LEGISLATIVE ASSEMBLY OF ALBERTA

Title: Wednesday, July 23, 1986 2:30 p.m.

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

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF VISITORS

MR. SPEAKER: Members of the Assembly, I'm sure all hon. members of the Assembly will recall that on Friday last we marked the 75th anniversary of the Commonwealth Parliamentary Association. On that day the Chair had invited former Speakers and Deputy Speakers of the Assembly to the Speaker's gallery. One was unable to be present, but he is present with us this afternoon. Seated in the gallery this afternoon is Alf Hooke, who was elected in 1935 as the MLA for Red Deer and later represented the Rocky Mountain House constituency. He held the constituency for eight successive elections, and he retired, as he says, "voluntarily" in 1971. So his term of service to the province extended over a period of 36 years. During that period of time he was briefly a Deputy Speaker of this Assembly.

I would ask him to rise, together with two of his granddaughters, who happen to be employed within the general jurisdiction of the Legislative Assembly, Miss Dixie Hooke, who works for *Alberta Hansard* and Miss Monica Mah, who works for the Alberta Legislative Assembly Office. Would all members give them the traditional welcome.

head: INTRODUCTION OF BILLS

Bill 262 Alberta Plus Corporation Act

MR. PASHAK: I beg leave, Mr. Speaker, to introduce Bill 262, the Alberta Plus Corporation Act.

This Bill would create the Alberta Plus Corporation, a Crown corporation intended to co-ordinate and develop the implementation of projects to develop Alberta's tar sands and heavy oil resources, primarily through participating in joint ventures with private-sector companies. The corporation would initially be funded through a \$1.5 billion transfer from the Heritage Savings Trust Fund.

[Leave granted; Bill 262 read a first time]

head: TABLING RETURNS AND REPORTS

MR. CRAWFORD: Mr. Speaker, I would like to table, pursuant to statute, financial statements for two fiscal years of the Special Areas Trust Account, the years ended December 31, 1984 and 1985, and as well the financial statements for the Metis Settlements Trust Fund for the period ended March 31, 1985.

head: INTRODUCTION OF SPECIAL GUESTS

MR. FJORDBOTTEN: Mr. Speaker, it is my pleasure to introduce to you, and through you to members of the Assembly, a group of gentlemen seated in the members' gallery. Mr. Charles Day is president of Interconference in Geneva, Switzerland. Mr. Day is assisting the efforts of the Department of Tourism in attracting major world conferences to Alberta. We're pleased that Mr. Day has agreed to serve our interests in this important European market.

With Mr. Day is Mr. Denis Holmes, the convention manager of the Edmonton Convention and Tourism Authority; Mr. Larry Swaren, the director of sales of the Edmonton Convention Centre; and from the Department of Tourism, Mr. Doug Lane, director of meetings marketing, and Mr. Peter Crerar, the executive director of administration. With Mr. Crerar today is his son Michael Crerar. I would ask the gentlemen to rise and receive the customary welcome of the House.

MR. CHERRY: Mr. Speaker, I would like to introduce to you, and through you to members of the Assembly, three gentlemen: the reeve of the county of Vermilion River, Frank Wheat, who I might add has over 30 years of service in municipal government; the deputy reeve, Jiggs Goldsmith; and a contractor who is with them today. I would ask that they stand and receive a warm welcome from the Assembly.

MR. DAY: Mr. Speaker, I'd like to introduce to you, and through you to the members of the House, the chief administrative officer of the Red Deer North constituency office. Miss Lynne Penney is with us today. I ask her to stand and receive the welcome of this House.

head: ORAL QUESTION PERIOD

Energy Industry Assistance

MR. MARTIN: Mr. Speaker, I'd like to direct the first question to the Minister of Energy. During the election small energy producers reminded the Premier that it was third down with the clock running out. I guess they thought he understood that sort of talk, but we might say that frustration is still on the increase in the oil patch. My question to the minister is: before businesspeople from the oil rig service sector become so frustrated and upset that they drive a cavalcade to the Legislature, will the government formally announce its desire to renegotiate the Western Accord in order to get a better deal for Alberta?

DR. WEBBER: Mr. Speaker, as the hon. Leader of the Opposition knows, we have taken a number of steps in the last year to assist the oil and gas industry in this province in terms of incentives. The latest ones were announced in June of this year to try to create activity and some work over the summer months. I have been meeting with a number of the umbrella organizations and individuals from the oil and gas industry over the last number of weeks and months trying to determine from that industry how they think we should be dealing with a long-term low-price situation.

Even though the assumption is that prices are going to increase later in the year and beyond, on the assumption it doesn't, we have to plan for that. It has just been this week, as a matter of fact, that the Independent Petroleum Association has come to us with recommendations they think would be appropriate to deal with the problems.

Yes, we are dealing with the situation by working with the industry and with the federal government. I anticipate meeting with the federal minister very shortly.

MR. MARTIN: I'm glad we're having meetings, Mr. Speaker.

A supplementary question. The minister mentioned incentives. Apparently only 13 percent of available drilling rigs are working this week, so I would say that the summer incentive program can hardly be called an overwhelming success. My question is specifically then: will the minister be sitting down this week with the specific group, the small producers that are hurting the worst, and the service industry to see what changes to the government approach might be undertaken which would try to ensure that there will in fact be a Canadian sector left in a year's time?

DR. WEBBER: Mr. Speaker, I'm happy to meet with any individual or groups and have discussions with my office staff. I will be meeting with representatives from different areas that are concerned about the issue the member raised in terms of coming to the Legislature.

I don't know where the hon. member got the expression "overwhelming success." I haven't heard anybody say the summer incentive programs were an overwhelming success. Those particular programs are put in place to try to assist the industry and are only as effective as the take-up on those programs. The world prices, as the hon. member knows, have come down to low levels, and they have been fluctuating, having a significant impact on the cash flow of the industry and their reinvestment plans. So any program that we came up with in terms of short-term incentives over the summer can only be as effective as the ability of those companies to have the cash flow to participate in those programs.

MR. MARTIN: A supplementary question, Mr. Speaker. I guess 13 percent says it all. I think it's just not working. I also have an assessment by the investment firm of F.H. Deacon Hodgson, and they observed — and this is their statement — that an industry understanding of the inability of governments to provide a solution to this crisis will reduce investment. That's what the industry is saying.

My question to the minister then: will he be making an announcement of some sort this summer, perhaps of an equity support system, which will help investment and save some of the 40,000 Alberta jobs lost or at risk?

DR. WEBBER: Mr. Speaker, you'd think the hon. Leader of the Opposition would realize that the impact of the falling world prices on our industry is such that it makes it very difficult for governments to try to have the industry invest in the way it has before. In fact, the recommendations that have come to us from different organizations recommend the elimination of the PGRT as number one; secondly, that we review our royalty structures and that the federal government consider taxation measures. Even with all those steps, there still wouldn't be sufficient cash flow to bring activity up to 1985 levels. If a package could be put together, in co-operation with the industry and the federal government, we may be able to come to a fairly good percentage of that kind of activity down the road, and we're working towards that objective.

MR. MARTIN: Just like low interest loans, maybe they'll get around to a floor price if we keep saying it enough times.

A supplementary question. It has to do with the IPAC report. I take it this is the one the minister was talking about that came out on July 16. They note that Canadian activity levels this year will be 30 percent of 1985 levels. Again, so much for your incentive practice. But the more important thing they talk about is the reserve depletion. My question to the minister is: has he asked the ERCB for a special report on reserve replacement in the current situation, which would include recommendations on how we could act to maintain our crucial energy reserve base into the next century, given the current slump in exploration?

DR. WEBBER: Mr. Speaker, I have had discussions with the ERCB and have requested that they give us information with respect to the impact of long-term low prices on the supply of oil and gas over the next number of years in the longer term.

MR. TAYLOR: A supplemental, Mr. Speaker, this time to the Provincial Treasurer. In view of the Minister of Energy's admission of summer incentives being a flop and also that oil prices are not coming back in the near future, can we expect a supplemental budget to be issued shortly showing the realistic incomes from oil pricing?

MR. JOHNSTON: Mr. Speaker, I don't quite recall the same comments coming from the Minister of Energy as interpreted by the Member for Westlock-Sturgeon. In fact, I do believe the minister indicated that it was his view that prices would firm towards the remainder of 1986. As I have explained in the House before, that is the assumption on which this budget is crafted and is in fact the position which we stay with today.

Securities Commission

MR. MARTIN: Mr. Speaker, I'd like to direct the second question to the Minister of Consumer and Corporate Affairs. It's my understanding that the minister has publicly indicated that it is finally sinking in that the Securities Commission is not working well in this province and that a fundamental review is upcoming.

My question to the minister: will she use her prerogative, as outlined in section 33, to order an independent investigation of the commission's actions and involvement in the various financial scandals that have hit Alberta over the last few years, as a first step in her review?

MISS McCOY: Mr. Speaker, once again I'm beginning to enjoy the level of understanding of the hon. leader. He has stated that it is his understanding that there has been a public statement regarding the Securities Commission's actions and the level of confidence I have in what they do. I think he has perhaps left the wrong construction on that. That is not what I have said in public. Let me say publicly now that that's not the cause.

Let me also say that it's a matter of typical legal organization for any tribunal that has an adjudicative role not to have to endure a policing role at the same time. It is that concept that I wish to explore.

MR. MARTIN: That's rather interesting. My question to the minister is: in view of the fact that North West Trust and Heritage trust are only the latest examples which followed Tower Mortgage, Dial Mortgage, and Abacus Cities, amongst others, and given this record, why will the minister not use her authority under section 33 to order an independent investigation of the role of the commission in these affairs?

MISS McCOY: Mr. Speaker, I should also advise that the Securities Commission has for some time now, on a operational level at least, taken steps to separate the investigative role it has mandated apart from the adjudicative role which it also is mandated under the Securities Act. Let me also be clear that the organization which is set out in the Securities Act has been judicially commented upon at least once, if not more than once, and has been given the blessing of the courts.

As I say, I am proceeding out of a sense of common law traditions in which I have been trained. Further than that, let me also say that the Securities Commission is a facilitator, and its role is to see that information is given by sellers of securities to potential buyers of securities. The decision of whether or not to buy is of course on that purchaser.

MR. MARTIN: A supplementary question, Mr. Speaker. I was asking about section 33 in the minister's powers, but by that nonanswer I'll go on to the next one.

Are we to understand, Mr. Speaker, that it's this minister's policy never to use section 33, no matter how many mistakes are made or messes the commission is involved in? If that's not what she's saying, what circumstances would convince her to invoke section 33?

MISS McCOY: In reply to the two questions I have been given, I would hesitate to comment on what the member might understand, given some of the questions I have recently heard.

The other point one might want to make is never say never.

MR. MARTIN: We have a new person trying out for comedy on the opposite side.

I'll try my question to the Treasurer, who might be a little more forthcoming today. In answering yesterday, I believe the Treasurer said that North West Trust is involved in transactions which will affect their financial statements. Given that the statements which are overdue deal with the last fiscal year which is over, can the Treasurer outline how current or future transactions could possibly have anything to do with this year's books?

MR. JOHNSTON: Yes, I could, Mr. Speaker, but I'm not too sure there's enough time in the question period to fully outline that, except to say that it's my understanding that when an opinion is expressed on financial statements, it is the professional responsibility of the Auditor to provide information to the shareholders of that corporation of any events which may be taking place after the fiscal year end and during the reporting period. Because the company has indicated there were certain transactions taking place, contemplated, or in the negotiating stages which could in fact impinge on the disclosure at December 31, 1985, it is for that reason the delay in the filing of the statements has been taken in a just and reasonable way by the corporation and as well I believe in a professional way by the chartered accountants who were expressing an opinion on it. Mr. Speaker, he asked for an explanation. I attempted to give that explanation to the hon. leader.

MR. TAYLOR: A supplementary, Mr. Speaker. I, too, will try the Treasurer, although I'd never thought I'd see the day when he's less shifty than someone else. Given the government's multimillion dollar investment in North West Trust, both directly and indirectly, can the Treasurer tell this Assembly if the government is represented directly or indirectly on the North West Trust board of directors?

MR. JOHNSTON: Of course, Mr. Speaker. I'm not at all being shifty when I say to the hon. Member for Westlock-Sturgeon that he is absolutely out of order. Is that clear? That's a clear statement. You're misrepresenting the facts of this case entirely. I have given clear evidence in this House that the role of the Treasury Branches as a financial intermediary with respect to North West Trust has been clearly stated. For him to suggest that there are millions of dollars of government money involved is absolutely misleading. If he wants to put that information on the table, let him do it.

My position has consistently been, Mr. Speaker, that in terms of confidential, commercial transactions between the Treasury Branches and North West Trust, and for that matter any other corporation dealing with the Treasury Branches, that is between the bank, the Treasury Branch, and the corporation. I think that has to be upheld in this House.

MR. SPEAKER: The minister has challenged the statement by the Member for Westlock-Sturgeon. The Chair heard voices from the ranks of the Liberal benches to say that they could prove the documentation. Therefore, I would assume that the members, especially the Member for Westlock-Sturgeon, will have to prove the allegation which was made.

MR. TAYLOR: Mr. Speaker, do I have to prove he's shifty or that they've put \$85 million into the thing?

MR. SPEAKER: With respect to "shifty", I expect the hon. Member for Westlock-Sturgeon to withdraw the remark as being somewhat unparliamentary and with respect to filing the documentation, to do so at the earliest possible moment.

MR. TAYLOR: Mr. Speaker, I do not think the word "shifty" is unparliamentary, in the absence of any evidence to the contrariwise. As a matter of fact, in his case it might be complimentary.

MR. SPEAKER: The House will continue with this issue at the end of question period, if the end of question period ever does occur. The Chair now recognizes the Leader of the Liberal Party to ask his main question.

MR. R. SPEAKER: Mr. Speaker, a supplementary question on the last ...

MR. SPEAKER: I'm sorry, but the Chair is not prepared to entertain any additional supplementary questions on the last question, because the issue has been embroiled in the matter of a point of order or a point of privilege. The Member for Westlock-Sturgeon.

River Flooding

MR. TAYLOR: Mr. Speaker, this question is to the Minister of the Environment. In this day and age, given the amount of time and money that governments spend on water management, flooding should be no longer considered "an act of God," rather as the result of a government's mishandling of water management techniques such as the Brazeau dam. In light of this, can the government assure all flood victims that they will not have to pay a cent of damages incurred and will waive the \$1,000 deductible?

MR. KOWALSKI: Mr. Speaker, I always enjoy getting up in response to a question from my good friend the Member for Westlock-Sturgeon. I would like to point out that the other day the hon. member accused me of being sloppy, and I would like all hon. members to know that I most certainly am not. I wear socks of the same colour.

Mr. Speaker, I think perhaps what is really important is that all hon. members should know that yesterday a series of questions were raised with respect to TransAlta Utilities and their operation of the Brazeau dam. I have requested from TransAlta Utilities a statement with respect to this, and I have received it. I've had it evaluated by an outside source other than TransAlta Utilities. It's my understanding — and I'm sure this will become useful information to all members of the House — that the highest inflow into the Brazeau project was approximately 52,000 cubic feet per second, at which time the flow from the project was approximately 36,000 cubic feet per second. In other words, there was nearly twice as much water coming into the dam as there was going out.

MR. TAYLOR: Mr. Speaker, to the minister. I won't even bother rephrasing the first question. I don't know whether he was listening or what he's using for a hearing aid. Could the Minister of the Environment guarantee farmers that their losses will be covered by the flood aid package in a similar manner as urban flood victims, regardless of whether a farmer has flood insurance or crop insurance?

MR. KOWALSKI: Mr. Speaker, it would be my intent later in the week to rise in the Assembly and make a ministerial statement with respect to the initiatives of the province with respect to those citizens in the city of Edmonton who have experienced flood damage. It would also be my intent later in the week to rise in the House and by way of ministerial statement convey to all members what the initiatives of the government of Alberta will be with respect to those individuals who have suffered damage in rural Alberta.

MR. TAYLOR: A supplementary to the minister, Mr. Speaker. A TransAlta spokesman confirmed that the minister "has the final say on dam operation." Given the minister's uncertainty in the Legislature yesterday — and I have the Blues in front of me — that the dam is not "owned and operated by the province of Alberta or the government of Alberta" and his statement that the final say of the dam operation belongs to the minister, is he able to confirm that he is the ultimate decision-maker on the operation of that dam?

MR. KOWALSKI: Mr. Speaker, the Minister of the Environment is not by law the final decision-maker with respect to the operation of the dam. I would suspect there is a fair amount of authority that goes with the office; in other words, the position that one might take with respect to his good offices. I would suspect that if I were to phone up TransAlta Utilities Corporation and tell them in no uncertain terms that they should do something, they might listen. Now whether or not that would be tested in a court of law and what the decision would be wouldn't even be known to me at this point in time.

I would like to assure all members of the House that there is excellent co-operation provided to Alberta Environment's river forecast centre from TransAlta Utilities. Our computer machines are connected to TransAlta's with respect to the water contained in both the Brazeau and the Bighorn dams. Alberta Environment has complete knowledge of what is happening at all times with respect to water storage on both projects.

MR. TAYLOR: Mr. Speaker, a final supplementary to the minister. It's nice to know that your machines are talking; I'm more interested in whether you're talking. In light of the confusion that has surfaced over the role of the Department of the Environment vis-a-vis TransAlta Utilities and the Brazeau dam, will this government conduct a public inquiry into the management of flood control throughout this province to restore public confidence?

MR. KOWALSKI: Mr. Speaker, I'm not aware of any confusion that might exist other than that which is contained within the mind of the Member for Westlock-Sturgeon. I made statements yesterday with respect to the situation of water containment at the Brazeau dam. I made consistent statements in the last 24 hours. The fact of the matter is that rain was continuing on Thursday and early Friday in the area.

I indicated yesterday that the distance between Edmonton and the location of the Brazeau dam is 120 miles. In fact, a review of the exact mileage, with all the meanderings of the North Saskatchewan River, indicates that figure is 156 miles. The water contained behind the Brazeau would take a certain number of hours to come here, and I think all the decisions were correct, and there should be no confusion.

MR. R. SPEAKER: A supplementary question to the Minister of Agriculture. It's with regard to aid to farmers or meeting the problems that were created by the flood. Could the minister indicate to the Assembly whether or not he has requested aid from Ottawa with regard to assisting these farmers? If not, is there a plan to make a submission to the federal government?

MR. ELZINGA: Mr. Speaker, and through to the hon. Member for Little Bow, I can indicate to him at the outset that we as a government are going to spare no effort in making sure the difficulties our agricultural sector and our urban sector are facing, as the hon. Minister of the Environment has stated — to offset these detrimental impacts the flood has caused. As I earlier indicated in the House, our office did communicate with the office of the federal Minister of Agriculture. I followed that up yesterday with a letter. We telefaxed it today.

There have been some reports to the contrary, and I should share with him, as is the case in life on certain occasions, errors are made. In this case, there was an error made by a source that is usually very valid. But in this case the *Edmonton Journal* was totally wrong in their reporting. Sharon Andrews, the press secretary to the Minister of Agriculture, had indicated on several occasions to the reporter that we had been in contact with his office on Monday.

MR. HORSMAN: Supplementary information, Mr. Speaker. In my capacity as Minister of Federal and Intergovernmental Affairs, a letter has gone forward to the Hon. Perrin Beatty, Minister of National Defence, who is responsible for emergency services, requesting that the cost-sharing arrangement between the province and the federal government be activated with respect to the flooding in both urban and rural Alberta.

MS BARRETT: Mr. Speaker, Td like to direct a supplementary question to the minister responsible for disaster services, who I believe said a moment ago that he is not prepared to waive the \$1,000 deductibility with respect to claims. I wonder if the minister is prepared to look at each claim on the basis of ability to sustain that \$1,000 deductibility with respect to residents who have sustained damages and have to clean up.

MR. KOWALSKI: Mr. Speaker, I indicated a little earlier that towards the end of the week I would be making a ministerial statement with respect to the initiatives that we'd be taking in this matter. I suspect the Member for Edmonton Highlands will be rather pleased.

Agricultural Trade

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Federal and Intergovernmental Affairs regarding a group of 14 agricultural exporting countries meeting to campaign against agricultural subsidies in Europe, Japan, and the United States. The first of these meetings is slated for this Wednesday. Could the Minister of Federal and Intergovernmental Affairs indicate what involvement the province of Alberta has had with regard to Canada's representation to those 14 countries?

MR. HORSMAN: Mr. Speaker, with respect to the subject of international trade matters, this, amongst other things, was discussed with the Rt. Hon. Joe Clark, minister of state for External Affairs during and after the course of the meeting which was held last month in Vancouver relative to the softwood lumber issue.

Of course, there have been some changes in responsibility for international trade matters within the federal government. The Minister for International Trade is now the Hon. Miss Carney. We have been in touch with both the minister of state for External Affairs and Miss Carney relative to our concerns on those matters, and we have been assured by Mr. Clark in particular of their intention to involve the provinces in matters of international trade in a major way in future discussions.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. The lobby that is going on between these countries will culminate just prior to or at the GATT discussions in September in Uruguay. Could the minister indicate whether a representative from Alberta will be involved in that presentation in Uruguay? If so, are there some terms of reference being established with regard to our position on the subsidy question?

MR. HORSMAN: Mr. Speaker, there have been discussions between my office and the office of the minister of state for External Affairs on the subject of provincial representation in Uruguay. It is my understanding that formal invitations will indeed be extended to a number of provinces to participate in those discussions. However, no formal invitation has yet been received. MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. It's with regard to the discussion of free trade with the United States. Could the minister indicate whether our representative in those free trade discussions could also be the representative or the co-ordinator with regard to Alberta's position on this Canadian committee of the 14 countries?

MR. HORSMAN: Mr. Speaker, the appointment of the Alberta trade representative included the responsibilities for dealing with the bilateral discussions now under way with the United States. I can report to hon. members that our representative, together with other provincial government representatives, is meeting today in Ottawa with Mr. Reisman and the federal negotiating team as part of the ongoing process relating to provincial participation in those discussions.

It is also the responsibility to participate at the provincial level in the General Agreement on Tariffs and Trade discussions which, as the hon. member has indicated, will commence next month in Uruguay. It will be the responsibility of that trade office to be involved in those discussions, as they are arranged by representations between governments. As the formula is fixed for the participation, that representative will be taking an important role.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Premier with regard to this question of subsidies outside Canada and other nations, and it involves all of the provinces of Canada. Would this possibly be a subject of discussion in the Premiers' conference? I see a subject like this certainly needs to have the unity of all Canadians. Could this be a subject to indicate that we're united here in Canada on such a very important item? It's the tradeoff, as I see it, between Canada subsidizing the price of wheat, for example, to meet the subsidies in other parts of the world versus the others reducing their subsidies, which to me is a better alternative.

MR. GETTY: Mr. Speaker, I think that will be discussed in some detail in the Premiers' conference. The hon. member may recall that I've had discussions with the Prime Minister on this issue as well and that in his negotiations with other countries, he is expressing the views that have just been expressed by the hon. member and by the Minister of Federal and Intergovernmental Affairs. We agree that it is extremely important and will be followed up at every opportunity.

MR. ELZINGA: Mr. Speaker, with your consent, may I supplement the series of questions that have been put by the hon. Member for Little Bow and share with him that there is an ongoing working relationship between all the provinces and the federal government. We have established six committees, one dealing with trade and another dealing with farm finance. We hope to gather together and discuss the final analysis of the committee work when we do meet as ministers of agriculture in Victoria in the week of August 24.

MR. MARTIN: Just a clarification to either the Premier or the minister of intergovernmental affairs. Is it the government's understanding that the American subsidies are being discussed by Mr. Reisman directly in these talks, that that has been brought up at this time? MR. HORSMAN: Mr. Speaker, the matter of the agricultural sector, insofar as Canada is concerned, is being discussed today in Ottawa. The report will be made available to the provincial representatives by the federal representatives at that meeting. On the other hand, one would have to appreciate that it is not proper for me at this stage, or perhaps even after having received the report from our trade representative, to discuss the negotiating strategies which the federal government may be involved with that may in any way prejudice our negotiating position with the Americans. Needless to say, the issue of the U.S. farm Bill is a matter of public knowledge and will of course be and is a grave concern to all agriculture producers in western Canada.

MR. TAYLOR: A supplementary to the minister of intergovernmental affairs, Mr. Speaker. Would he indicate what jurisdictions, if any, may be given up by the province to the federal government in order to accomplish free trade? Has he any studies on what jurisdictions may have to be given up?

MR. HORSMAN: Mr. Speaker, it would be quite impossible to provide a brief answer to that question. Obviously, there are matters which are the constitutional responsibility of the provinces. As a government we have always maintained that we are prepared to, for example, knock down interprovincial barriers where they exist within Canada. That has been the stated view and a policy of this government as long as I can recall, and it would be our policy to continue that. Of course, in doing so, in order to achieve an unbalkanized Canada relative to trade, it is necessary to perhaps give up some jurisdictions. On the other hand ...

MR. TAYLOR: Free trade with the U.S.

MR. HORSMAN: I'm coming to that, if the hon. member will be patient. But if hon. members don't want the answer to the question, then I shall resume my seat.

As a result of the negotiations now under way with the United States, it is clear that the question of internal trade barriers is a matter of concern to the Americans and as well to our country. That is of course a matter that may involve, as the hon. member puts it, some change in jurisdictions. But if in the process we can achieve a better economic standard of living for the people of Canada, I for one, Mr. Speaker, would be prepared to consider giving up some minor jurisdictional control in order to see a better standard of living for the people of this country.

Opportunity Company

MR. STEWART: Mr. Speaker, my question is to the Minister of Economic Development and Trade. He indicated last night in the Assembly that the Alberta Opportunity Company had provided more than \$400 million to Alberta small businesses since 1972. Can the minister advise the Assembly how much funding is available for the current year through AOC in order to provide support for small business in Alberta?

MR. SHABEN: Mr. Speaker, the Alberta Opportunity Company is run by a private-sector board of directors, and their decisions are made as a result of the pace of the applications they receive. In recent discussions with the chairman of the board, he indicated that it appeared as though \$20 million to \$25 million worth of financial assistance would be provided to small business in '86-87. That would include both loan guarantees and direct loans.

MR. STEWART: A supplementary, Mr. Speaker, to the minister. I note that losses experienced by Alberta Opportunity Company have increased. In view of those losses, is the minister prepared to direct the Alberta Opportunity Company to pursue the new initiatives, including equity participation, that the minister spoke of during his estimates, or will he be directing Alberta Opportunity Company to reduce the losses in its portfolio?

MR. SHABEN: I believe, Mr. Speaker, as the hon. Member for Calgary North Hill correctly noted, we had discussed this matter in an earlier question period. The increases in losses, particularly in 1985, are not surprising considering the circumstances that occurred subsequent to '82: the impact of the national energy program, spiralling interest rates, and difficulties worldwide in terms of available markets.

I think the company has achieved tremendous success in keeping losses as low as they have, Mr. Speaker, in view of the fact that the company has been a financial organization that has provided financial support to companies as a last resort after having been refused by other financial institutions. So the losses have not been disturbing to the government.

With respect to new directions, the Premier has asked, and I've conveyed this to the chairman of the board, that the board consider new initiatives in terms of financing small business. In other words, that we not restrict the activity of Alberta Opportunity Company to debt financing but encourage the company to involve itself in creative financing by way of instruments, such as preferred shares and other creative ways. The board is considering that, and we expect to meet again with the board to further discuss this policy recommendation of the government.

[The Member for Ponoka-Rimbey rose]

MR. SPEAKER: Sorry, hon. member. No supplementary with respect to the main question raised by the member from the party. Member for Clover Bar, is this a supplementary question? Main question to the Member for Clover Bar, followed by the Member for Edmonton Strathcona if there's time.

Toxic Waste Dump Sites

DR. BUCK: Mr. Speaker, my question is to the hon. Minister of the Environment. This has to do with a question that my colleague, the Member for Little Bow, raised several weeks ago about the abandoned dump site at the Dow site. Can the minister indicate if his department has had an opportunity to inventorize what contents were in that dump, and could he give that information if it's available?

MR. KOWALSKI: Yes, Mr. Speaker, I certainly can. In fact, I was hoping the questions would have come earlier this week with respect to this matter, but other events seem to have taken the front stage.

First of all, Mr. Speaker, the chemical analysis was concluded using sophisticated testing equipment. The residue that was contained in the 1,022 barrels was confirmed to be a herbicide residue containing remnants of 2,4-D. Secondly, and perhaps more importantly than the verification of the chemical analysis, observation wells were drilled and

clearly show that there was no groundwater contamination at all. So the matter is now being cleaned up by Dow under supervision of Alberta Environment.

DR. BUCK: Mr. Speaker, to the minister. Can he indicate what is going to happen with the grounds that have been contaminated? Is that going to be disposed of, or what's going to happen with that?

MR. KOWALSKI: It's my understanding, Mr. Speaker, that Dow Chemical currently has another dump facility that's under construction. They will be using two sophisticated lining technologies to ensure there will be no more further contamination at all. The matter will be resolved. It will be neutralized there on site. That's my understanding.

DR. BUCK: Mr. Speaker, to the minister. I note he has sent out a directive to industries to look for abandoned dump sites, especially chemical dump sites. Can the minister indicate — and maybe I missed this in his release — when the deadline is for that information to be made available, or has the minister established a deadline for that reporting?

MR. KOWALSKI: Mr. Speaker, that hasn't happened yet. What I was hoping to do was provide information to the House, because the request did come from an hon. member, on what the government's intention would be. We will shortly be undertaking a three-phased approach to this whole business, and included in the first phase that I want to undertake is a five-step approach. The first of those five steps will be a letter that will be going out from myself to all industries in the province of Alberta asking them to identify for us any such dumps that they have on their site and to provide that information to me. In addition to that, I intend to take a massive review of all the information we have in the Department of the Environment.

I intend as well to actively support information from the citizenry at large by way of advertisements that will be going to newspapers in the province of Alberta this fall asking citizens to come forth and identify to provincial authorities where they might suspect such a dump would have been located at some decade in the past. In addition, we'll be using Alberta Environment's toll-free emergency number asking people to provide us with that kind of information. We're going to be hiring a senior project manager under contract who will co-ordinate this activity. It's my hope that phase one of this, the inventory investigation, would be concluded by March 31, 1987.

DR. BUCK: Mr. Speaker, a final supplementary. Did I miss it? Did the minister say that a directive will be going out to the municipalities as well?

MR. KOWALSKI: Included in the correspondence that will be going out — it won't be a directive — will be a request from the Minister of the Environment asking all industries in the province of Alberta to do an inventory of their past historical development in this province and identify to Alberta Environment where such facilities may have been placed. In addition to that, letters will also be going to all municipal governments in the province of Alberta asking them to identify, too, from their past records where such dumps may have been located. We're into the inventory categorization stage and hope to have a report by March 31, 1987. MR. TAYLOR: A supplementary to the minister, Mr. Speaker. Has he considered the possibility of offering a reward to those people that could give the government information leading to the finding of dumps that had not been heretofore reported?

MR. KOWALSKI: Mr. Speaker, it's always been my view that one of the responsibilities we have in a democratic society, as we have many, many rights, is for all of us to be collectively responsible for what happens in our environment. I believe the people of Alberta don't have to be bribed by money. I believe they have a commitment to the improvement of the environment, and I will be asking them to do that.

MR. YOUNIE: The minister mentioned that Dow is now in the process of building a more sophisticated dump. What has the minister done to ascertain what Dow has been doing with the waste produced from the time of this burial until the present time, including the most recent few years for which they should be able to remember?

MR. KOWALSKI: The material that was uncovered several weeks ago, Mr. Speaker, was apparently stored in 1970 or 1971. In recent years, as a result of the changes to the Clean Air Act and the Clean Water Act that were brought in in the early 1980s, it's now a mandatory requirement for all industry in the province of Alberta not only to keep a record of such material but to follow proper storage facilities and neutralization facilities. Of course, with the implementation of the Special Waste Management Corporation Act, it's now a requirement that those materials be neutralized.

MR. SPEAKER: The time for question period has expired. However, the Chair did mention the constituency of Edmonton Strathcona. Given the fact that there was an interchange during question period earlier today, is the House willing to consider the main question plus supplementaries as given strictly by the Member for Edmonton Strathcona?

HON. MEMBERS: Agreed.

Townshend Inquiry

MR. WRIGHT: Mr. Speaker, my question is to the Solicitor General and concerns the Townshend inquiry. The inquiry into the report of which and circumstances surrounding it is due to take place on Friday. We understand it will be in camera. Having regard to the very strong expressions of concern of Judge Rolf concerning the use by the city of Edmonton police of unwitting civilians as bait to trap an armed and dangerous criminal, how can the Solicitor General justify an in camera inquiry?

MR. ROSTAD: Mr. Speaker, the inquiry the hon. Member for Edmonton Strathcona is referring to is under the jurisdiction of the municipal police commission and not under my direct control. I haven't had direct conversation with the police commission to the fact that it is going to be held in camera. My position is that once they have held their inquiry, they are going to provide the results to me. I will then go through the procedure of reviewing that with other police commissions and police chiefs to find out what the standard practice is around the province. If I determine from that that the procedures are not adequate, then we will take appropriate steps.

MR. WRIGHT: Mr. Speaker, it is true that the inquiry is now being conducted by the Edmonton city police commission. But the Solicitor General will recall that the former Solicitor General promised in November 1985 a complete and comprehensive review of the Edmonton city procedures conducted by five senior police officers with three civilians. That's what he called them. Why leave it to the Edmonton police commission now to conduct that inquiry when surely they are interested in a legal sense in seeing that their own force did not misconduct themselves?

MR. ROSTAD: Mr. Speaker, my department and this government are interested in good policing for the citizens of Alberta. However, I don't think we're interested in having a number of commissions travelling about investigating this. We have undertaken to receive the findings of the Edmonton city police commission inquiry. At that time, we will review them with the various police forces, chiefs of police, and police commissions within the province to find out if the standard of practice is satisfactory, and if it isn't, how it can be corrected. At that time, if we did determine that we required further inquiries, we'd be open to them. At this time, I think we should give this inquiry due time and then proceed from there.

MR. WRIGHT: Mr. Speaker, we understand the inquiry will be completed in one day. Surely when the original inquiry into the particular circumstances took several days, if memory serves me right, an inquiry of this importance cannot properly be scheduled for one day. How can the Solicitor General justify this?

MR. ROSTAD: I reiterate, Mr. Speaker, that the parameters of this inquiry are under the control of the Edmonton police commission. Once the results are received by my department, I will review them. If subsequent steps are required, they'll be taken.

MR. WRIGHT: My last supplementary, Mr. Speaker. The Solicitor General says the report is to be circulated to the chiefs of police, which really is like circulating a report on chicken safety to a committee of foxes. If that is all that is to be done, where is the opportunity for public input into the process?

MR. ROSTAD: Again, Mr. Speaker, the parameters of the inquiry and the procedures under which it is carried out are within the jurisdiction of the Edmonton police commission. Once I receive their findings and recommendations, I am discussing them with the various police commissions, police chiefs, and different municipalities, comparing the recommendations of this hearing as to the present standard practice. We will at that time determine as to whether there is further input required.

[The Member for Calgary Buffalo rose]

MR. SPEAKER: Hon. Member for Calgary Buffalo, I'm afraid that when the permission of the House was given to extend question period, it was phrased that it would be the main question plus the supplementaries for the member raising the question.

The House now returns to items which were raised earlier with respect to unparliamentary language. The Chair is now going to shift its position and apologize to the Member for Westlock-Sturgeon. The use of the term "shifty" was not unparliamentary. We've checked a number of sources, and I apologize to the member.

AN HON. MEMBER: How about "tricky?"

MR. SPEAKER: We're not here to adjudicate an innumerable number of terms. Further issues?

Might we have permission of the House to revert briefly to a tabling motion? Agreed?

HON. MEMBERS: Agreed.

MR. SPEAKER: All those opposed, please say no. Thank you.

head: TABLING RETURNS AND REPORTS (reversion)

MR. WEISS: Thank you, Mr. Speaker, and members of the Assembly. Thank you for shifting back. I'm pleased today to file an official response to questions that were raised by the Leader of the Opposition on June 23, 1986, respecting the Shell Jutland well site.

head: ORDERS OF THE DAY

head: COMMITTEE OF SUPPLY

[Mr. Gogo in the Chair]

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

Department of Manpower

MR. CHAIRMAN: The committee will consider the opposition-designated department, which today is Manpower, page 259 in the working papers and page 99 in the elements book. The minister responsible is the Hon. Rick Orman.

Mr. Minister, would you care to make some opening comments to the committee?

MR. ORMAN: Mr. Chairman, I am pleased today to present some formal and informal remarks along with the 1986-87 budget estimates for the Alberta Department of Manpower. I would like to first say to the hon. members how pleased I have been in my limited association with the members of the staff of the Alberta Department of Manpower. I've said on many occasions that it's been the most pleasant experience I've had since I've taken on the role as Minister of Manpower. I look forward to that continuing relationship.

As a result of the recent decline in world oil prices, this province is facing a considerable economic challenge. The Alberta government is sensitive to the impact that this has had on the people who must deal with the present economic downturn in their day-to-day lives. At the outset of assuming the ministry of Manpower, Mr. Chairman, I set four main objectives for myself in areas that I have subsequently explored with department officials. The first was to achieve the highest level of employment possible in the province of Alberta. We are all abundantly aware of the problems that we are faced with, with the downturn in our two prime base economic sectors of agriculture and oil and gas. It underlines the redoubling of the effort that we as a government have to take and certainly that the Department of Manpower must take in its role of dealing with employment and unemployment. Certainly that has been the case over the last month. We have worked very hard on initiatives tailored to the downturn in the economy and trying to identify ways in which we can shift into the changing face of the Alberta economy.

Mr. Chairman, the second objective was to do what I could to convince Albertans and Canadians that unemployment is everyone's responsibility. It is my view that if everyone takes responsibility for achieving full employment, we will have no unemployment. Certainly that comment extends to not only the members of the government on this side but the MLAs on the other side. The comment is extended to the federal government. In fact, it's extended to all Albertans and Canadians. Unemployment is the responsibility of everybody in this country. Certainly I will do my part to take that message to all Canadians.

Mr. Chairman, number three was to encourage a high level of training and retraining programs to facilitate an appropriately prepared labour force. As I indicated earlier, it is important for the Department of Manpower, particularly, to be sensitive to the change of the economy of this province. When it comes to training, retraining, and career counselling, it is very important that we are in lockstep with other departments that are leading the way to economic diversification.

Mr. Chairman, number four was to make Albertans aware of the vast resource of employment programs available through Alberta Manpower. I have had the pleasure of visiting a number of the career centres. Later on in my remarks I will pass on to you some of my observations as I've travelled the province and visited various Manpower programs. I must say that there is a tremendous catalogue and library of information for people to access if they are looking for training or retraining programs, if they're looking for changes in careers, or if they're looking at getting back into the work force due to an absence. I venture to say, I guess putting myself at some risk, that I'd be surprised if an individual could not get appropriate counselling at our career centres if they were looking at changing their career or looking at retraining from their present career.

Consistent with the foregoing, Mr. Chairman, is that this government is committed to helping Albertans in all sectors to face these difficult times. We've already seen a very tangible expression of this commitment in the recent announcements of economic initiatives designed to provide short-term and long-term measures to strengthen Alberta's industrial base for the future. These estimates today reflect Alberta Manpower's commitment to the achievement of the government's economic and human resource development thrusts. The programs and services priorities of Alberta Manpower for the 1986-1987 fiscal year are aimed at complementing the government's goals. In the long term the department will continue to support training programs and services to facilitate a better match between the supply of and the demand for an appropriately skilled manpower in Alberta. In the short term it will strive to emphasize even more the job creation and job programs that respond to the cyclical downturn Alberta is now experiencing.

The responsibilities of Alberta Manpower are outlined in the four votes. Vote 1 covers departmental support services; vote 2 deals with training and career services; vote 3 deals with employment services; and vote 4 deals with financial assistance to exhibitions and fairs, which I will be dealing with at the end of my comments. The total expenditure will be approximately \$218 million.

Mr. Chairman, the backbone of a healthy economy is a skilled labour force. Despite the present economic downturn, it is important that the department continue its efforts to promote skills, training, and development throughout the the labour market so that Albertans will be ready and able when the economic situation picks up momentum once more. The department has therefore earmarked an estimated \$129 million for training and career services. Among these are Alberta vocational training, apprenticeship and trade certification, and the Alberta youth employment and training program. The Alberta training program alone will benefit over 65,000 Albertans at a cost of about \$105 million over the next fiscal year.

Further, approximately \$4.4 million will be applied to career assistance services to help an estimated 338,000 individuals to make informed career and job choices. The services under this category are career information services, hire-a-student, and Alberta Manpower career centres.

As I indicated, Mr. Chairman, my first priority upon taking on responsibility as Minister of Manpower was to see these department programs in action. Certainly as a small businessman I was overwhelmed with the size of the budget. I've never had over \$200 million to spend, but I still had the terms of reference of a small businessman. I wanted to be sure this money was spent appropriately; that is, that as the government's representative I was able to see with my own eyes the programs all this money is going toward. Having done that, I have been very favourably impressed with the programs, as I indicated.

My first visit was to the Edmonton Career Centre. I think the biggest impression left on me there was, as I indicated earlier, the vast amount of information catalogued for people to make informed career choices, career changes, and training programs. I should also say at this time, Mr. Chairman, that along with the career information that we have there for everybody, we are going to be targeting the women's sector of the labour force. We will very shortly be making an announcement as to a women's career resource centre that will be a clearinghouse for women looking at career changes, retraining programs, or getting back into the work force after a sustained absence.

I also had the opportunity to visit the career centre in Calgary. Through my briefing and having gone through the career centre, I had the opportunity to walk in on a counselling session that was going on at that particular time. If my memory serves me correctly, eight people were being career counselled. I asked the eight people at the table, who had been through a four-week course, their impressions of the career centre. They indicated that they were favourable. As a matter of fact, six of the eight indicated to me that they had job offers, and the other two were preparing resumes for jobs. I was very pleased to be able to go in unannounced and find out the record and the success they are having in the career centre in Calgary.

I also had the opportunity to visit the Red Deer Career Centre. I took along the Red Deer caucus. They came through the career centre, and I think it was just as informative to them as it was to me. And that's the important thing. The essence of these career centres, Mr. Chairman, is that everyone familiarizes himself, particularly elected representatives. I'm sure they are continually getting calls, as I am, about unemployment, employment, and career opportunities. I've said in this House before that I do encourage all elected representatives to familiarize themselves with the programs and the career centres we have in this province.

I was very much impressed with the Red Deer Career Centre in the sense that Red Deer is halfway between Edmonton and Calgary, as we all know. It is subject to the changes in the economy that effect Red Deer. It's a growing area. The population is expanding, and there are a number of people that are creating demands for the career centre in Red Deer. I might say that I was very much impressed with their ability to react to the changing needs of a growing urban centre such as Red Deer.

I would also like to say, Mr. Chairman, that I had the opportunity to visit with hire-a-student personnel from across the province. They had a job-search recommendation workshop, and I was invited and was very pleased to be able to present the awards to the program participants. I was just overwhelmed with their energy and vitality and the commitment that the individuals working in the field and in the department have to the hire-a-student program. It's quite clear to me that the results and the successes we've seen in the hire-a-student program are directly related to the quality of individuals we have responsible for that program. Counsellors last year made 1,800 presentations on job-search techniques to students across this province and reached 45,000 students looking for advice on how to look for and apply for a job. I think those are phenomenal numbers, and I again commend the hire-a-student staff, not only in the department but the people in the field. We have a number of locations; I believe there are some 80 in this province. I would also recommend to all of the MLAs that they go to the hire-a-student offices, contact the people, and get a sense of what's going on in the community relative to youth.

Another visit I had, Mr. Chairman, was to the Westerra Institute. The Westerra Institute had the first graduating class of the printing and graphic arts program. I was again favourably impressed with what I witnessed there. A graduating class of I would say some 15 to 20 students have completed the two-year program and are going out into the work force. At those graduation ceremonies there were a number of eager employers from across the province on hand to make job offers or who had made job offers to the graduates of the Westerra Institute. That to me demonstrates the responsiveness of vocational training programs. They are filling the current needs; we are turning young people out into the labour force who are in demand by people who are participating in the economy of this province.

I should also mention as an aside this province's apprenticeship program, Mr. Chairman. With 10 percent of the Canadian population in Alberta, our programs turn out 23 percent of all apprentices in Canada. That was, and remains, a very surprising percentage to me, and it certainly demonstrates the role that apprenticeship trade programs take, not only in Alberta but in the contribution they are making to the rest of this country.

Under employment services the department will spend approximately \$77.4 million over the next fiscal year. Some key programs in this area are the wage subsidy program, the summer temporary employment program, and the priority employment program, which will help approximately 26,100 individuals to obtain and/or retain jobs at a cost of about \$59.9 million.

This brings me back to comments on the objectives of this province with regard to long-term measures. There have been some suggestions by the Leader of the Official Opposition that the Department of Manpower is more preoccupied with short-term programs than with long-term programs. I am here today, Mr. Chairman, to let you know that in fact that's not the case. I'd like to emphasize this government's commitment to not only short-term but long-term employment programs. By way of example, I should say that under the temporary programs such as PEP and STEP, our commitment is \$31.5 million.

Under the long-term programs, Mr. Chairman, we have the Alberta wage subsidy program, the Alberta youth employment and training program, the Alberta training program, and the Alberta environment employment program. We spend \$91 million on what we deem to be long-term employment programs, so may I say again that we are not only committed to the short-term programs that, in particular, we are facing with students this summer but we're also committed to the long-term relationship we have with the labour force and the private sector. In our view it is fundamental to work closely with the private sector to encourage joint programs that will lead to job retention on a full-time, long-term basis.

As an example, I previously mentioned the Alberta wage subsidy program. I have some statistics that I found very interesting, and that is that four out of every 10 individuals put into the private sector under the wage subsidy program are retained at the end of the program by the employers. Eighty percent of those individuals retained are retained on a long-term basis. The Alberta wage subsidy program is at any given time of the month responsible for 10,000 jobs in this province and accounts for a reduction in the unemployment rate of a significant four-tenths of 1 percent. So I may say, Mr. Chairman, that this program in particular is doing its part toward reducing the unemployment rate in this province.

The Department of Manpower serves as a critical link between the government's economic and social policy areas and therefore attempts to develop the highest possible levels of employment in this province, with a view to each Albertan contributing to society as well as benefitting from such employment. In order to accomplish this aim, the department operates a number of services and programs which assist individual Albertans to overcome barriers to employment. The department therefore has set aside approximately \$6 million for its Opportunity Corps program, employment counselling, and relocation services.

I would like to say to you, Mr. Chairman, and hon. members here today that I went to Slave Lake last week, and it was one of the best experiences that I've had since becoming Minister of Manpower. In the Slave Lake area we have a program that was innovated in Slave Lake and has since been adapted to the rest of the province. The program started there and now is in 12 locations across this province. The program deals with assisting the native population, in particular, who are concerned or who want to move into the larger centres and are looking for employment. Along with the counselling that we provide to them, we also take applications from individuals who are interested in locating in these centres. We interview them, assist them in a job search, put them up in, say, a motel, and find them a job. Once we've decided and once the employee is satisfied that this is the job that he intends to stay with, under this program we also assist in relocating the family, in securing financial assistance so they can find themselves a home in the urban settlement, and in home maintenance.

I drove by the homes in Slave Lake and saw that along with this program and the home maintenance support we

provide, there is a pride of ownership. We have assisted these people in finding jobs that they couldn't find out in the far reaches of the province, and we've been able to bring their families into the centres. It gave me a warm feeling, Mr. Chairman, to see the success that this program has had and particularly the commitment of the people in Slave Lake to this program.

I also had the opportunity to visit the Opportunity Corps in Peace River. I should say that from my observation, Mr. Chairman, the Opportunity Corps is accessed primarily by the native peoples. Under the Opportunity Corps in Peace River they have taken on 26 community projects, assisting in either — I'll give you an example: the Sutherland nursing home. The minister of highways certainly would be familiar with these. The Sutherland nursing home was in need of renovations; the Opportunity Corps took up the challenge. They went in there and provided some of the renovations that were needed in the nursing home. The same goes with the Sugar Plum Tree day care. They went in and did some maintenance and renovations that were much needed in the area. It certainly was apparent to me, Mr. Chairman, that there was a real sense of community and commitment on behalf of the people working under the Opportunity Corps program. It's really something to see, and I encourage all members to familiarize themselves with that program.

I also had the opportunity to go to Wabasca and view the Opportunity Corps there. For a big-city boy like myself to go into an area like Wabasca and see the challenges that people are faced with in these areas, particularly the native population ... I was favourably impressed with the esprit de corps there and the fact that they had co-operated in the building of the Wabasca youth centre. I was advised that they are involved in the maintenance of that centre and that their next objective is to cover the attached ice surface. So they are not without significant tasks even in a small area like Wabasca.

Prior to giving a brief comment on the lotteries, Mr. Chairman, I would like to indicate to you and remind hon. members that the Department of Manpower is really very much demand-driven by nature. It's necessary for us to be sensitive to the changing economic conditions. It's important for us to be sensitive to issues like the need for the enhancement of the wage subsidy program and the summer temporary employment program. Those programs are very important, particularly to the youth of this province. I was pleased with the ability of the department and this government to move in a very, very expeditious manner to be sure that we offer job opportunities for youths that are looking for jobs for the balance of this summer. Some may say that it was too late, but I should say that we started out with a \$20 million budget in STEP, then moved to a \$31.7 million budget earlier on in the summer, and subsequent to that, we moved to enhance the summer temporary employment program again last week. I would say that it's certainly not too late, and the individuals that are going to be able to access those programs definitely will not be of the mind that it's too late. They would, I'm sure, appreciate the opportunity to have a job, particularly after a long summer of not being able to find one.

AN HON. MEMBER: It's never to late to get somebody a job.

MR. ORMAN: That's right. I agree with that.

In closing, on the basics of the three elements of the votes, Mr. Chairman, I'd like to remind hon. members that

hopefully later on in this session we are going to amend legislation to change the name of the department from Manpower to Career Development and Employment. This name more appropriately reflects the nature and thrust of this department and this government.

With respect to lotteries, Mr. Chairman, the lotteries are a very important component of the duties that I have as a minister of the Crown. Numerous volunteer and notfor-profit groups throughout the province continue to receive financial support from our province's participation in the Western Canada Lottery Corporation. I should say that I had the distinct pleasure of presenting the \$10.4 million lottery cheque to the lucky Taylor couple from Killam. They were a fantastic couple. They're off to Europe, and their dream has come true. I indicated to them that there was only one task more pleasurable than getting the cheque, and that is presenting it, Mr. Chairman. I was very pleased to be a part of that, and it was nice to see these people's success.

The B, C, and D fairs have now received their funding from lotteries for the present year, as has the research and training centre for the physically disabled. Over the weeks and months ahead I plan to review the distribution process of lottery funds so that we are reaching as many volunteer organizations as possible in order to provide warranted support for their continued valuable services to their communities.

Under vote 4, financial assistance to major exhibitions and fairs, I will be providing operating and capital assistance grants to approved societies who conduct class A fairs in the province of Alberta. You will note that there is a sizable reduction in our estimates because I am now directing lottery funds to these agricultural societies to compensate for this reduction.

Mr. Chairman, this concludes my remarks. I will be pleased to answer questions at the end of the debate and to proceed through the estimates with the hon. members.

Thank you very much.

MR. SIGURDSON: Mr. Chairman, I am pleased to be able to participate in the estimates today and also pleased to hear the minister say that his priorities are such that I can concur with them. I'm happy to know that his goals are to see that we have the highest level of employment possible because, quite frankly, I think we've seen the highest levels of unemployment that we should tolerate.

In his opening comment, though, I fear there might be some change from his original position. I hope that it's not; I hope that I just didn't hear it. At one point the minister stated that the only acceptable level of unemployment that he wanted to see would be zero percent, and I hope that's still the goal that we're all working toward.

In the area of trying to get down to zero percent, one area of unemployment that just bounces out at everybody every time we look at the unemployment statistics is youth unemployment. In the June stats that came from Statistics Canada, there was a rate of some 14.8 percent of people between the ages of 15 and 24 without work. For people over the age of 25 the rate decreases quite substantially, down to 8.7 percent.

During the election campaign my party and many of my colleagues — both those fortunate enough to be elected to the Assembly and those who didn't quite meet with the success that we had — went door to door and offered a couple of programs that were specifically directed to youth in Alberta. I don't know if the minister had the opportunity

to see the pamphlet we had sent out; I know that one arrived at every door. Just for his information, there were two programs that we put forward to the electorate in Alberta.

The first one was a program that for lack of a better term we called Katimavik Alberta. As everybody in this House is well aware, the federal government unfortunately, I think, chose to get rid of a most worthwhile program in the area of youth advancement, the federal Katimavik program. Much on the same lines we proposed a similar program that would assist young Albertans and communities within Alberta that took advantage of hosting Katimavik troops. The cost would be similar to the federal program at one dollar a day, and those people that chose to stay in the program for the full year would be given a \$1,000 cheque at the end of that year.

The other program that we aimed at youth was something we called Youth Start. It was a program that was to be made available for young Albertans between the ages of 18 and 24. It would offer to those young people a one-time grant in the area of business start-up. The program called for a \$4,000 grant to an individual or up to \$8,000 for people that went into a partnership, just to assist in getting them on their way. The money wasn't given without some instruction as well, because there are a number of people in our communities that for whatever reasons are looking to assist as well. The recipients of the grants would have to go through a rather intensive business training course before they would receive the money. Incidentally, I know that some members opposite are tired of us always praising the government of Manitoba for certain programs, but this is one program introduced by the government of Manitoba that certainly works. In the first year of operations there were some 71 successful businesses in this program, and the average cost was some \$5,700 per business. That would help in such a way that it may reduce unemployment in the youth population substantially.

Also, it certainly doesn't go as far as a program that's gone on in Sweden that other countries are also adopting. In the June edition of Policy Options there's an article by Graham Lowe, who is an associate professor of sociology at the University of Alberta. He pointed out that the government in Sweden, which has a commitment to full employment, as does the minister, saw in 1984 that their unemployment rate for youth was exorbitantly high. It was at an astronomical rate of some 6.6 percent, and they went to try and correct that situation. What they did was to guarantee employment for people under the age of 20, and they guaranteed it through three different programs: vocational training, enrollment in full-time secondary education, or an actual job in the area of needed public concerns. There are 40,000 young people enrolled in that program in Sweden, and according to the June '86 article, there is no Swede today under the age of 20 who is unemployed. France is following a similar program, and Belgium and the Netherlands are expanding their apprenticeship programs. I would hope that we might be able to lead the North American community in a similar type of program.

In the area of apprenticeship programs, as the minister is well aware, individuals enter into contracts to study trades. As we all know, employers sometimes take advantage of the wage subsidy program to assist in their training. I'm told that unfortunately what we're finding is that many of the people who enter into these contracts find that after they complete their first year of training, when the wage subsidy program runs out for the employer, their contracts are cancelled, so their training stops. They don't get into the second and third year of the program. I'm just curious to know what plans the department may have to resolve that specific concern. There are old regulations that came out some number of years ago regarding compulsory certification of journeymen that are now being considered to be implemented. We're finding that journeymen are returning to the classroom to study in writing what they've been practising in the field for any number of years.

Will the minister consider adopting for the apprenticeship training program a grandfather clause for workers who have documented time in the trade and who are over the age of 55? I have had people in my constituency office who are in the trades and feel that — I know full well that if I wanted a plumbing job done, they would be the type of chap that I would go to see. However, they're very concerned about their ability to write the exam and receive their ticket, so I would just hope that the minister would consider adopting a grandfather clause for those chaps.

Also, for a number of people who are well under the age of 55, there are courses in the prescribed programs. There appears to be a delay from the time they finish the program to the date scheduled for the exam to be written. Some people say they've missed job opportunities because they don't have their ticket. They feel that the cause of the delay is certainly not their fault, so can the minister investigate the possible need for more frequent exams or at least having an examination period closer to the class completion date?

For proper job creation the training program must be available throughout the province and accessible for all who need or want to enter the job market. For the same cost of taxpayers' dollars the government could be providing more to the people of Alberta and the changing needs of the labour market. A little more flexibility, adaptability, and responsiveness to the needs of individuals and the aspirations of Albertans would clearly be in the best interests of the government.

Let's examine some of the present programs and opportunities that fall to Albertans through the wage subsidy program and the summer temporary employment program. The minister announced just last week that there are an additional 1,700 positions for students seeking work this summer. We're very pleased with the program in that it does create employment for 1,700 people, but we're somewhat concerned about just what kind of opportunity might be provided.

In STEP wages vary from \$3.80 an hour to \$5.50 an hour. At the top end a person could earn some \$3,784 over the summer; that's \$5.50 times 40 hours a week times four months. At \$3.80 an hour the rate is \$2,616. Both figures, of course, are before taxes. If you look at University costs — tuition, room and board, transportation, books — that easily amounts to some \$4,000 to \$5,000. For a period of eight months, or 12 months or as long as you're a student, you're not going to have very much money to spend on clothing, entertainment, or things of that nature. The wages are far too low, and we should examine the cost of increasing the wage to ensure that it provides a remuneration that would enable students to cover the cost of postsecondary education.

One also wonders about the quality of jobs. These programs should be designed to provide a job experience that would assist them in future career development. The city of Edmonton, I understand, may hire up to 200 students under the program for clean-up activity in the flood zones. Cleaning up is most necessary and nobody is knocking that, but I wonder how it's going to assist the career understanding of an individual who might be enrolled in economics or history.

Many students also find themselves filling in on a temporary basis for people who are on summer holidays. They never seem to have the opportunity to fully appreciate or to come to understand the section of the business in which they're employed or, if it's a small business, how the small business runs. We wonder how the government ensures that students are not just being taken advantage of by employers who only want summer temporary relief and are not providing training. It would appear that there's very little monitoring being done. Applications from the employer who applies for the program are on one page, and as you know, you can make most anything sound interesting on one page.

Would the minister consider providing funds for some short-term training courses that employers could access for summer students? These programs would be monitored and would in turn provide new ideas, new direction, and assistance to the employer and the employees. Also, the wages in these programs should reflect the value of the service provided. Will the minister examine — sorry, this was written in a bit of a rush. Will the minister look at these programs and raise the wages further to what is paid starting employees in similar roles in government service? Also, I would like the minister to explain the discrepancy between the amount paid to people working within the provincial government, \$5.50 an hour, and the \$3.80 an hour paid to everybody else. Again, that's in PEP and STEP.

Also, while downsizing in the public service is going on, I'm concerned that the short-term opportunities the province provides may only be summer replacements as well, much the same as what some of the employers in the private sector are doing. Can the minister ensure that the program is not just offering summer temporary employment on the basis that it's only replacing summer workers?

The throne speech recognizes that the private sector is the key to job creation, and yet with the number of programs that are being created, clearly there has to be an injection of public capital into the economy to prime the economic pump. There's a curiosity as to why the government is so intimately involved with the programs. Is the private sector not responding to the economy? Are there fewer jobs in the private sector available this year? Just why do we have to have an additional 1,700 jobs? Can the minister please respond to that?

Also, when you create job creation programs, there's the concern of creating a dependency on the job creation scheme. Many jobs, especially some of the short-term ... Few of those programs have phase-out factors, and there does not appear to be anything in the forecasts or in the stars to indicate what new jobs are going to be in place when that funding runs out. We must ensure that training is key to successful job creation. Occupational skills and life skills are necessary to complement on-the-job training to meet the needs of a changing labour market.

Few of the government's present programs provide incentives for direct training through financial or other means. The few programs that do offer assistance provide an insufficient number of dollars for an employer to purchase training for an employee. I would suggest that \$15 or \$25 a day is not adequate to cover the cost of programs. Training through the programs the government offers to the private and the non-profit sector would surely complement the development of an individual's skills while in the temporary employment program.

I'd like to know if the minister could detail the amount of money that goes into each region of the province. Is there a geographical distribution of funds, or is allocation of the funds correlated to the unemployment levels? Are funds sent to areas most in need or that have the greatest potential for employment? If the minister could respond to those concerns as well, I would appreciate it.

Also, we know that when employment is stabilized, individual confidence is returned, and when individual confidence is returned, the outlook is much better. I would just draw to the attention of the minister a paper that was done on the social and psychological impact of unemployment in Edmonton. It shows that in 1978 when the unemployment rate was at 4.7 percent, 53.6 percent considered themselves better off than in the previous year, 58 percent considered that in 1979 they would be better off again, and 88.9 percent were positive about their job security. In 1983, the year the study was conducted, the unemployment rate was at 12.3 percent; currently, we're at 12.6 percent. Only 42 percent of families, a drop of 11.6, felt that they were better off than they were in the previous year, 46.7 percent thought that the year ahead was about to be better for them, while only 67.9 percent felt positive about their job security.

It's important that we have a secure feeling about our job stability, because when we have that positive feeling, we'll go out and spend some of the money that we earn on products that need to be replaced. In many cases when I've knocked on doors in my constituency, I've found people telling me that they're not going out and buying some of the big-ticket items. Big-ticket today is now a refrigerator, stove, microwave, television or, in some cases, a toaster. But when ordinary Albertans are not going out to buy those products, we find that the stores are no longer hiring people to service consumers. It's becoming most important that we do all that we can to ensure that we return a feeling of security to the Alberta economy. I would hope that the Department of Manpower will do all that it can to ensure that the unemployment rates do in fact go down and that we do achieve the goal of zero percent unemployment.

MR. ORMAN: Mr. Chairman, I would just like to say that I appreciate the hon. member's comments. Many of them were recommendations, and we on this side of the House are always willing to look at any recommendations the Member for Edmonton Belmont may have. However, I would like to respond to some specifics that he brought to my attention.

The first one is that I can give him my assurance, in case he didn't get that assurance in my original comments, that I am committed to zero unemployment.

The second point I want to make, Mr. Chairman, is with respect to STEP. The hon. member should know that the Department of Manpower gives priority to organizations outside the public sector who encourage top-ups. Top-ups supplement the \$3.80 an hour from the private, non-profit organization. I would like to advise the hon. member that the average wage under the community element of the summer temporary employment program is in fact \$5.20, not \$3.80. I should caveat that remark by recognizing that I'm sure there are some people out there working at \$3.80. In that it's an average, it doesn't address the issue, but I just wanted to point out that we do in fact give priority to organizations that top up the \$3.80; again, that's \$5.20. I don't believe the member mentioned the Alberta wage subsidy program, but I can indicate to him now that the average wage under the program is \$6.40.

I think it's important that I clarify a point, Mr. Chairman, and I'm sure the hon. member is not the only one that may be confused. Our recent initiative announced Friday last with regard to enrichment of the summer temporary employment program and the Alberta wage subsidy program was not intended to create 1,700 jobs. That is not the intent of that program. The intent of that program is to make available the funds and resources of the department to facilitate the organizations under the umbrella of STEP — the public and private sectors in the sense of the non-profit organizations — to create 1,700 more jobs. It is not specifically the mandate of this department is to work with the private and public sectors on a cost-sharing basis to encourage employment.

I just wanted to make that response to some of the comments. On some of the other issues that the Member for Edmonton Belmont raised, I would be more than pleased to provide written responses to many of his questions at a later date.

Thank you.

MR. DAY: Mr. Chairman, I appreciate having the opportunity to speak to the estimates of this department and would like to congratulate the minister for accepting the challenge of taking on this department. I emphasize challenge because that is indeed what it is today: a challenge. As we assess the success of the minister and the department, I'd like us to take a look at that very definition of success and realize that it's not simply what has been accomplished but what has been accomplished considering the conditions that he has had to work with.

In a rosy economic time, the Minister of Manpower can look very good. When oil prices are hovering around \$35 a barrel, the Minister of Manpower can appear to be very successful. When the OPEC members halfway across the world hold a meeting late one night and the bottom falls out of the prices and that drastically and directly affects this province, people can project upon the success of the department the success of the minister. But I would like to suggest today that evaluations of success should be considered in the light of not just what is accomplished but what is accomplished considering what one has to work with in the times that one is faced with.

We're in a time of challenge, and as I said the other night, we're in a time that's asking for valuable and constructive input from both sides of this House. I did mention the other night that I believe it's possible to get constructive input from both sides. An event occurred today that somewhat shook my faith in that possibility, though. The Leader of the Official Opposition, visiting in the constituency which I represent — and he's just come on the scene; I'm glad he's here to hear my comments, so I'll just back that up a bit. In hoping for constructive input, I'm suggesting that both sides can have some constructive input - and I for one am open to that --- that we can cross political ideological lines and actually have intelligent suggestions from both sides. My faith in that happening was somewhat shattered when the Leader of the Official Opposition, in visiting the constituency I represent, made what I consider to be inflammatory comments about the Fletcher's strike there, which was settled peacefully - a situation in which both sides are to be commended for the way in which they settled it. The Leader of the Official Opposition suggested that it was

the government's fault that laws were broken and other inflammatory comments. I suggest that that is not constructive input. [interjections]

MR. CHAIRMAN: Order please.

MR. MARTIN: On a point of order. I don't think it has anything to do with the motion.

MR. CHAIRMAN: Order please. The Chair is having some difficulty reflecting the comments of the Member for Red Deer North to the votes under consideration. They would be better attributable to the Department of Labour, when Labour returns. Would the Member for Red Deer North proceed, please.

MR. DAY: Thank you, Mr. Chairman. I was using the example of the power of constructive input, and we have heard some from members opposite, though it's not something that consistently reigns through their caucus. We're in a time when we need co-operation, especially in the area of Manpower and looking at programs that are going to help and assist employment in this province. We need co-operation, not confrontation.

Some programs that have been instituted by this department are maybe not as high profile as others. I'd like to just touch on a few of them and suggest the positive impact they've had on Red Deer in general and Red Deer North specifically; projects, for instance, related to immigrant settlement. I wonder how many of our citizens know about the grants that have been given to the settlement agencies. In 1984-85, \$800,000 was given to this particular project; in '85-86, \$1.2 million; and in '86-87, another \$1.2 million. On Canada Day in Red Deer it was a treat to see over 80 immigrants taking the oath of allegiance and citizenship for our country, and it was comforting to know that the Department of Manpower makes available immigrant settlement agencies to assist in what can be a very difficult transition. Just this April, in co-operation with the federal government, we saw the integrated service program in which 10 agencies across the province were funded to a total of \$1.6 million. Seventy percent of that was through Alberta Manpower.

The Alberta training and upgrading program has had a direct impact on Red Deer North. The '86-87 estimates for this program are \$11 million. Mr. Chairman, many people leave school prematurely for various reasons and find themselves disadvantaged when it comes to getting into the marketplace and into the work force. I've seen the direct impact on people in Red Deer North because of the Alberta vocational training program. This department cannot be accused of being negligent when in '85-86 some \$20 million was assigned to this program; in '86-87, \$28 million.

It was gratifying to see a person I know in our constituency who had been out of work. The vocation he was involved in had become somewhat obsolete because of economic trends. He had a family. He didn't know what was going to happen and where he was going to go. He's being funded and supplied by the Department of Manpower to take vocational training that's going to equip him to be productive in the work force.

The youth employment and training program has two parts. There's a postsecondary internship and training program that pays 50 percent of the wage to the student and the business pays the other 50 percent. I'd like to comment to the minister and to those in his department developing this particular program. I have had some feedback from the business community. Although they appreciate the program, at times a problem does arise; that is, if the person taking on the program and the training knows that half their wage is being paid by the department, there comes a feeling that they only have to work half as hard on the job. That has been brought to me by members of our Chamber of Commerce. Possibly the Manpower department could address that through a short seminar or some kind of presentation to the young people involved that, indeed, though the department is paying half their wage, the business requires full commitment and full output on the job. I'm sure that would go a long way to remedying that situation. I throw that out as a suggestion.

The second part of the youth employment and training program is the youth work experience and training. This is dedicated to people in the 24- to 27-year-old range. Sometimes they are a forgotten number. The concentration is focussed on those immediately out of high school. But there are many young people, some of them newly married, who find themselves without work, without the possibility of vocational advancement, and this program has been particularly beneficial to them. In '85-86, \$29 million was dedicated to that program; in the '86-87 estimates, some \$46 million. This department is meeting the demands and needs of the unemployed in this province.

It was a privilege to go through the Manpower department in Red Deer with the hon. minister and the Member for Red Deer South and see the activity in the career information services branch. We, too, came upon situations where a number of unemployed people were being actively counselled and encouraged and given guidelines and incentives in the area of job-finding.

In '85-86 some \$700,000 was dedicated to the career hot line in this province, and in '86-87, close to \$900,000. Mr. Chairman, that gives hope to an individual who is out of work. He knows he can pick up the phone and talk to somebody and get some guidance, suggestions, and positive input to what's available for him.

We could go through program after program showing how this department is responding to the needs at this particular time. These and other areas are challenging. I believe that what we've seen already shows that the minister and his department are responding to the challenges with vigour and innovation. The minister has said that he is aiming for zero percent unemployment. That is commendable. I would like us to consider, and would like him to consider, some numbers that he's going to have to face as he presses towards the zero percent mark.

People are out of work for different reasons. In this week alone in Red Deer we saw the cessation of publication of a very valuable weekly newspaper, the *Oil Patch News*, being published right in Red Deer, keeping us very well informed of energy items throughout the province. This week that particular production had to announce that it was closing its doors because of the economic downturn and the lack of advertising available because of funding and budgeting cuts of the various companies. There are some people who are out of work. They number among the unemployed. They are out of work through no fault of their own, but they're determined to make a comeback, and I don't believe they're going to be out of work for very long. That's part of the number of unemployed, part of the zero percent that the minister is aiming to.

There are other people who are unemployed in the work force that we have to consider before we criticize percentages and numbers of unemployed. First of all, there are those who are entering new on the work force. They've just come out of school or just come out of a particular program. They have not yet found a job, but they are pressing and looking for jobs. They are also classified as unemployed. Sometimes that can be misconstrued to be a chronic figure, but those people are not always going to be unemployed.

Another sector that is always included in the unemployment figures is those who are fired from jobs for irresponsible or unproductive behaviour. Those people also are included among the unemployed and among the number to which the minister is going to be addressing his programs. Another group numbered among the unemployed are those who have willingly left the work force, are not looking for work, and actually don't have any intention of immediately returning to work. We've got to consider that when we look at percentages of unemployed. And there are those who simply refuse to work. They are included in the figures, though they differ from those who are out of work through no fault of their own and want to get back to work.

A gentleman in the constituency I represent contacted me a couple of weeks ago with a rather serious problem. This is a hardworking man. Truck driving is his occupation. Over the last few years he has developed diabetes and a heart condition and thereby is unable to hold his class 1 licence. He is distressed by that. He does not want to be out of work. He wants to find some way of getting back into the work force. That is not a person who is refusing to work.

Mr. Chairman, to the minister, you are going to be facing a considerable percentage, though we don't have the figures on exactly how many, that are actively not looking för work and yet are included among the unemployed. A businessman in our constituency who has a delivery business advertised recently for drivers. The pay was to be between \$7 and \$8 an hour, not as much as some of us would like to make but significantly above minimum wage. He got no response on the advertisement though there are numbers of unemployed in Red Deer.

A few days after that an interesting situation took place. A young man walked in and said, "Have you got a job?" He thought the young man was responding to the ad in the paper. The young man actually hadn't seen the ad in the paper. This businessman said: "Yes, I sure do. I'm really glad you walked in." The man then turned on his heel and headed for the door. The businessman in question caught up to him and said: "Wait a minute; I said I had a job for you. Where are you going?" He said, "Well, I've got this unemployment card to fill out to say that I've looked for work and haven't found any, but obviously I can't get you to sign that." He headed out of the door and on to another place. That is not a person who is unemployed and actively looking for and wanting work. But he is included in the numbers. I don't think that is a negligible or insignificant figure.

Another businessman in the constituency I represent has called me repeatedly saying he cannot get people to deliver pizzas for him. Delivering pizza may not be the highest sounding occupation on the face of this earth; it may not be something that all of us are aspiring to. However, he has put advertisements in the paper and repeatedly tried to get people to work for him in that particular area. At a per pizza delivery rate he guarantees between \$50 and \$70 for an evening of work. He can't get anybody. That is regarded by many to be menial, subservient type of work, and he can't find anyone to do it.

I ran into a young person in his early 20s some time ago, a person I have known for a number of years. I asked

him how it was going. He suggested he would be looking at the possibility of considering social service assistance and welfare. I said, "Can't you get a job?" He said, "There are no good jobs around." I said, "Have you considered upgrading?" He said, "Oh, you have to have your grade 12." I said: "Have you considered Red Deer College? They have excellent upgrading programs to get you to the grade 12 stage and then on into other programs." "Oh, I think there's always a lineup down there." I said, "Have you considered my friend who owns the pizza place?" He said, "I don't think that would be that good a job." I said, "It guarantees between \$50 and \$70 a night." At that time I was thinking of taking it, but business in the House has kept me from doing that. He said, "No, I wouldn't consider that." I said, "Is it because you have [no] vehicle?" He said: "No, the girl that I live with, who is on social services, has a car that I have access to all the time. That's not the problem." I knew what the problem was.

Mr. Minister, as you proceed towards a zero percent unemployment rate, you have to take these factors into consideration. I think all of us need to take them into consideration. There are constantly jobs available in the want ads in the Red Deer newspaper. Most of these, I agree, are in the hotel and restaurant trade. Socialistic thinking has perpetuated an idea that some jobs should be beneath our dignity. If it's minimum wage or if it involves waiting on someone or cleaning up somebody else's mess, that's beneath our dignity. I'm glad that while I was in diapers my mother didn't take that particular view of jobs that weren't necessary.

Mr. Minister, we do have socialistic and statist ideas being advanced that put into some serious question the responsibility of the individual and the responsibility of the government. We've seen somewhat of an evolution in this thinking. There was a day in different times, feudal systems and others, when people were forced to work. We've evolved from that. Then we hit a stage where people were allowed to work. Then we moved to the right to work. I support that; we all have a right to work. We moved from there to a right to a job. I concur with that; we do have a right to a job. But does that mean I can demand that the government find me a job? I have a right to an automobile. Does that mean I can demand that the government buy me an automobile?

Now socialistic thinking has evolved to the place where it's not just a right to a job; it's a right to meaningful employment. That is a very nice term. All of us are not as fortunate as the majority of the members of the socialist party opposite who have always enjoyed meaningful employment through the abundance of the social system providing for those types of jobs. There have been times when I have had to work at jobs which I would not maybe classify as meaningful employment. But I recognized I had a responsibility to take care of my needs and the needs of my family. There have been times when I left school that I took jobs at minimum wage. I suggest to you that after some period of time working at minimum wage; I wasn't compelling the government to raise the minimum wage; I got smart and went back to school.

It has been suggested by the opposition, somewhat irresponsibly, just to blindly raise the minimum wage. Businesses that are operating very marginally right now cannot afford an arbitrary raise in the minimum wage. That would result in businesses closing down and it would result in many, especially of our young people and high school students, not being able to find work because businesses simply would not be able to hire them at the higher wage. As native Albertans I think we are to be somewhat ashamed when we see the rate at which the immigrant groups who move to this province will willingly take on jobs at minimum wage. But for many of us that is beneath our thinking. The reason many of these immigrant groups will gladly take a job at minimum wage is that they know and recognize that that is not going to be forever, that they will work hard at that and they will accumulate their funds. And what do we see happening over a generation? We see them accumulating their funds. We see them coming up with their own businesses. We see them becoming involved in the higher education system and making a meaningful life for themselves, not demanding that the government do it.

We need to take notice of these things when we consider unemployment questions. There are many people who are unemployed for various reasons, as I've cited: just coming onto the labour scene, just been fired from jobs, quit and don't want to work, or waiting for the government to supply them with meaningful employment. But there are many, many thousands in this province who are unemployed through no fault of their own, who are desperately looking for work, who don't want dependency, and they want to provide for their family and themselves. This department and this minister are addressing themselves to that problem.

I want to say to the minister that pressing towards zero percent unemployment is commendable. You may or may not reach that final destination, but it shows your determination, your resolve, and your commitment. Let's remember, too, that we're not talking about the Department of Social Services here. We're talking about the Department of Manpower, involved in the extension of programs that are to do with the economic development of this province. I am glad that this department is committed to working with the business community. Though at times the government does get involved in job creation through capital projects and other areas, I believe that this department and this minister recognize a very basic economic fact; that is, that true, productive job creation comes from the private sector. It depends on private initiative and creativity. Any province, state, or country that ignores that basic fact does so at their own peril.

The socialists in taking over Manitoba just a few short years ago have ignored that fact. Now they are able to boast some firsts in the country. They are first in the area of highest per capita debt, tremendously high provincial taxes, and the lowest credit rating of any province in this country. We saw the same thing happen to British Columbia in the early '70s when the socialists ruled and took over there.

MR. CHAIRMAN: Order please. We're getting somewhat away from the Legislative Assembly. Would the member direct his comments to one of the votes before the House?

MR. DAY: Thank you, Mr. Chairman. With the department and the minister actively working with businesses — I am encouraging them to do this, to actively maintain that track, because it's the recognition of the private sector in initiative and creativity as being the viable job-creating factor in this this province. I encourage them to continue to work in that direction.

As I stated when I began my comments today, success is measured not just on what's accomplished but on what is accomplished considering what one is facing. I would like to suggest today that with that definition this minister and this department are proving to be successful. I know they're not satisfied with their own rate of success, but they are pressing on. They are to be commended for that. Thank you, Mr. Chairman.

MR. CHAIRMAN: Hon. members, the Chair recognizes that Motion 6 is still on the Order Paper. That is the budget debate. However, we're dealing with a specific department, so the Chair would request members to address questions to the minister presenting his estimates to the House today. Those comments should as far as possible be within the votes that are before us.

MR. CHUMIR: Mr. Chairman, I'm surprised that the hon. minister has not felt compelled to rise in order to answer the pungent and hard-hitting critique of his department by the hon. Member for Red Deer North. In fact, I think it's fair to observe that if the views of the hon. Member for Red Deer North were taken to their logical conclusion, they would result in the elimination of most of the social programs presently put in place and carried on by the provincial government and possibly the total disbanding of the hon. minister's department. [some applause] I note a round of applause at that thought, so the minister may yet have occasion to rue the fact that he was not on the receiving end of that lottery cheque.

I, too, have some suggestions to make with respect to the department and the programs of the department, Mr. Chairman. Perhaps I might note for the record the concern of the Liberal caucus with respect to the unemployment situation. We are aware that unemployment is one of if not the most serious social problems in the community. The loss of a job can cause a loss of self-esteem, depression, other emotional and mental health problems, marriage breakdown, and the loss of homes. In short, it can cause the complete destruction of one's basic life structure. Accordingly, we have to put our best efforts into dealing with this issue. The Department of Manpower is obviously at the center of these efforts.

However, a matter of concern to myself is that I believe we need not just a government and a departmental response; we also need a communitywide response. One of the things that strikes me about the current situation in this province is that we have somehow failed to mobilize what I am aware of and believe is a very widespread concern amongst all Albertans for the plight of the unemployed. As a result, I would like to suggest to the hon. minister that we need more leadership from the Department of Manpower in bringing together the diverse groups in our community who can help in dealing with this situation. I have two particular initiatives in mind.

First, Mr. Chairman, I would like to see some effort to bring about a more co-operative relationship between management, labour, and government to address the means of creating jobs, stretching the jobs we have to benefit more people, and also to initiate programs to minimize the trauma and hardship of unemployment. I find it very, very difficult, and this is a matter which has troubled me for some time, to understand why we don't have some form of body or commission made up of representatives of management, labour, and government in order to deal with these kinds of issues which face our community. I believe that a committee or task force of that kind would not only help in dealing with some of the immediate hardships; it would also very importantly demonstrate leadership and concern and give hope to the unemployed. I hope that the minister will take some initiative in bringing these groups together to that end. Let's see some co-operative effort in this community.

Secondly, Mr. Chairman, we need a program to stimulate ordinary Albertans individually and collectively to help out in some way in dealing with this problem. As I mentioned earlier, I believe that there is a tremendous amount of latent concern and sympathy for the plight of the unemployed and that it would be possible to tap the concern of individuals, both in their capacity as individuals and through voluntary organizations and otherwise, to do what they can to create jobs and help reduce the stress in the community. For example, I believe there are many citizens who have work that could be done around their homes with a little bit of a reminder, with a government program, with suggestions to that end, with perhaps some community backing and some peer group support, who would be prepared and are capable of providing some form of work for individuals in this community. I believe that there are many other ways in which members of the community could respond if we had some leadership on a large scale. Unfortunately, the leadership is missing as in so many other aspects of our community life. But I would hope that the minister would favourably consider some initiatives to tap this latent community concern over the problem and to stimulate the broad community response which we should be seeing on this issue.

I would like to deal with several other points, Mr. Chairman, but perhaps I might digress and deviate very, very briefly merely to comment on the timing of the new funding for the STEP program which has just been recently announced. I'm aware, and I believe the House is aware, that the need for an increase in this program was discussed back in April of this year. In fact, the then Minister of Manpower said that the issue would have to wait for the election, and the election came on May 8. The demand for the program was high, and here it is now July 23. The summer is almost over, and we see newspaper ads with a very nice picture of the Premier advertising the availability of this program for the rest of the summer. I would ask

MR. ORMAN: If I may, I think it's important to clarify a point that the member is carrying on with. It's not quite true. He will be able - with your blessing ...

MR. CHAIRMAN: With respect, Mr. Minister, the hon. member is putting comments. If he's prepared to entertain the question ...

MR. ORMAN: It's not a question, sir. He said that he is going to digress, and I noticed that he was doing that rapidly. I wanted to put a tourniquet on it, because he is under a wrong assumption. I just thought that rather than his carrying on, I might be able to get him back on the right track. But it's up to him.

MR. CHUMIR: The comments are virtually completed, Mr. Chairman. If my facts are incorrect, I'm sure that the minister will correct me at the end of the remainder of my comments. I would merely add that the tenor of my comments was simply to ask: why the delay? If the delay has not taken place as pursuant to my understanding, I'll be interested in the minister's clarification.

I'll move on from that digression to deal with the two problem areas which have concerned me for some period of time. One is a global problem which covers a rather broad spectrum of the community, and the other is a more specific but related problem.

The first problem I'm referring to is that of illiteracy, the fact that many citizens in our community either are not able to read at all or, if they are able to read, read at such a low level of comprehension that they are considered to be functionally illiterate. This is a problem which has been gaining increased attention in recent times. It is now estimated that 1 million Canadians cannot read or write and that there are approximately another 3 million Canadians who do not possess adequate literary skills to function properly.

This is borne out by the 1982 Canadian census statistics, which show that approximately 4 million Canadians had less than a grade 9 education. In Alberta it's understood that anywhere from 200,000 to 400,000 Albertans are affected, and in support of that conclusion, Mr. Chairman, the 1981 census found that 239,000 Albertans have not completed grade 9. The implications of this problem, of course, are very significant.

From a personal point of view the quality of life of the individuals who are affected is significantly affected. Such individuals cannot understand newspapers, directions on product labels, and safety warnings, and can't fill in job application forms. In short, it affects the whole life of such individuals on a daily basis.

From a societal point of view there are also major implications. These include increased unemployment and welfare costs, increased numbers of individuals in prisons, and accidents, particularly in the workplace because of an inability to read and understand safety instructions. The cost to business and industry from ineptitude and inefficiency as a result of illiteracy is staggering. So it is a matter which should be of tremendous concern to the community and to the Department of Manpower. It is, however, a difficult problem to deal with.

Some groups have been attempting to do so for many years, and I point out particularly in that regard the Frontier College of Toronto, which has been active in teaching people to read since 1895. However, now the public is becoming increasingly aware of this issue, and a number of programs have been established. I might point out that in Calgary there is a new program at what is called the Learning Centre. It is sponsored by Calgary's major educational institutions. The Calgary public school board has a program; the Alberta Vocational Centre also has some adult basic education courses, which laudably are funded by the Department of Advanced Education; and I understand there are commensurate programs in the city of Edmonton and to a lesser degree salted in a few portions of the province.

However, the demand far exceeds supply, and if we were to attempt to reach out to satisfy the need, the shortfall of programs would be absolutely staggering. For example, for the Learning Centre in Calgary in March of this year the executive director Marilyn Samuels stated that the waiting list is "months and months long." She added: "It's frustrating. There's nowhere we can send them." Apparently there were 50 people on the centre's waiting list at that time with another 200 having applied. Similarly, the Calgary board's program was very much oversubscribed. Since 1978 when it began, it has grown from 25 participants to 165, and in January of this year about 25 people were scheduled for initial assessment, with another 30 to 50 being told to call back next month.

Our society needs to undertake a major attack on this problem, Mr. Chairman, and I hope that the minister will take a role in seeing that the government co-ordinates a major effort in this regard amongst the interested and relevant departments of the government, particularly so that this matter does not drift, as often happens when there is a matter of divided jurisdiction amongst differing departments.

From a structural point of view I would note that many programs, such as those in Frontier College, utilize volunteer workers on a one-to-one basis with those having literacy problems. Through dealing with a number of individuals, it has been determined that one or two volunteers can handle up to 75 people needing training at any particular time. Mr. Chairman, I would suggest to the minister that we could look into developing a program which could be on a volunteer basis pursuant to the Frontier College model.

Alternately, perhaps we might consider using some of the government employment initiative programs or structuring such a program to mobilize numbers of presently unemployed Albertans to deal with this problem. This would have the benefit of dealing with the difficult problem of illiteracy. It would help create some jobs, and as important as anything, I believe it would provide a sense of purpose to individuals who are perhaps unemployed, see no immediate prospects of employment, and can see a way of not only making some money but also helping some other members of the community. Perhaps this is a job that might be considered for part of the Opportunity Corps projects that the minister has referred to earlier.

The related issue and the narrower one that I wish to refer to as a matter of quite serious concern to myself for some time is the need of immigrants to Canada for English language training. This proficiency in the English language is perhaps the single most important need that immigrants to this country have from an economic point of view. If you can't speak and understand the language, you can't get a job. They suffer from all the disadvantages of those who are native to this country and illiterate, but in addition to that, they suffer from the disadvantages of being in a different culture, not knowing our systems and institutions and, of course, often being the victims of discrimination, unhappily sometimes intended but occasionally unintended.

I might note by way of example that if a Vietnamese person has a medical problem, there is only one doctor in the whole city of Calgary who speaks Vietnamese at the present time. Although I see that the Minister of Hospitals is absent, perhaps I might once again express the hope that he will address this problem.

Unfortunately, there are at the present time a distressingly small number of programs which educate immigrants in English as a second language. Efforts are being made, but the programs are clearly not satisfying the need. In Calgary the Alberta Vocational Centre has programs, but these can handle only 600 to 800 students a year, and considering the fact that it's estimated that approximately from 13,000 to 16,000 immigrants will come to the province of Alberta alone this year, that is just inadequate to meet the needs. Many immigrants, we find, sit at home and are too tired to go out and seek help. Others are too busy working at two or three jobs at minimum wages trying to make a living, and accordingly, some form of outreach program to these people would expand the demand even beyond where it is at the present time.

The fact of need is somewhat supported by a *Calgary Herald* article of November 16, 1985, which I have here, Mr. Chairman, which describes a group of immigrants who

held a concert to help others who were unable to pay for English language classes. So I would suggest to the hon. minister that the teaching of English to immigrants is an area which needs massive attention and co-ordination. The immigrants badly need it, and we would be well served as a community from an employment point of view and from other points of view to be able to tap the multitalents of these immigrant groups.

I thank you, Mr. Chairman.

MR. CHAIRMAN: Does the minister care to respond?

MR. ORMAN: Yes, Mr. Chairman. I'll go backwards, if you don't mind, and start with his last comment first. I'd like to say that I, too, share a concern about immigrants, the ethnocultural community in this province, and the fact that we have seen an increase in migration of people from other countries. I might say that having identified that, this government has an ESL secretariat. That secretariat is responsible for co-ordinating provincial activities in this sphere. This interdepartmental committee is made up of Manpower, Advanced Education, Education, Culture, and Social Services. This committee makes recommendations to their respective deputy ministers on policy and planning matters pertaining to English as a second language.

I would also like to indicate to the member, Mr. Chairman, that there is a federal responsibility in ESL, and I might say that I am concerned that the federal government has not appropriately addressed this matter in the Canadian job strategy. In fact, we have indications that they are reducing their monetary commitment to the ESL program, and certainly I intend to make representations to the federal minister in that regard, because I, like the hon. member, have that concern.

Talking about responsibilities, Mr. Chairman, I noted with interest the hon. member's comments about taking a leadership role and getting the message out about our programs. I would like to point out to him that I have a like concern, and certainly that concern extends not only to people in this Legislature and people in this province but to the media. Certainly, if the hon. member had tried, as I did, to track the announcement in the media with regard to the enhanced STEP and wage subsidy program, he would note as I did that there was, I would say, very poor coverage. I guess it begs the question of whether or not the media has a moral responsibility in unemployment and in getting the message out on the programs that we have.

So I would just like to say that the member is right; it is a co-operative effort. I'm certainly doing everything I can. Recognizing that that's not enough, I'll be doing more, Mr. Chairman. I look forward to the hon. member supporting the programs that we have in the Manpower department and certainly getting the message out to his constituency, as I would encourage all other members to do, about the programs that we have addressing unemployment in this province.

MR. GIBEAULT: Mr. Chairman, there are a number of points that I think need to be made in terms of the consideration of the estimates of the Department of Manpower. Coming from a constituency where we have a lot of young people, a new place, the first one I'd like to make is on this whole question of the minimum wage. The minister initially said that he's not prepared to consider an increase in the minimum wage, even though it's been some four or five years since it has been reviewed, even though he himself is looking at an increase of 5.6 percent in his paycheque.

I'd like to encourage him to review that, Mr. Chairman, because I have a number of people in my constituency that are working in the service sector: primarily young people, students, immigrants, and women. They make the hamburgers in the local eatery. They do a lot of very useful services, but they're paid very marginal wages that make it very difficult to support their families. The minister spoke about a \$5.20 top-up provision that exists in many of the programs that his department sponsors. So it seems to me that there is a good case for simply looking at a legislated increase so that people who don't have the benefit of the government's programs will in fact have a more reasonable compensation for their efforts.

The second item I'd like to mention, Mr. Chairman, is the whole question of training. I see in the estimates that we're looking at some significant increases in training, and I want to be the first to say that training is in fact a very positive thing, normally speaking. But the implication of training is that after you've been trained, there will be some productive employment that takes advantage of the training you have received.

I can tell the minister for a fact that there are many people in my constituency, and I would suggest around the province, who are going through training programs on a merry-go-round basis. They get into a training program, and after they come out there is no employment for them and they feel frustrated with the whole system. They felt in good faith in taking this training — for example, a man in my constituency took a small engine repair course, went through that in good faith, did well in the course, passed, looked around substantially for employment in that field and found none.

Mr. Chairman, I'd suggest that there's no point in training people for jobs that don't exist. We have to look at the situation here. The problem we have to face is the fact that there is not enough employment for the people of the province of Alberta, and until we address that fundamental problem, training programs are not going to serve a useful purpose and, in fact, will frustrate people in the province of Alberta.

If there are some difficulties in terms of the minister and his colleagues understanding that problem, perhaps I could use the analogy of the Legislative Assembly. We only have 83 positions here. There may be some good candidates previously who may have been able to do a good job if they were elected; the fact is that there's only 83 seats. Unfortunately, or fortunately perhaps from our point of view, some of them are now in the New Democratic caucus and there are some perhaps fine individuals in the Conservative caucus who are now unemployed.

The fact of the matter is that there would be no point in training those people if there is no employment for them. The question really is that there is no point training people for jobs that don't exist. We have to look at training in the context of a policy of full employment, and anything less than that is going to result in the waste of public resources.

The next item I'd like to mention in terms of consideration of the estimates, Mr. Chairman, is to make a suggestion to the Minister of Manpower to have some discussion with his colleague the Minister of Social Services on the question of job-finding centres. I would suggest simply that a lot of that is wasted money, and again the same problem exists: there's no point in putting people through a process that suggests that there will be employment at the end of this training, orientation, and assistance when in fact the jobs are simply not there.

What is often happening in those kinds of training and orientation courses is simply that people are getting the ideological message that if they only apply themselves and pull up their bootstraps, they will be able to find employment. There's never any consideration that the basic system is wrong. The basic system is not geared up for employment of people but rather for the highest possible profits. So I'd suggest again that instead of spending money on job-finding centres, which are basically nonproductive and make people have an even worse sense of their own self-esteem, let's put that kind of money into generating some meaningful jobs for the people of this province.

The next thing I'd like to suggest in terms of the discussion of the estimates, Mr. Chairman, is to look at the question of the Opportunity Corps, which is under the jurisdiction of the Minister of Manpower. I'm hopeful that the minister has had an opportunity to look at the recent issue of *Maclean's* magazine and their special report on a Canadian tragedy. If he has, he would notice that there's a picture there of the Peerless Lake community and their office of the Opportunity Corps, but I'm wondering if the minister, in consideration of the tragedy of the poisonings of people in that community and the general very tragic circumstances that exist in many native communities, is looking at what opportunities or adjustments might be made to programs like this.

What additional involvement might there be with the native communities across the province? What opportunities might there be for enhanced economic development for people in the native communities? Mr. Chairman, it seems that the Opportunity Corps in Peerless Lake was not successful in preventing a tragedy of many people and the deaths of the people who consumed copying machine fluid. That certainly was a very stark and sad, tragic development, and I'm wondering what the minister might be doing in terms of his program for the Opportunity Corps, where he is asking us for some \$6 million in spending authority. What adjustments might he be looking at to make sure that this program or some alternative program is more effective in providing economic development for native communities rather than making them dependent on welfare and various kinds of handouts?

I'm sure the minister is aware that the welfare rate in many native communities is 60 to 90 percent. There's a whole mentality of dependency that has been generated over the years. There are aggravated problems of violence, poisoning, juvenile crime: a whole atmosphere, Mr. Chairman, that is counterproductive to any kind of manpower training program like the Opportunity Corps may be trying to encourage. In fact, the despair in some of those communities is really very desperate. One individual there was reported as saying that 90 percent of the men there do not have any jobs and that the atmosphere of despair is so thick that you could cut it with a knife.

I'd like the minister to give us some kind of a response on the kinds of initiatives, working with the federal government and his own department, the Opportunity Corps and whatever other measures there may be in place, to look at assisting native communities to enhance their economic base, to provide a stable economic situation, as opposed to continuing a vicious cycle of dependency. Thank you, Mr. Chairman.

MR. CHAIRMAN: Does the hon. minister care to respond?

MR. ORMAN: Mr. Chairman, I would like to go back to the hon. Member for Calgary Buffalo. In my anxiety to answer the question on ESL, I forgot to answer the first question in his volley, and that had to do with the summer temporary employment program. I just want to advise the member. He has since sent me a copy of the press clipping he was operating from. At the beginning of the year the last year's budget estimate was \$20 million for that program. During the election the money for that program was enriched to \$31.7 million. The member may not have noticed that, because as a responsible government we didn't want to use that as an election ploy. It may have gone unnoticed, but certainly this is the third enrichment of the summer temporary employment program this year. I think it would go back to my original remarks that we are demand driven, and we have to react on a demand basis. I want to point out to the hon, member that, in fact, we have done that.

MR. CHAIRMAN: Hon. minister, judging by the vacant looks on some faces, it may be beneficial to explain the acronym "ESL."

MR. ORMAN: English as a second language. I'm sorry, Mr. Chairman.

MR. OLDRING: Mr. Chairman, in light of the hour, I'm going to try to be as brief as I can and preclude some of my opening remarks. Like a lot of us here throughout the campaign the number one concern that I heard coming forward, of course, was jobs and the economy. The minister has done an admirable job of responding to date with a series of programs to help address the short-term situations we are facing today. We have some excellent job training and job opportunity programs, I would agree with him, on a short-term basis. However, Mr. Chairman, in the long run I don't believe that government belongs directly in the job-creating business. I've already had some examples brought to my attention in my constituency where individuals were actually laid off so that employees could take advantage of a government job program. So I was pleased to hear the minister indicate that the long-term initiatives are going to be to put more emphasis on job preparation and job training and more emphasis on working with the private sector.

Mr. Chairman, contrary to what the members for Edmonton Belmont and Edmonton Mill Woods suggested, government can't create long-term, meaningful jobs. Direct government intervention and meddling will not solve the problems of today. To suggest government-guaranteed jobs for all our youth is absolutely wrong. It's as socialistic as socialistic can get. Government-guaranteed jobs for all is frightening. I don't want government-guaranteed jobs for my children. I want my daughters to grow up to earn that right, to earn that privilege, and to enjoy the satisfaction that comes with earning that privilege. What's wrong with earning the right to work? What's wrong with earning the right to hold a job? What's wrong with individual initiative? Individual initiative is what will make the difference. Individual people: the courage and the pride of our farmers, the experience and the expertise of our oil patch, the enthusiasm of our business sector, the vitality of our youth, and overall our ability to work together. Mr. Chairman, I can't support these socialistic thoughts whatsoever.

Mr. Chairman, in light of the hour, I would move to adjourn debate.

MR. CRAWFORD: Mr. Chairman, I move the committee rise, report progress, and ask leave to sit again.

[Motion carried]

[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: Opposed, if any? Carried.

MR. CRAWFORD: Mr. Speaker, the Assembly will be in Committee of Supply tomorrow evening. The members have already heard from me what the departments will be, but for great clarity the estimates of the Solicitor General will be up tomorrow night and on Friday, the Energy minister.

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

ALBERTA HANSARD