

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Wednesday, July 9, 1986 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

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

MR. SCHUMACHER: Mr. Speaker, pursuant to Standing Order 93, I have taken under consideration the petitions for private Bills which have been received by the Assembly and wish to report that all those petitions have complied with Standing Order 89 with the exception of: the petition of Roy Louis, Muriel Stanley-Venne, and Rufus Goodstriker for the Alberta Native Business Summit Foundation Act; the petition of Timothy Z. Marshall for the Timothy Z. Marshall Bar Admission Act; the petition of the Calgary Research and Development Authority for the Calgary Research and Development Authority Amendment Act, 1986; the petition of the city of Edmonton and Northwestern Utilities Limited for the City of Edmonton and Northwestern Utilities Limited Agreement Act, 1986; the petition of the Lethbridge General and Auxiliary hospital and nursing home district No. 65 for the Galt Scholarship Fund Act; the petition of Marek Henryk Kupiec for the Joanna Olivia Kupiec and Agneiszka Jennifer Kupiec Adoption Act; the petition of Jerry Selinger, Jim Leonard, John Edwards, and Don Patterson for the McMan Youth Services Foundation Act; the petition of the St. John's Institute for the St. John's Institute Amendment Act, 1986; the petition of the Institute of Management Consultants of Alberta for the Certified Management Consultants Act; the petition of the Most Reverend Bishop Paul J. O'Byrne, William D. Dickie, Q.C., the hon. Frank H. Quigley, Roy A. Farran, and Yolande Gagnon for the St. Mary's College Act.

Mr. Speaker, the Private Bills Committee has had under consideration the question of those petitions which did not comply with Standing Order 89 and recommends to the Assembly that the provisions of Standing Order 89 with respect to the deadline for completion of advertising be waived to permit those Bills to be dealt with once the proper advertising has been completed. I request the concurrence of the Assembly in this recommendation.

HON. MEMBERS: Agreed.

MR. SPEAKER: I'm glad there is concurrence. The Assembly agrees. Opposed, if any?

head: **TABLING RETURNS AND REPORTS**

MR. KOWALSKI: Mr. Speaker, this afternoon I wish to table the 1985 annual report of the Environment Council of Alberta.

I also wish to file with the Assembly two separate reports, one entitled the Oldman River Dam, Preliminary

Engineering Report, prepared by UMA Engineering Ltd. in association with Acres International Ltd; and a second report titled the Oldman River Dam Economic Analysis, prepared by Marv Anderson & Associates Ltd., Economic Consultants.

MR. M. MOORE: Mr. Speaker, I'd like to table the annual financial statement of the University Hospitals Board for the year ended March 31, 1986. I'd also like to table the annual report of the Alberta Health Facilities Review Committee for the calendar year 1985.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. ALGER: Mr. Speaker, may I take this opportunity to introduce a former colleague of some of you and my immediate predecessor for the Highwood constituency. George Wolstenholme is with us today, and I would ask him to rise in your gallery and receive the warm welcome of the House.

MR. SHRAKE: Mr. Speaker, it is my pleasure to introduce to you, and through you to the Members of the Legislative Assembly, a lady who many years ago married an American and went to the States. She has come back with her granddaughter to show her her roots and good old Alberta. I would like Pat Childress and her granddaughter Tara Ward to rise and receive the warm welcome of the Legislature.

MR. MITCHELL: Mr. Speaker, I'd like to introduce to you, and through you to the members of this Legislature, 12 students in grades 7 and 8, members of the counsellors-in-training program with the day camp Shalom in Meadowlark's Jewish community league. They're here today with their instructor, Sarah Morgenstern. I would ask that they rise in the public gallery and receive the recognition of this Assembly.

MRS. KOPER: Mr. Speaker, I would like to introduce through you to members of the Legislature a group of citizens well known to both you and the Member for Cypress-Redcliff.

Members of the Legislature should be aware that the Speaker and the hon. Member for Cypress-Redcliff have devoted hundreds of hours to the task performed by this group of people. The Social Care Facilities Review Committee plays an important role in ensuring the quality of facilities, ranging from institutions to group homes to day cares. Hundreds of unannounced visits are made by these hardworking people each year. Their reports are valued by the government.

Mr. Speaker, I am proud to be able to follow you as chairman of the Social Care Facilities Review Committee and would like to introduce in your gallery: Rita Nyback, vice-chairman of the committee from Camrose; Glenna Bell from St. Albert; Ute Davies from Calgary; Jacqueline Moore from Calgary; Doreen Orman from Calgary; Edward Poppitt from Calgary; Carol Wilmot from Calgary; George Wolstenholme, formerly introduced by my colleague from Highwood, is a former Member for Highwood; Susan Zukiwsky from Edmonton; and our staff, Eleanor Stiles, Myra Colwell, and Cathy Velichko. Would hon. members please welcome the members of the Social Care Facilities Review Committee.

MR. DINNING: Mr. Speaker, on behalf of all my Calgary colleagues, I'm delighted today to introduce a woman from

the city of Calgary, who has served Calgary for a number of years. We're delighted to have her with us in the gallery today. I ask Alderman Barbara Scott to rise and receive the warm welcome of my colleagues in the Assembly.

DR. CASSIN: Mr. Speaker, it gives me great honour to introduce to you and through you my predecessor, who is certainly known by a number of the people in the House. Mrs. Sheila Embury, the first MLA for Calgary North West, is in the Speaker's gallery.

MR. BOGLE: Mr. Speaker, it's a privilege to be able to rise and introduce to you, and through you to our colleagues, a distinguished Albertan who has given many volunteer hours to those less fortunate in our society. I'm speaking of Mrs. Mary Oordt, president of the Canadian Mental Health Association, Alberta Division. I would ask you to join with me in welcoming Mary to our Assembly.

head: ORAL QUESTION PERIOD

Government Appointments

MS BARRETT: Mr. Speaker, I'd like to ask a question with respect to what I think is called the guaranteed employment program for good Tories. I'd like to ask the Premier if he has consulted with the Minister of Manpower to review the advisability of appointing that minister's former business partner to a new appointment as director of business immigration in the London office?

MR. GETTY: Yes, I did, Mr. Speaker. The need was there. We feel the individual has the talent and the ability to fulfill the job in an outstanding way, and we're pleased that he was willing to take on this responsibility.

MS BARRETT: Mr. Speaker, I think the public might have a different perspective. I wonder if the Premier is going to be developing any new guidelines to put a control on this kind of patronage bonanza, or is the government satisfied that confidence in government is enhanced by this kind of thing?

MR. GETTY: Mr. Speaker, I just don't understand the position being taken by the member. The opening was there; we had a responsibility to fill it. We then looked for people with the capacity and the qualities to do that. Once they've accepted it, I hardly think they then need to be in some way attacked in the Legislature.

MS BARRETT: Mr. Speaker, then perhaps the Premier would clarify. Was there some kind of advertised objective for this post, or is this simply a matter of ministerial discretion?

MR. GETTY: Mr. Speaker, there was consideration given to a number of people, and this person was selected.

MS BARRETT: A final supplementary, Mr. Speaker. Does the Minister of Manpower have any more old buddies waiting in the wings for this program, or is it going to be extended to 136,000 unemployed Albertans too?

MR. ORMAN: No, Mr. Speaker.

MR. R. SPEAKER: A supplementary question to either the Premier or the Minister of Manpower relative to the pay and benefits derived therefrom in this position. Could the minister or the Premier indicate what those benefits were and the consideration?

MR. ORMAN: Yes, Mr. Speaker. The vacancy in the London office is a staff position, director of immigration settlement services. It's in the area of an EO I category which is \$40,000 to \$50,000. I might say that I'm pleased the individual saw fit to accept that job for that pay.

Natural Gas Pricing and Supply

MS BARRETT: Mr. Speaker, I'd like to pursue a question which follows upon some responses we received from the Premier in the Assembly yesterday. I wonder if the Premier can indicate if the gas producers in Alberta have suggested to the government that it might be a good idea to start threatening to turn off the taps, so to speak, as a means by which we can bolster confidence in this province?

MR. GETTY: Mr. Speaker, I reviewed the answers I gave yesterday in the Legislature and then also outside the Legislature. In none of the discussions we had were there any threats to turn off the taps. I don't know how the hon. member is bringing that connotation to our discussion of yesterday.

MS BARRETT: A supplementary question, Mr. Speaker. I'm not going to dispute that point. Maybe we can get on with the real substance of the issue, and that has to do with deregulation and the context in which it was raised. I wonder if the government can explain how it is that refusal to approve permits until certain provincial conditions are met is not an obstruction of the provisions of the natural gas deregulation which is set to go forth on November 1.

MR. GETTY: Mr. Speaker, we have a responsibility to live up to the legislation of this province and to the leases under which people obtain the right to extract resources in Alberta. In the legislation and in those leases we have the right to determine whether or not it is, firstly, surplus to the needs of the people of Alberta. Surely the hon. member isn't arguing that we should be selling off the resource and not protecting the future needs of Alberta. Secondly, the requirement is that it not be wasted, and it's clear from many decisions of the Energy Resources Conservation Board that when you sell a resource below its fair value you are wasting it. Therefore, we would no longer be living up to the responsibility which has been entrusted in us.

I see nothing wrong with living up to those two features, and I don't understand what position the opposition is trying to take. Should we not save for the future, for Albertans' needs? Secondly, should we not sell at fair market prices?

MS BARRETT: Mr. Speaker, that's exactly what we're looking for, to save those resources if the prices can't be sustained. What I'm getting at is: is it government policy that it's deregulation if necessary but not necessarily deregulation? So my question would then be: is the government still aiming for that deregulation? If it is, how is it reconciled with the long-run export agreements and free-trade policy this government is also pursuing?

MR. GETTY: Mr. Speaker, long before there was price regulation the legislation and the leases were still the same.

We had the responsibility to fulfill those requirements I just mentioned. It had nothing to do with price regulation. It's a responsibility entrusted in the government on behalf of the people of Alberta. The ultimate right of someone who owns something is to decide whether you want to sell it at the price being offered. We carry out that responsibility for the people of Alberta. It has nothing to do with deregulation. I don't know how the hon. member is dragging that into it. It is a responsibility we fulfill for the owners of the resource, whether or not it should be sold at a certain price. That's the ultimate choice of any owner in a sale.

MS BARRETT: One final supplementary, Mr. Speaker.

DR. WEBBER: If I may, I would like to correct a misconception the hon. member is leaving. That is that deregulation and being concerned about supply is contrary to the agreement. It's built right into the agreement:

Nothing in [the] Agreement shall limit the producing provinces' powers or their ability to meet their responsibilities in relation to their ownership and management of their natural resources.

MS BARRETT: I'm prepared to give some other quotes later, Mr. Speaker. I've got the same agreement. One final supplementary to the Premier. I think this might settle the issue. Will it now be government policy that the government will hold up out-of-province sales whenever feedstock prices are higher for Alberta's petrochemical industries than for central Canada's?

MR. GETTY: Mr. Speaker, what we will do is exercise a responsibility that I've outlined several times before in the House. Perhaps I should repeat it again. We will insist that Alberta's future needs are protected. Secondly, we will insist that a resource is not wasted by being sold below fair value.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Premier with regards to the use rate of gas in the Montreal market. Would the Premier indicate whether that use rate has increased or is on the decrease at the present time? About three years ago there was about a 15 percent decrease, and I was wondering if that has changed in terms of the somewhat stable economic situation in both Ontario and Quebec right now.

MR. GETTY: Mr. Speaker, I'm uncertain about the term "use rate." I don't quite get the intention of the question.

MR. R. SPEAKER: Mr. Speaker, in clarification to the Premier. The amount of gas that is shipped into that market would be the figure I'm talking about.

MR. GETTY: Mr. Speaker, I should check if the hon. member is asking if the amount of gas going into the Montreal market has been declining or increasing. For a period of time it was definitely increasing steadily because new markets were being found and the pipelines were being extended throughout Quebec. It may be that with lower oil prices there could be some conversion going on back to oil, which may be slowing that down. However, it's a good question, and I'd be happy to get the information and provide it.

MR. TAYLOR: A supplementary to the Premier, Mr. Speaker. Is he saying that this government is prepared to

abrogate the October 31, 1985, agreement on natural gas, where it provides that the purchase and sale of natural gas shall be freely negotiated?

MR. GETTY: No, Mr. Speaker.

MR. TAYLOR: Mr. Speaker, to the Premier. With this puzzling jump back and forth between NDP and Conservative policies, I'm trying to understand just what the government is proposing when they refuse to allow gas exports if the prices fall too low. What is the government doing before the fact, before deregulation, to prevent prices from falling too low? In other words, what are we going to do to try to keep the prices up, rather than what are we going to do after the prices have gone down?

MR. GETTY: Mr. Speaker, these are commodities that sell in the world markets, and they are related to competing prices of other fuels. That's a fact we live with.

MR. TAYLOR: A supplementary, Mr. Speaker. How will the Premier explain a policy of restricting gas removal from Alberta in light of clause 23 in this October 31, 1985, agreement, which also provides that producing provinces will not use control of exports "to frustrate the intent" of the agreement? You are frustrating the agreement.

MR. GETTY: Mr. Speaker, I must be communicating poorly to the hon. members, because we have a responsibility under the legislation that we must fulfill on behalf of the owners of this resource, the people of Alberta. The first is to protect their future foreseeable needs. We do that by estimating the amount of the resource and then the needs as far into the future as we can make a decent estimate. Secondly, under the waste and other conservation features of our legislation and our leases — and these were drafted by people long before we arrived here but well done — they require us to determine that the resource is being sold at fair value or else it's being wasted and shouldn't be sold. Therefore, we would not do it.

MR. TAYLOR: A second supplementary to the Premier, Mr. Speaker. Each statement by itself makes sense, but together they conflict. Considering he's talking about the ancestry of what people did in the agreement, section 92 of the Constitution Act of 1982 — it isn't that long ago — may prevent Alberta from restricting exports to other provinces. It says quite simply, Mr. Speaker, if you may allow me a second to read one line:

...but such laws may not authorize or provide for discrimination in prices or in supplies exported to another part of Canada.

How is the Premier going to break the Constitution and get away with it?

MR. GETTY: Mr. Speaker, you know we had a tremendous debate in this nation over that very fact that the hon. member's party, supported by the NDP, tried to steal the ownership rights of Alberta to its resources. We were able, under tremendous duress, to fight them off. The ownership rights Alberta has are now clearly accepted. We knew it was there in the beginning, and it has been proven. It's hard for me to believe that elected members in this Legislature are now opening that fight again on behalf of the other side.

MR. TAYLOR: A final supplementary, Mr. Speaker, to the Premier. Admittedly he was worried about somebody stealing it, but nobody ever tried to give it away as you are doing now. Will the Premier simply agree that the government is now unhappy with the process of deregulation and the agreement this government signed? They're unhappy with it, and they're looking for a way to rat out of it.

DR. BUCK: Mr. Speaker, to the hon. Premier. I may have missed the point the Premier made yesterday on the reserves. When I first came into this Assembly, we were looking at a 40-year reserve of natural gas. Then it went down to 30. Now it seems to be going lower. Is there a figure that the government of Alberta has established that we must have X number of years of reserve for the people of Alberta before we consider selling gas outside our province?

MR. GETTY: Yes, Mr. Speaker. It has been a 30-year reserve.

MS BARRETT: A supplementary question to the Premier, Mr. Speaker, with respect to the natural gas deregulation agreement, which clearly stipulates under point 13 that where contract negotiations, et cetera, "take place in good faith . . . on a voluntary basis," there will be no attempt to obstruct those commercial transactions by the government. Under the situation of depressed oil and gas prices will the government at least look at holding off on deregulation until the industry has stabilized?

MR. GETTY: Mr. Speaker, that's quite a different question, and one which we have answered several times in the House before. It is true that members of the industry are concerned about deregulation, particularly with regard to some recent moves of the National Energy Board, which has caused them some concern. The Minister of Energy and myself have said that — and I understand this was discussed with the federal minister of energy yesterday as well — we will look into the concerns of industry to see if there are some overwhelming reasons why deregulation should not go ahead. If the reasons become obvious, then obviously it wouldn't. There's nothing magic about signing something and then blindly going through with it when conditions change. There's no problem that way at all. It will be fully considered.

Toxic Waste Disposal Plant

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of the Environment. It's with regards to a comment in question period that there will possibly be no profit in the development of the Swan Hills disposal plant. Given that the agreement guarantees a rate of return to Bow Valley Resources, I was wondering if the minister has any figures on projected losses or revenues for the first three years of that plant when it is in operation.

MR. KOWALSKI: Mr. Speaker, in about 30-some minutes from now I understand the estimates of Alberta Environment have been subpoenaed before the Assembly. It'll be my pleasure at that time to provide considerable detail on a whole series of questions. If the hon. member would like to wait a few minutes, we can do that. Perhaps he doesn't, so I'll just answer the question.

The comment I made the other day had to do with a no-profit factor that would be accrued by the subsidiary of

one of the partners in the joint venture. The subsidiary is Chem-Security Ltd., who will be building and constructing the plant on an at-cost basis. That was the comment I thought I had made. If there's any misunderstanding with respect to that, I'd be happy to clarify it.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. In terms of Bow Valley Resources, the not-quite parent company of Chem-Security, will they be guaranteed a rate of return in terms of their investment?

MR. KOWALSKI: Yes, Mr. Speaker. That has been explained and answered on several occasions. Essentially the rate of return will be a composite number that basically works out to 13.114 percent should the partner be at a 47 percent income tax rate. But it's decreased on a depreciation factor of 10 percent per year over 10 years. That would be the rate of return for the capital investment.

MR. R. SPEAKER: Mr. Speaker, I appreciate that complicated formula, but that's not my intent. My concern is: what are we committing ourselves to as a Legislature or a government in terms of subsidizing that operation and guaranteeing that rate of return? That's why I asked my initial question. Does the minister have any dollar figures in terms of the cost projections of either losses or revenues in the first three years of operation of the plant?

MR. KOWALSKI: Essentially, Mr. Speaker, I guess there are three factors involved in this. One we've already talked about is Chem-Security Ltd. getting no return, building the plant at cost. The second one is the capital investment that the two partners would put in, Bow Valley Resource Services at 60 percent and Alberta Special Waste Management Corporation at 40 percent. The guaranteed rate of return would be in the Bow Valley Resources investment on the basis of 60 percent of the joint venture. There's one other aspect attached to all of this and, of course, that will be the transportation component of it, which we talked about yesterday. So basically we're talking about three separate items. I think I've answered all three now on at least three occasions, Mr. Speaker.

MR. R. SPEAKER: Mr. Speaker, a final supplementary to the minister. Would he consider the establishment of an independent review board to review this agreement prior to the finalization of that agreement to assure this Assembly and Albertans that the sweetheart deal that seems to be evolving with Bow Valley Resources is a good deal for Albertans and not just for them?

MR. KOWALSKI: Mr. Speaker, the answer to that question is no. This matter has been debated and debated in the Legislative Assembly of Alberta. Documents were agreed to in March 1986. We live in a democracy. It just so happens that the elected representative for the constituency of Barrhead, basically with which this particular plant has to agree, will give the assurance as the Minister of the Environment. There's no sweetheart deal. When I challenged the hon. Member for Edmonton Glengarry several weeks ago to identify names and friends and associates, he failed to do that. I have none. I'm an independent MLA who will work on behalf of the protection of the environment and the improvement of the waste management system in this province.

MR. TAYLOR: A supplementary, Mr. Speaker. The word "independent" is as confusing as the words "Progressive Conservative." In your statement that there was no profit made by the corporation or group that's building the plant and that things are at cost, isn't there a very handsome consulting fee paid to Bow Valley Industries to run the thing?

MR. KOWALSKI: Once again, Mr. Speaker, with your indulgence I'd be happy to go through all of this, recognizing the three components to the whole. Chem-Security Ltd. is a wholly-owned subsidiary. They will build the plant at no cost. Where Bow Valley services would fit into this is that they are a 60 percent owner of the joint venture. They are not getting a management fee, because they own Chem-Security Ltd., to my understanding.

Mr. Speaker, on the question of an "independent." When I used that phrase, that simply meant that I work for no one other than the people of the constituency of Barrhead and the people of the province of Alberta, and I have no outside interests in any business or any other place.

MR. YOUNIE: Mr. Speaker, considering that the Woods Gordon reported estimated that it will be 27 percent more expensive for BVRs to run the plant than for the government to run it through a Crown corporation, would the minister be willing to admit that economically speaking it would be much better for the voters and taxpayers of this province to have the plant run by the Crown corporation?

MR. KOWALSKI: Mr. Speaker, the hon. Member for Edmonton Glengarry is talking about something that was talked about several years ago. Bow Valley Resource Services is not running the plant. We have created a legal entity called a joint venture, which happens to have 60 percent ownership by one particular private entrepreneur and 40 percent ownership by the Alberta Special Waste Management Corporation, which is a Crown corporation created by this Legislature. The two groups will come together. Each will have the same number of members on the board of directors, and there will have to be unanimous consent on all decisions made with respect to the direction given to Chem-Security Ltd. and the operation of the plant. That is the existing situation on this day of July 1986. The Woods Gordon proposal was one that is almost in fossilized times.

Energy Industry Employment

MR. HAWKESWORTH: Mr. Speaker, my questions are to the Minister of Energy. It's been conservatively estimated that at least 20,000 of our fellow citizens who were once employed in the oil and gas industry have been laid off due to a collapse in energy prices. I'm sure they were all anxiously watching the results of a meeting yesterday between the minister and his federal counterpart. I'd like to know what concrete steps the minister is able to announce today, as a result of yesterday's meeting, that will result in getting those people back to work.

DR. WEBBER: Mr. Speaker, I'm glad the hon. member gives me the opportunity to indicate that I consider the first meeting I had with the new federal minister to be a good one in that we spent some time reviewing the impact the downward price of world oil has had on jobs and cash flows of industries in this province. We discussed, among other things, the natural gas deregulation and the incentives

we have put in place in this province to try to keep jobs over the short term. Then in the longer term if world prices were to stay down, we reviewed a number of options in a general way and agreed that we would discuss them with industry and get together before the end of the month to discuss them again.

MR. HAWKESWORTH: Mr. Speaker, I'd like to know exactly what concrete steps this government is able to announce today that would help people get back to work and would prevent people who are presently facing unemployment in the oil and gas industry — to keep them working in the industry.

DR. WEBBER: Mr. Speaker, the hon. member must remember that it was June 1 when we announced a number of incentive programs. In fact, the total number of incentive programs announced at that time and also going back to April total some \$700 million. During the same time period the commitment on the part of the federal government has been approximately \$210 million. The programs we have put in place are such that considerable interest is shown, and I expect that most of those programs will be taken up well before the deadline. We expect that the federal government at this time should be completely removing the PGRT and following that will then sit down and discuss with us options for the longer term. In addition, the concern we have on their taxing the incentives that we have provided over the last number of months should also be removed.

MR. HAWKESWORTH: Mr. Speaker, the reason these programs haven't been taken up by the industry is that many of them have to put their own money into these programs, which they're not able to do because of the pricing environment and cash flow problems. What concrete steps is this government taking to restructure their assistance programs so they will result in people going back to work?

DR. WEBBER: Mr. Speaker, if companies are going to participate in these programs, they certainly have to put in some of their own money. We're not paying the whole thing. The programs are such that the companies have to apply after the work is done and after the contractor has been paid. It's at that time that the application would come forth. So it's not surprising that at this stage not a great number of applications have come in. In discussions with industry people there is a great deal of interest in the programs. In fact, workshops are being provided in Calgary for the industry to become more aware of those programs. I feel confident these programs will be taken up.

MR. HAWKESWORTH: A final supplementary, Mr. Speaker, to the Minister of Energy. Is this government too embarrassed to ask for concrete help from Ottawa now that the Western Accord, which they asked for, has proven to be a disaster for tens of thousands of unemployed Albertans?

DR. WEBBER: Mr. Speaker, the unmitigated disaster was the national energy program put in place by friends of our Liberals sitting across here and supported by these people. The Western Accord was an agreement to correct the disastrous national energy program.

MR. McEACHERN: On a point of order, Mr. Speaker.

MR. SPEAKER: The point of order will not be heard until the end of question period. I've made that manifestly clear

on a number of occasions. Continue, hon. minister. Have you completed your . . .

DR. WEBBER: Just to say, Mr. Speaker, that I cannot understand the position of the hon. members across the way, who sit unembarrassed with the national energy program that came into place a few years ago. It brought about the petroleum gas resources tax that we've been saying we should be getting rid of. We've been asking the federal government to get rid of that tax as soon as possible. The other day they were in here trying to put strings on the removal of that particular tax. I just don't understand them. [interjections]

MR. TAYLOR: A supplemental, Mr. Speaker, to the Minister of Energy. It sounds like feeding time at the zoo over there. That's what I like about their front bench; they're all living in the 1970s. What about the equity package discussed to assist the small oil producers? Was the program considered in any way? I'm sorry, but I have something for the 1980s. Could you answer it?

DR. WEBBER: The only reason I'm hesitating, Mr. Speaker, is that I'd like the hon. member to sit down. As I mentioned, the meeting yesterday was a general discussion. The hon. member came out to Alberta within one week of having been sworn into his office and indicated he was coming back out again before the end of the month to discuss the energy situation in more detail.

We did discuss some of the options in a general way and the need for us to further consult with the industry. He's doing that today, and he did it yesterday. I'll be meeting with these groups again very soon. The IPAC group, for example, have indicated that they weren't ready to present us with their recommendations the last time we met and will be making those presentations very soon. So it's a process of consulting with the industry and working with the federal government to see what we can do to address the longer term problems if world oil prices stay low.

Government Expenditures

MR. MITCHELL: Mr. Speaker, my question is to the Premier. Since families and businesses in Alberta are having to tighten their belts these days — in many cases severely, and I guess particularly those people who are lining up at food banks — can the Premier please tell the members of this Legislature who in his government has been given the lead responsibility for cutting unproductive administrative and operating costs in this government?

MR. GETTY: Mr. Speaker, it would be a matter of judgment. Every minister, deputy minister, and employee throughout the government would have that responsibility, always balancing it off with the need to provide to Albertans the services which they ask for and require. It's not an easy balance, but it's one I think we try to do and work very hard at. I've heard over the last several weeks in the Legislature many, many demands for more spending. But it's a balance. I guess you can't have enough money to spend as much as members in the opposition would like. We would try, whenever possible, to eliminate waste when we can find it. As I said, no one's perfect in that regard, and when the members opposite have good suggestions, we'll certainly follow up on them.

MR. MITCHELL: Mr. Speaker, to the Premier again. The management principle tells us that when everybody has a responsibility, nobody has it. Is the Premier therefore admitting that he has not developed a concerted cost-cutting program complete with focussed leadership, targets, objectives, and review mechanisms?

MR. GETTY: Mr. Speaker, I guess almost three-quarters of the budget goes into people services. While we try to make sure those funds go out to help the people of Alberta in the best ways possible, we also try to make sure it is done without waste. That's a management challenge, and one that we work very hard at.

MR. MITCHELL: Mr. Speaker, to the Premier again. Could he please inform us whether he is satisfied that this rather vague and laissez-faire approach without true focus and without true direction to cutting costs is really operating effectively when operating costs, administrative costs are up \$700 million this year over last year?

MR. GETTY: No, Mr. Speaker, I don't think you're ever satisfied, because it's something you're continually working at. It's a large budget, in excess of \$10 billion. It's a budget that tries to meet the needs of Albertans, and we're never satisfied that it's completely as efficient as it should be.

MR. MITCHELL: A final supplementary to the Premier. In fact, not one department in this government has cut its operating budget significantly. Is it not time for the Premier himself to step in and to begin to manage this important area of government policy at this time in a very directed way?

MR. GETTY: Mr. Speaker, in the development of the budget myself, along with other members of the Treasury Board, are involved for hours and hours and weeks and months on end trying to hit this balance. As I said, it's never totally perfect, but we work very hard at it. And as I also said to the hon. member, we're prepared to look at any suggestions they have when they can point them out to us.

MR. McEACHERN: Mr. Speaker, rather than his government just cutting administrative costs as such, in trying to cut those costs I wonder if the Premier would consider shifting the dollars saved to front-line services, which certainly have been suffering.

MR. GETTY: Mr. Speaker, that will always be considered.

Child Protection Registry

DR. BUCK: Mr. Speaker, my question is to the hon. Minister of Social Services. This has to do with the Child Protection Registry. Can the minister indicate what the status of the Child Protection Registry is? I'm concerned about the computer list that has been kept about people suspected of child abuse. Can the minister first of all indicate what the status of the Child Protection Registry is?

MRS. OSTERMAN: Mr. Speaker, I think the hon. member may be alluding to a situation that was present a couple of years ago, where in fact the names of people who were purported to be offenders were on files. There was concern

about that, and that practice was discontinued some time ago.

DR. BUCK: Mr. Speaker, can the minister indicate then what process is in place now to register child abuse complaints, either suspected or malicious ones, because there are those too?

MRS. OSTERMAN: Mr. Speaker, there is obviously a process that might happen at a district office or through the child abuse line where somebody could register a complaint about a supposed offence. It would depend on how it arose in terms of the specifics as to how it was handled. But I can assure the hon. member that an alleged perpetrator's name would not show up on a file.

DR. BUCK: Mr. Speaker, can the minister indicate what process is in place where foster parents, say, have been suspected of abusing a foster child? This information would not be on that list, but the information would be on the child's list. Can the minister assure the Assembly that this prejudicial information would not be held against the foster parents?

MRS. OSTERMAN: Mr. Speaker, I stand to be corrected, but I'm quite sure I can give that assurance. But I would get back to the hon. member if it were not so. I believe they would fit into the same category as anybody who would be alleged to have committed an offence.

MS LAING: To the Minister of Social Services: what process is in place to keep track of people against whom unproven allegations are made to determine if in fact there are a series of allegations which may come from different places, as abusers may move from one hospital to another or to a doctor, so that one can determine if there's a long-term pattern of abuse?

MRS. OSTERMAN: Mr. Speaker, I don't believe we would have a tracking mechanism in our system where the names of people who have been cleared of allegations would be kept on file and continue to be hounded in some manner.

MR. CHUMIR: A supplementary, Mr. Speaker. Could the minister please tell this House what she means by "proven" as opposed to "unproven" allegations? Does a proven allegation require a criminal court conviction or some other objective determination, or is this an internal departmental decision?

MRS. OSTERMAN: Mr. Speaker, if it is believed that there is evidence that shows that an offence could have likely taken place, this immediately must be put in the hands of the police authorities for investigation because it is a criminal offence, in my understanding.

Townshend Inquiry

MR. WRIGHT: Mr. Speaker, my question is to the Solicitor General, and it pertains to the Townshend inquiry, which hon. members may remember resulted in the fatality inquiry report by Judge Rolf in October of last year. Will the Solicitor General be good enough to tell us what his decision has been with regard to the review of police policies on this case in the matter of the use of civilians to trap criminals, as promised by the former Solicitor General on

October 25, 1985, in response to Judge Rolf's critical remarks concerning police practice in that particular case?

MR. ROSTAD: Mr. Speaker, I thank the hon. Member for Edmonton Strathcona for the opportunity to express my appreciation to the police forces in Alberta for the exemplary job they're doing. The city of Edmonton police force was involved in this particular instance.

The review committee that has been suggested by Assistant Chief Justice Rolf was to consist of the police commission, one independent policeman from a community which was somewhat larger than the Edmonton police force, as well as some citizens. This particular review committee has been structured, with Deputy Chief Scott from the Toronto city police chairing it. The review is to commence on July 25, at which time the police commission will provide my office with the report. I then propose to discuss this report with the chiefs of police and police commissions throughout the province to find out whether their particular recommendations are relevant to the policing in the province as a whole, at which time any recommendations needed will be forthcoming.

MR. WRIGHT: Mr. Speaker, is the inquiry proper to be confined to the circumstances of the Townshend case, or will it look at comparable procedures elsewhere in the province or elsewhere more widely?

MR. ROSTAD: Mr. Speaker, the review as outlined will only pertain to the city of Edmonton police force, and from those recommendations my proposal is to allow the police commissions and the assistant commissioner of K Division RCM Police to analyze the recommendations and compare them to their particular procedures, with their recommendations where improvements might be made. I propose to have it brought up as an agenda item as well at the annual meeting of the chiefs of police of Alberta, to have their recommendations where any improvements might be made.

MR. WRIGHT: Mr. Speaker, could the Solicitor General then tell us who the other members of the inquiry board will be?

MR. ROSTAD: Mr. Speaker, they are Deputy Chief Scott from the Toronto city police, and the members of the Edmonton police commission, who are John Butler; Julian Kiniski; Olivia Butti; Mary Lobay, an ex-police commissioner; and Mr. Don Clark.

MR. WRIGHT: Finally, Mr. Speaker, when is it expected that the report will be made?

MR. ROSTAD: I don't have information on that. I know it commences on July 25. They're trying to move as quickly as possible. I would hope it would be prior to the end of August.

MR. SPEAKER: A final supplementary. The time for question period has expired, though.

MR. CHUMIR: I'll be brief, Mr. Speaker. In light of the fact that Alberta is one of the only, if not the only, province which does not have a provincial police commission, what mechanism does the government have in place to ensure uniformity of approach by the police to issues such as this one in the absence of such a police commission?

MR. ROSTAD: Mr. Speaker, a police commission was proposed in the Police Act. I forget the particular Bill number that was tabled and has now been brought back for discussion. At this present time there is not such a mechanism, as the hon. Member for Calgary Buffalo has expressed, and our mechanism is my office co-ordinating through the various other police commissions and forces.

MR. SPEAKER: Excuse me, hon. members. The time for question period has expired. Before that had occurred, the Chair had recognized the Member for Edmonton Belmont. I hope the member will be willing to come back again tomorrow with the issue.

MR. SIGURDSON: Agreed.

MR. SPEAKER: I appreciate that. The Chair recognizes the Minister of Consumer and Corporate Affairs.

MISS McCOY: Thank you, Mr. Speaker. I wish to deal with a statement I made yesterday in response to a question from the Member for Edmonton Kingsway. In reviewing the Blues this morning, I noticed that I had used a turn of phrase which in parliamentary terms carries a certain implication. I do wish to say that I did not then intend nor do I now intend to say that the hon. member misled the Assembly, and I wish to withdraw that reference.

MR. SPEAKER: The Chair begs the indulgence of the House. During question period there was a point of order raised which referred to a matter that we would raise at the end of question period. Might we revert to hear that for a moment, please.

HON. MEMBERS: Agreed.

MR. McEACHERN: Pass.

MR. SPEAKER: The Chair appreciates the graciousness of the members.

ORDERS OF THE DAY

head: COMMITTEE OF SUPPLY

[Mr. Gogo in the Chair]

MR. CHAIRMAN: Will the committee come to order, please.

Department of the Environment

MR. CHAIRMAN: The department designated today is the Department of the Environment: page 155 in your main estimates book and page 55 in the elements book. I will now get under way. Hon. Minister Mr. Kowalski, do you wish to make opening comments?

MR. KOWALSKI: Mr. Chairman, I certainly would like to have the opportunity to make a few brief opening comments this afternoon. I would like to begin, Mr. Chairman, by just pointing out to my colleagues very, very briefly essentially what the responsibility of Alberta Environment is all about.

The Department of the Environment is essentially responsible for the co-ordination of the policies, programs, services, and administrative procedures of various departments and agencies of the government in matters pertaining to the environment and may undertake activities necessary to promote the improvement of the environment for the benefit of the people of Alberta and for future generations, not only for today.

Mr. Chairman, when I was asked by the Premier to join Executive Council, I gladly accepted the task and the responsibility that would be shouldered by the individual who would become Alberta's new Minister of the Environment. The day that I was appointed and took the oath of office, I outlined three objectives that I would set for myself and for Alberta Environment and for the other ministry that I also have the responsibility for.

On April 26, 1986, I stated three main objectives. The first of these was to improve the image of the department by better communication of the work that is being done. The second objective that I stated very publicly was that there would be a safe, efficient, and effective implementation of the objectives of the Alberta Special Waste Management Corporation. The third objective I outlined was that we would ensure that the programs of Alberta Environment are responsive to the needs of the people and are operated in an effective and efficient manner.

Mr. Chairman, the estimates that we're going to be discussing this afternoon are outlined on page 155 of the document that you so correctly alluded to a few moments ago. At the outset I think it's rather important that all members take a look at that particular document.

If you take a look at votes 1 through 6 that will be discussed this afternoon, the basic Department of the Environment estimates, totalling some \$143,712,056, relates to a 61.1 percent increase over the comparable 1985-86 estimates. You will also note on that particular page that there are additional appropriations being requested this afternoon as well: special waste management assistance of \$18,660,000, which is reflective of a 97.6 percent increase over the comparable 1985-86 estimate, and an allocation of \$1,250,259 for an overview and co-ordination of environmental conservation. That's essentially the Environment Council of Alberta, and you will see that there is a 16.1 percent increase over the comparable 1985-86 estimate. In addition to that, there is a net statutory budgetary expenditure of \$117,000. So we get a total estimate before us this afternoon of \$163,739,315, or a comparable overview of a 64.2 percent increase. If members were to flip over to page 156, they would then see a summary of manpower authorization for the total department. They would see that the manpower authorization in 1986-87 is \$1,031, which is exactly the same as in the previous fiscal year.

It's disappointing that the Member for Edmonton Meadowlark — oh, he is in the Chamber; he's just not in his place. In terms of efficiency, effectiveness, and productivity of employees, I have to say that I feel very proud of the men and women who are currently serving the people of Alberta in the Department of the Environment and those associated with the Alberta Special Waste Management Corporation and the Environment Council of Alberta. We're seeking your approval this afternoon for increases that total 64.2 percent. We will be working with the same amount of manpower, and from certain management practices and readings that I've undertaken in the past, if you get more productivity with the same number of people, that would surely indicate that somebody must be working and moving

in the right direction. I sincerely hope that as the year goes on, the member and perhaps some of his colleagues in the Alberta Liberal Party under the leadership of the new MLA from Westlock-Sturgeon will become more impressed with what we in fact are doing in the Department of the Environment.

I would be just absolutely delighted to stand here in the Legislative Assembly in the spring of 1987 and put forward the estimates of Alberta Environment and get a pat on the back. I think that would be a grand day indeed for a lot of dedicated people who want to work very, very hard on behalf of the people of Alberta.

Mr. Chairman, it wasn't really too long ago that I became the Minister of the Environment, and there have been some really interesting highlights since that time. I think it's important that we just spend a moment or two here as we're talking about the overview of the estimates of Alberta Environment to highlight a few of those.

One of the exciting projects that I was involved in occurred only a few days after I had become Minister of the Environment. I can't take credit for the event that occurred; I have to give credit to my predecessor, the hon. Mr. Bradley, who represents the constituency of Pincher Creek-Crowsnest. In the province of Alberta and, indeed, in the country of Canada, we had Environment Week from June 1-7. I think it's important that all members recognize what we're really talking about. The theme of this year's provincial celebration was "living within your environment."

I believe the pages have circulated to all my hon. colleagues here in the House a very tastefully and well decorated button that says, "It's Yours, Alberta's Environment." You can see the colours of our province, with the blue sky, the greenery, and the clean air. I've also asked for, and I certainly hope that all members of the Assembly have also received, a very, very tastefully done poster that says "It's Yours, Alberta Environment." If you have a grandchild, a cousin, or an aunt who would like to have a copy of the poster, just get hold of my office and we'll make sure that you have them in sufficient quantities to make you look like a good guy and a good person in your constituency. There will be some children in the schools that you'll be visiting and attending and participating with in September, October, or November, and if you want to get some more buttons or posters, I repeat: just give us a dingle and we'll be happy to be of service to you. It's very important that our young people appreciate and really understand.

Our whole objective for Environment Week in 1986, hon. members, was basically to increase public awareness. You heard me talk just a few minutes ago about the three objectives that I had set for myself as Alberta's new Minister of the Environment. The first one was to be in the area of communication. The second objective of Environment Week in Alberta was really to instill in the citizens of this province an appreciation of our environment and to encourage Albertans to become more knowledgeable about environmental issues.

There were a whole series of groups in this province who participated in Environment Week '86 programs, and I think it's incumbent upon me and important for me to recognize the outstanding performances of these volunteers and individuals from all parts of province: north, south, east, west, and centre. The Environment Week Association of Alberta, which essentially is a nonprofit society, has representation from Alberta Environment, Alberta Recreation and Parks, the Environment Council of Alberta, Environment

Canada, and a variety of environmental interest groups throughout the province.

I'm sure that a number of members had an opportunity to participate in the towns, villages, cities, MDs, counties, improvement districts, or summer villages in their own constituencies — I think that covers every municipality in the province of Alberta. Many members may have had an opportunity to participate, but in the event that they did not, I'd like to highlight just a few of them.

I think the Clean Calgary Committee organized a city-wide cleanup for May 25 to 31. Certainly those hon. members who call Calgary their home should be very proud of the Clean Calgary Committee for its involvement with Alberta Environment. They certainly took up the direction, the gismo, and the enthusiasm we provided by way of leadership to get a little cleanup in addition to the normal cleanups.

The Shannon Terrace Environmental Educational Centre in Fish Creek Provincial Park, a very important provincial park in the city of Calgary, hosted a program of displays, demonstrations, and entertainment. The Environment Week Association here in Edmonton worked with the city of Edmonton on a full day of events at Rundle Park — very important. Those hon. members who still have not had an opportunity to visit Rundle Park — and I'm sure the hon. Member for Edmonton Beverly would certainly agree with me that it's a fine public institution here in the city of Edmonton, built on a garbage dump. I think we should recognize that it was built on a garbage dump, because here in Environment, with our dedication and concern about land reclamation and quality and improvement of the environment, we recognize that we can rehabilitate and can make the environment in fact better today than it was yesterday. Of course, that is one of our objectives, and one objective that we will be working on 24 and a half hours a day.

Alberta Environment and Environment Canada co-sponsored free vehicle emission testing clinics in the cities of both Edmonton and Calgary. It would seem to me that over the next year — and I would certainly hope that a number of members in the Assembly today would want to raise the question of why we wouldn't expand that program during Environment Week to urban centres beyond the two major centres here in the province of Alberta. It would seem to me that other folks living in Alberta would certainly want to participate and get involved. Alberta Environment itself opened its doors to the public in an open house for a number of days and ran a series of lunch lectures on topical environmental issues. I don't recall seeing too many of my colleagues attend any of them, but perhaps next year we'll provide advance warning to all members of the Assembly of this important series of public discussion topics with respect to the environment and will certainly invite you. Nothing formal about it; just bring a bag lunch, pick up a coffee and a glass of milk, be friendly and visit and enjoy one another.

The county of Strathcona held guided nature walks at their wilderness centre, and of course the county of Strathcona is not very far away from here. The John Janzen Nature Centre, the Strathcona Natural Resources Science Centre, the Edmonton Space Sciences Centre, the Energeum in Calgary, and others gave up their regular activities during Environment Week to focus in on the importance of living within your environment and attempted to work with us to increase public awareness.

In addition, Mr. Chairman, I want to publicly acknowledge and congratulate the municipalities in the province in

Alberta, the interest groups, the press, and the media who greatly assisted us in ensuring that there was an awareness for Environment Week in '86. We really look forward to enhancing the role of Environment Week next year. In fact, we're starting to work on it already. Members may also recall that one of the announcements I made during Environment Week, on June 4, 1986, was that we would establish for the first time in the history of the province Alberta Environmental Awards, which would be presented annually to citizens of this province who have demonstrated an open concern for the environment. The first presentations will occur during Environment Week of 1987. Basically, we want to acknowledge and recognize three categories of outstanding Albertans who have increased public awareness with respect to environment problems or have identified, reduced, or solved an environment problem or have helped Alberta Environment identify such.

The three categories of individual people that we want to recognize — and it's more than just individuals; it could be a group. The first one is an individual citizen, an individual Albertan. A second grouping is a representative of industry, business, or a government agency. A third one would be a representative from an educational institution or an organization such as that.

Before December 1, 1986, I will be conveying material on a province-wide basis and to all hon. members so we can have a wide series and selection of nominees with respect to this. I don't think I'll be personally involved in the selection process, because a little earlier in the House this afternoon I indicated that I used the word "independent." I find that there are some important, well-known Albertans who have displayed an increased awareness with respect to the environment in this province whom we could certainly ask to serve on a selection committee. I hope no members in the House will be disappointed if they know that the Minister of the Environment would not personally be involved. I would certainly be involved, however, in the recognition and acknowledgment of these particular individuals selected. I believe, Mr. Chairman, and I know the vast majority of the members of the House would agree with me, that we really have to do everything we can to recognize the volunteer in our society. Of course, as all hon. members know, it is the volunteer that really makes this province tick.

Mr. Chairman, I would like to highlight a few other items with respect to the estimates before all hon. members this afternoon. I already indicated the importance of the badges and the posters, but one of the things that we really have to do is to ensure that our young people understand. A number of hon. members may not be aware of a very, very good little colouring book that we have available. I'm really disappointed that my good friend from Westlock-Sturgeon isn't here; he was the one inquiring about colouring books the other day. It's one entitled *You Can Snoop*, and we're making it available to young people in the school system. It says that this special book shows you how to snoop around and look at the environment. What can you see in our environment? You can use your ears to listen for sounds. You can use your fingers to touch and your noses to smell; use your common sense where not to put garbage, what not to disturb, where to pick flowers, and that sort of thing. Once again, if hon. members would like to get copies for youngsters in their constituencies, please give us a dingle. That last page in the book says, "Remember, the word 'environment' means all the things around you." That's certainly the kind of message that we want to put forward.

In addition to this first step in the educational process, while we live here in 1986 and might be concerned about what's happening in our province today, I believe we certainly have to instill in all our young people a real deep-seated, intense desire to ensure that our province will be better in the future and a better home for them, their children, and grandchildren. One of the things we've initiated within Alberta Environment which I'm sure will be of great interest to all members of the Assembly, particularly those who are interested in youngsters and children in schools, is a water literacy program. In essence, we're looking at Alberta school children in grades 4 to 12, and we want to ensure that we will have a curriculum in place in the province of Alberta perhaps no later than the fall of 1988 that would highlight the importance of Alberta's natural waterways and water resources and ask them to be concerned about the importance of water today and in the future. We are trying to build a curriculum that would fit into the science and social studies program. We're going to be using practising teachers in the province of Alberta, and the curriculum that we will have will be school-tested. Once again, it's geared to grades 4 to 12: practical experience and recognition of the importance of water and water resources in our province.

I know that all members are just delighted to have been told that this afternoon, because it certainly would add to the knowledge base. It's probably one of those programs that doesn't get a lot of headlines but is extremely important as we go through, wanting to deal with the young people in our province and our massive concern for them with respect to concern and appreciation of the environment.

Mr. Chairman, openness of the minister is very important. I really believe that Albertans have to understand and know that their new Minister of the Environment is a committed person. That's the reason I talked before about the three objectives. One of the openness factors and one of my characteristics is my desire to make available to all members of the Assembly as many documents as they would like to have. In recent weeks members will know that I've tabled substantial numbers of documents in the Assembly, and I certainly hope that all members have had an opportunity to read these. There have been some discussions in the past where members have basically said, "Why can't we get our hands on a particular document?" There may have been some reasons, but you never got it. Now I'm going the other way: you want paper; we're going to give you documents. I certainly hope that no one will ever accuse me of sitting on anything — huddled up in my office protecting the vault — because I've got something that people shouldn't have. Quite frankly, it may very well be that in the months to come you'll say, "Hold off; we've got enough." With the excellent mental capacities and abilities of all my colleagues in this Assembly, that undoubtedly would not come about.

In recent weeks we've tabled a massive number of documents here in the Legislative Assembly, and today we tabled three more. The first report that was tabled was the annual report of the Environment Council of Alberta. Mr. Chairman, I'd like to draw the attention of the Members of the Legislative Assembly to the second section of the report, which includes the results of a policy and program review that was requested by the government and conducted by the Environment Council of Alberta with respect to Alberta's Clean Air and Clean Water Acts. Mr. Chairman, I want to quote for all members of the Assembly from the review that concludes that Alberta's Clean Water Act pro-

vides "a strong basis for the protection of water quality in Alberta" — a direct quotation from the annual report of the Environment Council of Alberta.

I want further to draw to the attention of all members of the Assembly the number of items that are discussed in this very useful and important advisory report to the Minister of the Environment. I want to underline the word "advisory," because that in fact is what the Environment Council of Alberta is, an advisory report to the minister. I want to extract from the report one other very important quotation, which I think all members would want to know about:

A review of water quality data over the past 10 years shows a statistically significant improvement in nitrite and nitrate levels in the North Saskatchewan River . . . Other reviews have noted improvements in some aspects of water quality in the North Saskatchewan River and in the Bow River.

I think, Mr. Chairman and members of the Assembly, that it's very important for you to recognize who and what the Environment Council of Alberta is, entirely independent of any involvement or any direction that I would give in terms of editing or reorganizing the report or telling where they got it right or what they don't have to write. So I think there is some degree of credibility. We'll see. One of the things I have to do — the hon. Member for Edmonton Meadowlark talked about it this afternoon: "Who takes this review to see what's efficient and what's necessary?" One of the things I certainly have to do as the minister responsible for a particular department is to look at all the programs we have within the department. I'm not sure that the member basically targeted the Environment Council of Alberta as his enemy and said, "We'll scrap this one and get rid of it." But if it's just not shaping up, I certainly want the hon. member to stand in his place and let us know exactly what we should be doing with the Environment Council of Alberta.

In the interim, Mr. Chairman, it serves as a useful advisory organization to the Minister of the Environment. In fact, I've asked Mr. Crerar, the chief executive officer of the Environment Council of Alberta, to — basically, the Environment Council of Alberta wanted to know if I wanted to put out a separate press release highlighting what was in the annual report of the Environment Council of Alberta. I said, "No, just go ahead and put out your own press release." So today there should be an unedited press release put out by the Environment Council of Alberta. I haven't seen it; I don't put my stamp of approval on it or anything like that. Basically, the title will be ECA annual report. It reviews the Clean Air and Clean Water Acts, and it talks about the environment minister, Ken Kowalski. It's kind of nice, you know, when you read your name in some of these press reports and press releases that are put out, and you don't even write them yourself. But it's important that the members have it, it's important that you deal with it, and I think we should work on it that way.

Mr. Chairman, I think I indicated a little earlier that two other reports were tabled today, reports of some significant importance to the people of Alberta: one, the preliminary engineering report of the Oldman River dam done by UMA Engineering Ltd. and Acres; and a second report entitled the Oldman River Dam Economic Analysis done by Marv Anderson & Associates Ltd.

Mr. Chairman, when we take a look at the capital expenditures under Alberta Environment's portion of these budget estimates being reviewed today, I would like to note that the capital expenditures amount to \$79.7 million. Of

this total, \$46.5 million is allocated for expenditures on the Oldman River dam. If members look through their estimates book, they will find it identified under Vote 4.2.6. The Oldman River dam construction has been budgeted for in the general revenue estimates of Alberta Environment for the first time. Prior to April 1, 1986, the funding allocated to the initial work on the Oldman River dam was found in the estimates of the Alberta Heritage Savings Trust Fund committee. As I say, the Oldman River dam construction has now been budgeted for, and as I believe that this is a significant project for Albertans, I would like to spend a few minutes bringing members up to date.

At the outset, Mr. Chairman, I would like you and all members of the Assembly to know that the total projected cost for the Oldman River dam in 1986 dollars is significantly less than the \$500 million that has been rumoured by at least one political party in this Legislative Assembly and by a number of candidates who ran for and worked for the major opposition party in this Assembly. But before I get into the actual projected costs, Mr. Chairman and hon. members, perhaps we might raise some questions. Where is the Oldman River dam? Why are we building a dam? What is the dam all about? What are we doing about environmental concerns and questions of that nature? These are questions I want to answer. I think, "Damn it, we've all got a responsibility to come right to the point of it all, and if people have a question, let's give them an answer."

I know, Mr. Chairman, that you wouldn't mind if I were to give all members a brief description of what we're talking about with respect to the Oldman River dam, to repeat some of the questions we've just talked about. All members will recall that the government of Alberta announced in 1984 that it would build an Oldman River dam; that's what it was called. It would be approximately 10 miles northeast of Pincher Creek, and it would basically be a short distance downstream from the confluence of three rivers: the Oldman River, the Castle River, and the Crowsnest River. There was even a word to describe it at the time: the three-river site or something like this. But as of July 9, 1986, and forward, so that everybody is consistent, the words we're using today are the Oldman River dam. Everybody should be consistent with that.

The purpose? Basically, the dam is going to permit flow regulation and on-stream storage of a dependable supply of water for existing multipurpose uses and substantial irrigation expansion. In addition, Mr. Chairman, the dam is going to enable Alberta to better manage its water resources in terms of meeting its commitments to downstream provinces with regard to maintaining minimum flows into the South Saskatchewan River system according to the interprovincial apportionment agreement. Some members may not appreciate this, but there are interprovincial water management agreements in existence. We in Alberta cannot simply take all the water out of the South Saskatchewan River and use it for our own self-interest and our own purposes. We have an agreement with another province, in this case Saskatchewan, and Saskatchewan has to have the opportunity to extract some of that water with respect to the agreement in question.

The Oldman River dam will also be designed to allow for the development of hydroelectrical potential in the future. It's going to have a storage capacity of 400,000 acre-feet or 490,000 cubic decametres or 490 million cubic metres or 642 million cubic yards of water. That's the storage capacity that's going to be created by the dam. Additional acreage amounts of more than 170,000 acres can be brought

under irrigation. This could result, Mr. Chairman, in a \$42 million annual increase in the value of agricultural production and create an additional 1,700 jobs in the region.

As well, potential exists for irrigation of lands in the general vicinity of the reservoir. This potential is currently being assessed by Alberta Environment in co-operation with Alberta Agriculture through a land irrigability classification program.

Mr. Chairman, it's estimated that the construction of the project will create 2,100 man-years of employment. It's again unfortunate that the hon. Member for St. Albert, who seems to be the labour critic for the Official Opposition, is not in his chair. I want to repeat that very important statistic for all hon. members in this Assembly. It is estimated that the construction of the project will create 2,100 man-years of employment. We believe that approximately 30 percent of this work force is expected to come from surrounding communities, with an estimated \$77 million to be spent in the area during construction.

Mr. Chairman, to maximize economic opportunities to the surrounding communities in that part of Alberta, an estimate of the annual requirements of the project for manpower, supplies, and services has already been supplied to the local Chambers of Commerce, to the municipal councils, and to the economic development boards for the public's review. Alberta Environment as a department has also completed a study to determine the capacity of the area to meet these requirements. This information has been provided and will be provided as we go forward to all contractors bidding on a variety of the projects associated with the Oldman River dam.

I think it's important to note, Mr. Chairman, that the original cost estimate of \$200 million, which was prepared in 1984, was based on findings of the Prairie Farm Rehabilitation Administration. That is not an agency of the government of Alberta. The Prairie Farm Rehabilitation Administration, the PFRA, is a federal agency. The original cost estimate outlined in 1984 was based on studies conducted in the early 1960s. All members of this Assembly recognize that technology has changed rather dramatically from the '60s through to the '80s. What you might not have been able to discover in 1960 you can discover in 1980 because of technology. I just wanted to put that in there to indicate to all members that basically we're a lot smarter today than we were in 1960.

The primary reasons for the increase in cost, which I haven't talked about yet, are a larger spillway and a broader-base dam than were originally designed for and the escalation in dollars from 1984 to 1986 values. Mr. Chairman, the original proposal talked about in 1984 allowed for a probable maximum flood of 4,200 cubic metres per second. Since that time a detailed analysis based on more recent flood experience has indicated a probable maximum flood of 9,320 cubic metres per second, or 328,996 cubic feet per second. Therefore, talking about these two dramatic differences in figures, a larger spillway and a broader-base dam than originally talked about is required.

Again, to follow through with what I said a little earlier, that from an engineering point of view we're much smarter in 1986, 1984, or 1983 than we could have been in 1960, more intensive foundation investigations since the early '60s have revealed that bedrock material in the area contains clay seams that were not able to be tested in the original geo-technical studies. Improvements in drilling equipment and techniques permitted recovery of samples of this material. I think it's important for all members to recognize

that to alleviate pressure on these seams, more gradual sloping of the dam is required, and in order to achieve more gradual sloping, it has been necessary to broaden the base of the dam. I don't have any great graduate knowledge on how to build dams, but I certainly can look at an engineering report and extract certain things. If there are pressure points, you've got to do certain things in order to protect the quality of the dam.

Of course, this information in turn resulted in a requirement for about twice the amount of fill material for the dam that was originally estimated. As such, there has been a corresponding increase in cost. Mr. Chairman, to ensure that the design and safety of the dam follow current world practices — I want to emphasize not southern Alberta, western Canadian, Canadian, or North American practices — an independent project review board consisting of three internationally recognized engineers with extensive experience in the building of dams was appointed when preliminary engineering began in 1985. Of course, the purpose of the world-renowned review board — they will not get phone calls in the middle of the night from the Minister of the Environment telling them this is what they should or shouldn't do, and they won't get sealed envelopes telling them that I'll reject this or I'll accept that — is to carry out a critical review of the general engineering parameters and approach of the consultants and to provide advice. Some members of the Assembly may not know my background, but at one time I got involved in building roads, and I really enjoyed it. I might enjoy building a dam.

In addition, Mr. Chairman, within the structure of UMA Engineering Ltd. and Acres International Limited there is a technical review committee which provides technical advice to project engineers. The committee comprises two resident engineers and two consulting engineers with, again, international experience in dam building. A lot of members in the Assembly should not be shocked to know that there are many, many consultants in our province who have world experience. The beauty, strength, and brain power of our province, so well established since 1971, clearly indicate that Albertans ventured forth to all corners of the globe to provide technical advice to other people, companies, and countries.

Mr. Chairman, an increase in the cost of the road and bridge system for the area compared to what was first talked about years and years ago has also been identified. The original investigations were not site-specific, as road and bridge locations had not been determined at that time. The present estimate includes investigations of a series of potential road and bridge links. With input from the local advisory committee, an improved transportation system is now being finalized. I would also like to make it very, very clear to all members of the Assembly that we will be working with the local advisory committee and with the Alberta department of transportation, headed up by my good colleague the hon. Member for Peace River, to ensure that the best system possible at the most efficient and effective cost will be implemented for the benefit of the people who live in the area.

Included in the current estimate of the project is the development of an environmental mitigation, an opportunities plan which will cover areas such as, one, historical resources; two, potential recreation and tourism development; three, fisheries; four, wildlife; five, vegetation; six, agriculture; seven, the direct impact on the local area; and eight, reservoir operations. Under the historical resources component, a survey of the historical, archeological, and paleontological

areas of significance will be identified and mitigative measures outlined. This information will be passed on to the archeological survey branch of Alberta Culture for its review in order to ensure that all necessary measures are taken to preserve these resources.

Mr. Chairman, you should also know that an inventory of the ecological resources of the area, which includes fisheries, wildlife, and vegetation, is also under way. Alberta Environment, not by itself but in consultation and co-operation with Forestry, Lands and Wildlife, is working toward an objective of no net loss of recreation fishing opportunities as a result of the project. I want to repeat that: the objective is to work toward no net loss of recreation fishing opportunities as a result of the project. As well, downstream flows will be maintained to accommodate fish habitat and in-stream recreational water uses. Upon completion of an assessment of all data gathered during the inventory stage, plans for mitigative measures will be developed if necessary.

We're also conducting a study to assess the potential of the reservoir for recreation and tourism purposes. The study will identify sites with possibilities for recreation development. This information with respect to recreation and tourism will be invaluable to local municipal governments, to the towns and villages in the area, and to the various recreation boards as they plan future land use studies, future recreation, and future local economic development.

Mr. Chairman, the estimated project cost has been determined on the basis of a five-year construction period beginning in 1986, with construction of camp buildings and utilities, an access road and bridge, and diversion tunnels. Initial work in the design of control gates and valves will also begin in 1986. Construction of the main dam and spillway will take place from 1988 through to 1990. Work on the road and the bridge system will be carried out from 1987 to 1990, while clearing the reservoir will take place during the winters of 1989-90 and 1990-91. Project construction is expected to be completed in 1990 and spring runoff collected in 1991.

Mr. Chairman, I think that background is very important. How big is it? We're talking about a dam. We're talking about having it at the corner of three rivers. I suppose I could come in here and say all the dirt or all the cement or the hole you'd dig would fill so many rooms. But that wouldn't even be big enough. I suppose I could talk about truck loads. But how many people could really visualize and accept — I'm going to be talking about thousands of truck loads. So we've decided that we're going to talk about it on a basis that I think everybody in the Assembly will really understand. We're going to talk about quantities and we're going to relate them to the size of a Canadian Football League field. What could be more appropriate here in the Legislative Assembly in the province of Alberta?

Just sit back in your chairs, hon. colleagues, and I'll give you the quantities, because I think it's important that you have a perspective of what we're really talking about. We're not just putting up a little . . . If all members would visualize, just sit back in your chairs and look up at the ceiling, and don't count the defective light bulbs. Just visualize a Canadian Football League field. It's 110 yards long. Add two end zones of 20 yards to both ends; now you get a field 150 yards long. Recognize that the field is 60 yards wide.

MR. STEVENS: What's that in metres?

MR. KOWALSKI: Basically, to answer the hon. Member for Banff-Cochrane, you're talking about an area of 6,870 square metres or 9,000 square yards. I hope we have everybody psyched in here now; everybody's in sync. We're talking about a football field 150 yards long, 60 yards wide, area, in both languages, 6,870 square metres or 9,000 square yards. Now think of more than one field of that area. You have to use some imagination here. For the basis and analogies I want to give you, we have to talk about nine fields, not one. Go down to Commonwealth Stadium or McMahon Stadium in Calgary; you're talking about one. We're talking about nine CFL football fields having a total area of . . . [interjection]

MR. CHAIRMAN: Order please.

MR. YOUNIE: Mr. Chairman, I just wonder if the hon. minister — hoping that we are friends — would make a friendly gesture and allow some time this afternoon for questions and comments to come from other environmentally concerned members.

MR. KOWALSKI: Mr. Chairman, I want to assure you, sir, and all members of the House that I will allow some time this afternoon. I have to repeat that I was subpoenaed to appear before the committee. I view this as a most important committee of the Legislative Assembly. I believe that the estimates of Alberta Environment are vitally important to the people of Alberta. I believe they have the right to know, and I want to give some information.

So let's get back to the Oldman River dam. What are we talking about?

MR. CHAIRMAN: Order please. The Chair has some difficulty in recognizing the similarity between the term "subpoenaed to be before the committee" and the delivery of the speech, but obviously it's the minister's day and the minister is free to do what he wants.

MR. KOWALSKI: Thank you very much, Mr. Chairman. I should really take this jacket off. I think I could flow a little bit better. Nine CFL football fields would have a total area, my hon. friend from Banff-Cochrane, of 61,832 square metres or 81,000 square yards. If we were to put out a project data sheet and say, "How much dirt would you dig, how much cement would you put on, or how much fill would you have?" — that's the area we're talking about. Nine CFL football teams. Do you know, Mr. Chairman and hon. members of the Assembly, that the reservoir water storage would be 490 cubic metres or 642 million cubic yards? What would that mean? That doesn't mean a thing to anybody here.

Let's go back to our nine football fields. How much water would you have to put on top of those nine football fields to understand how much water will be in the reservoir of the Oldman River dam? I'm going to give it to you in four languages: it would be 7,920 metres, 10,382 yards, 31,146 feet, or about six miles high. That's how much water we're talking about in the reservoir associated with the Oldman River dam. Get your nine football fields, go up six miles into the sky, and that's the water, if you could put a box around it. That's the reservoir.

How much concrete would we have to use? Everybody here has built a sidewalk in their backyard and done this and that. You get a couple of wheelbarrows. You haul in somebody, tell somebody to deliver a truck or two. I don't

know how many yards they have — 14, 16, 18, 20 yards. Here is how much concrete is going to be necessary for the Oldman River dam for their tunnels on the spillway. Again visualize it, and put it down there in those nine football fields. We would need concrete that would cover the nine football fields to a depth of 2.6 metres, 3.4 yards, or 10 feet. I know that the hon. Member for Fort McMurray is absolutely mesmerized by that much concrete. When they were building Syncrude, they were talking about quantities perhaps comparable to that. We're talking big business here, Mr. Chairman.

How much earth fill would we need? Before I give you the earth fill, how big would we have to dig the trench and all the rest of that? If we have to build a dam, we're going to put it all up there. It has to hold some water. We obviously have to dig some holes. If we're talking about an excavation a total of nine football fields in area, we go to a depth of 87 metres, 114 yards, or 342 feet. That's the size of the hole. How much earth fill would we need? We have to take dirt out, but we also have to move dirt in when we're building the dam. The Member for Clover Bar just built himself a golf course out there. He knows about dirt moving. The total earth fill in the dam and the dikes would cover all of our nine CFL football fields to a depth of 127 metres, 166 yards, or about 498 feet. That's what we're talking about in terms of quantities.

I sincerely hope, hon. members, that in the months, years, and days to come — but let's not talk about 642 million cubic yards for a water reservoir. That doesn't mean anything to me. Let's talk about nine CFL football fields with water six miles high. People understand that. I indicated a little earlier that one of the things I want to do as Minister of the Environment is to start communicating with people in a language they can understand; that's one of the languages they can understand. We have to have examples.

Mr. Chairman, we're talking about a massive project that is going to stimulate economic diversification in the southern part of our province. We're talking about a project that's going to greatly enhance the management of water in southern Alberta, allow for future hydroelectrical development, and allow for 170,000 more acres of land to be brought under direct cultivation and possibly provide more, in fact. We're talking about a project that's going to bring in some \$42 million annually in increased and improved agricultural production, that's ultimately going to create 1,700 jobs and will provide 2,100 man-years, Mr. Minister of Manpower, of employment and see some 30 percent of the work force come from the local area, with an estimated \$77 million to be spent in the area during construction. We're talking about a project that will provide for future recreation and tourism expansion, that will see no net loss of recreation fishing opportunities, and we're talking about a project that's going to improve the environment.

So you ask what it's going to cost in 1986 dollars. I think that's very, very important, and I want to make sure that from this day forward we're talking about consistent figures and that people won't extract something about a study that was done in 1963 or 1971 or 1975. We're talking 1986 business and dollars, and as of today I intend to convert the costs projected to 1986 figures. Those are the figures, my hon. friends, that I will judge the senior administrators in Alberta Environment with over the next number of years, and those are the figures that you will judge me with.

The very important Oldman River Dam preliminary engineering report dated March 1986 — and I know I have

it here — that I tabled a little earlier and which is now filed as public information, prepared by UMA Engineering Ltd. in association with Acres International Limited, covers component one. I think it's important that we talk about this dam and the number of components. Component one is dam and related works, which includes the spillway diversion tunnels and related infrastructure, all identified in the documentation tabled today with engineering drawings and everything else. Of course, that's for the Oldman River dam project.

We have one other component with respect to the dam, and that's really the reservoir-related works, which are important to but not of the dam. We have to identify those as separate items, and we're talking about reservoir-related works such as the roads and bridges that I've already talked about. If the village of Cowley says, "We have to have an improved road because the dam is important in the area," it's not necessary for the efficient functioning of the dam to have the road built. But it is very important for the efficient functioning of the people in the area to see an important transportation improvement. So when it comes to component number two, reservoir-related works, we're talking about transportation, which is roads and bridges infrastructure. We're talking about railway relocations and involvement. We're talking about power lines, pipelines, bank stability, and clearing. That matter is still being investigated by Stanley Associates Engineering Ltd., and a report on this component is expected about December 1986. Tabled today was the UMA Engineering report, and members have had an opportunity to go and get a copy of it. They can flip over to section 13 of the UMA report, which deals with the preliminary estimates of capital cost. This estimate was checked by the independent firms of The Foundation Group and Ostermann Construction Management Services. A further independent review of the UMA estimate was carried out in March 1986 by Loram International Ltd. So we've had three reviews, and as a result of all of these investigations, the total estimated cost of the Oldman River dam project — and I'm going to break it up in terms of three components and then bring them all together to give you the dollar figure.

For component one, which is the dam and related works, we are talking about a figure identified in the UMA report, which is a figure based on 1985 dollars. The dollar figure involved in that report is \$264.3 million. I provided an escalation factor of 3 percent from 1985 to 1986 to bring it in vogue with 1986 dollars; that would add \$7.9 million. So what we're talking about in 1986 dollars for component one is a factor of \$272.2 million.

For component two, which is the reservoir and related works — the ones that I've talked about in terms of transportation: the road and bridge system, the railway power lines, pipe lines, bank stability, clearing and the like — the estimate is basically \$56.2 million in 1985 dollars. We have used an escalation factor of 3 percent from 1985 through to 1986 to add \$1.7 million, so that will give us a total of \$57.9 million for component two. Please remember, hon. members, that component one was \$272.2 million. We've got concerns. We've got items with respect to land, and a few landowners down there have really done very, very well, including the former NDP candidate who can almost retire now with the amount of money that he's taken — I shouldn't say taken — that he has negotiated for. Excuse any misunderstanding here. We've estimated that the total cost for land administration and environmental mitigation would be \$18.9 million in 1985 dollars, provided a 3 percent

escalation from 1985 to 1986 dollars of \$0.6 million. So we would have a cost factor in 1986 dollars for land administration and environmental mitigation of \$19.5 million.

So, my hon. friends, in order to get the total estimated cost as of July 9, 1986, for the Oldman River dam, we would add the cost of \$272.2 million for component one, \$57.9 million for component two, \$19.5 million for land administration and environmental mitigation, and find an estimated total cost in current 1986 dollars of \$349.6 million — a far cry from the half billion dollars rumoured by the Official Opposition.

Having said that, I'm sure that some members will be asking if the project is economically sound. That is a valid question. That answer, Mr. Chairman and hon. members, cannot come from me as the Minister of the Environment. Even though I've outlined earlier today that I tend to be an independent kind of person and have no sweethearts anywhere and don't have any involvement with anybody, there will probably be somebody — probably not very many, but there may be the odd member — who might argue and say that as the Minister of the Environment, I'm biased. So in terms of whether the project is economically sound, that answer has to come from an independent source. It has to come from outside of government.

I would like to draw the attention of the members to the third report that I tabled today, titled Oldman River Dam Economic Analysis, by Marv Anderson & Associates Ltd., Economic Consultants. Mr. Anderson's address is 326 Vista Manner, Sherwood Park, Alberta, T8A 4J7; Alberta phone number 464-4020. He is a professional in his field in the province of Alberta. I have no intention of defending or explaining this document. This document was bought from a professional individual in the province of Alberta who contracted to provide a service. It is up to him to explain his recommendations. It is up to him to defend the professional position he has taken with respect to the data he has studied. I want to make that very clear. If, as the Minister of the Environment, I have to go out and defend a professional who serves and functions in this province of ours under legislation that causes a professional to have certain rights and also certain responsibilities, then it is clearly up to the professional to explain and defend the recommendations that he makes. I hope there's absolutely no misunderstanding about that in the eyes and the minds of any hon. members. If we're going to buy a professional service, then I don't have to defend him. He puts his name, his career on the line.

What does this report say? I think it's important that all members know what it says. Members should know that Marv Anderson and Associates Ltd. — I'll repeat the phone number: 464-4020 — originally did a study on the provincial benefit cost estimates a number of years ago, in 1978. Last fall or in early winter Mr. Anderson was asked to take a look at the cost benefits with respect to changed circumstances in the Oldman River dam. The consultant in question basically says on page 6 of his report:

Accordingly, and assuming a five-year construction period, annual expenditure levels would now be expected to be approximately \$320 million [in 1985 dollars].

The consultant did his report on that economic base. The figures that I provided a little earlier talked about \$349.6 million in 1986 dollars.

I would like to draw all committee members' attention to pages 20 and 21 of the economic analysis on the Oldman River done by a professional outside consultant in the province of Alberta. And I would like to have written into

the record of the history of this province what this particular gentleman has said:

A 20 percent error in the respective benefit-cost ratios is not inconceivable. Yet in this instance, even if we allow for a 20 percent downside error, the principal conclusion of the present study would remain unaltered.

In the criteria that the gentleman used in creating a regional benefit cost ratio, the gentleman has identified a best estimate of 1.64 with a range on that 20 percent either way, a minimum of 1.31 and a maximum of 1.97. The gentleman has also identified a provincial benefit cost ratio of 2.17, with a range and a minimum of 1.74 and a maximum of 2.60. What else does he say? I quote:

We would still conclude that the Oldman River Dam is an economically feasible public investment opportunity.

Indeed, it is our professional judgement that the benefit-cost estimates generated in the foregoing calculations already reflect a *downward bias*, because a number of other benefits have not been incorporated into the analysis. These include:

- Potential net benefits to municipal water users of perhaps \$343,000 per annum.
- Potential net benefits because of reduced periodic flood damage, estimated to average \$68,000 per annum.
- Potential net benefits for stockwatering estimated at about \$27,000 per annum.
- No regional benefits have been attributed to annual operation and maintenance expenditures related to the dam and delivery system totalling approximately \$1 million yearly.
- Water-based recreational opportunities at the reservoir and downstream.

MS BARRETT: I have a point of order, Mr. Chairman. It took me a little while to figure it out, but I think I'm right. I'm new at being a House leader, but my instincts directed me in the right direction, I think. Under the provisions of the *Standing Orders* of this House, Mr. Chairman, I'll direct you first to 62(1):

The standing orders of the Assembly shall be observed in the committees of the Assembly so far as may be applicable, except that . . .

For example, in this instance, Committee of Supply:

(a) a member may speak more than once . . .

The other caveats, Mr. Chairman, refer to Committee of the Whole. Therefore, I subsequently refer to section 29, which sets out the time limits on the debate. Given that the Minister of the Environment is not the Premier or the Leader of the Opposition, the mover on the occasion of the budget address or the mover in debate on a Bill proposing substantive amendment to more than one statute, I believe the *Standing Orders* are pretty clear that the mover in this particular debate is limited to 30 minutes.

DR. BUCK: Mr. Chairman, on the point of order. I've been a member of this Assembly for quite some time, and I would like to compliment the government and the minister on reporting to this committee, because for many years the government had gotten away from the common practice of reporting the department to this Assembly and this committee.

MR. GIBEAULT: You're on the wrong side, Walt.

DR. BUCK: Just wait till you get the whole load.

Mr. Chairman, it has been a tradition that the minister report to this committee what he or she is doing in his or her department and what they propose to do in the future. Therefore, I have not seen any time constraints when the minister reports to this Assembly. I'm hoping that eventually the minister will get around to reporting on the hazardous waste disposal plant at Swan Hills, but in the meantime I am looking with great anticipation to the minister continuing with his report to this very important committee.

MR. STEVENS: Mr. Chairman, I too would like to comment on the point of order that has been raised by the acting opposition leader. It seems to me that there are a number of areas of concern affecting all members of the Assembly, and therefore all Albertans, and the minister has taken the time to explain only some of the activities of the Department of the Environment. I know that in my own constituency there has recently been a flood, and I am looking forward to the minister's giving a summary of the activities of the emergency response services and other activities in his department. I am enjoying the debate and the presentation and look forward to having the minister give us a full and detailed explanation of the activities of the department and his prospects for the coming year.

MR. MARTIN: Mr. Chairman, whether the Member for Banff-Cochrane is enjoying the Minister of the Environment or not frankly is irrelevant. What we want to do at this point is get a ruling from the Chair about what the rules are in terms of the estimates. I think that's all we're debating at this time.

MR. JOHNSTON: Mr. Chairman, I think the interpretation of the *Standing Orders* will be left to you, sir. I know that the *Standing Orders* are fairly specific, as has been quoted by the Opposition House Leader, citing section 62 in particular. Yet it has been the tradition, I think, in committees of this Assembly to let these stand aside and let the speeches flow if, in fact, there is momentum in the speech and there's an urgent understanding that we want to be as explicit and as open as possible in the kind of information being brought to the table.

As well, Mr. Chairman, as you well know, the opposition of course has an opportunity to have as much chance to speak on these issues as they wish. In the past, with the last two or three departments we have had here before us, we have not attempted in any way to curtail the attempts at explaining and discussion and the opportunity to answer questions. Moreover, it's always a possibility for the opposition to amend one of the budgets and therefore have an opportunity to capture the speaking time as well.

But in recognition of all that, I have to concur with the specific orders as we see them and if, in fact, you want to impose your will on the Assembly, of course we will live by them.

MR. KOWALSKI: Mr. Chairman, I began my remarks this afternoon by stating that I had set three objectives for myself as the Minister of the Environment when I accepted the challenge to join the Executive Council on May 26, 1986. I'd like to repeat the first objective that I made very public at that time. I said that I wanted to do everything possible to improve communication between Alberta Environment and the people of Alberta.

Mr. Chairman, what I am prepared to do is provide information, as I have done since this Assembly opened, with tabling of reports and direct responses to questions. I am here today to provide information to all hon. members. If I am being told that I have to sit down and I can't do that, well, so be it. I'll accept the ruling of the Chair. But I want everyone to know that I am prepared to do that.

MR. CHAIRMAN: The Member for Edmonton Glengarry. Correction: the Member for Edmonton Highlands.

MS BARRETT: I'm going to wear a great big sign that says "Edmonton Highlands" hereafter.

Mr. Chairman, I acknowledge the Provincial Treasurer's comments with respect to the tradition of the House, and I want to make it absolutely clear that in raising this point of order, I have no intention of putting any kind of inhibitor on the process of democracy. Indeed, to the Minister of the Environment, the whole purpose of the estimates debates is so that members from both sides of the House, laterally or horizontally, can ask questions of the minister and provide due opportunity for the minister to reply, not to mention make general outlines of the pursuits of his or her department. Therefore, I take into account what the Treasurer has said about the tradition of the House, and maybe we could just keep in mind that on opposition-designated days in particular it is our desire to ask very specific questions. That was the purpose behind the point of order.

MR. JOHNSTON: Mr. Chairman, that's fair comment, and I don't think we want to interrupt the tradition of the Assembly in the way in which we handle and deal in committee. At the same time, I think the Minister of the Environment has made fairly important comments about the need as a new minister to get his profile out there in terms of what the department will be doing in the next four-year period, how he intends to deal with some of the particular problems before us. But we would not want in any way to avoid or interrupt the free flow of exchange on both sides of the House. I think that's extremely important in terms of the Committee of Supply debate. I think the government for one would like to see that continued in the spirit of exchange of information, probing, good questions, and opportunity to respond and debate, reminding always, Mr. Chairman, that we do have 25 days to get through 147 votes. Therefore, we do have that particular problem, and we'd like wherever possible to cover all the departments within the Committee of Supply discussion.

MR. HAWKESWORTH: Mr. Chairman, I'd like to address a point of order. It has to do with the fact that once the opposition has designated a department, it can no longer be designated. If the minister is going to filibuster his own estimates on the one day when this opposition has designated his department for consideration, it doesn't provide us any opportunity to place any questions or place any of our concerns on the public record. If the hon. Provincial Treasurer is serious about a free flow of ideas, exchange of ideas, and probing, good questions, then this opposition is going to have to be given more than five or 10 minutes at the end of the estimates this afternoon in order to place those on the public record.

Thank you, Mr. Chairman.

MR. JOHNSTON: Mr. Chairman, I think the choice of the word "filibuster" is probably unfortunate. In fairness, Mr.

Chairman, we have a new minister who is anxious to explain what's happening in his department. He's taking a fairly detailed explanation of the objectives of his department. Frankly, I think the Member for Calgary Mountain View should in fact be a touch more careful with the word "filibuster." Filibuster is not intended on behalf of the government side, and we'll find an opportunity for you to have your say and your question period as well.

MR. MARTIN: To get to the bottom of this, I would suggest . . .

MR. CHAIRMAN: Order please.

MR. MARTIN: It's a point of order.

MR. CHAIRMAN: Order please, Mr. Leader. The Chair is about to make a ruling, and the Chair can only make a ruling if it's made before the hour of 5:30. So will the hon. leader proceed? The Chair will be making a ruling.

MR. MARTIN: All I'm going to say is that I believe we will follow the traditions of the House. It hasn't been limited to 30, but I've never seen a minister go beyond 45 since I've been here. I think that's reasonable. I think the minister has told us already what a good job he's doing. I think we should get on with it.

DR. BUCK: Mr. Chairman, speaking of tradition. To the hon. Leader of the Opposition, I have seen a minister report to this Assembly for two solid days. I think all members of this committee are presuming something. They are presuming that this estimate will never come back. That may be a false assumption.

MR. MARTIN: It may be, but it may not be.

DR. BUCK: On the other had, in fairness to the minister, I think the minister has the right to report. It may come back two or three or four times, so I think we're being presumptuous in saying that debate will not come back. [interjections]

MR. CHAIRMAN: Order please. First of all, the Chair is about to make a decision in the context of the *Standing Orders*, which the members of this House determine.

Before proceeding, however, a comment was made a moment ago by the hon. Member for Calgary Mountain View using the term "filibuster," which by *Beauchesne* is an unparliamentary term. The Chair would make the suggestion to the hon. member that that term be withdrawn in reference to the Minister of the Environment. I'll give the hon. member a moment to think about that.

With regard to the ruling, section 62 of the *Standing Orders* is very clear that when Committee of the Whole meets, and Supply is a Committee of the Whole Assembly, no member may speak for more than 30 minutes. However, the member may speak as often as he or she wishes. I would point out that if it's a question to the minister, the minister may take 30 minutes at a time to answer that question, clearly within the rule of 62. It would be the decision of the Chair, however, that the 30-minute time limit should be observed in accordance with *Standing Orders*. In that context, I would then accept the point of order raised by the hon. Member for Edmonton Highlands.

MR. HAWKESWORTH: Mr. Chairman, would you please refer me to the citation in *Beauchesne* in which that statement is made?

MR. CHAIRMAN: I'll give you the page.

In the meantime, I have ruled in favour of the Member for Edmonton Highlands on her point of order that the 30-minute time limit will be observed. I would make the suggestion to the hon. minister that perhaps in the next 60 seconds he could conclude, if he would, and thereby the House would be open for questions.

I would draw the attention of the Member for Calgary Mountain View; it's on page 112 of *Beauchesne*. Could we proceed.

MR. KOWALSKI: Mr. Chairman, thank you very much. I'll certainly accept that, but have we had a ruling with respect to the insult passed to the Minister of the Environment? I would like to see it withdrawn, because I worked too hard, until 12 o'clock at night for the last couple of weeks, getting ready for this grand day to be accused of filibustering.

MR. CHAIRMAN: Mr. Minister, the Chair will handle that.

MR. JOHNSTON: Mr. Chairman, I respect the views and the direction you've given to the Assembly, and I'm sure the hon. member will have a chance to reconsider. I would not want to force the hon. member until he has a chance to quote and check *Beauchesne*.

MR. HAWKESWORTH: Mr. Chairman, having read the citation as written, in that instance I will accept the point made by the Chairman and ask that the term "filibuster" be withdrawn.

MR. CHAIRMAN: The Chair very much appreciates the graciousness of the hon. member.

Before we proceed, the Chair by nature of being the Chair receives interesting comments and notes by various means, sometimes devious, and I just put this forward for the interest of the members. The longest talk in the United States' history was 24 hours and 18 minutes, and that has not been exceeded today.

MR. KOWALSKI: Thank you very much, Mr. Chairman. I recognize that I have 60 seconds, and I'll abide by the gracious ruling of the Chair. My last statement with respect to the economic analysis study basically is one quotation:

All of these considerations would tend to further improve the economic benefit-cost ratios estimated immediately preceding.

Mr. Chairman, I guess I'll have to conclude by just pointing out to all hon. members what I wanted to talk about next. I wanted to make comments with respect to the public relations program that we had with respect to the Oldman River dam. I wanted to talk about the Alberta Special Waste Management Corporation. I wanted to respond to a number of the questions that hon. members have raised of other ministers in recent days, when their estimates were up, that pertained entirely to the Department of the Environment.

I have a list. We've done that. We've studied them all. I wanted to bring all members up to our recent initiatives with respect to the matter of disposal of solid waste. I

wanted to talk about drought emergency supply programs. I wanted to talk about environmental assessment programs. I guess I'm out of time, so I can't even tell you what else I wanted to talk about.

Thank you very much.

MR. CHAIRMAN: Thank you, Mr. Minister. The Chair deeply appreciates the comments by the hon. Member for Clover Bar, who has been a member of this House for many years. He's been quite accurate when he quotes the traditions that have been followed within this Assembly. Notwithstanding that, rule 62 applies.

MR. MITCHELL: Mr. Chairman, I'm going to limit my comments to a couple of areas that were not touched upon by the minister. I'm going to start specifically with Swan Hills. I'm going to talk about Swan Hills because I think it represents a deal that is not in the interests of the people of Alberta. I am surprised at the frivolous nature with which the minister approached his discussion of estimates, because I think that this is a very, very serious matter. In being frivolous to this House, he is being frivolous to the people of Alberta. This particular deal is going to cost the people of Alberta a great amount of money that it need not cost them.

The deal is between Bow Valley Resource Services and the government of Alberta. Unlike any other public utilities situation, the government of Alberta is going to guarantee a return to Bow Valley Resource Services that is inconsistent, I believe, with all nature of responsible government. They are going to be allowed to purchase their 60 percent share in this deal with debt. We, the people of Alberta, are going to be expected to cover the cost of that debt. Let's say it's 12 percent. In addition to that, we're going to be expected to guarantee a 13 percent return on that debt, and in addition to that, we're going to provide that return after taxes. That means we're going to pay taxes.

The irony in that component of the agreement is that Bow Valley Resource Services will be paying no taxes, at least in this year, because it's losing a great deal of money. There should at the very least be a provision that says that we do not cover their after taxes if they're not paying taxes.

Compounding the extent of this lopsided agreement is the fact that we cover all their operating expenses and that this company will be expected to take absolutely no risks. Further compounding the nature of this agreement is that it is fundamentally changed from when it was originally tendered, or at least from when submissions were originally requested and it was originally allotted to Chem-Security Limited and Bow Valley Resource Services.

To put the cost of this agreement in perspective, if we were to build, this plant ourselves, the cost we would save over 10 years — discounted back today at 10 percent, which is a conservative, reasonable estimate — would be \$23.6 million premium, which this government is asking the people of Alberta to pay for the privilege of having Bow Valley Resource Services own and operate the Swan Hills waste management plant.

I'd like to compare this deal to a normal public utilities arrangement, because that's exactly what this should be. There is no reason why it should be treated any differently. What are some of the fundamental things to keep in mind? I raise this for the attention of the Minister of Transportation and Utilities because it has tremendous implications for his administration of utilities in this province.

A normal utility is limited in its debt/equity ratio, and that has implications for what can go into its rate base. It's limited to about 45 percent equity to about 55 percent debt. That means that if they are guaranteed 11 or 12 percent return — which is about what utilities are normally guaranteed or allowed to work into their rate base, or let's assume that's what it is — then they make that 12 percent on 45 percent of their total investment; not on 100 percent, which would include the debt, but on 45 percent.

If we were to apply this principle to the Swan Hills deal, this would mean an equivalent return of about 68 percent that we would be paying on a normal public utility. This is totally and utterly unacceptable. We are giving a guaranteed return of 37 percent after all costs, compared to a utility return that would be the equivalent of 68 percent. In real terms that is \$23.6 million present value today that it's going to cost the people of Alberta to do this deal. All that is premised on the fact that the company will not be taking any risk in that deal, and that, of course, is something that public utilities have to do. They have to take a risk.

There's another factor to consider in the process of coming to this deal. The Alberta Special Waste Management Corporation, in the minister's own words the other day in the House, was established to protect the interests of Albertans. The Alberta Special Waste Management Corporation has and has had a mandate to recommend in favour of that deal. It's interesting to note that the Alberta Special Waste Management Corporation under its former chairman, John Elson, did not recommend in favour of that deal, and to the best of our knowledge his successors have not recommended in favour of that deal. If the Alberta Special Waste Management Corporation has been placed there in an objective capacity to protect the interests of Albertans, how is it that this government would over-rule that body's recommendation against accepting the Bow Valley Resource Services contract? That is the critical question.

The minister alluded in his lengthy remarks to the Environment Council of Alberta as a useful advisory council. If I were the chairman of that council, I would be getting worried about the fact that I was being labelled a "useful advisory council." If we look at precedence with respect to the former chairman of the Alberta Special Waste Management Corporation, the implication is that when he became useful, at least when he exercised his usefulness in this particular case, his tenure was terminated. I lament the position of the chairman of this useful advisory council, the Environment Council of Alberta. Of what use are those kinds of councils? Of what use is the Alberta Special Waste Management Corporation if, when it disagrees with the government in the interests of the people of Alberta, the chairman is fired and the government proceeds in spite of a recommendation against it without any explanation of why it's proceeding without that recommendation?

I'm extremely concerned about the implications for safety in the construction of this plant and in the manner in which the construction is being provided for under this agreement. I think the plant is an enlightened idea; there's no doubt about it. If you want a pat on the back, which you asked for earlier — although you can't take responsibility for things that happened before May 8, Mr. Minister; you keep telling us that in this House — I will give you a pat on the back. I think it's a great idea. My concern is that it might have [not only] implications in the broader range for bringing in an environmentally questionable industry, and we have to be very careful about that, but implications for safety.

This kind of activity cannot be left to a company or party that doesn't have the money to invest in it properly. The financial statement of Bow Valley Resource Services raises some extremely serious questions about the financial capacity of that company to properly operate this kind of facility. It has a huge debt load. It has losses in 1985 of \$6 million. It states very clearly in the president's message:

Revenues from this facility will provide a stable source of funds relatively insulated from oil industry cycles and will be of significant financial benefit to [Bow Valley Resource Services] over the long term.

The implication of that could very readily be that this guaranteed return that we are providing this company could be siphoned off for other requirements, pressing requirements, survival requirements, rather than being put into the maintenance, productivity, and proper operation of that Swan Hills waste management plant.

There's also the question of transportation of dangerous goods. Literally, the PCBs that made it past Kenora on their way to this province, which are now in Nisku, can very readily be transported through the riding of Edmonton Meadowlark past densely populated areas, schools, a hospital, West Edmonton Mall, on their way to the Swan Hills waste management plant. This minister has said "moratorium." Moratorium is an awfully flexible term. I think it's important that the minister reaffirm his statement yesterday in the House that we would be subsidizing if necessary the transportation of this material from around the province and that we would not be looking outside the borders of this province to find hazardous wastes that need to be put somewhere, that the Swan Hills waste management plant could accommodate to generate revenue. We cannot be importing hazardous wastes from anywhere around the country, North America, or anywhere else into this province. That's got to be very, very clear.

AN HON. MEMBER: PC whats?

MR. MITCHELL: PCBs are a second-rate Progressive Conservative? No.

You may be the objective, well-intentioned representative of the people of your riding, but there are other people in other ridings who can be affected by the transportation of dangerous goods. When the Swan Hills waste management plant is completed, that transportation will be increased. It shouldn't be going through densely populated residential areas, and it certainly shouldn't be the transportation of dangerous goods, hazardous wastes, from outside this province.

Talking about the transportation of dangerous goods, you've heard a great deal about Kinetic. From 1978 to 1984-85 Kinetic continuously imported dangerous goods, hazardous wastes, to this province, and they stored them eventually at Nisku Industrial Park. There seemed to have been no regulation to ensure that they would be stored properly and no control over the fact that they were bringing them into this province. If it hadn't been for the spill outside of Kenora, I expect that they would still be coming into this province. That's bad enough in my estimation in and of itself, but the problem is compounded.

When that spill was revealed, Kinetic was put out of business and the government generously offered Kinetic in the order of \$500,000 as remuneration for its loss of business. It's interesting to note that this government felt some obligation to this company. Perhaps the minister could indicate for what reasons. But more than that, they gave

them \$500,000. And perhaps the minister could confirm this information for the House: they let the principals of that company out of their personal guarantees — personal guarantees which covered a good number of the costs involved in the storage of those hazardous wastes. They absolved those principles in that company of all responsibility for those hazardous wastes.

Now the people of Alberta, not having made any money from the brokering or the transportation of those wastes like the company did, are left with the cost of storing those hazardous wastes until such time as we can take those wastes to the Swan Hills plant. So we have to store it, clean it up, and transport it. I wonder if the minister could confirm that the total cost to the people of Alberta for that responsibility will be in the order of \$10 million over the next four to five years. If you'd like to present-value that, it could be in the order of \$8 million in today's terms.

We let those principals out of their personal guarantees, and we as the government of Alberta happily accepted that we would clean up the mess they left. So let's add it up. We have \$23.6 million in today's terms for getting Bow Valley Resource Services to build that plant when we could build it ourselves — a premium of \$23.6 million. We have something in the order of \$8 million that will be charged to the people of Alberta to clean up the Kinetic site, so we're looking at \$31.6 million.

Yes, Mr. Minister, we're pleased with the fact that you've kept your staff at the same level despite the fact that you've had an increase in costs. Yes, you're to be congratulated for that, but I can see that you might be a little bit humble about bringing in staff and other operating cost increases in the face of the \$31.6 million cost to the people of Alberta that doesn't have to be and didn't have to be accepted by this government.

We suggest that you consider structuring this as a public utility. We suggest that you retender that contract in light of the new terms that have been given to this firm, to find if there are firms that will do it under more reasonable terms for the people of Alberta. That's the responsible thing to do in this situation.

There are certain cost considerations which I think underline weak management and an inability to make tough decisions, but they pale in comparison with the \$31.6 million premium that we're going to have to pay for the excesses of this government. I will therefore leave my comments at this point.

Thank you, Mr. Chairman.

MR. KOWALSKI: Mr. Chairman, I appreciate the input from the representative from Edmonton Meadowlark. He raised a number of questions with respect to the Alberta Special Waste Management Corporation. It's a subject matter I wanted to address my thoughts to this afternoon because of the interest that various members have expressed in recent weeks. The member talked about a number of issues, all of which are very important and all of which need to be highlighted in a Chamber such as this. I very much appreciate his bringing these matters to us.

In response to some of the concerns raised by the member, I think it's important that we should all really recognize and understand what the mandate of the Alberta Special Waste Management Corporation is. Under the Alberta Special Waste Management Corporation Act of 1982 that was approved in this Legislative Assembly — and as I recall from reading the *Hansard* of the day, there was no opposition

to the Act that was passed at that time, and there certainly were hon. members from political parties other than the Progressive Conservative Party who were present in the House, who debated the merits of the Act. I don't recall anything in *Hansard* at that time saying there was any opposition whatsoever to the Act and the objectives.

I really think it's important that we recognize once again that objective number one of the corporation was:

to ensure the establishment and operation of sufficient Corporation facilities to deal adequately with hazardous waste that is not being adequately dealt with by other hazardous waste management facilities,

and that's very important in the province. [interjection] The second objective clearly outlined in the statutes of the day, hon. member, was:

to ensure that Corporation facilities are established, operated and maintained in a manner that will protect the health and safety of the public and the environment,

and thirdly,

to ensure the protection of the health and safety of the public and the environment following the closure of Corporation facilities.

Mr. Chairman, it seems this has been a difficult subject matter. Our objectives are in fact to clean up the environment in the province of Alberta. If hon. members would look to see what the experience has been in other jurisdictions in North America, they would find that the province of Ontario has been struggling with the whole process of trying to find a location for the establishment of a facility to improve the environment for upwards of seven and eight years to this point in time. They are no further ahead today, quite frankly, in finding a site for such a plant than they were that number of years ago. It was only a matter of a few days ago that finally in one of the other western provinces, Manitoba, legislation was introduced to create a special waste management corporation in that province. In terms of . . .

MR. CHAIRMAN: Order please. A point of order.

MR. MITCHELL: I wonder if I could ask the minister a question on that particular point.

MR. CHAIRMAN: The Chair would like to make a comment to the members of the committee. It would seem to the Chair that the rules in the *Standing Orders* allow the Leader of the Official Opposition to designate on a Monday the estimates to be considered on a Wednesday. The Chair is not making a decision but an observation; that is, it's now seven minutes past the hour and the adjournment is 5:30. We're now seeing, the Leader of the Opposition having designated the department, that members of that party have not yet had an opportunity to raise a question in supply. The Chair is only making the observation; it's not making any ruling. It would just seem to the Chair that the whole intent of that standing order that allows a department to be called in many ways is defeated by the fact that the very people who call it do not have an opportunity to put the question. [The Member for Edmonton Glengarry rose]

Is this a point of order?

MR. YOUNIE: Taking up the point you just made, I would request permission to ask some questions as it was obviously our intent to do.

MR. JOHNSTON: Mr. Chairman, on the point of order. We can't allow a point of order to simply interrupt the

process here. I think it's up to the hon. minister if he wants to entertain a question from the Member for Edmonton Meadowlark, but we should not try to get around the orders in any other way.

MR. MARTIN: On a point of order. We seem to be having some difficulties today. I appreciate the position the Chair is in, because we seem to be making some different shifts from what we've done traditionally. So I think all of us had better recognize what we're doing, because it could make it very difficult for the Chairman in estimates in the future. We've had the tradition — I won't go back as far as the Member for Clover Bar — since I've been here in the House that the minister would take a number of questions and come back at the end. There would be questions and other people in, and usually we got a lot of people into estimates. It seems that now with the difference here — and there's nothing the Chair can do about it; I fully recognize the circumstance the Chair is in — it will change all the circumstances of how we handle estimates. Of course, that has serious repercussions over there and here, and I think we'd better just take that into consideration.

MS BARRETT: Mr. Chairman, I'd like to make one further comment on that point of order, only inasmuch as noting that the Provincial Treasurer was astute in making the observation about the tradition that is observed in this House with respect to allowing members to go over the guidelines in terms of debate, and that point is really well taken. However, it must be taken in the context of the spirit of the exchange.

MR. CHAIRMAN: Member for Clover Bar, were you speaking?

DR. BUCK: Yes, Mr. Chairman. I agree with the ruling you made on the 30 minutes in spite of some of the traditions.

Also, how are you supposed to know who is going to speak if they don't stand up? The tradition is that the Leader of the Official Opposition has the first kick at the cat. The hon. Member from Edmonton Meadowlark stood up, you recognized him, and therefore the show goes on. The minister can also ask at the finish of his address if he would like all the members of the committee to make the points that they wish to make, and he can answer them either all at the end or one by one. As the process evolved this afternoon, Mr. Chairman, it appeared that the minister was not going to get the opportunity to answer any questions. Therefore, he stood up and answered the hon. Member for Edmonton Meadowlark. So, Mr. Chairman, the Leader of the Opposition missed his opportunity. It places you in the position, if no one stands up, of recognizing the person who did stand up, and that's very clear cut.

MR. MARTIN: The hon. Member for Clover Bar hasn't been to many estimates in the last three years, but we've been putting up our hands . . .

DR. BUCK: You're snivelling and you're whining because you missed your chance. You're snivelling and whining, Martin. [interjections]

MR. CHAIRMAN: Order. Order please! On June 26 the Chair put to the committee a method by which members would be recognized. It's in *Hansard*. I suggest members

read it. That is, members indicate to the Chair and the Chair will note their names. That system has worked well, obviating the problem of members rising. I would hope, because the committee agreed at that time, that that's the system we would follow.

MR. McEACHERN: It seems to me that we could forget all the arguments we've had so far. The hon. Chairman, who has been very fair in this debate by the way, has the right not to recognize another question from this speaker. He had his turn to speak. He could ask the minister to not answer questions one at a time and therefore allow the next speaker to go ahead. He's perfectly within order of the rules to do that. That would be the fair thing to do with 20 minutes left.

MR. JOHNSTON: On a point of order, Mr. Chairman. The government abides by your ruling and your decision. As you properly noted, the rules were set out at the beginning. As I understand it, Mr. Chairman, you had a speaking list, you recognized the Member for Edmonton Meadowlark, and that's how we're proceeding.

MR. CHAIRMAN: On the point of order, the Member for Edmonton Mill Woods was up first.

MR. YOUNIE: Just the point that if we are following . . .

MR. CHAIRMAN: Edmonton Glengarry; I'm sorry.

MR. YOUNIE: Thank you. To speak on the point of order or to speak on the debate?

MR. CHAIRMAN: I understood it was a point of order you raised. We've yet to unravel the debate.

MR. YOUNIE: My point was that the procedure you have just described is to make a speakers list, to follow that list of speakers and, once that list is exhausted, to invite the minister to respond to the questions as they've come up. Therefore, it seems to me the fair thing to do is to go on to the next name on the speakers list and at least, especially with time running out, allow two speakers to put questions to the minister before he exhausts the remaining time answering the first question that was posed.

MR. CHAIRMAN: The difficulty the Chair has — we've now had several examples. The Minister of Technology, Research and Telecommunications, for example, chose to respond to members as they asked questions. The Minister of Advanced Education chose that course last evening. It would appear to the Chair that the government presenting its estimates to the House must then defend those estimates in the way that minister chooses. If the minister chooses to respond each time a question is asked, it would seem to me that is his discretion. If he wishes to hear all members, that too, I think, would be his discretion. The Chair is not about to rule on that.

The Chair comes back to the point that the Member for Edmonton Meadowlark spoke at some length and raised a variety of questions. The minister is in the process of responding. The Member for Edmonton [Meadowlark] is now asking another question. The Chair does not find that in order. The hon. Member for Edmonton Meadowlark has put his questions and is receiving answers. The Minister

of the Environment is now speaking, fully recognizing other members wish to put questions.

The hon. Minister of the Environment.

MR. KOWALSKI: Thank you very much, Mr. Chairman.

MR. MITCHELL: Mr. Chairman, I asked if I could ask a question, and the tradition is that the minister will say yes or no to that, if I'm not mistaken.

MR. CHAIRMAN: The Chair has already ruled, and it's not at this time at the discretion of the minister. Would the Minister of the Environment please proceed.

MR. KOWALSKI: Thank you very much, Mr. Chairman. The hon. Member for Edmonton Meadowlark asked a variety of questions. One of those questions had to do with some statements that were made with respect to the deal — was it a good deal or a bad deal and what have you. The hon. member certainly has the right to his opinion, as every hon. member in this Assembly has, to evaluate any document that they want that's been made public.

On March 18, 1986, the principles of the proposed agreement were made public. I would like to draw to the attention of the hon. member and other hon. members in the Assembly what the hon. member had basically indicated, that his reading of the principles of agreement said that this was a bad deal. He has the right to that. What I would simply like to do is point out to him clause 8.3. I think it's important for the public record, Mr. Chairman, that we all understand what clause 8.3 in the principles really says. It says:

Either party or the Executive Council of the government of Alberta may request on June 30, 1989, a review of the rate of return by an impartial third party Review Board. Such Review Board shall be constituted by a nominee from each Joint Venture party together with a third party member, who shall be the chairman as mutually chosen by the nominees, or, failing that, as appointed by a Judge of the Court of Queen's Bench.

The Review Board shall examine the terms and conditions of the Joint Venture agreement in the light and circumstances of events as they appear on or about June 30, 1989, with a view to an equitable relationship between the Joint Venture parties and with regard to the Facility's historical and expected operations as they relate to public health and environmental safety, together with regard to the historic and projected financial results.

There's more to it, but in terms of brevity and the recognition of the concerns raised by some hon. members that they wish to raise questions, I simply want to submit to the hon. member that all of us can have our own views on whether it's a good deal or a bad deal. Part and parcel of this joint venture agreement is a provision that will take place in 1989 that will have a review made. The review could be made by an independent third party, and it could be a judge of the Court of Queen's Bench, to make a decision for us. The reality that we have in the province of Alberta today is that we are a leader in North America in terms of taking initiatives with respect to so-called special or hazardous waste.

The hon. member also raised the question about concern that he had for the transportation of certain kinds of wastes in his constituency. I think that the hon. member deserves a response from the Minister of the Environment with

respect to the query that he made. In every municipality in the province of Alberta each municipality can by bylaw of their municipal government designate certain so-called dangerous goods routes. Daily, in all of the 275 towns and villages and the 15 cities and all the MDs and counties, these so-called dangerous goods routes have been designated. Every day certain types of materials go up and down highways. They can be fuel that we would use in our daily automobiles and what have you.

What will be designated for Swan Hills and what we will be asking the industry in Swan Hills to take is certain kinds of waste that we've called special because they require a special kind of technology in order to treat them. Some of these wastes are everyday wastes that we have in every kitchen in every home in the province of Alberta. They can include such things as the normal things that you'll find underneath the kitchen sink, in the shop that an individual might have, or in the medicine cabinet: old pesticides, old insecticides, old herbicides, unused prescription drugs, paints and used solvents, and the materials that would come out of any used automotive firm in the province of Alberta. Today a fair number of those materials, as the hon. Member for Edmonton Beverly so well knows, are simply taken to landfill sites and are deposited for eternity in those landfill sites.

There is a growing concern among the population of the province of Alberta that we have to do something about ensuring that in the future in this province a lot of these everyday commodities, a lot of these everyday materials that we're simply putting into a black plastic garbage bag and taking down to a landfill site, shall no more be allowed to do that. In the future in the province of Alberta I can certainly envisage a system that will follow and be modelled on some of the Scandinavian countries, that basically says that all of us as individuals are going to have to start sorting our garbage to make sure that some of these special wastes, only because they require special treatment, will have to find their way toward Swan Hills.

It's also true that there are some special types of commodities, PCBs in particular, that have received some degree of public play in the media in recent years — several years ago in the province of Ontario, which raised a massive public concern with respect to what PCBs are. In all fairness, one has to recognize that for years and years, not only in Alberta but in every jurisdiction anywhere in the world, PCBs were stored here, there, and everywhere. We have taken the initiative to do something about it.

For the most part PCBs currently are stored at a storage facility at Nisku. There must be a decision made before too long to transport those PCBs from Nisku to Swan Hills. They have to go over some road. Let's recognize that all of the roadways in the province of Alberta have been funded by the public, whether or not those public are citizens of the province of Alberta or ratepayers in the urban environment of the city of Edmonton or ratepayers in whatever municipality or county that would exist between here and Swan Hills. We have to get them there. I wish that we had a safe, foolproof mechanism that could basically say we could have a big airship balloon that would lower itself right on that site in Nisku, just extract those materials, take them up, go blimp, blimp, blimp across the environment, show up north of Swan Hills, and deposit the materials. We would neutralize them at the Swan Hills waste disposal site, and everything would be finished and solved.

Quite frankly, hon. member, until a few days ago I was infatuated with the technology that Piaseki helicopters invented

and was promoting in the United States with the use of a helio-balloon and four helicopters. Hon. members should understand and recognize that when I first joined the government a number of years ago, I was appointed to a three-man airship study committee, and I've had an interest in it ever since that time. [interjections]

I'm not being frivolous at all. I'm trying to point out that if there are alternatives that are currently technologically sound today, we would have an alternative. What are we stuck with? We're stuck with a concern that we're going to have to address in moving certain special wastes from Nisku to Swan Hills. We will implement and put in place a plan that, in essence, will clearly identify the type of vehicle that would be used to transport those materials.

MR. TAYLOR: Stay out of my constituency.

MR. KOWALSKI: The hon. Member for Westlock-Sturgeon only yesterday stood up in the House and said that a route had been designated. When he was making an appeal to the minister of transportation to get secondary road 794, which goes straight south of Westlock, designated as a primary highway, he stood up in this Assembly and said that that's the route that's been designated. That's news to me, but it's a heck of a pitch to try and get a couple of million dollars to upgrade a road facility in your constituency.

But back to the point before the interruption. We're going to have to transport these goods and use the maximum amount of safety with respect to the transportation of those goods. We're going to have clearly marked vehicles. To begin with, the drivers are going to be specially trained. Hon. members should recognize that only a few weeks ago, in my alternate position as the minister responsible for Alberta Public Safety Services . . .

MR. CHAIRMAN: Order please. Could I interrupt the minister very briefly? Does the minister have more than 30 seconds of comment left?

MR. KOWALSKI: Mr. Chairman, I'll conclude, but I really believe that the questions being raised by hon. members are worthy of a response from the government of Alberta. The government of Alberta is prepared to give those responses. Unfortunately, the minister in question continues to be interrupted.

MR. CHAIRMAN: Order please. Mr. Minister, the intent was not to interrupt you. The hour for adjournment is rapidly approaching, and a member has indicated to the Chair that she would like the permission of the committee to revert very briefly to introduction of guests. Would the committee agree before the House rises?

HON. MEMBERS: Agreed.

head: INTRODUCTION OF SPECIAL GUESTS (reversion)

MS BARRETT: Thank you very much, Mr. Chairman, and sincere apologies to the minister. However, I take some pleasure nonetheless in introducing a special guest who is in town visiting from Ottawa, the former mayor of Ottawa and currently the president of the party I consider to be the party of the future, the New Democrats. Would Marion

Dewar please rise in the public gallery and receive the welcome of the Legislature?

head: **COMMITTEE OF SUPPLY**

Department of the Environment
(continued)

MR. HAWKESWORTH: A point of order, Mr. Chairman.

MR. JOHNSTON: Mr. Chairman, I move that the committee rise, report progress, and beg leave to sit again.

MR. CHAIRMAN: We have a motion that must be voted on, put by the Acting Government House Leader, that the committee rise, report progress, and beg leave to sit again.

[Motion carried]

MR. CHAIRMAN: Could the committee hear the point of order by the Member for Calgary Mountain View?

HON. MEMBERS: Agreed.

MR. HAWKESWORTH: Thank you, Mr. Chairman. In reviewing *Beauchesne* earlier this afternoon, it was indicated that the use of the word "filibuster" is unparliamentary. In looking at citation 320, from which this point was made, I would draw to members' attention that under citation 320(3), found on the bottom of page 110 of *Beauchesne*, it reads, "Since 1958, it has been ruled parliamentary to use the following expressions." Therein appears a list beginning with the word "arrogant," and over to page 112 at the top is found the word "filibuster." In view of the fact that under that particular citation subsection the word "filibuster" is not unparliamentary, I would like to point out to the House that it was not my wish to be unparliamentary in my use of language earlier this afternoon, but I do not

withdraw my statement that the minister was filibustering his own estimates.

MR. JOHNSTON: You'll recall, Mr. Chairman, that when I spoke on the use of the word "filibuster," I suggested that the word was an unfortunate selection, and I gave the member every opportunity to consider whether or not he wished to withdraw it. The record shows he withdrew it. Nonetheless, whether he decides to withdraw it or not, the choice of that word is very unfortunate, and as I've indicated before, it is not an intention of this government to filibuster. We were trying to explain a way and give the best information possible. It doesn't change the offensiveness of the word.

[Mr. Speaker in the Chair]

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

MR. SPEAKER: Having heard the report and the request for leave to sit again, does the Assembly agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: Any opposed? Carried.

MR. JOHNSTON: Mr. Speaker, I move the Assembly now adjourn till 14:30 tomorrow.

MR. SPEAKER: The Acting Government House Leader has moved adjournment until tomorrow afternoon at 2:30. All those in favour of the motion, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. The motion is carried.

[At 5:30 p.m., pursuant to Standing Order 4, the House adjourned to Thursday at 2:30 p.m.]

