

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Tuesday, August 12, 1986 3:00 p.m.**

[The House met at 3 p.m.]

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF VISITORS

MR. RUSSELL: Mr. Speaker, there are many distinguished visitors in Alberta this week because of the annual Premiers' Conference, and seated in your gallery today we have visitors from Ontario: the Provincial Treasurer of that province, the Hon. Robert Nixon, and his wife, Dorothy. I'd like them to stand and receive the warm welcome of our Assembly.

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

MR. SCHUMACHER: Mr. Speaker, the Committee on Private Bills has had under consideration and recommends that the following be proceeded with: Bill Pr. 1, the Alberta Synod of the Evangelical Lutheran Church in Canada Act; Bill Pr. 3, the Oxford Trust Company Ltd. Act.; Bill Pr. 5, Alberta Native Business Summit Foundation Act; Bill Pr. 6, Timothy Z. Marshall Bar Admission Act; Bill Pr. 7, The Calgary Research and Development Authority Amendment Act, 1986; Bill Pr. 8, City of Edmonton and Northwestern Utilities, Limited Agreement Act, 1986.

Mr. Speaker, the Committee on Private Bills has further had under consideration and recommends that the following be proceeded with with certain amendments: Bill Pr. 2, Northwest Bible College Act, and Bill Pr. 4, Canada Olympic Park Property Tax Exemption Act.

MR. SPEAKER: Does the Assembly agree with the recommendations of the Standing Committee on Private Bills?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? So ordered.

head: INTRODUCTION OF BILLS**Bill 28
Appropriation Act, 1986**

MR. JOHNSTON: Mr. Speaker, I request leave to introduce Bill 28, the Appropriation Act, 1986.

Since this is a money Bill, Her Honour the Honourable the Lieutenant Governor has been informed of the contents of the Bill and recommends the same to the Assembly.

Mr. Speaker, this is the appropriation Bill which provides for the voting of estimates which we considered until yesterday at 5:30.

[Leave granted; Bill 28 read a first time]

head: INTRODUCTION OF SPECIAL GUESTS

MR. ORMAN: Mr. Speaker, I am very pleased today to introduce to you, and through you to the members of this Assembly, two gentlemen in the members' gallery. They are very active in the ethnocultural affairs of this province and particularly southern Alberta. I'd like to introduce Mr. Mike Brar, president of the Ethnic Canadian Association of Alberta and a member of the Sikh Society of Calgary. Joining Mr. Brar today is Mr. Ed Quilloy, who is an officer of the Calgary Federated Filipino Associations. I'd like them to rise and receive the warm welcome of this Legislature.

MR. WRIGHT: Mr. Speaker, it is my pleasure to introduce nine students from the International Student Centre in the constituency of Edmonton Strathcona, accompanied by their co-ordinator Najeeb Mirza. If they would rise, please, so members could give them the customary welcome.

MR. NELSON: Mr. Speaker, I also would like to take this opportunity to introduce four people who are very involved in both the ethnic community and the community at large in Calgary. They are Detlef Lehmann, Paul Lail, Tony Koch, and Gabe Bakos. They have participated in many activities in the community. I would like them to rise and receive the warm welcome of this Assembly.

head: ORAL QUESTION PERIOD**Agricultural Financing**

MR. MARTIN: Mr. Speaker, I'd like to direct the first question to the Minister of Agriculture. Nine percent long-term credit will primarily benefit the established farmers. Meanwhile, we see the average age of farmers increasing and children who are not able to take over the family farm. During the election I advocated a program of loan guarantees to support vendor financing of farm transfers. My question is: could the minister indicate what the government's position is on the concept of vendor lending?

MR. ELZINGA: Mr. Speaker, I'm more than happy to respond to the leader of the New Democratic Party and indicate to him that we are presently assessing vendor financing within the department itself. As the hon. member is aware — and I'm sure it was pointed out to him when he had the opportunity to meet with the Premier of Manitoba — this province does more for its agricultural sector than any province in Canada. To underscore that as it relates to our beginning farmers, we have that very worthwhile program under the Agricultural Development Corporation, and I can go through a consistent list of the programs available for the agricultural sector. On a per capita basis, no province does more than this province.

MR. MARTIN: Mr. Speaker, we ask a simple question about vendor financing, and we hear about everything this government has done in the last hundred years. Do you know what vendor financing is? It seems to us that vendor financing wouldn't be that expensive. It would increase the chance of families actually owning their own land.

My question is: what studies has the government commissioned to look at the stability which would result when the majority of land was not owned by lending institutions?

MR. ELZINGA: Mr. Speaker, it seems when we give a lengthy answer, we're criticized; when we give a short answer, we're criticized. The hon. member is almost impossible to respond to.

As I indicated to him, we are presently assessing this, as we are assessing a broad range of programs as they relate to the agricultural sector.

MR. MARTIN: Mr. Speaker, I thought this government, if it is for privatization, would be very interested in this type of program.

Would the minister be prepared to lobby his colleagues in the Alberta government about bringing in a program of vendor financing?

MR. ELZINGA: Unlike the hon. member opposite, Mr. Speaker, we believe we should study something before opening our mouths, and we're going to make sure that it serves a distinct and useful purpose to our agricultural sector prior to advocating anything.

MR. MARTIN: Mr. Speaker, it seems the hon. member opens his mouth and tries to find out studies after.

My question is: would the minister indicate to this Assembly how we can protect the family farm without this sort of financing in the future? In other words, are we content to lead toward corporate operations in this province?

MR. ELZINGA: Mr. Speaker, if the hon. member had paid attention for the last number of years, he would have seen the number of innovative programs we have established to protect the family farm, innovative programs that we're all very proud of and that the family community within the farming sector has been very supportive of. Any time the hon. member would like, rather than abuse the time of this Chamber, I'd be more than happy to list all those worthwhile programs.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Provincial Treasurer. While these fellows are bobbing and exercising, I'd like to ask a question.

MR. TAYLOR: I was watching to my left; it's to my right.

MR. R. SPEAKER: Yes, that's right; you've got to watch to the right.

Could the Provincial Treasurer indicate at this time whether other provinces of Canada are indicating some concerns about the present credit programs of the province of Alberta in terms of their effect on free trade and the free trade discussions that are being carried on with the United States at the present time?

MR. JOHNSTON: Mr. Speaker, I should say that in discussions with some of the colleagues who are attending the Premiers' Conference currently — and it is a great opportunity to exchange ideas as to how various governments are reacting to the kinds of problems their economies are facing and in fact attempting to react to very sectoral changes which they face — there has not been any major criticism raised about the Alberta program from provinces adjoining us. Clearly, in the case of Saskatchewan there is already a financing program in place, and I have been advised by the Premier of that province that he is optimistic, based on the crop reports he is receiving, that the farmers will do fairly well in terms of volumes. Some uncertainty about

pricing but no serious question has been raised with respect to our very substantial \$2 billion 9 percent farm credit program, and many provinces are looking to us as a model and suggesting that they would like to see ways to adapt this program in terms of their own situations.

MR. TAYLOR: Mr. Speaker, I don't mind a long answer as long as it's a good answer, not all wind.

This is to the Minister of Agriculture. Mr. Minister, I am pleased to hear you say that you are now going to push for the family farm. Does that mean we are now going to meet the often repeated request of the Alberta Liberal Party that the spouse be considered a full partner and therefore the maximum under the loan program will be moved from \$200,000 to \$400,000 for a spouse and their husband or wife, whatever the case may be, in applying for a loan?

MR. ELZINGA: Mr. Speaker, we on this side have responded to that question on a number of occasions. We have indicated to the hon. member what our terminology is as it relates to a family farm, and we believe it to be very fair.

Seat-belt Legislation

MR. MARTIN: Mr. Speaker, I'd like to direct the second question to the Deputy Premier. Given reports that a majority of members of this Assembly favour a mandatory seat belt law, would the government now show enough courage to place Bill 211, the Seat Belt Act, on the Order Paper under Government Bills and Orders?

MR. RUSSELL: Mr. Speaker, the hon. Premier did say at the beginning of this session that he was considering a free vote on that matter, and I know he's still got the item under active consideration. Because of the Bill that's on the Order Paper, I think we can expect an announcement on that before too long.

MR. MARTIN: I wonder when; we're running out of session.

I'll direct my supplementary question to the Minister of Transportation and Utilities. Previous ministers of transportation — specifically the Member for Chinook — have led the fight for seat-belt use. My question is: what steps is this minister taking to encourage introduction and adoption of mandatory seat-belt legislation?

MR. ADAIR: Good question, Mr. Speaker. I think my position is publicly known all around the province. I am 100 percent for seat belts; I am against mandatory seat belts, and that's a position I as an MLA and my constituents ... [interjection] Pardon me?

AN HON. MEMBER: We all want votes.

MR. ADAIR: I was interrupted, and I just had to hear it, Mr. Speaker. It should be pointed out that I have said on a number of occasions that when private member's Bill 211 comes forward, I will watch with interest the direction that will come from that particular motion when it is debated.

MR. MARTIN: Mr. Speaker, it seems the two hon. ministers are giving us different answers, because he's talking about having a free vote on it. I should ask the minister if he's against dividing lines on the highways, too, because they cut into our freedom.

My question is: has the minister been presented with some sort of information which contradicts all the studies I've seen, which conclude that mandatory — and I use the term "mandatory" — seat-belt laws actually save lives and also save taxpayers' money?

MR. ADAIR: Mr. Speaker, I've seen a number of studies and a number of pieces of information that relate to statistics. I believe one that has been used is that in the province of Alberta the percentage is roughly around 28 percent that do buckle up. I happen to be one of them. I'm also one that watches the solid line when I'm going up a hill. I've even had occasion to be passed on a solid line by one of the hon. members from the other side in a little car.

I should also point out that there is some merit in some of the statistics, and I have no problem in laying it out. It appears that in some cases where legislation is in place, the percentage of buckling up is as high as 60 percent. That's higher than 28 but maybe lower than what they need. As a member who travels back and forth to my constituency, 311 miles up and the same distance back — I only say that because you might get a different figure — I still believe that the fact that seat belts are being used by me is a matter of using common logic, and I hope that many of us would use that kind of logic when we get into our vehicles.

MR. MARTIN: A supplementary question, in view of the minister's answers about common logic. Surely this is what this Legislature is supposed to bring out. Why then is the minister not prepared to push for a free vote on this so that common logic can prevail throughout the province?

MR. ADAIR: I don't think there was any inference that I wasn't prepared to push. The hon. Deputy Premier indicated that the Premier had indicated ... [interjection]. Give me the opportunity, okay? I almost said something, Mr. Speaker.

AN HON. MEMBER: Keep your tongue in, Boomer.

MR. ADAIR: Maybe I should have a drink of water.

The hon. Premier did indicate that he was considering a free vote. I have not said I was either for that or against that. But it's very clear that I will watch with interest the debate that occurs on private member's Bill 211 relating to seat belts — front and back, taxicabs or otherwise, whatever the case may be — and follow the direction given from that.

DR. BUCK: Mr. Speaker, a supplementary question. Can the Deputy Premier give an indication to this Legislature if the government would allow Bill 211 to come to a vote? Can the Deputy Premier make that kind of commitment in this Assembly?

MR. RUSSELL: Mr. Speaker, I obviously can't. The leader of government, the chairman of our caucus, has said that he's giving that matter serious consideration.

I'm fascinated by the proposition that we should do this based on common logic. This morning the Queen climbed 160 steps, yet every morning I come out of breakfast at the Legislature cafeteria and try and get some of these lumps not to take the elevator. Maybe we ought to legislate use of the stairs.

MR. SPEAKER: I'm glad everyone has buckled up on the issue. We will move to the leader of the Liberal Party, please.

International Sport Exchanges

MR. TAYLOR: Mr. Speaker, my question is to the Minister of Recreation and Parks. Although we agree that it's desirable to have sport exchange agreements with other countries and increased contact between nations — it does promote understanding and enables countries to share expertise in staging sporting events — the long-term evaluation of exchange programs, however, is an integral part of any process. Could the minister elaborate, for instance, on the cost of his trip to China, where he negotiated, completed, and signed a sport exchange agreement with the provincial government of Heilongjiang?

MR. WEISS: I'm sure the question would be more appropriately put if it were on the Order Paper, Mr. Speaker, but I certainly welcome the opportunity to clear any misunderstanding. Because if the hon. member had read the release properly, he would have noted that we were hosted by the government of China.

[The Member for Westlock-Sturgeon rose]

MR. WEISS: I am still responding, if I may, Mr. Speaker. I believe I have the floor.

The total cost I haven't ascertained because all items are not in, but I would estimate my expense to be under \$500 for the complete 12- to 14-day trip. I don't think that's a great expense.

MR. SPEAKER: Excuse me, hon. minister. With regard to the first part of the question, that's indeed correct: it's a matter for the Order Paper. We're dealing with the expenses of the trip. Nevertheless, the minister has been recognized with his ability to be able to respond to the second part of the first question. Could we go to the first supplementary, please?

MR. TAYLOR: Mr. Speaker, I couldn't gather, from the fact — he said it was hosted; then he was paying money. Although I know that is often called a dutch treat ...

The first supplementary is: could he tell the Assembly how many people accompanied him and if he intends to have a return party come to Edmonton?

MR. WEISS: Mr. Speaker, I do believe it should be put on the Order Paper, but I would certainly like to once again clarify the misunderstanding about the reciprocal trade agreement and our exchange agreement, in particular the fact that we were being hosted. It was an ideal opportunity to reciprocate because the government of China had recently attended functions in the province of Alberta, and we are asked to reciprocate as well. There will be ongoing exchange agreements, I'm sure, in years to come. I'm hopeful of that, and this government is going to work and encourage that. As far as the number of people in attendance, my executive assistant attended as well as one senior department official.

MR. TAYLOR: Mr. Speaker, to the minister. I hope I'm not getting him to be too defensive, but does he have a budget planned to exchange athletes between China and Alberta?

MR. WEISS: Mr. Speaker, I'm glad the member would recognize the whole purpose, because that is the purpose

of it. Yes, there is budgetary funding; that is there in black and white. I go by memory; I believe some \$255,000 is programmed for this year's exchange agreements.

MR. TAYLOR: A supplemental to the minister. Could he possibly explain to the House why \$25 million is budgeted to exchange athletes with China and why China is picked over any other country in southeast Asia?

MR. SPEAKER: Hon. minister, the second part of the question is in order; the first is appropriate for estimates. It's a matter of responding with respect to the second part, about this choice of China.

MR. WEISS: Mr. Speaker, it's ongoing that this government try and work with all other governments wherever possible. We have sport agreements with many, including Korea and others. I would welcome that the hon. member put the question on the Order Paper.

MR. SHABEN: To supplement the response by my colleague the Minister of Recreation and Parks, Alberta has worked very hard to develop trading relationships with the people of southeast Asia and particularly with the People's Republic of China. The efforts in that regard began with the twinning of the province of Alberta with the province of Heilongjiang in China. Last year our trade with China grew substantially over previous years. This increase in trading opportunities for the business community in Alberta has resulted from exchanges such as the sports exchange and the twinning and the efforts of the Alberta business community to enhance the trade opportunities. These sorts of exchanges, Mr. Speaker, are valuable in enhancing Alberta's exports and improving job opportunities for Albertans.

MR. HAWKESWORTH: My supplementary is to the Minister of Recreation and Parks, Mr. Speaker, regarding the hosting of athletes and officials during the 1988 Winter Olympics. What direction is the minister giving to their representatives on OCO to meet with members of Calgary's multicultural community to examine ways in which they could participate in hosting athletes and officials that will be participating in the 1988 Winter Olympics?

MR. SPEAKER: Hon. member, the Chair is prepared to recognize that as a separate question if time permits in question period.

Small Business Term Assistance Program

MR. R. SPEAKER: Mr. Speaker, my question is to the Provincial Treasurer, and it's relative to the \$750 million small business term assistance loan. Could the Provincial Treasurer indicate what target date is established for the announcement of that program? In July the minister indicated that mid-August was a possibility.

MR. SHABEN: Mr. Speaker, we had hoped to be able to launch the program mid- to third week in August. It appears now that as a result of further negotiations that the Provincial Treasurer and I are involved in with the financial institutions, it would probably be closer to the latter part of August or early September.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. Could the minister indicate whether there is a categorization

being put in place relative to small business, or will it be open to all small businesses and the judgment as to who qualifies and doesn't will be that of the various banking institutions?

MR. SHABEN: Mr. Speaker, there will be criteria, and some of them are already public as a result of the announcement by the government. Basically, the program is for small business. It's for small businesses that derive their incomes from active business sources as opposed to passive business sources. The businesses must have fewer than 100 employees. The businesses must not have gross sales greater than \$5 million or gross profits that are in excess of \$1 million. There are additional criteria that will be made public soon.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. In terms of the mix of existing loans and new loans, are the indications at the present time that the mix will be 75/25, similar to the agricultural 9 percent program that is presently in place?

MR. SHABEN: Mr. Speaker, the total program, as everyone is well aware, is \$750 million. We expect there will be a take-up among existing businesses as well as the opportunity for new businesses to take advantage of the program. The government is not placing a restriction by way of a percentage on new versus old because we believe that the way the program is designed, there will be a balance in terms of that take-up.

MR. R. SPEAKER: Mr. Speaker, a supplementary. With regard to the agricultural 9 percent program, we had questions earlier that stacking was not allowed relative to ADC programs. Will that same principle apply relative to AOC programs and other programs of government?

MR. SHABEN: One of the provisions of the program will be that if a small business qualifies under the criteria of the program and presently has a loan with the Alberta Opportunity Company, Alberta Opportunity Company in that case will provide that company with a loan that has provisions identical to the small business term assistance program.

MR. TAYLOR: Mr. Speaker, to the minister. Being that the lending institutions are going to operate the small business loans, will they be asking for 100 percent collateral, just as they do with the farm loans?

MR. SHABEN: Mr. Speaker, the criteria in terms of how the banks will function varies depending on the type of small business and the kind of security. The provincial government guarantees, which are very important in the program in terms of making this program accessible to a wide range of small businesses, enhance the opportunity for a small business to obtain fixed term 9 percent financing over 10 years. The amount of security required varies depending upon the type of loan being requested.

MR. HAWKESWORTH: Mr. Speaker, a supplementary to the minister. Will there be any special criteria or regulations which would specifically encourage diversification into new economic sectors or new initiatives by small business in Alberta under this program?

MR. SHABEN: Mr. Speaker, as we developed the program and worked at presenting it to our caucus colleagues approv-

ing it, we considered a number of options, such as limiting the program in terms of geography or limiting it by way of sector or limiting it to new verses old, but rejected that and instead developed a program that has guidelines that provide access to a wide variety of entrepreneurs and small businessmen, whether it's the ma and pa business or the small manufacturer. We felt that we should as a government minimize government interference in terms of the take-up of the program but allow the marketplace to respond to the program.

Energy Industry

MR. STEWART: Mr. Speaker, my question is to the Minister of Energy, and it arises by virtue of the minister's meeting on Thursday last with his federal counterpart. Did the minister receive any assurances from Mr. Masse for the immediate removal of PGRT?

DR. WEBBER: Mr. Speaker, I believe the hon. Member for Calgary North Hill is referring to a meeting I will be having with the hon. federal minister Mr. Masse this Thursday. At the meeting I expect to discuss a number of issues with the federal minister. He's coming to Alberta for the purpose of speaking to the Chamber of Commerce, and my expectation would be the announcement of the removal of the PGRT.

However, even with that expectation we do have a number of things to discuss. In the view of the Premiers' Conference, where we had agreement from all the Premiers in this country that we have in our oil and gas sector a national problem that needs a national solution — this received unanimous agreement; I think that was tremendous — we have to force home the point to the federal government that we have to start now in dealing with this national problem.

MR. PASHAK: In his response to the question from the Member for Calgary North Hill, the minister said that he had other things to discuss besides the removal of the PGRT. Mr. Speaker, I wonder if the minister could tell us what those things are.

DR. WEBBER: Not at this time, Mr. Speaker.

MR. TAYLOR: A supplementary to the Minister of Energy. In discussing the removal of the PGRT, is the minister at the same time going to come up with any policy for the use of the money that will be left in Alberta by the PGRT being cancelled?

DR. WEBBER: Mr. Speaker, I'm not anticipating we'll have any discussions on PGRT. Hopefully it will be gone. We've indicated in the past that it was a tax that was discriminatory, unfair on our industry in this province. We agreed in the Western Accord that it would be phased out over a period of time. The industry picture has changed. We want it removed right away.

Once the PGRT is gone, we do not expect that the federal government will say, "Our job is done." It will not solve the national problem that we have. It will be a removal of a symbolic situation that is unfair to the province of Alberta. Then we can get on with discussing solutions to the problem we have.

MR. R. SPEAKER: A supplementary question to the minister. I wasn't clear whether a meeting had been established.

From his remarks at the moment, could the minister confirm that notification has already come from Ottawa that the PGRT will be terminated as of next Thursday's call of the minister in Alberta?

DR. WEBBER: Mr. Speaker, I don't have any advance knowledge of what the hon. federal minister is going to be announcing to the Chamber of Commerce or what he will be discussing. I would only assume that given the current situation that we have in the oil and gas sector, that would be a logical thing to expect.

West Edmonton Mall Accidents

MR. SIGURDSON: Mr. Speaker, my questions are directed to the Minister of Labour. Last week during my questions to the minister he stated that the rides at West Edmonton Mall were closed after the Mindbender accident and subsequently reopened after it was felt that they had been adequately inspected. Can the minister advise the House if this inspection of all the rides included the submarines?

DR. REID: Mr. Speaker, I was referring to the rides in what is commonly called Fantasyland and not in the Water Park, which is another part of the establishment.

MR. SIGURDSON: A supplementary, Mr. Speaker. Given that the government is allowing Triple Five to do their own investigation and is awaiting the results of that investigation before determining a plan of action, is it now government policy to allow companies to conduct their own internal investigations when an industrial mishap occurs which includes recommendations for corrective actions?

DR. REID: It may be, under the unusual circumstances that this is the only fleet of submarines in the province.

MR. SIGURDSON: In that there is a discrepancy between the version of the events between Triple Five and the Department of Labour with regard to the accident, will the minister be tabling both reports in the House for review so that we might determine why those discrepancies exist?

DR. REID: Mr. Speaker, we will undoubtedly be reviewing the report on the incident in the submarine very thoroughly within the department, and that will be done prior to any further operation of the submarines. Whether the report will be made public or not, I am not yet sure.

MR. SIGURDSON: It becomes a question of: whose report, the corporation's or the government's?

My final supplementary: in that the terms of reference for the Mindbender inquiry permit a rather wide-ranging look at amusement regulations, is the minister able to assure us that he has requested the inquiry committee to look at the submarine accident as well?

DR. REID: In relation to specific inquiries, the committee was requested to look at the accident of the roller coaster and to also look at regulations and the enforcement of regulations and inspections of similar types of equipment. It was not specific in those cases; it was general. I presume that is the type of report I will get from Mr. McKenzie and Dr. Kulak. If in the course of their inquiry they indicate any indication for investigating a specific occurrence of the flooding of the submarine, I would certainly extend their

jurisdiction to cover that incident, but I'll leave it in the first instance up to the commissioners.

Financial Industry Incentives

MR. MITCHELL: Mr. Speaker, my question is to the Treasurer. Recent reports indicate that certain national banks are becoming increasingly cautious about investing their money and assets in Alberta, putting more strain on an already strained area of our economy. The government's response to improving and strengthening our regional financial industry has been to emphasize equity market creation, to emphasize the brokerage industry with programs such as the Alberta stock savings plan, the small business equity corporations program, and Vencap, all of which are good ideas if implemented properly. Could the minister please indicate how these kinds of ideas assist traditional forms of financial enterprise in this province — and in the past such institutions as North West Trust, Heritage trust, and CCB — when in fact they probably competed with them?

MR. JOHNSTON: Mr. Speaker, I'd sure appreciate the question again so I can reduce it to simple terms. It's difficult for me to understand that preamble today.

MR. MITCHELL: It's not the first time it has been difficult for you to understand a question. What I'm saying, Mr. Speaker, is that ...

MR. SPEAKER: Order please. With due respect to the hon. Member for Edmonton Meadowlark, there were indeed a number of convoluted strands woven together in the web of the question. Perhaps a quick question would be helpful, and then the other aspects could be brought out in your succinct supplementaries.

MR. MITCHELL: Thank you. Sometimes when we get into a new area of policy that people don't understand, it seems difficult. In fact, that begs the very question about forms of industry in this province other than energy and agriculture. The response to problems in our financial industry has been strictly to emphasize the equity market and the brokerage side of our financial industry. What do SBEC, Vencap, and Alberta stock savings programs do to assist traditional trust company kinds of investment corporations? What are you doing to help them?

MR. JOHNSTON: Mr. Speaker, I'm glad the member enumerated the vast number of programs which this government has undertaken in the past two years to strengthen and put in place a secure financial infrastructure in this province directed at achieving new jobs, protecting jobs, and generating new investment for this province, the success of which has been demonstrated time and time again. I really appreciate the opportunity for the member to underscore the important initiatives taken by this government.

Once you start to muster the equity markets and once you start to bring into focus new equity within the private sector, traditional forms of capital will flow to the private sector. That essentially is what's happening right now. Once the equity is strengthened, other kinds of funding obviously flow to the private sector from banks and other sources. That of course is taking place in this province. In conversations recently with two senior leaders of banking institutions in this province, they reported to me that banking operations of the majority of the service industries have

been very successful. They're advancing more loans than ever. In fact, the net flow of capital from across Canada into Alberta is still in our favour. More money is coming to Alberta than is going into deposits elsewhere.

So there is an opportunity here, Mr. Speaker, for us to outline very fully that because of the equity building programs, the Alberta Opportunity Corporation, and the Ag Development Corporation, which is an agricultural service and business sector, in fact it is ...

MR. SPEAKER: The Chair thanks both hon. members for demonstrating the difficulty of long questions then requiring long answers. Supplementary question.

MR. MITCHELL: It's interesting to see that the Elaine McCoy school of answering is catching on.

What steps is the Treasurer taking to allow Alberta trust companies to diversify their investment portfolios so they're not so completely dependent upon single asset class mortgages, which seem to turn into owned real estate. Would you please elaborate on those kinds of initiatives?

MR. JOHNSTON: I'd be glad to elaborate, Mr. Speaker, but I know you're going to cut me off, because of course this is nothing but begging debate. If the member wants to get involved in some kind of discussion with respect to the financial future of this province and the ways in which this government has responded beyond any other province in this country, he should put it on the Order Paper, and we'd all have a chance to get at it. Otherwise, I know you're going to cut me off. It has been so long, extensive, important, and dramatic that if I were to go on all day — we could spend three hours talking about it.

MR. MITCHELL: An industry of this importance might require three hours. What is the Treasurer doing about getting the international banking privilege for Alberta? It has been accorded by the federal government to B.C. and to Quebec, and it could be very helpful to our financial industry in Alberta.

MR. JOHNSTON: Mr. Speaker, Alberta is one of the leading financial centres in Canada. It is a leading international financial centre of Canada. Even though Mr. Wilson in his last budget spoke about two financial centres, Vancouver and Toronto, those have not in fact taken place. We have seriously protested that that sort of special treatment be given to those two cities, and we have continued to harp on that point. We know that the financial institutions that have moved their head offices to Calgary and Edmonton followed the need for the financial flow of capital to this province, and they have already made that major commitment.

Mr. Speaker, we'll continue to do whatever we can in a variety of ways in terms of strengthening the private sector, bringing financial institutions to this province, and using our forces to ensure that no city gets special treatment, whether by budget or by government policy, and to ensure that Calgary and Edmonton, which have one of the most amazing centres for financial interaction worldwide and within Canada, maintain that strength.

MR. MITCHELL: Given the importance of the brokerage industry and a creative brokerage policy to an integrated financial industry strategy for Alberta, could the ...

MR. SPEAKER: Hon. member, the Chair rises again with great reluctance, but a supplementary question is a question, not a statement or two statements or three statements plus a question. May we please have the question.

MR. MITCHELL: Thanks, Mr. Speaker.

Can the Treasurer please tell the House what concrete measures he has taken to ensure that there is interdepartmental co-operation with his department and the Department of Consumer and Corporate Affairs to bring a brokerage policy into an integrated financial industry strategy?

MR. JOHNSTON: Mr. Speaker, I have talked before about the way in which the province of Alberta is developing a policy dealing with the so-called four pillars of the financial sector not only in Canada but in Alberta, and we have made a number of recommendations to a variety of groups talking about the normal banking institutions, the underwriting of stock, the underwriting of risks in terms of insurance, and with respect to the trust companies themselves. In those four areas we have already within our own policy limitations outlined clearly, through a variety of papers, strategies, public statements, policies, programs, and funding arrangements, to ensure that those four sectors are in fact maintained in this province.

Concurrently, Mr. Speaker, all departments and all governments who have contact with the financial institutions have a comprehensive policy. To some extent that policy was outlined in the financial infrastructure paper which was released last year by then Premier Lougheed, which was one of the first papers in Canada to outline and detail its own policy with respect to the financial systems in this province.

Currently we are considering and reacting to the so-called green paper recommendations put out by Barbara McDougall, which in essence deal with the four outlines I talked about. Moreover, we are dealing with a variety of programs to both supplement the private sector and encourage by way of attitude the financial institutions to locate here, attracting wherever possible and providing an environment for the financial private sector to operate profitably in this province. They know it's successful, and they will continue to be in this province above all other provinces.

MR. SPEAKER: Hon. members, in the course of that answer I believe there were in this case at least two if not three interruptions by both the Member for Edmonton Meadowlark and the Member for Westlock-Sturgeon. The Chair would once again respectfully remind the members of Standing Order 13(4)(b):

- (4) When a member is speaking, no person shall
- (b) interrupt that member, except to raise a point of order.

MR. McEACHERN: Mr. Speaker, my question is: would the Treasurer in building his next budget consider some demand-side economic initiatives rather than relying almost solely on supply-side economic theory, which is what you've just been discussing?

MR. JOHNSTON: Mr. Speaker, I'm tempted to recite the pros and cons of supply-side economics versus demand-side economics, but I know that's limited to grade 10 students, where this gentleman has come from, and maybe he should review his own economics books instead of wasting our time here.

PCP Plant

MR. YOUNIE: Mr. Speaker, I will attempt to be brief, as I'm sure will the Minister of the Environment.

It has come to my attention that representatives of Bradbury industries have met with officials of the Environment department, that Bradbury industries is investigating the purchase of land near the Scotford plant near Fort Saskatchewan, and that they have said that they hope for a quick okay on their pentachlorophenol plant so that they can be operational by spring. Can the minister briefly outline the present state of negotiations with Bradbury industries?

MR. KOWALSKI: Mr. Speaker, there are no negotiations under way.

MR. YOUNIE: Their consultant is not aware that his meetings weren't negotiations, I guess.

Will the minister guarantee that before this or any similar operation to produce pentachlorophenol in Alberta there will be a study done into PCP production which will include a thorough investigation of Sweden's reasons for banning both production and use of the chemical?

MR. KOWALSKI: Mr. Speaker, the responses I will give today are the same as I gave several weeks ago. There has been no application made by Bradbury Chemicals to Alberta Environment, no application other than just a cursory overview or contacts with certain officials in the department. Until a formal statement, a request, or something is filed with the government with respect to this, it seems a bit premature to set in place a whole series of mechanisms to review it. I have myself undertaken a personal review of certain situations existing with respect to the chemical involved, but there has been no application from Bradbury Chemicals.

MR. YOUNIE: Thank you. But there have been discussions, and they have announced when they plan to go ahead. Will the minister guarantee that before such a plant goes ahead there will be a complete environmental impact assessment done and public hearings in the concerned area?

MR. KOWALSKI: Mr. Speaker, Bradbury Chemicals can announce anything it chooses to. It can't go ahead unless certain things are in place. Several weeks ago the Member for Westlock-Sturgeon, I believe, asked the same question that's being asked today, and I indicated that there were several steps that had to be taken. First of all, should any firm wish to locate in any municipality in the province of Alberta, it must receive a development permit from that particular municipality. In terms of an application for a development permit, there is a mechanism that will allow a public hearing to go along with that particular item. The second statement undoubtedly is that the firm in question, or any firm in particular, would have to get a licence or approval from Alberta Environment. We have had no application whatsoever brought to our attention with respect to that matter. Thirdly, as I repeated several weeks ago, there is the option that would permit the Minister of the Environment to call for an environmental impact assessment.

MR. YOUNIE: I guess the public hopes he will. Can the minister reassure the residents of Fort Saskatchewan that it is not his plan that they should be presented with a fait

accompli between sessions of the Legislature after these negotiations go ahead?

MR. KOWALSKI: Mr. Speaker, the residents of Fort Saskatchewan would know before the Minister of the Environment would. Nothing would come to the Minister of the Environment unless, number one, the residents of the city of Fort Saskatchewan were to receive a development application and, two, that municipal council were to give its approval to such a development application. After that, should the firm in question, or any other firm, wish to make an application to Alberta Environment for a licence, we would deal with it. But in fact the citizens who are resident in Fort Saskatchewan would be aware of the day-to-day operation well before the Minister of the Environment.

MR. SPEAKER: The time for question period has expired. The Minister of the Environment wishes to answer questions raised by the Member for Edmonton Meadowlark on Friday last.

Hazardous Waste Disposal Plant

MR. KOWALSKI: Mr. Speaker, on Friday last the Member for Edmonton Meadowlark raised a series of questions with the Premier in the absence of myself. It's my understanding that at the conclusion of the question period a document was filed on my behalf by the Minister of Transportation and Utilities. It listed 16 pages of text with respect to questions that the Member for Edmonton Meadowlark had asked me during the estimates of Alberta Environment. In reviewing the questions that were raised on Friday last, I believe that answers were included in that document which should cover all the questions that were raised on Friday last.

MR. MITCHELL: Just for the public record, I wonder if the minister could please indicate to us the ... I have forgotten my question. He has completely baffled me once again.

MR. SPEAKER: The hon. Member for Edmonton Meadowlark has the sympathy of the entire House as well as the galleries because it's something that has thrown fear into the hearts of all of us from time to time, that we would stand up and have just that happen.

ORDERS OF THE DAY

MR. M. MOORE: Mr. Speaker, I move that the motions for returns which are on the Order Paper remain there in the same order.

[Motion carried]

head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

215. Moved by Mr. Schumacher:

Be it resolved that the Legislative Assembly urge the government to consider the privatization of wine and liquor sales in rural centres with fewer than 1,000 inhabitants.

MR. SCHUMACHER: Mr. Speaker, in moving Motion 215 I rise to address the Assembly on behalf of almost 600 rural communities in this province that I believe have been discriminated against for a long period of time. I don't look upon this as a motion to promote free enterprise per se. I hope the members who disagree with the motion won't be using it as a platform to argue for prohibition. Prohibition has been tried on our continent. I think it was called the noble experience or the noble experiment or something. The objects no doubt were noble. But I think the experience we've had has proven that prohibition was not generally accepted as a success.

I have had a feeling for some time that there is not an element of fairness in our province when it comes to the question of the sale of liquor. Anybody who lives in the cities of Edmonton, Calgary, Drumheller, or Red Deer can acquire their supply of liquor by driving probably not more than three miles. I should preface these comments by saying that I probably don't visit a liquor outlet more than three times a year; I don't think I'm doing this for my own benefit. But there are a great number of people in this province who live in isolated areas and smaller communities that don't have the benefits of the vast majority of the people who live in larger urban centres.

As I pointed out, there are 619 rural centres in Alberta with a population of less than 1,000. Of those 619, the Alberta Liquor Control Board operates premises in 39. Those are the last figures that I have been able to ascertain. That leaves a large area of our province where people are required to travel many miles in order to obtain whatever; I don't like to call them benefits because I really don't believe in the excessive consumption of alcohol. Nevertheless, it is a lawful product sold by our government, or through an agency of our government, and certainly has had the approval of the population of our province over a great number of years, because this has been a government enterprise for over 60 years. I don't think we can say that the government is opposed to the sale of this product. Of course, it does result in a great deal of revenue to our province.

The argument against it is of course that it creates a lot of expense to our province too by its adverse effect on health, the creation of automobile accidents and loss of life, and all those other things. Nevertheless, our government has sanctioned the sale of this product on a general basis. I think if it's going to be recognized that way, everybody in the province should have equal access. The government of our province has taken steps to decentralize its operations in other areas. We have the Alberta Opportunity Company being located in Ponoka, the Alberta Agricultural Development Corporation in Camrose. There are seven regional offices of Alberta Social Services; Wildlife and Parks have regional offices; the Alberta Sport Council is located in Calgary. Most of those places are already viable entities. Notwithstanding that, the government has seen fit to diversify its services into those areas.

I would suggest that our rural economy is under pressure, particularly at this time. We've had two years of drought, and when we finally have the prospects of a good crop coming on, the prices have plummeted. The vast majority of these communities I've referred to, over 500 of them, have a grocery store situated within their boundaries. I would submit that that grocery store is suffering economic problems at the present time. All I'm suggesting is that a good way of keeping that grocery store viable in that smaller community would be if that store were permitted to sell liquor and wine.

We now have a situation where people who want to buy this lawful product have to travel 15, 20, 25, or 30 miles to a larger centre to go to an Alberta Liquor Control Board outlet. I would suggest that when they do that, they might also drop into a grocery store or other businesses in that larger centre, to the detriment of the business being carried on in their local community. We've had arguments over the closing of post offices being a thing that has weakened these areas. We have, on the other hand, positive efforts made by this government to diversify its operations throughout the province. I would suggest that the government give consideration to helping out the smaller communities. Where they can't put an AOC or an ADC, why can't they give the benefit of an ALCB product outlet in the smaller community and help keep that community viable?

It isn't as if this has never happened before. In the jurisdiction to the east, Saskatchewan, there are 160 agency stores; that is, private outlets that are not run by the government. Saskatchewan has recognized this problem. Also, in the province of Manitoba there are 174 liquor vendors that are not government owned. I don't know if there are any now in British Columbia. There are not many; I'll have to admit that. In 1973, when the Ghitter report was filed with this Assembly, there was one outlet. [interjection] My hon. friend from Calgary Foothills advises that it was at Trout Lake. I don't know if Trout Lake is still there or not. As a matter of fact, in western Canada there is ample precedent for such a thing happening. I'd say the jurisdictions of Saskatchewan and Manitoba are very similar to the situations in this province.

In the province of Quebec beer and wine are sold in 11,082 grocery stores. Some of those, like Steinberg's, are chain stores that operate in Montreal, Hull, and Quebec City. But for the ones that are independent in nature, they estimate that liquor sales represent 25 percent of the gross sales of those grocers. So they can be a very significant part of the business, keeping that business viable.

Studies have been done which indicate that the rate of alcoholism, which we're all of course concerned about, is the same in the United States as it is in Canada. Generally speaking, in the United States there is more private selling of alcoholic products than in Canada. In many jurisdictions alcohol is sold privately everywhere; all the liquor stores are privately owned. So it doesn't seem to be a function of availability. There is conflicting evidence as to whether availability is what causes alcohol-related problems or whether it's a question of urbanism and income. You have to have money in order to buy this product. Because of the experience in the United States — over 30 states allow the private approach; 19 have systems that are similar to what we have in Alberta. It doesn't matter whether they are private or public, the rate of alcoholism is the same in the United States as it is in Canada. I would suggest that that is not a good argument.

[Mr. Musgreave in the Chair]

My plea today is the argument of fairness. If we should happen to benefit our rural economy while we're obtaining fairness, so much the better. I would urge members to give serious consideration to this motion and would point out that it was recommended in 1973 by the first Ghitter report. One of the recommendations of that report was

that Agency Stores, operating on an annual contractual basis with the Beverage Alcohol Board, be allowed to

sell beverage alcohol in the more remote areas of the Province.

In support of that finding, the committee said:

Many areas of Alberta are isolated from reasonable access to Government operated liquor stores. These Albertans are placed at a disadvantaged position to those living in more densely populated areas. Examples have been brought to the attention of the Committee wherein the necessity of travelling lengthy distances to purchase alcohol has resulted in motor vehicle accidents, due to the propensity of the customer to drink either en route or on the way back from the liquor store.

So I would suggest that there are arguments the other way, but the fact that they don't have to travel long distances could prevent accidents and injuries in that area.

I would ask hon. members to think of this in the area of fairness, the same availability and opportunities to all citizens of the province, and not have a situation where we have large numbers of our citizens being discriminated against by the operations of the Alberta Liquor Control Board.

Thank you.

MR. WRIGHT: Speaking for myself, Mr. Speaker, since my hon. friends on this side and I don't have any set policy on this, I instinctively agree with the argument for fairness. It's unfair that people who live in smaller centres should not have access to the same sorts of facilities, which are legal of course, that we do in the cities and larger centres. Nonetheless, there are one or two points that trouble me.

In the first place, the motion deals with all liquor. Contrary to the point of the hon. member who has just spoken that there is no relationship between the availability of drink and the abuse of it, I have always understood that there is such a positive relationship that the easier it is to get, the more likely it is to be abused. On that principle, therefore, I would strongly urge this Assembly, if it is to move at all in this direction, to move in the direction of the province of Quebec, where wine and beer are widely available at corner stores, that small business establishment type of thing, but spirits are only available at the regular liquor stores. I think it is clear that the alcoholic tends to be much more alcoholic on spirits than on wine or beer, not that you can't be alcoholic on both, but you tend to get drunk more easily on spirits. So there is, I think, a social aspect to this. I would tend to say: let us have diversification in terms of the Quebec model, confined to wine and beer.

The second point that troubles me about this, Mr. Speaker, is that it doesn't by its terms necessarily help small business. It's been the saviour of corner stores in the province of Quebec in not only the towns but also in the country, because if you can make your profit from the sale of wine or beer, it may well be enough to make a corner store business profitable. That in turn may save the demise of some small village or, indeed, town in the country or at least make it a centre once more. On the one hand, one has the utility of having businesses saved; on the other hand, if you exclude spirits from the sale, you do not endanger the social policy against alcoholism so much.

If we had that plan too, Mr. Speaker, then we could have a uniform regime between the country, the towns, and the cities such as they have in the province of Quebec. This would then get over technical difficulties like what you do with a summer village which has 200 people in the winter and 1,500 in the summer. Do they just have the

rules in the summer, or what? And how about places on the boundaries of a city? Do they have the dispensation too? And so on. If you just had a uniform regime for the towns and the country confined to the papa-and-mama stores sort of thing, that would be a great help to them. It would also help with the Sunday opening problem, because here you can have a store — I'm not necessarily saying that you would sell liquor on a Sunday in that store, but they would be able to survive through the rest of the week despite 24-hour competition from bigger places.

It's a rather tangled web, but on the whole, speaking personally, if the resolution were modified I would tend to support it, Mr. Speaker.

MR. ADY: Mr. Speaker, I'd like to add a few of my remarks to this debate. I approach the debate from the vantage point of an MLA representing a rural constituency which, according to the sponsor, should be able to derive some benefits from privatization of wine and liquor sales in rural Alberta. However, I have to take issue with that premise, as I fundamentally disagree with the notion that any benefits would accrue to the people of Alberta by wholesale or selective privatization of the retail sale of alcohol.

I feel that it's the responsibility of this Assembly to objectively weigh the benefits and costs of such a policy direction in a responsible manner prior to asking the government for such changes. What are the benefits and what are the costs, and which comes out ahead, Mr. Speaker? In my remarks today I'd like to make an assessment of those factors and see which one comes out on top.

One of the arguments brought up by the proponents of privatizing liquor sales is that increased availability does not lead to increased consumption. A 1983 study conducted by the Addiction Research Foundation in London, Ontario, initiated a literature review looking at the relationship between the frequency of outlets for alcoholic beverages and consumption. I'd like to quote from the conclusion of that study:

The majority of the research that specifically addresses the relationship between the availability of off-premise outlets and consumption observe a positive relationship between the two. The best-designed studies strongly affirm that such a relationship exists.

The authors of the study concluded that there was a positive relationship between the number of retail outlets selling alcohol and consumption of alcohol. This fact is borne out in Alberta according to recent figures released by the Alcohol-Drug Education Association of Alberta. The association examined how Alberta's per capita consumption of alcohol has increased in terms of gallons of absolute alcohol over the past 30 years. They found out that there was a 100 percent increase in the consumption of absolute alcohol in the form of beer, wine, and spirits for the period of 1950 to 1983, occurring at a time when government retail stores increased from 53 to 215 and licensed premises jumped from 524 to almost 4,700. The relationship seems clear enough.

In and of itself increased consumption isn't necessarily an extremely bad thing, but it does concern me. In 1984 Albertans spent over \$857 million on alcohol. An average Albertan drinks 126.3 litres of alcohol per year. Compared with other provinces, Alberta ranked number 3 in per capita spirit consumption, third in wine, and seventh in beer.

Those aren't figures that I think we can take a great deal of pride in when I look at some of the side effects

or, using the jargon, the hangovers of this binge. Let's look at some of them. Over 25,000 Albertans a year are convicted of impaired driving, and I think we can safely say that only a fraction of them are caught and some of them are not convicted. Two hundred people a year are killed in alcohol-related highway accidents. Again, those are the ones that are recorded. Approximately 10,000 people a year are hospitalized for treatment of alcohol-related illnesses, each of them staying in hospital an average of 4.7 days, costing the province something in excess of \$13 million. Alberta has an estimated 82,000 alcoholics, roughly the combined population of Medicine Hat, Grande Prairie, and Lloydminster. If we calculate the loss in production, I think we would find it astronomical. Alcohol and drugs are contributors in 50 percent of the suicide deaths in our province, and alcohol is a factor in one in every 10 deaths. If we look at those over 18 years of age in our province, the per capita consumption is 876 bottles of beer at a cost per person for alcohol of \$570.

But the government is making a profit from these sales; we have to consider that, I suppose. In 1984 the Alberta Liquor Control Board pulled in almost \$300 million in profits which were transferred to the General Revenue Fund. I suppose there are a lot of things we could do in our province if we just wanted to generate profit. We could open up the sale of a lot of things if that was the bottom line. But what of the price tag that the government of Alberta pays for the abuse of alcohol? The costs to society in terms of medical care, law enforcement, and social services are astronomical and far outweigh the \$300 million of revenue. This year the Assembly has been asked to approve government budgetary estimates of \$2.2 billion for the Department of Hospitals and Medical Care and \$1.3 billion for the Department of Social Services. It leads me to ask how much of these expenditures are being used to pay for alcohol-related problems. I would bet that it's a significant amount, certainly over the \$300 million of revenue that we generate.

Some people will look at this and say, "Yes, I agree with that," and then go on to say that government should get out of the business of selling alcohol. Some would argue that it is absolute hypocrisy that government is involved in making profits from the sale of alcohol when it's costing them so much in other ways. In a perfect world, Mr. Speaker, I might be inclined to agree with this point. Sadly, we don't live in a perfect world, all the more reason for the government to retain control of the sale of alcohol and resist efforts such as this resolution to loosen that grip.

However, the costs to government are almost inconsequential when compared to the human costs of alcohol abuse. Those costs are not ones which fit well into cost/benefit ratios or economic equations, but statistics can show their magnitude. A 1981 Health and Welfare Canada publication noted the following human costs of alcohol abuse. It is estimated that alcohol is a factor in one-third of all child-abuse cases, a factor in one-half of all divorces granted on the grounds of physical and mental cruelty. Alcohol was a factor in somewhere between 45,000 and 76,000 violent crimes in 1978. When we consider all these things — family breakdown, child abuse, violent crimes — it's a high price to pay, Mr. Speaker, a price that neither I nor my constituents are prepared to pay.

The current system of retail sales of alcohol works well even with some of its flaws and strikes a balance between a wide open so-called free-enterprise system and a state of prohibition, both of which do not work. In other words, if it's not broken, let's not try and fix it.

Mr. Speaker, I'd also like to make the point that there are already numerous outlets for the sale of alcohol in this province. No one is going thirsty. You can purchase alcohol from the Alberta Liquor Control Board store, a bar or lounge, a brew pub or wine boutique, at many sporting events, in beer gardens, at dances, at socials, in private community club functions, and the list goes on. Alcohol in Alberta is more than adequately available. The modification proposed in this resolution would open the door wide, however. While initially proposing to allow private enterprise and rural centres to sell alcohol, the final effect would be to allow it everywhere in Alberta.

The proposal before this Assembly today, Mr. Speaker, is selectively discriminant in a free-enterprise system. Businessmen in small centres would be deriving an economic benefit that their counterparts in urban centres weren't realizing. It would not be long before there would be cries to right this injustice. Once this first step has been taken, it would be impossible to go back.

Mr. Speaker, for these reasons I can't support this resolution and would urge all members to do likewise.

MR. STEVENS: Mr. Speaker, I'm very pleased to be able to join in the debate this afternoon and compliment the Member for Drumheller, who has given us an opportunity to reassess the matter of beer and wine sales in rural centres. I recall the debates when on a previous occasion the former Member for Calgary Buffalo brought forward a motion for beer and wine sales in grocery stores, and I watched and listened to those carefully. I also recall that at a recent convention in Calgary of the party I'm pleased to be a member of, a motion of a similar nature, for beer and wine in grocery stores, was defeated by the delegates of that party.

In this case the Member for Drumheller has brought forward major supporting principles. He has discussed the extension of free enterprise in Alberta and the reduction of a government monopoly in alcohol retailing, and he has proposed how this might provide support for the private sector and small business. I think that was supported and perhaps expanded upon by the Member for Edmonton Strathcona. He has talked a lot about the promotion of equitable access to alcohol products among Albertans. It's very difficult, Mr. Speaker, to argue with those points. The principles that he has proposed for us today are sound, and there is evidence that is strongly supportive. But I'd like to take a step back from those specifics and, as the chairman of the Alcohol and Drug Abuse Commission, talk in a broad perspective about alcohol, the availability of alcohol, and the problems that we Albertans face. Therefore, I too am pleased to join with the comments of the Member for Cardston and take a stand in opposition to the motion.

Mr. Speaker, I want to talk about three principles and three specific problems in my remarks today. The principles are: first, alcohol as a hazardous product; second, restrictions for the common good; third, this proposal before us is a fundamental departure. The three problems: access by underage adolescents; the possibility of an increase in Alberta of drunk driving; and finally, the question of economic subsidy, which was referred to briefly in another way by the Member for Edmonton Strathcona in responding to the Member for Drumheller.

First of all, Mr. Speaker and members of the Assembly, we all know that alcohol is a hazardous product. It is a drug with properties that make its inappropriate or excessive use a hazard to health. This is not a moral or an ethical

judgment; it is a medical judgment. Society always exercises very careful care in how hazardous products are marketed and promoted. Therefore, why should alcohol be different? We have, as the Member for Cardston enumerated, a horrendous problem in Alberta with alcohol use, with alcohol misuse and abuse. Last year nearly 100,000 Albertans received some form of treatment service from AADAC, usually for a problem related to their alcohol use. This doesn't count the people that are treated by federally-funded native programs or the many people who go to Alcoholics Anonymous, a physician, or any other caring person without ever visiting AADAC; we have no idea of those numbers.

The tired old image of the skid road bum as an alcoholic must be discarded. Alcohol is a very dangerous substance. It can strike anyone, no matter what their position in society. We in Alberta have one of the highest per capita consumption levels in the world, and this inescapably means the highest problem levels as well, from alcoholism to impaired driving, to wife and child abuse, and so on.

Mr. Speaker, AADAC is not a prohibitionist organization, and I'm not going to give these remarks that prohibitionist characterization. AADAC is not concerned with whether or not people use alcohol. The commission is concerned that people recognize alcohol's special dangers and use it with the care that this product deserves. AADAC well knows the enormous human tragedy caused by excessive or inappropriate use of alcohol, and alcohol problems, as I've said, can strike anyone. There are few Albertans and probably few of us in this Assembly who don't have a friend or a member of the family who has been touched by alcohol abuse.

It's not just a commodity. Parts of the beverage alcohol industry attempt to portray alcohol as essentially harmless. Alcohol is shown as simply another consumer commodity like pop or hamburgers or ice cream, and it gives a special life-style advertising campaign that we've seen which is highly misleading. It's very effective life-style advertising, and you must notice, members, that this advertising utterly ignores the fact that alcohol is a drug that can harm anyone who is careless in its use.

I think government's role, Mr. Speaker, is to send to the public a very clear message that in our collective judgment, alcohol is a substance capable of doing great and lasting harm. That message is conveyed in the special way by which government treats alcohol. By exercising a degree of control on availability and by our education and prevention programs such as the organization of AADAC, we can do that. We as a government do that with a whole host of products: with automobiles, with the handling of guns, and with pharmaceuticals. If there is a contest, it's not over whether or not people should drink. It's concerned, as we've heard this afternoon, with presenting a balanced viewpoint. We've got to counter the industry's image of alcohol as harmless with a more realistic one of alcohol as a mixed blessing. Government cannot abandon this role. There is no one else that will do it.

The second principle, Mr. Speaker, is individual restraint; for example, restrictions for the common good. There are many ways in which we as citizens accept restrictions on our individual actions, our prerogatives, to benefit society as a whole. No matter how competent a person is or how competent a driver, we restrain our speed and our driving practices not because we might harm ourselves but because we might harm someone else. We accept these restrictions as the price of a stable society, a wholesome society, because to do otherwise would make our society unworkable.

The present controls on alcohol may well mean that a reasonable and responsible person is unable to get more beer on a Sunday. The question is whether that minor inconvenience should be rectified at the cost of greater problems for all of us. The greatest challenge for us is to achieve a balance between the legitimate wish of those who want to have alcohol readily available and the indisputable reality that greater availability will result in greater abuse by some. That affects everyone.

My third concern, Mr. Speaker, is that Motion 215 must be understood for what it is: it is the beginning of a radical change in how Alberta manages alcohol. How did we in this province get into a situation where alcohol can create so much harm? By a series of incremental changes, by small changes over a period of time. Those with a vested interest in the production or marketing of beverage alcohol have found all too willing allies in people who for perfectly legitimate reasons wanted greater access to alcohol than used to be the case in our society. Those who oppose those changes are called killjoys. None of these small changes occurred alone or by themselves caused a worsening of the problem, but together they have led to the present situation where alcohol is casually sold and casually used. This causes great harm to a large number of ordinary people. Still, we're told it's not enough.

Alberta is said to be in the Dark Ages despite alcohol legislation widely recognized across this continent as progressive and passed by this government just a few years ago. We have the cheapest alcohol in Canada. We have available over 4,800 established premises, a number that increases each year. In addition, last year alone saw 50,000 permits issued.

Where is the demand coming from? Ordinary citizens? Marketing groups? The industry? Whenever the industry or one of the groups of related industries that would benefit from fewer restrictions on the sale or advertising of alcohol lobbies for further liberalization, the refrain is always the same. They say that there is no evidence that what they propose will contribute to the alcohol problem. "There is no evidence, Members of the Legislative Assembly, that what we propose will contribute to the problem; what we have found somewhere else has not caused a problem somewhere else," they will say. "What we propose is not as big a change as what has happened somewhere else. This is a small change, and it's not our responsibility to be concerned about the impact of that decision." The reality is that we've developed a major social problem with alcohol. We've done this by accepting the so-called small changes. Every small change is contributing to the problem.

Mr. Speaker, to me the onus should not be on the health professionals to prove that what is being proposed is not a damaging situation. Health professionals are charged with ensuring that the health of our population is protected and certainly, at the very least, not worsened. It seems to me that the onus should be on the industry or the marketing forces or the producers to prove that their proposals would create no harm. They have far greater resources than any government and certainly any agency of government such as AADAC will have, but they want action now.

What is next? If today we introduce wine and beer into small stores in communities of 1,000 persons or less, tomorrow this same House will be pushed to extend it into communities that have 20,000 in the suburbs, or 3,000, or as was said by the Member for Edmonton Strathcona, summer villages in the summer. We might then be asked: why just beer or wine? Are these somehow harmless forms

of alcohol? There is no beverage of moderation. You can get into difficulty with any form of alcohol.

Alberta leads the world in new approaches to prevention that emphasize the individual's responsibility for his own life and the making of wise personal choices. Part of the prevention is to limit exposure to the hazardous substance, to clearly indicate the potential danger by restricting advertising and promotion, and by making alcohol meet the legitimate needs but protecting against obvious abuse. It seems to me it would be ludicrous, Mr. Speaker, for us to allow alcohol to be sold like soda pop on the one hand and on the other hand spend a great deal of our money, taxpayers' money, warning people of the extreme hazards they face. Surely there's a middle ground, a balance, as suggested by the Member for Cardston.

Mr. Speaker, I want to talk about three specific problems, because AADAC believes there are three areas that we should be concerned about. This ignores, of course, the more global concern that increased availability will lead to increased consumption and increased problems among our population. The first concern is the underage adolescent. We've kept the legal drinking age at 18 in Alberta despite moves to raise it in many other jurisdictions, particularly in the United States now. We believe that a higher age will not have a major positive effect, that existing controls on underage drinking are being more seriously enforced of late, that parents — thank goodness — are taking a more active interest and a guiding role concerning drinking by their offspring, and that we are having some success in our province in putting more effective prevention programs in place. What would happen if we introduced wine and beer sales in small stores in smaller communities? This would seriously weaken controls on access by underage adolescents and undermine our other approaches.

Mr. Speaker, I spent some time on a radio program the other day. Several clerks working for large chain stores and small stores called in. They were concerned about a different kind of product, but their concerns were that they were not trained to make decisions about who is 18 and who is not. On that same program a staff member of the Alberta Liquor Control Board called in and said that every Friday evening in Southgate, some 200 underage Albertans are refused service in that store. It can be very difficult for any of us to determine someone's age by simply looking at him or her, especially when it's something we don't do all the time. ALCB clerks and beverage room owners are getting quite good at doing this, and they are strongly motivated to do it by our laws. Whether this would hold in a convenience store is unknown. For example, there are young clerks. Convenience stores have many part-time clerks, and many of these are very young people. Not only would age determination be difficult for these fledgling clerks, but there is the potential of peer pressure that would undoubtedly be applied by their friends to facilitate sales. Let's look, Mr. Speaker and members, at how cigarettes have been handled. If you want to see how well small stores have handled the control of tobacco, all you have to do is look at what happens in stores today.

On the other hand, the ALCB clerk on the lookout for underage customers has no vested interest in selling to that customer. On the contrary, the ALCB and its management team would be very unhappy with a clerk who was found to be doing this.

What about the owner of a struggling grocery store, never the most profitable of businesses? Would he or she be inclined to turn a blind eye, as has happened with

cigarettes for so long? What does it matter? I suppose, Mr. Speaker, sooner or later almost everyone will drink alcohol. It's important, colleagues, that everyone, young people in particular, understand this product and understand its hazards. It is not like other products that are available in small stores, with the exception of tobacco. If the nature of alcohol and its hazards are understood and accepted, when young people reach the age of majority and they begin to drink, their understanding may make them more cautious and far less likely to get into trouble with alcohol. Again and again AADAC has found this to be correct.

There is evidence too, Mr. Speaker, to show that the likelihood that someone will develop a drinking problem is directly related to the age at which they began to drink. A major goal of AADAC, and in fact any provincial, federal, or state program, is to extend the age of onset, to lengthen the period of time at which young people will commence to experiment with alcohol. Anything that increases the chances of earlier drinking will increase the number of problems we will have to deal with as a society and, more than likely, the problems those individuals will have all through their lives.

Mr. Speaker, I'm not proud of this record, but I'm sad. We all are sad about the very high level of impaired driving in this province, one of the worst records in Canada. I suppose it reflects Albertans' love for automobiles, and it also reflects very high levels of alcohol consumption. The extension of alcohol sales to small stores in remote areas that are open at virtually any time will no doubt worsen an already serious situation.

If a party runs dry, people go home, or they'll turn to some other diversion. Now they'll be tempted to drive to a small store, and while drinking or perhaps even drunk, they will be returning. When going home from a party, how many will stop to pick up an extra few for the road? Will the storekeeper or the young clerk be prepared to deal with a belligerent visitor to his or her premises? Will they care? What about the frequent pattern in rural Alberta of people driving long distances to visit friends and to go to parties? Will they be tempted to drink and drive even more than they do at present? Every summer each one of us is aware of constituency problems associated with bush parties. Adolescents who want to drink have few drinking places available. Where do they drink? In automobiles at bush parties. Will this proposal increase the likelihood of this?

Finally, Mr. Speaker, I want to mention the concern of economic subsidy, though we should separate the economic issue from the overall health issue. Small store owners want to sell alcohol but not as a public service. They need to have some assistance with profitability on their marginal enterprises, and so the economic issue for them and indeed for all us is very important. I don't think we should ignore it, but surely we don't want to solve those situations, those economic viability concerns, at the social and health costs of all of us. It doesn't make sense.

The small store owner may well benefit economically from this proposal, but who pays? I hope everyone understands that if the ALCB is prepared to do this, they will have to reduce the price of their product to the store owner. They will have to reduce the tax on beer and wine, and that would be a subsidy. Otherwise, the small store would have to charge more than the ALCB charges us when we enter those premises. That's what happens today in boutiques. We actually subsidize those operations by reducing our income as a government enterprise. Indeed, taxation and the actual cost of the product account for 92 percent; in

other words, 92 cents of every dollar of ALCB sales. The remainder goes to run warehousing, to run sales, and administrative functions.

If we make the cost of the product constant to the board, its premises, and the stores — in other words, if we wholesale it that way — the store owner will have an 8 percent markup. That's all he or she can have to sell the product at the same price, or the product will become more expensive. Do we really need this at this time in our economy? On the other hand, if we reduce our markup, we as a government would in effect be subsidizing the small store owners. The taxpayers would be subsidizing those owners. If that kind of subsidy is justified, then let's do it directly. We don't need this other approach.

Mr. Speaker, I'm very pleased that we've had the opportunity to debate this issue today in a different manner, a proposal to consider wine and beer sales in remote areas in grocery stores, but I think the principles are very clear. The price for doing this would be far too great.

Thank you, Mr. Speaker.

MR. HYLAND: Mr. Speaker, I rise to take part in the debate this afternoon on Motion 215. We're not talking about opening up the whole distribution system, delivery system, throwing out ALCB, or throwing out everything. At least in my mind, we're talking about places such as in my constituency, some of them 30 and 40 miles from a major centre, where these people buy alcoholic beverages, put them in the car, and drive home. We're talking about maybe getting some of this off the road; we're not necessarily talking about putting any more on.

When we talk about having a small store in places, as the last member said, the concern that was expressed to him on the phone-in show about knowing the ages of people purchasing the product, I say to you, Mr. Speaker, that in a small rural store, especially in a small town of 1,000, everybody knows everybody. They know how old they are. That may happen in a larger place where you don't know, but to say that that may happen in a small rural town is just not right. If you want to find who is getting the alcoholic beverages, you're going to know. It's going to be almost positive that the older people are getting it, those old enough for it and not those too young. When you have a person running the store in a small town or small village, as many of us have, he has kids in school. They know or they've had kids in school or they have grandchildren in school. They know how old people are. They're chumming with their grandchildren or chumming with their kids.

I'm no saint. I went into bars before I was 21. How many of us did? [interjections] I'll send you a nickel for that, Bob. I never went into the hotel in Bow Island, because the head bartender had a daughter in school with me, and he knew how old everybody was. You didn't go into that hotel until you were old enough or you got tossed out on your ear, and he wasn't unceremonious about doing it either.

So when you talk about underage people getting it and trying to tie it in when we're supposed to be specifically talking about the motion, I really think it's a red herring. When we say those store owners have a vested interest, sure, they want to make a profit, but the people also want them to be there to buy the necessities they need rather than having to go 35 miles to the city to pick up a loaf of bread or a quart of milk. I know that may sound funny, but how many farmers have a cow on the farm anymore? Kids growing up now think milk comes in a square cardboard carton.

Mr. Speaker, I think it's just stretching the point a little too far. When we talk about subsidizing these small stores, I really don't think that's right either. The ALCB can still be a wholesaler to these stores. Is it a subsidy when you sell at less because you don't have a store to operate and you have no overhead? I'm sure there are lots of private individuals who would like to work with the overhead the ALCB stores have to work with. We see some of them in the city. My God, if a private guy could afford it, he could do well.

Mr. Speaker, I don't think the hours of operation . . . You take a small place under 1,000 people. Your stores are open from maybe 8 o'clock in the morning till five or maybe six at night at the latest. You're not going to have people driving home from a party and going to pick up a jug. To do that you go to your neighbour's and pick up a jug. You sure wouldn't go to the store and try to buy one. If that were the only thing keeping that store alive and if that was the extra thing needed to keep that store in that town or encourage a new individual to take over a store, he sure as shootin' wouldn't risk it for the sale of a 26 ounce or 40 ounce of whiskey.

Mr. Speaker, I know there are problems with alcohol, because I toured many of the facilities run by AADAC when I was on the Social Care Facilities Review Committee. I well know the problems and the people involved in it. I don't know how you'd totally shut off all those problems. I can remember my grandfather telling me stories about prohibition. As my constituency is fairly close to the border and Bow Island is about 60 or 70 miles north of the border, I know some of my shirttail relations used to run moonshine cars. They'd fill the tank up with booze or jugs, whatever they had. If they made it back and forth across the border three times without getting caught, the car was theirs and the rest was profit. There are lots of prosperous farms and businesses in Alberta that were built on running that moonshine. That didn't stop it. We still had alcoholic problems.

When we deal with the amount that people drink, there's no doubt it's higher. But when we say the amount of alcohol consumed is ever increasing in 10 years or whatever it is, how much did our population increase? We don't hear about that part. To say that having alcohol available in towns of 1,000 people or less is going to be the monkey wrench that will destroy the whole system, I just can't see that. A good percentage of those towns probably have hotels now and maybe even a few have liquor stores now.

In the motion the hon. member has brought forward, I wonder why he is relating to just the sale of wine and liquor in towns, unless it has to do with the hotel having the availability of off-sales in beer. If that's his reasoning, Mr. Speaker, I can see that. I would suggest that in towns, villages, or hamlets where there is no hotel, it wouldn't hurt to be able to have those places handle beer as well so that it would be available and take it off the road for transporting it, in some cases many miles.

Mr. Speaker, I know some time ago one of the former Solicitor Generals talked about having "satellite liquor stores." I think that's what they were going to be called. They'd be open one or two days a week in towns where they'd be operated by the ALCB. They would only be open for a certain amount of time. I wonder what happened to that idea. As I said, I would prefer the idea where it could become part of another operation of a store. Maybe you even need a corner of a hotel where this would be available in an off-sale type of situation.

Mr. Speaker, I would encourage members to support the motion and to read it again and see that we're talking

about centres of fewer than 1,000 inhabitants. In many cases, at least in my constituency, every group of 1,000 people would want an outlet. I'm sure some people in my area probably drive 50 or 60 miles to get to the liquor store and some of them further than that. A whole city wouldn't be 60 miles across. As far as miles, you wouldn't have to drive as far to purchase your alcoholic beverages.

In summary, I wish to support the motion and to keep in mind that we're talking about 1,000 inhabitants. We're not talking about throwing the whole thing out, and we're not talking about raising the number of impaired drivers. If anything, it might cut it down because it will take it off the road.

Thank you, Mr. Speaker.

MR. GIBEAULT: Mr. Speaker, this is certainly a very interesting motion. I recognize that it's concentrating particularly on rural areas, although I would have to say that many people in the province, even from the larger centres, are approaching us as MLAs about this question of access to beer and wine and some of the problems they're encountering.

I know in my own constituency of Edmonton Mill Woods that as a result of the cutbacks some years ago by the government in terms of ALCB staffing, the service at the local outlet is basically closed on Monday. You can go to the shopping centre and get your groceries, but you can't get a bottle of wine for supper. A lot of my constituents have approached me with the suggestion of what is wrong with following the example of Quebec, as was mentioned earlier, and being able to buy a bottle of wine or a beer to have with the meal of the day.

I spent a year in Quebec, and I'm familiar with the situation there. It does in fact seem to be one that is quite popular among people there. I've also been in a number of American states that have wide-open, private distribution of liquor. I think I would certainly resist that, because in those instances where private liquor stores are allowed to function, you end up having stores that are running continuous sales: Johnny Red is on special this week at a cut price. I think the promotion of alcohol that way is really counterproductive and serves no useful social purpose.

However, the question of having it as an additional service available to people at local small stores is one that should be considered. In particular, in Alberta we're now looking at the small neighbourhood stores having difficulty competing with the megastores. Perhaps this would be an option that could be given to the smaller stores to ensure their survival or to assist them to compete with the seven-days-a-week, 24-hour type shopping that is increasingly coming on the scene here in Alberta, particularly in urban areas.

The Member for Banff-Cochrane mentioned the issue of control. I think that's a legitimate one, Mr. Speaker. I think we want to be concerned. As parents we want to be sure that children are not getting access to liquor products. Perhaps one of the ways of dealing with that is to look at some arrangement where stores are required to have either an ALCB employee on the premises or someone responsible for regular inspections or some mechanism like that. I think just to leave it entirely to grocery stores on their own, most of which, at least in the urban areas like my riding, have young people manning the stores during the evenings, would be just a little too loose. It would be too easy for friends of clerks to come in and underage people to get

access to alcohol. That issue of control is a legitimate one, but I think there are ways of dealing with that.

I'll throw out another angle that I haven't heard brought up yet, which is one we might want to consider. That is the question that alcohol is, I guess, in that bracket of, shall we say, the social sins along the line of gambling. In terms of gambling, Mr. Speaker, we've taken a more mature approach than have other jurisdictions such as the United States, where they have wide-open, private casinos and all the profits from that activity go into private hands. I think we've done a very good job in Alberta. We recognize that people are going to gamble, much as some of us may not endorse such an activity, but we have set it up in a manner where community, cultural, recreational, and charitable groups get the benefits and proceeds from that. That is the best trade-off we can reach in an open and free society such as ours and yet still have some control.

We may want to look at something similar in terms of alternative liquor distribution in small areas and perhaps even in urban areas. Perhaps we should look at making those kinds of distribution licences or privileges available to community groups that would have the interests of the local community at heart, so they would have a natural interest in guarding against improper distribution. Perhaps that could be tied in with some control by the ALCB, and the profits could be left in the local communities from which they come.

I throw that out as another angle we may want to consider in this whole debate, Mr. Speaker. Thank you.

MR. NELSON: Mr. Speaker, one thing about participating here in the Legislature is that there is a tremendous exchange of views. I guess we call it democracy at work. Certainly democracy is here and does work in this Legislature.

Mr. Speaker, I'd like to take just a few minutes to discuss this very timely motion that's been put forward by the hon. Member for Drumheller. Over the last couple of years the former Member for Calgary Buffalo and I put forward motions and Bills relevant to the privatization of the sale of alcoholic beverages. Of course, my views are well known, and I think we should certainly examine the area of, as some people have said, liberalizing the sale of alcoholic beverages or making the sale more conservative. I take another view; I think we should become more progressive in our situation relative to the sale of liquor.

Over the last few years we have certainly had a slow, evolutionary change in both the legislation and the regulations within our province in relation to the sale or consumption of alcoholic beverages. If we look back over a number of years, I remember not too long ago when we went into a liquor store, lined up and filled out a piece of paper explaining what we desired to purchase, and went to a cash register and paid for it. Ultimately, we'd find ourselves at a counter where we'd be served with liquor. It's like being served drugs from the dispensary in a chemist's shop. However, we've progressed from that to the present day, where we in fact have a reasonable situation insofar as the monopolistic view of serving a particular product is concerned in this province and in other areas of Canada.

There has been some suggestion that they're not so progressive in other provinces, that they don't allow the off-sale of spirits and various other commodities of alcoholic beverages, and British Columbia was brought to mind. I know that in certain areas of British Columbia small retail outlets are made agencies of the government to the degree that they are allowed to sell alcoholic beverages and are

allowed a commission. I believe that commission is something in the order of 10 percent up to \$40,000 of sales and 5 percent thereafter. Certainly they operate in a reasonable manner. I've been in a couple of those myself, purchasing groceries of course, and I think we should examine this situation very seriously.

Why should people, because of their desire to live in a rural community and especially those who live in a small community, be unable to have the full services available to other citizens? Unfortunately, with a monopoly, that monopoly generates their own activity and their own regulations as to how they're going to sell that product. Let's allow a retailer in a small community to purchase and resell alcoholic beverages and give those communities the same opportunities that are present in our major cities and other larger communities.

Let's go one step further. I guess the one objection I have to this particular motion is: why should we just go to the small communities and allow privatization of the sale of this commodity? Why don't we privatize the whole darn thing? My God, we talk about all these figures, all the information that's available. You can go to any library and pick up information that's contradictory and utilize what you feel suits your purpose. We all know that, and we probably all use that as we see fit in our own particular circumstances.

We now allow a few boutiques to sell wine. We also allow some freestanding small breweries to manufacture and sell beer. There's nothing wrong with that. However, we also ask that the brewery that wishes to sell their product on the premises or just off-premises, in particular beer, put all the capital dollars into that structure, and then we take the key away from them and say: "Sorry, fellows; you can't operate that. It's our business now. Thanks for putting up your money." I don't think that's very progressive at all. In fact, I have very strong views against that. At no time should we allow the ALCB to force people to put up capital and then take their keys to ensure that they're going to look after the sale of the product.

We have also progressed to allow certain designated areas for drinking in parks and picnic grounds. That's what I call a progressive view. If we do a little travel, we'll find that a social drink on a picnic, at a little barbie, a ball game, or something like that is quite acceptable in most communities throughout the world. People have grown up with this attitude that it's available; however, they want or don't want to drink it. In most cases they take a responsible view of it.

We need to allow people the freedom of choice. On all sides of this House we talk in this Legislature about people's freedom of choice. Yet we expect that those same people are not intelligent enough to take that freedom to select and drink or as they otherwise deem fit. We still have prohibition when it comes to drinking in this country and in this province. We still have prohibition with drugs. We don't allow drugs to be sold over the counter. But I ask you: do we have a drug problem? I'm sure everybody here would say that, yes, we have a drug problem. We had a liquor problem and a drunk problem when there was prohibition in the Thirties. The less accessibility you allow to certain things people desire or feel they want, in general terms the more problems you're going to have.

Small stores can operate and control the sale of any commodity they wish to sell under the regulations or control that it is necessary for them to sell to people of the correct age or otherwise, and there is no question about that

whatsoever. Let's look at the American scene, for example, or other countries which privatized the sale of liquor. Australia is a prime example with which I'm very familiar. You regulate the hours of sale with no difficulty whatsoever. For those hours outside the regulated hours for the sale of the product, the items are sealed. They are locked in a case with no difficulty whatsoever. Certainly the responsibility of those clerks or those salespeople in those smaller units can be of the same high calibre as people working in liquor stores.

Why should people be held for ransom by a monopoly because of job actions? I know that's a touchy subject that I may not want to touch on too far here because of a present circumstance in the province. We've got a lot of irate people out there. They're mad at the government; they're mad at the politicians. Why? Because the buck stops here. Let's remove that monopoly, and let's start by allowing free enterprise to be free and the sale of beverages in these smaller communities. Let's give it a try. What's the problem? What's the concern?

Yes, when we talk about concern we all recognize drunk driving. We recognize alcoholic abuses, but because of the other parts of our laws of the land and the manner in which the court proceeds, when we catch drunk drivers, we don't always get the end result that may be desirable.

It was commented that some 50,000 permits were issued last year for the sale of alcoholic beverages. But let's look at those areas where those permits were issued. How many were small community functions? How many were small sports functions? I guess you could go on and on and on. These were mature, intelligent people trying to have a function within their own small community to preferably keep people within walking distance of their homes so they wouldn't be getting drunk and driving their cars. Let's consider and broaden our view. Let's stop being so narrow and consider those people who wish to purchase these products within a short distance from their home rather than driving 50 or 100 miles, as the Member for Cypress-Redcliff indicated that some of his constituents have to drive.

Allowing the private sector, the small store, and the little community out there to sell the product is probably going to be less costly to the ALCB, not only in the fact that the person selling that product will pay for it now and then resell it; he has to make that investment. For crying out loud, the money is in the till and the ALCB's coffers, where it normally would be invested in inventory. Certainly there's a saving there and maybe a profitability circumstance for the ALCB.

We talk about profitability. I don't know whether you call tax a profit or not. I guess it's easy to suggest that the money we earn from the sale of alcoholic beverages in the province is a profit. Let's face it; it is a tax. Many years ago we prohibited the sale of Irish sweepstake tickets. We still sold them, and now we've legalized gambling in the province to a small extent.

We sit here in this House. We talk about jobs and economic opportunities, and yet every time you turn around, somebody has to say no, we can't do that because that's not socially acceptable even though it may create jobs. Winston Churchill once said socialism is a philosophy of failure. No words were truer spoken, and it's usually the same socialists that keep dumping on the private sector, which is making every effort to create employment and economic opportunities. Every time those opportunities are being created or asked for, somebody has to dump, and

it's usually the socialists and the commies. And there's not a heck of a lot of difference either, Mr. Speaker. [interjections] I can stand here and wait until these thin-skinned people close up a little.

MR. DEPUTY SPEAKER: I believe the hon. member has the attention of the Assembly. I suggest he proceed.

MR. NELSON: Mr. Speaker, I would be happy to, except that I don't want to run interference with the comedians across the way here.

Some discussion was offered with regard to the development of a pricing structure for the private sector. Like most commodities we sell in our retail outlets, it's amazing how free enterprise finds a price level where the consumers accept the price and commercial enterprise makes a profit. It's amazing how some people suggest that "profit" is a bad word. It's like some other socialists. In some cases, socialists are unsuccessful capitalists. [interjections] Of course, those of us in the private sector who have become successful certainly have the opportunity to tell people about it occasionally, and some of our thin-skinned friends just don't like that.

Mr. Speaker, the opportunities for the advancement of economic opportunities in this province are great. Yes, there may be some social inacceptabilities to some of the opportunities that are made available, such as the expansion of liquor into some of these small communities to save a considerable amount of travel or the opening of a nice large community casino, maybe in Canmore or something like that.

[Mr. Speaker in the Chair]

Just think of the economic opportunities for travel and tourism within the province. But there are a lot of people that may not accept that socially. Of course, the reason is because they're not interested in economic opportunities being developed in the province. Through some of these opportunities we keep our own people home, and we also put more money back into the province and into our own economy.

Mr. Speaker, there is a tremendous amount of information that has come out of the United States, and we always tend to refer to the United States as the end-all and be-all for everything. I have a distaste for that. Although they are progressive in many ways, they are not the end-all and be-all for everything. Quite frankly, I'd like to use another example of Australia, because not too many people identify with that. The government isn't in the business of selling alcoholic beverages. In the small communities the hotels offer the sale of all products — alcohol, wine, beer — out of a separate bottle department. They also do that in the large cities. But every person has an equal opportunity, rather than having to drive for hours and hours and miles and miles to take that advantage. Every community doesn't have to participate.

As we all know, the community of Cardston in southern Alberta chose by a majority not to allow the sale of alcoholic beverages in the community, and that is just fine. However, at the same time, if a community so desires that, we should allow and give them that opportunity, not only for the economic well-being of that community but for the service to the citizens and the consumers of that community.

Mr. Speaker, let us pass this motion; it is a good motion. It is only a first step, though, to the broadening of our economic base within the province.

I see people looking at me, Mr. Speaker. With that and the hour, I would beg leave to adjourn debate.

MR. SPEAKER: Having heard the motion by the Member for Calgary McCall, does the House agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed, if any? The motion is carried.

MR. M. MOORE: Mr. Speaker, as to the business of the House, we will of course not be sitting tonight. Tomorrow afternoon it is intended that we debate the Appropriation Act on second reading and other Bills on the Order Paper under second reading if there is time.

[At 5:25 p.m., on motion, the House adjourned to Wednesday at 2:30 p.m.]

