really should look at it in terms of whether we're responding and developing programs realistically or unrealistically. The two aren't incompatible by any means, but if being positive is being unrealistic given the circumstances, then I don't think any of us want to be positive in that kind of sense.

I wonder if I could impose on the minister to also make some comments related to the whole area of support for worker co-operatives in the province, which he didn't respond to either, because I am particularly interested in what kinds of things might be planned or might be under way to encourage and provide particular support to this kind of approach to small business in the province.

One question I didn't mention the first time that I'd also be interested in is in connection with the recent fee increase for use of the national parks and whether or not the minister has discussed with federal tourism people the impact that fee increase might have on tourism in this province.

Then I want to take a couple of minutes to respond. I appreciate the things the minister said about the situation with regard to small business and the bankruptcies and the financial difficulties that many of them have faced in the province, and want to emphasize that I don't think we're not in agreement with each other in the sense that by no means, Mr. Chairman, was I suggesting to him in my comments that every business should be propped up through debt adjustment or that anybody with any kind of idea for business should be eligible for a fixed, low-interest loan. I was simply trying to explore with him the idea that in these particular times we do have statistics that say to us that the situation is different than it's been in the past, for many decades even, with regard to what's happening. So I was exploring whether or not we need to do unusual things to meet the needs of unusual times.

Particularly there is that concern — and it's a perception that maybe the minister can indicate is unjustified when we look at the facts and the statistics — that AOC, for example, has complicated the problem by supporting small businesses which maybe shouldn't have received support and, therefore, has maybe a bigger share of responsibility than even some of the other lending institutions should have. That's why I have particularly advocated the idea of AOC disappearing as a Crown corporation and, instead, the funding they have had being available through existing lending institutions so

that all businesses are looked at and dealt with on the same basis.

In connection with that, I wonder if I could ask the minister to go a little bit further in detailing the kinds of studies or surveys that are involved when AOC agrees to support a business. The minister referred to the fact that they don't just provide money but that it's a high-risk area and there are studies done before they agree to provide support to a business. I wonder what that process is, what kinds of things are involved, how thorough it is, how much it goes beyond, for example, simply questioning by an AOC loans officer of some representatives of the community on the viability, whether it looks very specifically at some projections of the effect of the loan for longer terms, whether it does some detailed analysis of the proposal, or if it simply gets some generalized input in a very superficial kind of way from the people requesting the loan and those in the community.

I'd appreciate it if I could have the minister just take a few minutes, Mr. Chairman, to respond to those additional matters.

MR. ADAIR: If I may start the way I've written them down. The first one was fee increase in the national parks. That's a concern of ours from the standpoint of tourism but, again, outside our jurisdiction, and certainly one where we have registered our thoughts with them relative to that, recognizing also that there are two sides to the issue. Obviously, at some point or another we may well have to increase fees that we may want to look at, whatever they may be. But, yes, we are concerned about it. I'm personally concerned about it. We have made contact with the federal minister.

Co-operatives: I didn't respond to that. I had forgotten, partly because we haven't looked at that particular area. We do have, however, some projects in the province that we consider to be similar in type, I guess. They're called the regional business projects, which are a co-operative of communities working together to attract or to protect existing businesses that may well be there. The ones that are presently in place are Lac La Biche, Crowsnest Pass, Mundare, Buffalo Lake, High Prairie, McLennan, and High Level, plus the one that was in Municipal Affairs up to last year and has been transferred to us so that they're all with us in the small business division.

Also, we assist through the small business division the setting up in a community of an economic development board, and we assist them with their terms of reference and whatever they may wish to do and what services might be available from the department relative to possibly attracting new businesses, protecting existing ones, strengthening the likes of them, or whatever the case may be. It's a very successful program and has worked very efficiently — again, though, placing the actual working of that back with the local community and those who know best; in other words, the businesses that are involved, even through the chamber or whoever it may be in that community, and the interested ones. Of course, if you've got the interested ones in the program, those are the ones that are going to make things happen. They're the shakers and doers in the community.

So we do play a significant part in that area with the communities, not directly in the area of co-operatives. Possibly it's one that could be looked at. I haven't to this particular point. It hasn't crossed my mind, although in the same sense, from the existing co-operatives that are in place, they are also available. As a matter of fact, a number of

them would be interested in some of your remarks about phasing out AOC, because they have received funds from AOC.

AOC is an interesting one, when you talk about the changes and what it's perceived to be out there. For those who have been successful, it's the greatest thing since sliced bread. For those few who have been turned down, it's a pain in the butt. Let me use an example of flexibility. AOC's original intent was to work basically with the capital side, not in the operating side, and high risk. When we started to get into some difficulties some months ago, we suggested to them that AOC could, with direction from government, start to look at some refinancing, some conditions. It had to improve the situation for that existing business. In other words, we weren't prepared to accept and have AOC accept a transfer of responsibility or, as the common cliché is, a bailout. We weren't about to bail out the banks if the banks were involved; we wanted to assist the business. If by doing some refinancing, AOC could assist that business by lowering the monthly payment, extending the terms, fixed rates, and all those other factors that are in place, then do it. If the application is really simply a transfer of the continued liability from bank A to AOC, then we're not in it.

In essence, that comes in answer to the last question you asked me, and that is the process. I don't have the specific details. In a simple answer, the research that is done for every application that goes to AOC is much more stringent than even the banks do. If you are talking to the applicant, it's still too much paperwork and too many questions. But in the interest of public funds and the high-risk nature of the application, they must ensure that they have the best information on which to base a decision either for or against, and they have consistently done that since 1973.

In some cases where they would not be that familiar with a particular type of project, either new or whatever it may be, there are studies involved. They will then hire a consultant to provide them with that kind of information relative to that specific one, and that of course takes a little longer. So now you have the one that may say, well, in essence, that's a fairly long time to get a decision. But they want to have the best possible information on which to base a decision for or against that particular application and have done that consistently since the start. They've done it in a very professional manner and, to my knowledge, have done an excellent job, considering, as I said, those points I mentioned earlier that they are more stringent than the normal banking procedure in the sense of wanting to make sure they've done the best research into the application and to ensure that they have that kind of information to do two things: give the client the best possible opportunity to borrow funds and recognize the fact that they are also dealing in public funds.

In that high-risk area it causes some consternation relative to the length of time. We've improved the length of time for approvals or tumdowns quite significantly, and that relates to the size of the project. If the application is over \$1 million, it has to go through the loans officer, management, the board of management, the Alberta Opportunity Company board of directors, from there to me, and from me to finance and priorities and to cabinet. So it is a longer process on the larger ones, and all of that information has to be in place.

Agreed to:

1.0.1 — Minister's Office	\$194,850
1.0.2 — Deputy Minister's Office	\$215,460
1.0.3 — Department Administration	\$169,235
1.0.4 — Financial Services	\$309,870
1.0.5 — Personnel and Staff Development	\$151,120
1.0.6 — Library	\$101,000
1.0.7 — Communications	\$110,695
1.0.8 — Systems and Computing	\$112,910
Total Vote 1 — Departmental Support Services	\$1,365,140
2.1 — Small Business	\$4,161,940
2.2 — Tourism	\$14,491,605
2.3 — Northern Development	\$1,456,974
Total Vote 2 — Development of Tourism and Small Business	\$20,110,519
3.1 — Financial Assistance via Alberta Opportunity Company	\$10,200,000
3.2 — Financial Assistance via Equity Corporations	\$8,003,210
Total Vote 3 — Financial Assistance to Alberta Business	\$18,203,210
Total Vote 4 — Alberta Heritage Fund Small Business and Farm Interest Shielding Program	—
Department Total	\$39,678,869

MR. ADAIR: Mr. Chairman, I move that the vote be reported.

[Motion carried]

MR. CHAIRMAN: Did the hon. Government House Leader wish to give some direction to the Chair?

MR. CRAWFORD: The Chairman wants me to stop reading, I can tell. Mr. Chairman, I move that the committee rise, report progress, and ask leave to sit again.

[Motion carried]

[Mr. Speaker in the Chair]

MR. APPLEBY: Mr. Speaker, the Committee of Supply has had under consideration the following resolution, reports as follows, and requests leave to sit again.

Resolved that there be granted to Her Majesty for the fiscal year ending March 31, 1986, sums not exceeding the following for the Department of Tourism and Small Business: \$1,365,140 for departmental support services, \$20,110,519 for development of tourism and small business, \$18,203,210 for financial assistance to Alberta business.

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

HON. MEMBERS: Agreed.

MR. CRAWFORD: Mr. Speaker, it is proposed that the Assembly sit in the evening on Monday and Tuesday next week. Early in the week I will give a further indication in respect to Thursday, although it's most likely the Assembly would want to sit that evening as well. The business for Monday afternoon will be Committee of Supply, the Department of Energy and Natural Resources, and in the evening, Committee of Supply, the Department of Consumer and Corporate Affairs. The present intention for Tuesday night is the Department of Federal and Intergovernmental Affairs.

Mr. Speaker, I move that we call it 1 o'clock.

MR. SPEAKER: Do the members agree?

HON. MEMBERS: Agreed.

[At 12:40 p.m., pursuant to Standing Order 4, the House adjourned to Monday at 2:30 p.m.]