

**LEGISLATIVE ASSEMBLY OF ALBERTA**

Title: **Wednesday, June 5, 1985 2:30 p.m.**

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

**PRAYERS**

MR. SPEAKER: Our Father, we thank you for your abundant blessings to our province and ourselves. We ask you to ensure to us your guidance and the will to follow it.

Amen.

[Mr. Speaker in the Chair]

**head: INTRODUCTION OF BILLS****Bill 73****Personal Property Security Act**

MR. CRAWFORD: Mr. Speaker, I request leave to introduce Bill 73, Personal Property Security Act. This being a money Bill, Her Honour the Honourable the Lieutenant Governor, having been informed of the contents of this Bill, recommends the same to the Assembly.

Mr. Speaker, the Personal Property Security Act is proposed for introduction in order that it might stand over until a later sitting of the Assembly in order to receive the input of interested groups. It is a substantial piece of legislation, which would rationalize and consolidate the law of the province concerning security interests in personal property. It is comprehensive and contains provisions setting out how security interests are created and how they are perfected as well as setting out priorities among security interests. It also contains provisions dealing with the registration and enforcement of security interests upon default.

In order to give some indication of the scope of the legislation, Mr. Speaker, it would result in the repeal of several existing pieces of provincial legislation which deal with the same subject matters — the Chattel Security Registries Act, the Conditional Sales Act, the Assignment of Book Debts Act, and the Bills of Sale Act.

[Leave granted; Bill 73 read a first time]

**head: TABLING RETURNS AND REPORTS**

MR. BRADLEY: Mr. Speaker, I wish to file with the Assembly copies of the annual report of the Alberta Environmental Research Trust, a copy of the annual review of the Alberta environmental centre, and the second annual report of the Alberta acid deposition research program. I think it's very appropriate that we file this information with the Legislature during Environment Week in Alberta.

**head: INTRODUCTION OF SPECIAL GUESTS**

MR. HYNDMAN: Mr. Speaker, today it's a real pleasure for me to introduce students from Stratford junior high school. There are a baker's dozen of them in grades 7, 8, and 9, alert students from the vibrant constituency of Edmonton Glenora. They're accompanied by their teacher Mrs. Dorrie Wolodko. They're in the members' gallery, and I'd ask at this time that they all stand and receive the welcome of the Alberta Legislative Assembly.

MRS. CRIPPS: Mr. Speaker, it's my pleasure to introduce 35 grades 5 and 6 students from Tomahawk school. It's a rural school, so if some of the students don't participate, whatever sport is happening doesn't happen. These people are used to being part of an organization where they have to take their share of responsibility. Their teachers are Mrs. Jane Zander, and Mrs. Sandra Taylor; parents, Mrs. Peggy Woodruff, Mrs. Edna Goertz, Mrs. Marilyn Worden, and Mrs. Marilyn Pinder. They are in the members' gallery, and I ask them to stand and receive the welcome of the Assembly.

MR. MARTIN: Mr. Speaker, I'd like to introduce to you and members of the Assembly some 53 grade 5 students from St. Patrick school in the constituency of Edmonton Norwood. They are accompanied by teachers Mr. Vern Herle and Mrs. Caroline MacDougall. They're seated in the public gallery. I'd like them to stand and receive the traditional welcome of the Assembly.

MR. PAPROSKI: Mr. Speaker, I'd like to introduce to you, and through you to members of the Assembly, two special guests seated in your gallery, the mother and father of one of our great pages, James Fitzpatrick. I'd like to introduce James and Myrla Fitzpatrick. I ask them to now rise and receive the warm reception from the Assembly.

**head: ORAL QUESTION PERIOD****Unemployment**

MR. MARTIN: As we come to the summer, Mr. Speaker, I'd like to go back to the Minister of Manpower and see what's happening in the unemployment field. The figures will be released this Friday, but we notice that the rate has been worse in each preceding spring month. My question to the minister: does the minister have any projections at all which lead him to believe that 1985 will be different over the summer months, or does he agree with the Provincial Treasurer in his budget, that unemployment will remain high and perhaps even climb in the summer months?

MR. ISLEY: Mr. Speaker, I anticipate that we are in for another summer of relatively high unemployment. That is the reason we again came out with the extensive summer temporary employment program. You will recall it was originally announced to the tune of \$20 million. We have transferred an additional \$5 million into it. To date that program has created slightly in excess of 10,000 jobs, mainly for young people and students, during the summer months. I'm happy to report also that our wage subsidy program is still moving, with 500 to 600 new applicants per week. Currently that program has served in excess of 25,000 Albertans. I do, however, expect that during the

summer months more new jobs will be created outside of our government programs than was the case the two previous summers.

MR. MARTIN: A supplementary question, Mr. Speaker. So unemployment is going to go higher. The minister and the government have talked about the participation rates. I'd like to look into that. With the exception of April 1984, Alberta's participation rate in the last month for which we have figures, April, was at its lowest point since January 1984, and it has been dropping steadily since October of last year. My question is: does the minister have any projections at all which would lead him to believe that this historically low and dropping participation rate figure will turn around over the summer?

MR. ISLEY: Mr. Speaker, the participation rate in Alberta still remains the leading one in the nation, in excess of 70 percent. It appears to move up and down with the seasons, between about 70.5 and close to 72 percent. I would be quite comfortable if it remained fluctuating at that level. I do not anticipate any significant drop.

MR. MARTIN: A supplementary question. The point is that it's dropping. But another figure occasionally bandied about by the government is the number of Albertans in the active labour force. Again, Mr. Speaker, there's been a steady decline in this figure since September of last year. My question is this: does the minister have any projections at all which would lead him to believe that this decline in the number of working Albertans will be reversed this summer?

MR. ISLEY: Mr. Speaker, I would have to check the stats to get into that a little deeper. From what I can see of the Alberta labour force, on our last report it is almost at par with where it was a year ago, and the number of employed Albertans was 3,000 greater in April 1985 than it was in April 1984. I would expect, as we all should, that the Alberta labour force will move up significantly in the month of May, mainly as a result of the influx of students from our postsecondary institutions. You can anticipate another increase in the labour force in the month of July as a result of the termination of our high school year.

MR. MARTIN: A supplementary question. The three indicators have continually been going down. Following up on this, can the minister advise if there are any new programs he has in place or is working on that he will be ready to implement this summer in the event that there is no substantial decline in Alberta's unemployment, that the participation rate keeps going down, and that labour force numbers continue to drop?

MR. ISLEY: Mr. Speaker, I have a little difficulty with some of the assumptions the hon. leader is using in leading up to his question. If you would analyze the labour force on a month-by-month basis, if you would look at the seasons, I think you would get some idea of when to expect that labour force to go up and down. My stats indicate that the labour force has pretty well levelled off, that the impact of out-migration is probably behind us. The labour force in April 1985 was certainly higher than in the months of January and February. The only higher month was March, and as I've already indicated May undoubtedly will be.

As the hon. leader and many members of the House are aware, we came out with some very significant job creation and training programs with our announcement of October 1984: a two and a half year funded program which added an additional 250 million new dollars to job creation and training, bringing the total commitment of this government over that 30-month period to close to half a million dollars, which is by far the leading response per capita in the nation. As I've indicated previously in the House, we're always looking at new programs. We're always looking at groups in the labour force that may need additional assistance. If we feel the need, we will respond in due course.

MR. MARTIN: I guess the answer after that . . .

MR. SPEAKER: A fairly large number of members have the same idea about today's question period as the hon. leader has. I would therefore ask that this be his last supplementary on this series.

MR. MARTIN: Well, it's flowing into the jobs for the summer. I'll ask the Minister of Energy and Natural Resources a question that could significantly affect jobs. This month, Mr. Speaker, Interprovincial Pipe Line will ship 63,000 barrels per day of oil less than capacity. I understand it's a drop of 135,000 barrels from last month. It seems to have to do with deregulation and selling and buying. Can the minister advise whether or not he has seen any studies or reports detailing the effects of the oil price cuts, which seem to be necessary to meet American demands, on the cash flow and viability of independent Alberta producers and the exploration that would follow from there?

MR. ZAOZIRNY: Mr. Speaker, first, by way of clarification of the hon. member's assertions to the Assembly about the number of barrels that will be flowing through the system this month, the fact of the matter is that there was some expectation that there may be a shortage of line capacity in the order of some 72,000 barrels a day, given the Interprovincial Pipe Line shortfall. In fact, that has to then be taken into account in addressing the number of barrels that will be flowing this month.

Mr. Speaker, I should say that it has been recognized by all that there would be some process of adjustment required as we move from a regulated system, of which the industry has been prisoner for so many years as a result of Liberal and NDP policies, to a free market situation, which they have wanted for so very long. As one of my colleagues once said, it's a little bit like leaving home for the first time. So there is that process of adjustment that is occurring. But the fact of the matter is that in terms of the pricing, the price postings we have seen in the province are of course significantly higher than the \$29.75 per barrel that was available to producers of old oil as a result of the NEP policies, which my hon. colleague supported.

MR. MARTIN: I'll go into the second set and follow up there another time, Mr. Speaker.

Back to the Minister of Manpower, in a slightly different approach to looking at unemployment. We've had this discussion, but there's some more evidence. Has the minister's department now an idea of the number of Albertans who are known as discouraged workers, who do not show up in the Statistics Canada number of unemployed? If so, can he give us an estimate of that number?

MR. ISLEY: Mr. Speaker, as I've indicated on previous occasions in the House, there is a direct correlation between the participation rate and the so-called hidden unemployed. As long as we have a work force that is still optimistic enough to generate a participation rate in excess of 70 percent, I submit that there is very little evidence of a significant number of hidden unemployed. In checking the figures released by Stats Canada, if we go on a year-to-year comparison, Alberta's participation rate in April 1984 led the nation at 70.4 percent. Last month, April 1985, Alberta's participation rate was 70.7 percent, which is a 0.3 percent increase, not a decline.

MR. MARTIN: A supplementary question. Some estimates in Canada say 420,000 fall into this category. There's got to be a significant number in Alberta with our unemployment rate.

To tie it into some of the other aspects in Alberta, experts indicate that there is a two- to four-year lag between the time when the increase in unemployment occurs and the time when associated suicides occur. The 1984 rate of suicide would reflect our 1980 unemployment rate in that regard. Has the minister any projections as to how high the rate of suicide will be one or two years from now, based on unemployment rates of 10.8 percent?

MR. ISLEY: No, Mr. Speaker.

DR. WEBBER: Mr. Speaker, possibly I could respond to the hon. Leader of the Opposition. With his reference to the suicide rate and what appears to be his attempts to tie it to the level of unemployment in the province, I'd like to point out that the suicide rate in 1984 was equivalent to the suicide rate in 1980. Maybe the hon. Leader of the Opposition would like to make a case for the rate of suicide then, with the low unemployment rate at that time; I don't know. Also, in his attempt to try to tie it to unemployment, I'd also like to point out that in Newfoundland the suicide rate is one of the lowest in this country and traditionally it has had one of the highest unemployment rates. So I think the hon. Leader of the Opposition would have great difficulty in trying to tie suicide rates to unemployment rates.

MR. MARTIN: That's the typical sort of arrogant attitude that we're talking about, Mr. Speaker.

SOME HON. MEMBERS: Question.

MR. MARTIN: The question . . .

MR. SPEAKER: Order please. The hon. leader was obviously making an attempt to connect suicides and unemployment. I must say in all candor and respect that I saw nothing intemperate of any kind in the replies.

MR. MARTIN: Mr. Speaker, I think the people of Alberta . . . My point is simply this, and I'll come to it. There's all sorts of evidence, and the minister is well aware, that there is a connection. To come back to his statements, does the minister have any indication whether or not an undiversified boom and bust economy as we experienced here in Alberta increases the stresses on a society which cause suicide?

DR. WEBBER: Mr. Speaker, I don't think it's clear at all that you can tie a high, positive correlation between suicide

rates and unemployment rates. I just gave some examples or situations which show the contrary. In terms of an analysis of what social conditions have to exist that cause a high unemployment rate, it's a matter of speculation and theories. I don't have any evidence that there's any relationship between a high unemployment rate and a high suicide rate. If one were to try to tie family stability or presence of family or family assistance in times of need, I think one might find a better relationship. I think that's one of the reasons why, for example, in the province of Newfoundland, where there has traditionally been a high unemployment rate and a low suicide rate, there has been the presence of family to help each other. Of course, with Alberta having had an influx of large numbers of people over the last few years, many of those people left families in other provinces. So I think the explanation in times of stress could be more closely associated with family support than anything else.

MR. MARTIN: That's precisely the point, Mr. Speaker. If you look at the studies, family support starts to crumble when there is pressure on the family because of unemployment. My question to the minister is simply this. He says he is not sure what causes the high suicide rate. I hope they are looking into it. If it's not unemployment, what has caused the rapid increase from 1981, when it was 15.9 percent, to 1984, when it was 18.1 percent? What analysis can he give us for that increase?

DR. WEBBER: I'm not sure what numbers the hon. Leader of the Opposition is reading out. If it's related to the suicide rate, I gather from the unofficial medical examiner office records that there has been an increase of six people in the frequency of suicide in this province from 1983 to 1984. I suggest that that is really not statistically significant. The suicide rate in this province in 1980 was the same rate it is today, in significantly different economic times.

MR. SPEAKER: Might this be the hon. leader's final supplementary on this topic.

MR. MARTIN: If I can follow what the minister is saying, the figures come from the coroner. He's saying this is not significant, that there is no cause for alarm, that it has nothing to do with unemployment, if I can clarify what the minister is saying.

DR. WEBBER: I did not say, nor did I want to leave the impression, that suicide rates are not a cause for alarm. We are all very concerned about suicides. In fact, in this province we have a suicidologist, who is working with a provincial suicide advisory committee, which has a significant budget. There will be some increase in the amount of programming that will occur this year to assist training child welfare workers and community workers to try to deal with the problem of suicide. But for the hon. member to try to directly tie the unemployment rate in with the suicide rate, I don't think he can be successful in that exercise.

#### Economic Development — Calgary

MR. LEE: Mr. Speaker, my question is for the hon. Minister of Energy and Natural Resources. In view of the recent decision by a major developer in Calgary for a new 400,000 square-foot office tower and in view of recent announcements

of three additional potential major new developments in the city of Calgary, could the minister indicate if, in fact, there is any direct relationship between the new mood of optimism in the energy sector and these recent major new developments?

MR. SPEAKER: Perhaps the best way to comment on that question would be to say that it is a representation which has been duly heard by the House and will appear in *Hansard*.

MR. LEE: A supplementary, Mr. Speaker. Could the minister indicate if the new energy accord arrived at between Edmonton and central Canada may have played a major role in the decision by the private sector, from the minister's point of view as the minister of energy?

MR. SPEAKER: Surely if the hon. member is exploring the motives of the private sector, he ought to go there and ask.

#### **Alcoholism and Drug Dependence Congress**

MR. PAPROSKI: Mr. Speaker, I'd like to direct my question to the chairman of the Alberta Alcoholism and Drug Abuse Commission. My question deals with the international congress on alcohol and addiction to be held in Alberta this summer. Could the chairman advise the House how many countries would be represented at this congress?

MR. GOGO: Mr. Speaker, I very much appreciate the question from the Member for Edmonton Kingsway. The world conference on alcohol addiction will indeed be held in Alberta on August 3 to 10. It's the first time in Canadian history that it's been held here. We now have almost 500 registrations. There will be about 88 countries represented in Calgary in August.

MR. PAPROSKI: A supplementary, Mr. Speaker, to the chairman. What is the major intent of this conference and, indeed, how did Alberta get the conference compared to other countries? Why is it here?

MR. GOGO: Mr. Speaker, the way you get a congress like this, as the Minister of Recreation and Parks would be familiar with, is like bidding on the Olympic Games. You have to satisfy various criteria to qualify. Obviously the fact that it's never been held in Canada and it's the 100th anniversary would indicate the sort of prestige that goes with it. It's certainly a plum for this province and for Calgary, because of course Calgary can always use the business. There will be about 1,400 delegates.

In terms of the content, Mr. Speaker, in many ways it's an academic's dream. As we all know, there's that great opportunity for those in the academic world to build curricula vitae through presenting papers. However, my view has been, and I hope to influence the planning committee, that alcohol and drug addiction is perhaps one of the most serious problems we have in society today, and it should really deal substantially with how you help people treat those with problems and how you prevent those problems from happening.

So I would say that it's going to be a very varied conference in terms of the presentations made and the content within those programs. The registrants range all the way from Alcoholics Anonymous and the Salvation Army to

world scientists who have a great reputation in terms of the fields of addiction.

MR. PAPROSKI: A final supplementary, Mr. Speaker. Is the congress open to the general public?

MR. GOGO: Mr. Speaker, you look at the price tag and it obviously isn't. These things have to pay for themselves. It's a \$275 registration fee, plus those who are near Calgary in the summer know it's not cheap. It's certainly open to the public for those who wish to attend, as long as they give advance notice. I would point out that as the people of Alberta are hosting this but not paying for it, because it will be done on a no-cost basis, which should be comforting to many people — i.e., the delegates will be paying the tab — I've asked the committee to seriously consider, and they've agreed, that members of this Assembly representing the constituents throughout the province are welcome to attend. Recognizing that they cannot possibly attend seven days, because I know their schedules, I've asked them to give special consideration for members of this House to attend on a day basis. So if they see part of a program or a program they're interested in, they're more than welcome. We'll make special provision for those attending.

For any member of this House who is interested in further information — I've tried to keep them up to date — I will personally see that they get a copy of the program. If they wish to advise me about attending, I'll try to assist them in that very thing.

Thank you.

#### **Oil and Gas Industry Incentives**

MR. McPHERSON: Mr. Speaker, I'd like to try my luck with you today in directing a question to the Minister of Energy and Natural Resources. The minister has been conducting a rather extensive review of the incentive programs in the petroleum industry, and I understand that the request for submissions from the industry was terminated. The deadline was May 31. My concern centres on the prospect of the uncertainty in the oil industry that may develop while the minister conducts this review. I wonder if the minister can advise what specific action he has taken to ensure that the industry doesn't stand idle during this process of review.

MR. ZAOZIRNY: Mr. Speaker, the hon. member is correct insofar as there have been some concerns expressed by industry about this interim period prior to an announcement of the results of our incentive review process. It was for that reason that last Friday an announcement was issued indicating that from June 1 until July 31 the industry can operate in the knowledge that they will be able to select between the current incentives that are in place and new incentives that may be announced as a result of the review process. I should say that it is our hope to be able to announce the results of that incentive review process not later than the latter part of June.

Finally, Mr. Speaker, while that concern has been expressed by industry, and we wouldn't want to see one rig standing idle that might otherwise be working at this time and employing Albertans, if one takes a look at the current drilling statistics and compares the number of rigs drilling this time of the year to a year ago, the numbers compare very favourably. A year ago we had 112 rigs drilling in the province. Right now we've got 194 rigs drilling in Alberta, with 17 more on the move.

MR. McPHERSON: Mr. Speaker, I wonder if the minister, based on those statistics, could indicate when the review is expected to conclude. When it is concluded, can he indicate what policy decisions will be forthcoming as a result of this overall review and whether or not the submissions of the industry in relation to incentives for success will be considered in that policy direction?

MR. ZAOZIRNY: Mr. Speaker, as I say, it is our hope to be able to announce the results of the review in the latter part of June, and I believe that is an achievable deadline for us. We don't want any uncertainty to exist in the industry. As far as the direction of the policy decision is concerned, we're involved in that review process right now. No final decisions have yet been reached. But I think it is fair to say that the government is very sympathetic to the views that have been expressed by our industry for some time, that we should put in place incentives that reward success rather than mere activity. I personally am very supportive of that philosophical approach, and I hope the new policy will reflect that orientation.

MR. McPHERSON: A supplementary, Mr. Speaker, on a related matter. Could the minister indicate what, if any, specific initiatives he has undertaken to increase new drilling starts for natural gas in the province of Alberta?

MR. ZAOZIRNY: Mr. Speaker, it is fair to say that during 1984 the gas well completions and gas drilling activity generally were certainly not at a level which we think is appropriate in this province, and certainly much lower than had been the case during the earlier years when there was so much activity in natural gas drilling and exploration in this province. I think that is turning around right now. If you take a look at the gas well completions for this time frame in 1985, from the beginning of the year, you'll see that even prior to any review of our incentives and prior to any new initiatives — and we are, of course, considering that in the course of this review — gas well completions in Alberta are up over 50 percent from the same time last year.

[Three members rose]

MR. McPHERSON: A supplementary, Mr. Speaker.

MR. SPEAKER: Followed by the hon. Member for Calgary Millican and then the hon. Member for Lac La Biche-McMurray.

MR. McPHERSON: I'll direct my supplementary to the Minister of Economic Development. I guess we have to realize that one of the building blocks of diversification in this province is the petrochemical industry. No doubt the world-scale petrochemical plants in central Alberta, and throughout Alberta, rely very strongly on exports and consequently on a strong competitive position in the world market. Can the minister indicate what specific competitive advantage will flow to the petrochemical industry as a result of his recent announcement with respect to the Alberta container port corporation?

MR. PLANCHE: Mr. Speaker, the negotiations with the railroad on the containers involved a round-trip rate. We will be selecting an advisory board from industry to skew those rates so that the rate from Alberta to tidewater will

be lower than the rate from tidewater back. Until that skewing is done, it's difficult to be quantitative about the result. I think it would be fair to say that all petrochemicals that are containerable and that are destined for a country that ships through Vancouver, there'll be an enormous advantage. We intend to use that to the best of our ability to further the good fortunes of our petrochemical industry.

MR. SHRAKE: A supplementary question, Mr. Speaker, for the Minister of Energy and Natural Resources. As a result of the signing of the western accord and the scrapping of the NEP and the PGRT, I guess over \$1 billion plus other benefits will be accruing. My question to the minister is: is he seeing that these benefits are being passed back to the oil industry and especially back to the small oil producers, who I guess do over 50 percent of the drilling in this province?

MR. ZAOZIRNY: Mr. Speaker, that's an important question. Just by way of clarification, it should be understood by all members of the Assembly that as the PGRT elimination takes hold, and of course that applies right now with respect to all new oil and gas drilling activity in the province, that benefit automatically flows through to the industry. There is not a situation where those dollars would accrue to the provincial Treasury. The fact of the matter is that the provincial government made it very clear during the negotiations leading up to the western accord that we were not going to try to capture those additional revenues that have been made available and will be made available to the industry as a result of the western accord.

Speaking further to the hon. member's question, Mr. Speaker, there was also an undertaking given by the producing provinces in the western accord that we would in fact maintain the flow-through of dollars which is currently occurring through the Alberta petroleum incentive payment program, notwithstanding the fact that that's a program we entered into very reluctantly at the time of the energy agreement of 1981. We made it clear that what we want to see is a healthy and vital energy industry in this province and in this country, and we would not be moving to capture those dollars for our Treasury should we move away from the PIP program here in the province of Alberta.

Finally, Mr. Speaker, with respect to the flow-through of net benefits to the industry, that pertains specifically to the move to deregulation. Where there might otherwise have been some additional dollars flowing to our provincial coffers, we made it clear that this was an initiative of the western accord about industrial activity and energy growth in this country and in this province. We have given that commitment, and we intend to live up to it.

[Mr. Weiss rose]

MR. SPEAKER: Perhaps we could deal with it briefly. I'm becoming very concerned. There are a number of members who would like to ask their first questions. Some of the questions are a little long and some of the answers a little longer. I'm very concerned about reaching members. It doesn't seem fair that they shouldn't have an opportunity to ask at least one question during the question period.

MR. WEISS: Thank you, Mr. Speaker. It's my first supplementary. My question is to the minister of energy with regard to follow-up from the Member for Red Deer, whose questions really referred to conventional oil programs. Will

the minister advise the Assembly if he will be developing any new incentive packages that will promote or enhance early development of tar sands projects?

MR. ZAOZIRNY: Mr. Speaker, if I might first respond to your comment. Without wishing to make excuse, brevity has never been a lawyer's long suit, and I suffer from that affliction. I'll try to do a little better with respect to the hon. member's supplementary question, only to say that while he's quite correct in making the point that this incentives review is aimed at our conventional industry, there is no question about this government's commitment to get on with oil sands development here in Alberta. We're delighted with the in situ oil sands development that is occurring at Peace River, Cold Lake, Elk Point, Lindbergh, Wolf Lake, and other locales in this province. We're delighted with the Syncrude expansion that's going on right now, but we're determined to sit down with industry and to see what can be done to accelerate the development of the oil sands, particularly by way of the integrated surface mining projects. There is no doubt that the world oil price is a major consideration in industry decisions in respect of such new projects, but we take the view that we have an obligation to do all that reasonably can be done to ensure that those projects go ahead sooner rather than later, and we're going to do that too, Mr. Speaker.

#### Agricultural Assistance

MR. GURNETT: Mr. Speaker, I'd like to direct my question to the Minister of Agriculture. I've noted here before that farm bankruptcies in Alberta have continued to increase this spring by some 17 percent while they've been dropping in other producing provinces in Canada. I assume the minister's department is monitoring that. Could the minister indicate whether there are any programs or policies in place that are ready to be implemented if that trend doesn't see a change over the summer months?

MR. FJORDBOTTEN: Mr. Speaker, I've said on a number of occasions that all our programs are under continuous review. We've made significant changes in our programs over the past year, particularly in the Agricultural Development Corporation and the counselling programs through the Department of Agriculture. We of course not only will monitor very closely the financial situation of our producers but also will look at monitoring the input costs of producers. Recognizing that was part of the reason for the announcement yesterday. Of course, we continually look at all options. I have an open mind. I'm always prepared to look at better ways and better approaches, and we'll do that over the summer.

MR. GURNETT: A supplementary question, Mr. Speaker, just to pursue a little the area of the financial tensions for farmers. It seems that nobody has very good figures about the number of foreclosures and forced sales of farms in this province and whether or not that number is increasing, staying steady, or decreasing. Does the minister's department yet have any mechanism in place by which they're able to monitor farm foreclosures and forced sales?

MR. FJORDBOTTEN: Mr. Speaker, a number of the farms in the province are financed through the banks or through the private sector in some way, so of course there is not a way to have accurate numbers. However, recognizing the

significant role that the Agricultural Development Corporation plays within the whole area of agricultural financing, their most recent figures I have are April 30. As of April 30 there were some 9,200 direct loans outstanding. Of that number about 26 percent were greater than \$100 in arrears. This is comparable to a year earlier, when the portfolio had approximately 26 percent in arrears, so there was no change in the arrears over \$100 over the period of one year.

As of April 30, 1985, 9 percent of the total direct loans had been in arrears for over one year. A year earlier it was about 8 percent, so there was an increase of about 1 percent in the arrears over one year of a total portfolio of over 9,000 loans, which is a very insignificant increase. Those are the most accurate numbers we have, Mr. Speaker.

We recognize that if the weather co-operates a little better this year, if the grasshoppers stay away, and if the snow doesn't come too early, it could significantly change the income of our producers.

MR. GURNETT: A supplementary question, Mr. Speaker. For those of us that are concerned, I guess the "ifs" continue to worry us. Thinking about the department's own projections of the decline of some 25.6 percent in net income this year, I'd specifically ask the minister whether he could tell us anything about any programs that might be in place or are being considered with regard to that whole area that wouldn't deal with specific emergency situations but would have general provincial applicability if, over the summer, there's again no turnaround in those projections for net farm income.

MR. FJORDBOTTEN: Mr. Speaker, the whole area of credit is one that not only is of concern to the province of Alberta but is a national problem. As I've stated in the House before, it was the major issue at the ministers' conference last July. It of course will be an issue again this year. The task force on credit working on federal programs in the House of Commons is looking at a number of those options. If some of those options aren't implemented on a national base, and we feel that's the way they should be done, then of course we will have to review the options we have within the province.

In my meeting here on May 28 with John Wise, the federal Minister of Agriculture, I had some discussion with him about that very topic and suggested to him that at this year's minister's conference, we should be sure that there is frank and open discussion between all ministers about the whole area of credit, the progress it's made since last year, and some of the target areas we can look at for the coming year, recognizing that it's not only a national but an international problem. There are certain steps that can be made within Canada that would help put us on a stronger footing so our producers would be in a better situation. The impact it has on the balance of trade is just crucial to this country and to keep our farmers viable. He has agreed that that would be a topic of discussion. I certainly will be well prepared for that meeting.

MR. SPEAKER: In view of the time, might this be the hon. member's last supplementary on this topic.

MR. GURNETT: A final supplementary, Mr. Speaker. Could the minister indicate when the government will be in a position to issue its promised policy paper on agriculture that was talked about earlier in the spring sittings?

MR. FJORDBOTTEN: Mr. Speaker, the whole area of the position papers that were to flow from the white paper and the white paper hearings held across the province is something that we're all working on. The agriculture position paper is one that we put a lot of emphasis on. We've been busy over the period of the last few weeks and months working on it. It would be my hope that sometime in this calendar year I'll have that position paper completed and be able to make it public.

#### **Laser Institute**

MR. COOK: Mr. Speaker, earlier today the Economic Development minister announced a \$5 million initiative for a laser institute. Could the minister tell the House what the institute will do?

MR. PLANCHE: Mr. Speaker, we have several fields of excellence in laser activity emanating out of the U of A that have world recognition. Among them are expertise in neurological surgery, the fusion of metals, and the cutting of textiles. Finally, we need a developmental part for our postgraduates in fabrication of microchips. That combination, the combination of microchip manufacture and lasers, is a coming technology that's going to be very valuable.

Mr. Speaker, the laser institute is simply one more building block to afford our fledgling industry in electronics an opportunity to access excellence the same as they do in more heavily populated, mature areas of endeavour. It includes things that we've done this year, including microchip design and fabrication at the two universities, an electronics information centre, an electronics test centre, a telecommunications research centre, and a supercomputer, all of which are very important building blocks for this industry. When we talk about diversification, and my colleague the Minister of International Trade will probably want to supplement this, there are now something in excess of 9,000 people actively engaged in that industry. Their export sales from the province last year were over \$350 million, so it's becoming a very important part of our life. I think this laser institute will be well received. It shows great leadership by this government in a very complicated, complex, and competitive industry.

MR. COOK: Mr. Speaker, General Systems Research in Edmonton recently sold several lasers to General Motors. Are there any other economic developments that the minister would look to to have a link with industry and the new laser institute and prompt new job creation in Alberta?

MR. PLANCHE: Yes. One that comes to mind right now is that Majestic Wiley has been working in concert with the laser folks at the university in terms of metal fusion. General Systems Research is a good example of textile cutting, and of course there is now active neurosurgery using lasers designed at the U of A. It was interesting to notice that the Russians gave recognition to our forefront capacity in this area at an international seminar some two years ago. So we have the talent here, and it's important that we support them.

#### **Fertilizer Prices**

MR. BATIUK: Mr. Speaker, I'll direct my question to the Minister of Agriculture. Earlier in the session the minister advised the Assembly that his department would be monitoring fertilizer prices in various regions of the province.

Could the minister advise whether there has been any price gouging by fertilizer companies or sales agencies trying to take advantage of the price protection plan?

MR. FJORDBOTTEN: Mr. Speaker, the hon. member is correct in that we are monitoring at 45 marketing centres in nine regions of the province. Any time we've received any information about fertilizer prices that looked like they were out of line, we have done some checking with respect to that. We find that, on the contrary, there really isn't any gouging taking place. The fertilizer companies are handling themselves very realistically in this whole process. There is, of course, normally some increase in fertilizer prices in the spring, recognizing fall discounts. Last fall the discounts were very significant, recognizing that we had a drought in part of the province. So in order to sell fertilizer, they made their discounts a little higher. So the increase this spring in some ways looked like it was a little higher than usual. However, the indications I've received are that it's as small as about a 3 percent increase in fertilizer prices.

MR. BATIUK: A supplementary question. Could the minister advise whether, since the implementation of this price protection plan on fertilizer, there has been an increase in the use of fertilizer in the province?

MR. FJORDBOTTEN: That's an excellent question, Mr. Speaker. I've thought of it myself. However, I don't have the answer. It seems like many of the applications for the fertilizer program are a little slow coming in. I think it's because everyone is seeding at the moment and they haven't got all their bills put together. So I'm not able to give a knowledgeable answer to that question.

MR. HYLAND: Mr. Speaker, a supplementary question. Does the minister have any information that would indicate, once the fertilizer companies put up what they call their normal increase in price in the spring after the program was announced, that deals were offered to farmers if they pay cash on the spot or COD, that the price would be dropped to compensate for the plan we announced?

MR. FJORDBOTTEN: Mr. Speaker, that's a difficult question to answer to some degree. As a good businessman, if you have someone that comes into your business and pays cash and another one that isn't very good at paying his bill, I'm sure there are a couple of different prices that are given out to those producers. However, I know that if you prepaid or were prepared to pay cash, the discounts were certainly there.

MR. HYLAND: A second supplementary, Mr. Speaker. Does the minister have any information that would indicate that this was done by the national or provincial company rather than just the dealer that was offering these kinds of prices?

MR. FJORDBOTTEN: Mr. Speaker, I can't speak for all companies or all dealers, but it's my understanding that no directive went out from head office. Basically, it was left to some discretion with the dealers.

MR. SPEAKER: We have come to the end of the time for the question period. With the indulgence of the Assembly, perhaps we might recognize the two remaining members

who have notified they wish to *ask* questions — the hon. members for Edmonton Gold Bar and for Calgary Millican.

HON. MEMBERS: Agreed.

#### **Water Quality Study — Edmonton**

MR. HIEBERT: Thank you, Mr. Speaker. My question is to the Minister of the Environment, and it deals with the quality of water in Edmonton. Concerns have been voiced for some time by the citizens of Edmonton and neighbouring communities with regard to the quality. This led to the city of Edmonton making a request to become involved in a jointly sponsored study by independent experts. Has the minister addressed that request?

MR. BRADLEY: Mr. Speaker, I have responded today to a request by the mayor of the city of Edmonton for the province to participate in an independent review of Edmonton's drinking water quality. We've responded in the affirmative and will be working with the city to work on some terms of reference for such a study.

MR. HIEBERT: A supplementary question, Mr. Speaker. Due to a large number of storm sewer outfalls upstream from the Rosedale plant, the aesthetic quality of the water is affected by spills and runoffs. Is that particular problem of security going to be addressed as well as the quality of water with regard to other pollutants?

MR. BRADLEY: Mr. Speaker, in the request from the mayor of the city of Edmonton, he basically wished to look at the question of substances which were in Edmonton's drinking water and to determine the health effects of those substances. In responding to the mayor, I suggested that perhaps we should expand the terms of reference and address other questions, such as the security of supply for Edmonton's water and, in particular, the effect that the storm sewer system has on the quality of water in Edmonton's Rosedale water treatment plant.

MR. HIEBERT: A final supplementary, Mr. Speaker. Does the fact that the minister has agreed to jointly participate in the study imply that the province will participate in any of the outcomes or projects that may result from the study?

MR. BRADLEY: Mr. Speaker, I'm not able to give any commitment at this time with regard to funding of any solutions which would come forward from this investigation. I do, however, think it's important that an independent review be done of Edmonton's drinking water quality and that the specific problem with regard to aesthetics of water supply be addressed in the terms of reference in addition to what the mayor of the city requested.

MR. SPEAKER: The hon. member for Calgary Millican.

MR. SHRAKE: Mr. Speaker, I asked my question as a supplementary to the Member for Red Deer's.

#### **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. GOGO: Mr. Speaker, I welcome the opportunity of having some 53 students visit, 40 from Lethbridge and 14 from Our Lady of Perpetual [Help] school in Sherwood Park. It's a joint choir of the Hamilton junior high school of Lethbridge and the school at Sherwood Park. So on behalf of the Member for Edmonton Sherwood Park, I would like to introduce them. They're accompanied by their teacher Mrs. Arla Burbank and supervisors Natalie Bullock and Janelle Earl. They're seated in the members' gallery, Mr. Speaker, and I would ask that they rise and receive the welcome of the Legislature.

#### **head: GOVERNMENT MOTIONS**

19. Moved by Mr. Crawford:

Be it resolved that when the Assembly adjourns for the summer recess, it shall stand adjourned until a time and date prior to the commencement of the Fourth Session of the Legislature determined by Mr. Speaker after consultation with the Lieutenant Governor in Council.

[Motion carried]

21. Moved by Mr. Crawford:

Be it resolved that

- (1) The Standing Committee on Law and Regulations take under further consideration the report of the Institute of Law Research and Reform on the subject of compensation for security interests in expropriated land.
- (2) Reasonable disbursements by the committee for staff assistance, equipment and supplies, and other expenditures necessary for the effective conduct of its responsibilities shall be paid, subject to the approval of the chairman.
- (3) In carrying out its responsibilities, the chairman may utilize the services of the staff employed by the Assembly or of the members of a department of the public service, with the concurrence of the head of the department.
- (4) The committee shall report to the Assembly no later than November 1, 1985, if it is then sitting.

MR. CRAWFORD: Mr. Speaker, perhaps a brief word of explanation with respect to Motion 21 would be useful. Hon. members will also have noted Government Motion 20. Both motions have to do with the recent work of the Standing Committee on Law and Regulations, and the proposal in respect to Motion 20 would be to call it at a subsequent time.

As to Motion 21, it is important to note that one of the recommendations of the committee report presented to the Assembly was that some further work might be done on one of the reports which was produced by the Institute of Law Research and Reform and studied by the Committee on Law and Regulations. That report has to do with the subject of compensation for security interests in expropriated land. Mr. Speaker, Motion 21 will enable the committee to continue work on that subject, and that is recommended.

[Motion carried]



head: **GOVERNMENT BILLS AND ORDERS**  
(Third Reading)

[It was moved by the members indicated that the following Bills be read a third time, and the motions were carried]

| No. | Title  | Moved by                 |
|-----|--|--------------------------|
| 1   | Alberta Order of Excellence Amendment Act, 1985              | Lougheed                 |
| 2   | Grain Buyers Licensing Repeal Act                            | Batiuk                   |
| 3   | Municipal Capital Expenditure Loans Repeal Act               | Fischer                  |
| 4   | Seed Dealers Repeal Act                                      | Fischer                  |
| 5   | Alcoholism and Drug Abuse Amendment Act, 1985                | Gogo                     |
| 6   | Beverage Container Amendment Act, 1985                       | Bradley                  |
| 7   | Glenbow-Alberta Institute Amendment Act, 1985                | LeMessurier (for Embury) |
| 8   | Radiation Protection Act                                     | R. Moore                 |
| 9   | Social Care Facilities Review Committee Amendment Act, 1985  | Carter                   |
| 11  | Crowsnest Pass Municipal Unification Amendment Act, 1985     | Bradley (for Koziak)     |
| 12  | Litter Amendment Act, 1985                                   | Cook                     |
| 13  | Alberta Loan Acts Repeal Act                                 | Stromberg                |
| 14  | Foreign Cultural Property Immunity Act                       | Zip                      |
| 15  | Co-operative Associations Amendment Act, 1985                | Nelson                   |
| 17  | Water Resources Commission Amendment Act, 1985               | Kroeger                  |
| 19  | Real Property Statutes Amendment Act, 1985                   | Crawford                 |
| 20  | Fatality Inquiries Amendment Act, 1985                       | Elliott                  |
| 22  | Employment Standards Amendment Act, 1985                     | Szwender                 |
| 23  | Industrial Wages Security Amendment Act, 1985                | Oman (for Kowalski)      |
| 24  | Disaster Services Amendment Act, 1985                        | Crawford (for M. Moore)  |
| 25  | Local Authorities Election Amendment Act, 1985               | Paproski                 |
| 28  | Pari Mutuel Tax Act  | Hyndman                  |
| 29  | Alberta Municipal Financing Corporation Amendment Act, 1985  | Clark                    |
| 30  | Public Service Employee Relations Amendment Act, 1985        | Crawford                 |
| 32  | Alberta Mortgage and Housing Corporation Amendment Act, 1985 | Shaben                   |
| 33  | Individual's Rights Protection Amendment Act, 1985           | Young                    |
| 34  | Student and Temporary Employment Act                         | Isley                    |
| 35  | Apprenticeship, Training and Certification Act               | Isley                    |
| 36  | Rural Utilities Act  | Bogle                    |
| 37  | Health Disciplines Amendment Act, 1985                       | Crawford (for Reid)      |
| 38  | Vital Statistics Amendment Act, 1985                         | Kowalski (for Woo)       |

| No. | Title   | Moved by                |
|-----|---|-------------------------|
| 39  | Livestock Identification and Brand Inspection Act   | Musgrove                |
| 40  | Mines and Minerals Amendment Act, 1985  | Zaozirny                |
| 41  | Pipeline Amendment Act, 1985  | Zaozirny                |
| 42  | Charter Omnibus Act   | Crawford                |
| 43  | Alberta Corporate Income Tax Amendment Act, 1985  | Hyndman                 |
| 44  | Crown Property Municipal Grants Amendment Act, 1985   | McPherson               |
| 45  | Local Authorities Pension Plan Act  | Hyndman                 |
| 46  | Universities Academic Pension Plan Act  | Hyndman                 |
| 47  | Special Forces Pension Plan Act   | Hyndman                 |
| 48  | Members of the Legislative Assembly Pension Plan Act  | Hyndman                 |
| 49  | Insurance Amendment Act, 1985   | Crawford (for Anderson) |
| 50  | Pension Plan Statutes Amendment Act, 1985   | Hyndman                 |
| 51  | Grain Charges Limitation Repeal Act   | Topolnisky              |
| 52  | Appropriation (Alberta Heritage Savings Trust Fund, Capital Projects Division) No. 2 Act, 1985-86         | Hyndman                 |
| 53  | Appropriation (Alberta Heritage Savings Trust Fund, Capital Projects Division) Supplementary Act, 1985-86 | Hyndman                 |

**Bill 54**

**Liquor Statutes Amendment Act, 1985**

MR. CRAWFORD: Mr. Speaker, on behalf of the Solicitor General, I move third reading of Bill 54.

MR. GOGO: Mr. Speaker, I had made comments privately to the Solicitor General with regard to this Act. I'd like to make a comment now on third reading.

The three changes in the Liquor Statutes Amendment Act are very significant to Albertans. I want to leave a comment on one; that is, this business of drinking in picnic sites around this province. We all know, based on the report tabled just recently by the Minister of Transportation, a tremendous number of Albertans needlessly die each year as a result of impaired driving. The one significant change in this Act allows Albertans to drink at picnic sites in our parks, both provincial and municipal.

Mr. Speaker, I think it's important to point out that it's one thing to take a bus to Capital City Park in this city, if Edmonton council so decides, and have a bottle of wine with your chicken lunch and your family. It's quite another thing to drive some hundred miles and stock up with beer in order to have a picnic, eat food, and drink, recognizing that the one thing synonymous with the picnic site, the drinking, and getting home is the automobile. I simply urge both the minister responsible and the Minister of Recreation and Parks that when they designate these sites, they use a great degree of caution in so designating so that we do not see any increase in the tragedy of death by impaired driving in this province.

[Motion carried; Bill 54 read a third time]

[It was moved by the members indicated that the following Bills be read a third time, and the motions were carried]

| No. | Title   | Moved by               |
|-----|---|------------------------|
| 56  | Consumer Credit Transactions Act                            | Osterman               |
| 57  | Professional and Occupational Associations Registration Act | Crawford (for Reid)    |
| 58  | Banff Centre Amendment Act, 1985                            | Stevens (for Johnston) |
| 60  | Motor Vehicle Accident Claims Amendment Act, 1985           | Crawford (for Reid)    |
| 61  | Mortgage Brokers Regulation Amendment Act, 1985             | Osterman               |
| 62  | Builders' Lien Amendment Act, 1985                          | Gogo                   |
| 63  | Maintenance Enforcement Act                                 | Koper                  |
| 64  | Municipal Government Amendment Act, 1985                    | Bradley (for Koziak)   |
| 65  | Appropriation Act, 1985                                     | Hyndman                |
| 66  | Appropriation (Supplementary Supply) Act, 1985              | Hyndman                |
| 67  | Nursing Homes Act   | Russell                |
| 68  | Child Welfare Amendment Act, 1985 (No. 2)                   | Webber                 |
| 69  | Dependent Adults Amendment Act, 1985                        | Koper                  |
| 70  | Telecommunication Statutes Amendment Act, 1985              | Bogle                  |
| 74  | Hazardous Chemicals Amendment Act, 1985                     | Bradley                |
| 75  | Psychology Profession Act                                   | Young (for Reid)       |
| 78  | Forestry Profession Act                                     | Appleby                |

head: **PRIVATE BILLS**  
(Third Reading)

[It was moved by the members indicated that the following Bills be read a third time, and the motions were carried]

| No.    | Title  | Moved by              |
|--------|--|-----------------------|
| Pr. 1  | Heritage Savings & Trust Company Amendment Act, 1985   | Weiss (for Alexander) |
| Pr. 2  | Westerner Exposition Association Act   | McPherson             |
| Pr. 3  | David Michael Skakun Adoption Termination Act  | Purdy                 |
| Pr. 5  | Les Soeurs de Sainte-Croix Province Sainte-Thérèse — Sisters of Holy Cross, Saint Theresa Province Act | Hiebert               |
| Pr. 6  | Concordia Lutheran Seminary Amendment Act, 1985  | Szwender              |
| Pr. 7  | The St. Louis Hospital, Bonnyville Amendment Act, 1985   | Drobot                |
| Pr. 8  | City of Edmonton Authorities Amendment Act, 1985   | Hiebert               |
| Pr. 9  | Le Diocèse de St. Paul Amendment Act, 1985   | Szwender              |
| Pr. 10 | Westcastle Development Authority Act   | Gogo                  |
| Pr. 11 | The Calgary Municipal Heritage Properties Authority Act  | Oman                  |
| Pr. 12 | Highfield Trust Company Repeal Act   | Paproski              |

| No.    | Title  | Moved by              |
|--------|--|-----------------------|
| Pr. 13 | Society of Management Accountants of Alberta Amendment Act, 1985 | Nelson                |
| Pr. 14 | The Youth Emergency Services Foundation Act                      | Weiss (for Alexander) |

MR. CRAWFORD: Mr. Speaker, Her Honour the Honourable the Lieutenant Governor will now attend upon the Assembly.

[Mr. Speaker left the Chair]

head: **ROYAL ASSENT**

SERGEANT-AT-ARMS: Order! Her Honour the Lieutenant Governor.

[The Honourable W. Helen Hunley, Lieutenant Governor of Alberta, took her place upon the Throne]

HER HONOUR: Please be seated.

MR. SPEAKER: May it please Your Honour, the Legislative Assembly has, at its present sittings, passed certain Bills to which, and in the name of the Legislative Assembly. I respectfully request Your Honour's assent.

CLERK: Your Honour, the following are the titles of the Bills to which Your Honour's assent is prayed.

[The Clerk read the titles of all Bills to which third reading had earlier been given]

[The Lieutenant Governor indicated her assent]

CLERK: In Her Majesty's name, Her Honour the Honourable the Lieutenant Governor doth assent to these Bills.

HER HONOUR: Mr. Speaker. Mr. Premier, hon. Leader of Her Majesty's Loyal Opposition. Members of the Legislative Assembly:

You've been having a busy time indeed. It's a fine summer day out there. There's a spirit of joy and optimism in the land, and I think it's highly appropriate that this Assembly should rise in such an atmosphere after such a busy session that you've experienced.

I've noted with interest your diligence during the past many weeks. I have read with interest the *Hansard* of June 3, and I appreciate the history lesson. You have indeed made history in this session, and I commend you for it. As you leave the Assembly for the summer, I would like to thank you on behalf of Albertans for your diligence and for your consideration as you go about minding their affairs.

I wish all of you a very happy and useful summer.

SERGEANT-AT-ARMS: Order!

[The Lieutenant Governor left the House]

[Mr. Speaker in the Chair]

MR. CRAWFORD: Mr. Speaker, I move that the Assembly now adjourn in accordance with Motion 19, passed earlier today.

[Motion carried]

[The House adjourned at 4:25 p.m.]

[The Third Session of the 20th Legislature was prorogued by Order in Council 134/86, effective April 2, 1986]