

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Thursday, August 14, 1986 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: TABLING RETURNS AND REPORTS

MR. ADAIR: Mr. Speaker, I'd like to file the answer to Question 136.

MR. GETTY: Mr. Speaker, I'd like to file a response to Written Question 160.

MR. KOWALSKI: Mr. Speaker, I'd like to file with the Legislative Assembly copies of the Alberta Water and Wastewater Facilities Survey, 1985.

head: INTRODUCTION OF SPECIAL GUESTS

MR. HERON: Mr. Speaker, it's with the greatest amount of pleasure that I introduce to you, and through you to members of this Assembly, a distinguished young Albertan. Firstly, I would like to introduce Margaret Enders, who was recently awarded the Prince of Wales Scholarship to study at the United World College of the Atlantic. This is one of the two scholarships established by the province to commemorate the visit of His Royal Highness Prince Charles to our province in 1983. Margaret is accompanied by her mother, Barbara Enders; her grandmother, Esme Byers; and a lifelong friend Mrs. Mary Norman. If they would please rise in the members' gallery, I would ask that we extend the usual warm welcome.

head: ORAL QUESTION PERIOD**Crude Oil Prices**

MR. MARTIN: Mr. Speaker, I'd like to direct the first question to the Premier. The Minister of Energy said yesterday that Alberta producers have lost some \$250 million this year due to unfair pricing practices by refineries, yet the meetings with the oil companies on the issue were only held last week. Given that my colleague from Calgary Forest Lawn drew the problem to the government's attention in question period on June 25, why did the Premier not direct his government to take some immediate action instead of letting the Energy minister wait nearly two months to get on with it?

MR. GETTY: Mr. Speaker, the Minister of Energy did not say "unfair pricing tactics." In the course of deregulation of pricing there has been a considerable period of adjustment. That was acknowledged from the very beginning. Secondly, there was the subsequent sudden drop in energy prices coming along with deregulation. It's obvious that it caused

some additional period of adjustment. Meetings have been going on with the industry through the Alberta Petroleum Marketing Commission for some time. As well, we were exploring the transportation and quality plus the conversion of U.S. pricing to Canadian dollars that is necessary. In fact, sometime ago the marketing commission had meetings with members of industry, and we think we will be able to bring this matter to a successful conclusion.

MR. MARTIN: Mr. Speaker, there was a period of adjustment, but certainly not for the majors or the refiners. My question is: in this discussion will the government see that our producers, who are desperately in need of this money, are repaid the \$250 million that we believe is rightfully theirs?

MR. GETTY: Mr. Speaker, as I said earlier, this was not a matter of unfair pricing but rather a judgment made by a variety of companies as to how to convert from world prices established in Saudi Arabia; London, England; and Cushing, Texas. Those are complicated matters, and I think the members of the industry that I've talked to, both small and large, are very pleased that we are moving to bring it to a successful conclusion.

MR. MARTIN: Mr. Speaker, I think they'd be more pleased if they had the \$250 million. By that answer, obviously we're not going to get the \$250 million back.

My question to the Premier is simply this: could the Premier be a little more explicit? What will the provincial government do in the future to make sure our producers are fairly paid by the refiners?

MR. GETTY: Mr. Speaker, we believe that we'll be able to work out a scheme by consultation with the people involved. I might also say that there were periods of time when our producers were paid more than the world price and that there was an adjustment both ways.

MR. MARTIN: A supplementary question to make sure that we totally understand the Premier on this matter, so he's not misquoted. The Premier is saying that at this time he is satisfied that the \$250 million the refiners took from the producers was fair and equitable and that the government is not going to do anything about that \$250 million.

MR. GETTY: That's not what I said, Mr. Speaker. However, we have *Hansard* for the hon. member to acquaint himself with what I just told him.

MR. TAYLOR: A supplementary, Mr. Speaker, to the Premier. In addition to the \$250 million rip-off our absent Minister of Energy has talked about, the rip-off of the increase of nearly 40 to 50 percent in refining a gallon of crude, is the Premier going to do anything about ...

SOME HON. MEMBERS: Question.

MR. TAYLOR: That's the question. What's he going to do about the rip-off in refining crude? That's two more rip-offs. The third rip-off of is that 10 cents a gallon more is being charged to process unleaded gasoline. Two hundred and fifty million dollars is just the head of the iceberg, Mr. Speaker.

MR. SPEAKER: The Chair would point out with due respect to the Member for Westlock-Sturgeon that the nature of the

last two paragraphs could hardly be described as a succinct supplementary. However, the Chair is rising to point out a comment made to the House about two days ago. Citation 316 from *Beauchesne*:

... it has been sanctioned by usage that a Member, while speaking, must not ...

(c) refer to the presence or absence of specific Members.

The Chair would respectfully bring that to the attention of the Member for Westlock-Sturgeon.

The Chair awaits the reply of the hon. Premier.

MR. GETTY: Mr. Speaker, gasoline prices at the pump, as was mentioned yesterday by the Minister of Consumer and Corporate Affairs, are controlled by competition, and that's the preference for this government. We do not believe in excessive regulation at the consumer level, and as we go through this period of adjustment — new deregulation, suddenly changing prices on the world scene, and so on — I think those processes will act in the right way. There's always a desire that everything be perfect all the time. Neither governments nor market forces are able to work that way, to have everything perfect all the time. As I said yesterday, Mr. Speaker, we have that great, wonderful darling of the NDP and the Liberals, Petro-Canada, and they wouldn't do anything terrible like that.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Premier with regard to the price paid by the refiners. Is that price a competitive price? If that is so, could the Premier indicate the reason for intervention on the prices paid by the refiners?

MR. GETTY: There appears to be no reason to intervene at that price level.

Gainers Dispute

MR. MARTIN: Mr. Speaker, I'd like to direct the second question to the Minister of Labour. Striking Gainers' employees continue to be arrested daily for trying to persuade citizens not to buy Gainers' products. My question is: has the minister any plan to try to get both sides together to negotiate an end to this socially disruptive strike?

DR. REID: First of all, Mr. Speaker, dealing with the preamble of the hon. Leader of the Opposition: if the employees — I hope and presume they are employees of Gainers who have been doing these things — were to read the appropriate section of the labour Act, they would not be subject to arrest. If they obeyed the legal injunction, likewise.

In regard to the government's activities with regard to this dispute, I have said on many occasions, both within the House and outside, that our main purpose was to achieve a resolution and a settlement of the strike by collective bargaining so the employees of Gainers could go back to work. We gave both sides the optimum chance by appointing a disputes inquiry board. After a thorough investigation, Mr. Dubensky came up with recommendations which he felt were equitable, and both sides rejected those recommendations by large majorities. The democratic process has been performed, and the people themselves have spoken.

MR. MARTIN: I wasn't asking about ancient history. I was asking about what's happening now.

To be a little more specific, my supplementary question to the minister is: has the minister appointed a departmental mediator, and if not, why not?

DR. REID: Mr. Speaker, for many weeks now, since the strike vote was called, there has been a departmental mediator appointed. That individual is still available at the request of the parties if they wish him to be involved.

MR. MARTIN: It's well known that we believe the laws are the cause of this dispute, so I think the minister has some responsibility here. A supplementary question, Mr. Speaker. Would the minister be prepared to intervene personally to try to end this dispute?

DR. REID: Mr. Speaker, I'm not going to take part in the debate that was just invited by the Leader of the Opposition with his remarks about the labour laws, but I would take the opportunity once more to state that we have now appointed the committee which will look at and review all the labour legislation. That will be done thoroughly and with due speed. Whether that will affect the situation and whether the recommendations will involve a situation such as that occurring at Gainers I cannot yet predict. That would be beyond my ability at this time.

MR. MARTIN: A supplementary question. Given that this committee, if it ever reports — it may be in the Middle East or somewhere else, and that will take a long time. I asked him if he would intervene personally. I take it by the nonanswer that he won't. Is the minister saying that he's just washed his hands of this situation no matter what the social cost of the matter?

DR. REID: Mr. Speaker, the hon. gentleman doesn't know me. I don't wash my hands of that kind of situation very willingly.

MR. TAYLOR: Mr. Speaker, to the minister. Has the minister asked the committee for an interim amendment that would protect the jobs of those presently on strike?

DR. REID: Mr. Speaker, the jobs of those presently on strike are protected under current legislation. When a settlement is achieved, they will get their jobs back.

MR. DAY: Mr. Speaker, a supplementary to the main question, which had to do with the boycott. To the Minister of Economic Development and Trade. Has his department been able to assess the negative effects on the people and economy of Alberta by a boycott of any of their products?

MR. SHABEN: Mr. Speaker, the Department of Economic Development and Trade has not undertaken a study of the consequences of boycotts or secondary picketing. We do, however, recognize the importance of the food processing industry to the people of Alberta in terms of its importance not only to primary agriculture but to the value adding and the creating of jobs. We continue to work within the department to promote manufacturing of food products and other value adding in order that Albertans have the opportunity to process and upgrade the products within the province.

DR. BUCK: Mr. Speaker, my supplementary question is to the Minister of Agriculture. Is the minister in a position

to indicate if the department has done any study as to what long-term effects this dispute will have on the hog industry in this province?

MR. ELZINGA: Mr. Speaker, to my knowledge there has been no study done, but I can share with the hon. member that we are constantly assessing this situation. To underscore what the hon. member of our cabinet has just indicated, we're very conscious of our food processing sector. That's why we have a number of worthwhile programs to further the food processing sector.

Grain Prices

MR. TAYLOR: Mr. Speaker, this question is to the Minister of Agriculture. It is my understanding that both ministers of Agriculture support a domestic wheat price of \$10 a bushel. This price does little for Alberta farmers, as only 10 percent of our wheat is sold domestically. In view of the havoc and competitive disadvantage and unemployment that \$10 domestic wheat would create in our milling and baking industries, would the ministers agree to meet representatives of the milling and baking industries to explain to them how a \$10 domestic wheat price will result in their opinion in only 5 cents a loaf, whereas the bakers think it will be a 15-cent increase a loaf? Would they meet them?

MR. ELZINGA: Mr. Speaker, I'm more than happy to meet at any time with anybody. I'm even happy to meet with the hon. Member for Westlock-Sturgeon. I can assure him that our door is always open to meet with representatives, whether they be from the agricultural sector or any other sector, as the door of this government is open.

MR. TAYLOR: Mr. Speaker, I can understand his pleasure at being able to hobnob with the opposition.

Will the minister assure the Alberta farmers that this government will become much more progressive and less conservative, if you'll pardon the expression, in marketing assistance for Alberta agricultural products and services?

MR. ELZINGA: Mr. Speaker, I'm again surprised at the hon. member. If he would read some of the presentations in the estimates and do a little more research rather than pass all his glib comments to simply cover up his lack of substance, he would be aware that there are worthwhile programs such as SIMS and RAPP that relate to the food-processing sector, which this government is very involved with. We're also very encouraged by the high profile that agriculture received at the first ministers' conference. That was due to the superb leadership offered by the Premier at that conference and the sensitivity he showed in ensuring that agriculture received the high priority it did.

MR. SPEAKER: The Chair hesitates comment with respect to the Minister of Agriculture, but there is a difficulty within the Assembly of using various bits of alphabet soup to describe programs. It especially comes to a head at this time. The Chair thought that I heard "sins" being "rapped."

Perhaps the hon. Member for Westlock-Sturgeon would care to move to the supplementary.

MR. TAYLOR: A supplementary, Mr. Speaker, to the minister, who must be worrying about his job to have to praise the Premier that highly.

As a positive suggestion, could the minister increase the marketing initiatives for Alberta agricultural products and services by the government revitalizing or replacing the marketing council?

MR. ELZINGA: Mr. Speaker, as I have indicated in the past, since assuming the responsibility of Minister of Agriculture, we are going to reassess and revitalize all the boards and commissions that come under our jurisdiction. We hope to do so within the next number of months. I'm sure the hon. member can understand that to date we have not had an opportunity to pursue that as vigorously as we would have wished, but we are going to pursue that to make sure it is very responsive not only to our consumers but, more importantly, to our agricultural sector.

Mr. Speaker, since you were kind enough to point out to me, may I share with you that SIMS is the strategy for improved market share and RAPP is the rural agricultural product promotion, which are very valuable programs in offering additional incentives to our food-processing sector.

MR. TAYLOR: Mr. Speaker, to the minister. I'm sorry for the delay in starting a marketing council. I thought there were still some Tories around to be rewarded.

Can the minister explain to Alberta farmers why all support services for the Department of Agriculture, at a cost of \$16 million, received more funding than research and resource development, which was only \$10 million?

MR. ELZINGA: Mr. Speaker, I'm very suspect when the hon. member relays figures to me, because just yesterday he indicated that western Canada only received some \$16 million as it related to our grain industry, where in reality that is feed-freight assistance to the maritimes and has nothing to do with western Canada. So I am very suspect when the hon. member relates any types of figures to me, because nine times out of 10 his figures are incorrect.

DR. BUCK: Mr. Speaker, to the Minister of Agriculture or the Premier. Last fall the former Minister of International Trade, the hon. Horst Schmid, was supposed to lead a delegation to China to look at further exports of agricultural and other products, but we had the coronation of the Premier at that time, and that was delayed. I want to know if the Minister of Agriculture, the Premier, or the Minister of Economic Development and Trade are looking at a trade mission to China to see if we can market more of our agricultural products.

MR. ELZINGA: Mr. Speaker, I am happy to report to the hon. Member for Clover Bar that just last Thursday I, along with my colleague who is responsible for economic development, had the opportunity to meet with the minister of agriculture from China. We discussed a number of agricultural concerns that are dear to the hearts of both countries.

At this time may I pay my thanks also to the hon. Member for Wainwright for hosting the Chinese minister for those two days.

MR. PIQUETTE: Mr. Speaker, to the Minister of Agriculture. Has the minister considered recommending to the federal Minister of Agriculture that a per-farmer quota be established for domestic wheat so that small wheat producers in Alberta can more fairly benefit from the \$10 a bushel price for domestic wheat?

MR. ELZINGA: Mr. Speaker, I'm glad to hear the endorsement of that proposal by the hon. member, even though the Liberal Party is against supporting our agricultural sector, and would indicate to him that the federal government has not yet implemented the \$10 proposal for domestic wheat, as they are still assessing that. I would imagine part of their assessment is due to the fact that they are giving consideration to some type of deficiency payment this fall; at least that would be my hope.

In response to his question, I can share with the hon. member that in the event they do implement an increased price for domestic wheat, it is our hope that they do so by way of a market-neutral system, whereby that fund will be evenly spread across the board to all grain producers.

Power Rates

MR. R. SPEAKER: Mr. Speaker, my question to the Minister of Transportation and Utilities is with regard to a concern about the establishment of rates for the various utility companies relative to power. In this province they have a guaranteed income with a guaranteed profit. I was wondering if the minister could indicate whether there is going to be a review of that process of establishing power rates, particularly in rural Alberta, in the coming year.

MR. ADAIR: Mr. Speaker, I have no present position relative to reviewing the position in place at the moment, where the utility companies can apply to the PUB for rate increases whenever they may deem it necessary. For example, I understand that Alberta Power has been before the PUB in the last few days as a matter of fact, for the first time in a couple of years.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister relative to the last comment. As of today Alberta Power is making application to increase their rates by 30 percent to the REAs in that respective area. Can the minister indicate whether that is in tune with the capability of rural Alberta paying that amount, or is it a place where government should be establishing some kinds of guidelines and possible verbal direction to that company?

MR. ADAIR: Mr. Speaker, relative to the figure of 30 percent, I have not heard that other than from the hon. member. [interjection] Sometimes you can be as accurate as 7 percent in some of those stories. I'm not sure exactly what the end result will be of the presentation made by Alberta Power to the PUB, but certainly we'll wait with interest on that particular one. It's my understanding that one of the main elements of their presentation was to include their costs for the commissioning of their portion of the Sheerness plant.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister with regard to the takeover of various REAs by utility companies. Could the minister indicate whether any review is made with regard to those takeovers? For example, the Rio Grande REA in northern Alberta, which the minister is familiar with, has an independent value on their REA of \$5.5 million; Alberta Power offers \$100,000. Is the minister's department reviewing those kinds of takeovers, and is there any kind of intervention that occurs by government in matters such as that?

MR. ADAIR: I wouldn't use the term "intervention," but I might say that as recently as this week staff from the

Department of Transportation and Utilities sat in on one of the meetings that related to a takeover that did not occur. The vote was not sufficient to allow the sale to the power company. We're reviewing the methods and the availability of information to ensure that both parties, before they make a decision, have the best information possible to make that decision; in essence, the REA board, which would be making the decision on behalf of its members.

MR. TAYLOR: Mr. Speaker, to the utilities minister. Will his department take steps to investigate whether or not the power generation facilities could be run more economically today on natural gas as they were a number of years ago when gas was cheap, as it is today, and check whether the utility companies are paying themselves a phony price for their own coal?

MR. ADAIR: Mr. Speaker, I believe there is an ongoing monitoring system in place as to the costs that are presented, in essence, to any of these particular hearings. Of course, at this time that is left to the judgment of the PUB and the ERCB relative to applications made on their behalf.

MR. PIQUETTE: Mr. Speaker, has the minister considered appointing a permanent, publicly funded consumer advocate on the Public Utilities Board so that consumer groups such as the Rural Electrification Association can be more fairly represented at such hearings without great costs incurred to them?

MR. ADAIR: Mr. Speaker, I believe there is a motion on the Order Paper, and you're certainly welcome to speak to it.

MR. HYLAND: A supplementary question, Mr. Speaker. I wonder if the minister could assure the Assembly that in the event of an REA selling out to a utility company, the majority of the REA members would have to vote for that takeover.

MR. ADAIR: Mr. Speaker, the majority vote was changed a couple of years ago. Two-thirds of the members present must be in favour of that sale before it can take place. That was moved up from the 51 percent range prior to that.

Peter Lougheed Hospital

MR. NELSON: Mr. Speaker, I'd like to address a question to the Minister of Hospitals and Medical Care. As the minister may be aware, there has been some concern and questions relative to the supply of beds in the new Peter Lougheed hospital in northeast Calgary and certainly some remarks made by the present chairman of the board of Calgary hospital district No. 93. Could the minister indicate if he has ordered the board of district No. 93 in Calgary not to proceed with neonatal care beds at the new Peter Lougheed hospital?

MR. M. MOORE: No, Mr. Speaker, I have not ordered the board to do any such thing. What has occurred is that the Calgary district hospital group, which has responsibility for the operation of the Holy Cross, the Rockyview, and the Peter Lougheed, was proceeding on the basis of providing full maternity services and neonatal beds at each of those three hospitals. Some expression of concern came from

several quarters in the Calgary medical community in particular that providing those sorts of services in six hospitals, as opposed to the present four, might in fact have some very detrimental effect on the overall program for the city.

I have asked the board of the hospital if they would defer for the moment the purchase of equipment and the staffing of the new units at the Peter Lougheed hospital and the Rockyview hospital until such time as the Calgary Hospital Advisory Council, which is a group of people for the most part involved in the various hospital boards in Calgary, has an opportunity to review the situation and make some recommendations as to whether or not there should be any changes. It's my intention to meet next week with the chairman of the hospital board and other members for discussion on the entire matter.

I might say in conclusion, Mr. Speaker, that it was in no way our intention that the new Peter Lougheed hospital should not have those units, only that there ought to be a review, and pending that review, there should not be the purchase of additional equipment or staffing in either the Rockyview or the Peter Lougheed. It could well be that the review might conclude that the existing Holy Cross staffing might move to the Peter Lougheed or something of that nature.

MR. NELSON: A supplementary, Mr. Speaker. Considering that there's a time consideration here, has the minister given any time frame for the report to come to him relative to this supply of beds for neonatal care and obstetrics within the hospital district itself?

MR. M. MOORE: No, Mr. Speaker, I haven't given any time frame, but I believe it should occur as quickly as possible so that there isn't any long-term uncertainty about what kinds of facilities or services might be provided in any of the hospitals mentioned.

MR. NELSON: Mr. Speaker, is the minister giving consideration to any other downsizing that has previously been announced to the Peter Lougheed hospital or any additional studies as to the types of bed use that may presently be on stream, considering the discussion we've just had relative to neonatal care?

MR. M. MOORE: Mr. Speaker, I'm not giving consideration to any downsizing at all. As a matter of fact, all that I've asked is that a review be done of whether or not those services need to be provided now and those beds need to be opened now in the Rockyview and the Peter Lougheed hospitals. I don't call that downsizing. The hospitals are presently under construction; there's no change proposed with respect to the square footage or anything else that exists.

I can say, as well, that this matter has nothing to do with a general downsizing or change of plans for hospital construction in Calgary or anywhere else. We're only looking at it on the basis that when you have some pretty learned medical people saying you're doing the wrong thing, then from my point of view I better have a look at it. I think medical costs in this province are great enough now without our not acknowledging, when the medical community asks us to, that we may have a situation where we can save funds on operating costs over the longer term.

Rosehaven Care Centre

MS MJOLSNESS: Mr. Speaker, I'd like to direct my questions to the Minister of Community and Occupational Health. I understand that the minister will be in Camrose tomorrow, and I'm wondering if it's the minister's intention to authorize the closing of the Eastrose ward of the Rosehaven institute by October of this year?

MR. DINNING: Mr. Speaker, I'm very much looking forward to visiting Camrose with my colleague the hon. Solicitor General, the MLA for Camrose, tomorrow afternoon. We will be meeting with a variety of people at the Rosehaven Care Centre. The hon. Member for Camrose has brought to my attention the importance of this facility in Camrose, and I look forward to meeting with the people there and hearing and seeing the delivery of the services right there in the centre.

MS MJOLSNESS: The minister previously responsible has outlined patient discharge options from that institute. Is the minister completely reversing the plan of the previous minister to close the ward?

MR. DINNING: The hon. member opposite mentioned one very important word, and the word was "options." We are exploring those options. In the interests of delivering the best possible care to those people who need that care from that kind of facility, we'll be considering that in the days ahead.

MS MJOLSNESS: A supplementary to the minister. Could the minister please tell me then if in fact he will be closing the ward?

MR. DINNING: Mr. Speaker, we'll be visiting the facility tomorrow, and I look forward to discussing the matter with the people in Camrose, with my hon. colleague, and with all of my colleagues and making a decision in the days ahead.

MS MJOLSNESS: A supplementary, Mr. Speaker. Could the minister confirm at this time that there are no available approved homes in Camrose to the residents of Rosehaven?

MR. DINNING: No, Mr. Speaker, I can't make that commitment. If the hon. member would care to read the Committee of Supply debate from the evening of July 31, she will be able to see that I was very happy to announce a grant of approximately \$175,000 out of this year's estimates for the provision of day facilities, day programs in the Eastrose wing of the Rosehaven Care Centre for the provision of those very, very important day programs that provide for medical, social, and recreational needs of all mentally ill people in Camrose and area. So I'm very, very pleased with that initiative that was brought forward by my predecessors in this portfolio and look forward to visiting that facility tomorrow.

Private Schools

MR. CHUMIR: Mr. Speaker, to the hon. Minister of Education. The Aryan Nations church has recently announced that it will establish a compound in central Alberta, and this raises some very important questions relating to the kind of protection children receive in this province with

respect to their schooling. What controls do we have, Madam Minister, over curriculum and teachers in private schools in order to ensure that the educational interests of the child are looked after in the event groups such as the Aryan Nations and other groups wish to establish private schools?

MRS. BETKOWSKI: Mr. Speaker, the question goes into some detail and may be one that should be placed on the Order Paper. With respect to the controls on private school education, I guess the control that passes through all four categories of private schools in this province is the one of curriculum, which is the one that I control. If a school is teaching a curriculum, to cite the example the hon. member has used, which perhaps teaches intolerance of others, it would not be an approved curriculum in our school system, private or public.

MR. CHUMIR: Could the minister confirm that category 4 private schools can hire teachers who have no teaching qualifications or who have been decertified so that, for example, Terry Long or Jim Keegstra could teach in such category 4 schools?

MRS. BETKOWSKI: No, Mr. Speaker. Although no public funding passes to the category 4 private schools, the teachers must be certified, and that certification process is done by me.*

MR. CHUMIR: A point of order, Mr. Speaker. I believe that is not correct, and I'd like to challenge the minister on that point. Let the House be aware that that is not correct with respect to category 4 schools.

MR. SPEAKER: Order, hon. member. Points of order come at the end of question period. It's a dispute over facts at any rate. Would the Member for Calgary Buffalo please continue with his supplementary.

MR. CHUMIR: Does the government have any plans to abolish category 4 schools, as recommended by the Ghitter report, in order to ensure that teachers in all schools in the province are qualified and approved?

MRS. BETKOWSKI: Mr. Speaker, the question of all private schools, whether they be teaching special education needs or any of the other three categories, is part of the very important review of the School Act, which I am in a process of reviewing, as the hon. member knows. I will be presenting a new Act, as I indicated, in the spring of 1987, as best I can judge at this point.

MR. CHUMIR: Mr. Speaker, I wonder if the minister could confirm that under the present rules relating to category 1 private schools, the Aryan Nations group could receive public funding from the province for such a school?

MRS. BETKOWSKI: Mr. Speaker, the question is hypothetical because no application for private school status has been sought by the group that the hon. member names. I think it is important, however, to assure Albertans that there are checks and balances within the system. I spoke earlier about my approval of curriculum, which is needed for all categories. I will double-check my facts with respect to the point of order that the hon. member raised.

MS LAING: To the Minister of Education. How is the curriculum that is taught in the school monitored to be sure

that an approved curriculum is in fact being taught in the school?

MRS. BETKOWSKI: Mr. Speaker, my responsibility, as I've said in this Legislature before, is the efficient and effective education of students under the age of 16 in this province. I take that responsibility very seriously, whether those students are in public systems, private systems, or home schooling. With respect to checking the curriculum that those students are learning, whatever the circumstances, I will say that is a responsibility I take seriously, and there are inspections of all those schools on a constant basis.

Water Resources

MR. ALGER: Mr. Speaker, my question today is to the Minister of Agriculture. The province provided a magnificent amount of funds for farmers to improve their water storage facilities, and the completion of all this work was to have been done by October 31 of this year. My question to the minister would be: will the minister please strive to elongate the actual construction period to the end of the year?

MR. ELZINGA: Mr. Speaker, because of the strong representations made by the hon. Member for Highwood, I'm happy to report we are going to do just that. We are going to extend the program, whereby work will be carried out until the end of this year.

MR. ALGER: A supplemental question, Mr. Speaker. Does the minister agree with me that water is and always will be an important factor in agricultural Alberta, and will the minister consider budgeting for another water storage program in 1987?

MR. ELZINGA: Mr. Speaker, I'm happy to concur totally with what the Member for Highwood has indicated. Just by way of underscoring our concern, as he is aware, last year we expended some \$2.5 million on that program. Our budgetary allocation for '86-87 is \$2.8 million, and as we go into the budgetary process, we will give it full consideration.

MR. ALGER: Mr. Speaker, the members opposite may not realize, but you never miss the water until the well goes dry.

I have one more supplemental to the Minister of the Environment. Is the minister prepared to implement a similar policy with respect to the emergency well water supply program?

MR. KOWALSKI: No, Mr. Speaker. I indicated that the program would terminate on July 31, 1986. The program has terminated, and we will not be accepting any further applications after that date. However, if an individual had an application approved prior to the end of July of this year and he had not been able to obtain the services of a well-driller, we will accept the application and pay for it even though the well will have been drilled after July 31, 1986.

MR. PIQUETTE: To the Minister of the Environment. Will the minister reimburse farmers who got into difficulty last year with the well-drilling program because of the lack of proper information on the letters that were given to farmers

about who they should contact for the permission to do test drilling?

MR. KOWALSKI: Mr. Speaker, the hon. gentleman asked me that several days ago, so I know the answer to the question. It has not been fixed or anything. There are approximately 250 well-drillers in the province of Alberta. We've undertaken investigation in terms of where there would be problem areas, and it turns out that only a handful of well-drillers may not in fact have provided correct information in all cases to individual farmers who made application. Mostly it comes down to a misunderstanding. The handful of well-drillers where there have been misunderstandings have been contacted. It has been brought to their attention what the program is all about. Should the hon. member or any other hon. member have a situation where it can be clearly shown that there was something fraudulently done, I'd be happy to undertake a review of those specific ones on a case-by-case basis.

Amusement Ride Standards

MR. SIGURDSON: Mr. Speaker, my question is to the Minister of Labour regarding amusement rides at West Edmonton Mall. The Mindbender inquiry was told Tuesday of yet another warning memo to Triple Five about maintenance procedures. Is it or is it not the policy of the department that letters or memos from officials which have such serious warnings like this should be brought to the minister's attention?

DR. REID: Mr. Speaker, there are all kinds of memos within the department; some are sent to the minister's desk and some are not. I am not aware of having seen this particular letter that was sent to West Edmonton Mall management, but I can check into where it went, and I'll get back to the hon. member.

In relation to the inquiry that is going on at West Edmonton Mall, I might add that it's not my intention in any way to try to second-guess the eventual recommendations of the commissioners of that inquiry. I won't be commenting upon any of the articles in the newspaper until they complete their inquiry and make their report to me.

MR. SIGURDSON: Surely memos that warn of such catastrophe should cross the minister's desk. However, has the minister had the opportunity to review which of the department's senior staff or other ministers saw the letter that warned of the potential catastrophe? For clarification, that's the letter the minister said never crossed his desk.

DR. REID: No, Mr. Speaker.

MR. SIGURDSON: On Tuesday the minister said that the submarine ride was not inspected after the Mindbender accident because it was in the Waterpark rather than in Fantasyland. Why did the minister decide to make this potentially dangerous sort of distinction of the mall's operation of amusement rides?

DR. REID: Mr. Speaker, I think I've explained that in the House before. I went out and had a look at the roller coaster on the Sunday immediately following the accident. At that time, along with senior staff in the department, I went around Fantasyland; that took several hours. At the end of that time, it was decided that the whole of Fantasyland

would stay closed the following day. During that period of time, the rides would be subjected to further inspections, and only those rides which had been cleared by those further inspections would open. I understand that over a period of some days the whole of Fantasyland, with the exception of the roller coaster and one other ride, was reopened. The rest of the West Edmonton Mall area is of considerably more recent construction than the original part of Fantasyland, and the rest of it has, I understand, been progressively subjected to inspections.

With regard to the submarine incident, I have some preliminary indications from the department, and again that ride will not reopen until suitable safeguards are installed.

MR. SPEAKER: The time for question period has expired. The Minister of Education wishes to supplement the previous answer.

Private Schools

(continued)

MRS. BETKOWSKI: Mr. Speaker, I wish to clarify that I was in error with respect to the certification and hiring for category 4 schools; the Member for Calgary Buffalo was right. However, I would confirm that in fact I do approve any curriculum which is being taught within the category 4 and that that curriculum receives very, very careful scrutiny from my department and from me before that category is granted.*

MR. CHUMIR: Mr. Speaker, perhaps then I would just confirm the tenor of the minister's answer; that is, that means that in a category 4 private school, a teacher need not be approved or qualified in any way and may in fact be decertified. That person could still teach in a category 4 private school under Alberta rules.

MR. SPEAKER: The process is a bit difficult and is actually out of order. The time for question period has expired. The minister graciously made remarks. Any further remarks, which the Chair would now construe as being supplementary questions, should indeed take place outside of the time of the Assembly as a whole.

MR. TAYLOR: Point of order, Mr. Speaker. My understanding, after some length of a week or so, when I was refusing unanimous consent, was that when a minister makes an announcement — and this is what I deem this to be — one question was then allowed by the questioner. [interjections] What was that if it wasn't an announcement?

MR. SPEAKER: Hon. Member for Westlock-Sturgeon, the hon. Minister of Education was not making an announcement. The Minister of Education was being gracious enough to admit an error in previous questioning as responded to quite properly by the Member for Calgary Buffalo. It is a correction for the purposes of the record, period.

ORDERS OF THE DAY

head: MOTIONS FOR RETURNS

MR. HORSMAN: Mr. Speaker, the government proposes to deal with some of the motions for returns; however, I would move that motions for returns 158, 163, and 165 stand and retain their places on the Order Paper.

[Motion carried]

154. Mr. Hawkesworth moved that an order of the Assembly do issue for a return showing copies of all contracts, letters of understanding, letters of intent, and other contractual instruments authorized, signed, endorsed, or otherwise formalized, where those documents constitute agreements between the government or any agent of the government or of the Crown in right of Alberta and Ski Kananaskis Incorporated, or where those documents formalize an obligation undertaken by the government or any agent of the government or of the Crown in right of Alberta to Ski Kananaskis Incorporated.

MR. HAWKESWORTH: Mr. Speaker, I wasn't given any indication from the other side whether they're going to accept this particular motion or not. In the absence of that, I believe it is a debatable motion.

MR. MARTIN: He says that they are going to.

MR. HAWKESWORTH: Okay; with that indication, Mr. Speaker, I'd be pleased to make the motion and take no further time of the Assembly.

MR. HORSMAN: On behalf of my colleague the Minister of Recreation and Parks, the government is prepared to accept the motion.

[Motion carried]

162. Mr. Sigurdson moved that an order of the Assembly do issue for a return showing copies of the studies and/or reports, preliminary and/or final, on the basis of which the hon. Minister of Manpower stated on Wednesday, July 23, 1986, page 727 of *Hansard*, that "the average wage under the community element of the summer temporary employment program is in fact \$5.20" and that "the average wage under the [Alberta wage subsidy] program is \$6.40."

MR. ORMAN: Mr. Speaker, I have for tabling Order for a Return 162, which I would like to file with the House.

[Motion carried]

head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

201. Moved by Mr. Oldring:
Be it resolved that the Legislative Assembly urge the government to consider establishment of a consumers' advocate for the purpose of intervening at Public Utilities Board hearings and to provide expertise to affected consumer organizations.

[Adjourned debate June 17: Mr. Jonson]

MR. JONSON: One thing, Mr. Speaker, about having debate adjourned upon you is that you get two rounds of pounding of the desks.

Mr. Speaker, at the time debate was adjourned on Motion 201, I was indicating that there are a number of alternative approaches that might be taken toward having the Public Utilities Board serve the interests and needs of consumers and consuming groups. I'd like to mention a few additional

points along that line. I think that one of the things we have to look at in terms of being able to maximize the effect of this motion is to make sure that it's going to look at the overall problem of adequate representation for these people and not zero in on only the method of having a consumers' advocate.

One additional measure that could be taken, Mr. Speaker, is that we could encourage the board to assign staff to better communicate with the public through the complaints and inquiry office. This is a current arm of the Public Utilities Board that is supposed to be there for a good, constructive purpose. Certainly that aspect of their operations could be reviewed and perhaps made more effective.

I also do not think we should underestimate the need for greater communication in terms of the overall operations of the board. It sometimes takes on the aura of being a rather secretive operation, and I don't think that is always the intention of Public Utilities Board members. They have a technical duty and a very busy schedule, and sometimes the very important matter of relating what they do to the public in understandable terms is forgotten.

Also, Mr. Speaker, I believe that some time ago there was a seminar conducted on the utilities board operations. I think this was during the formative stages of the board and its operations. It might be the time in history to repeat that exercise with a view to a broad discussion of the effectiveness of the board in representing both the sellers of utility services as well as the consumers, and perhaps it could even have a general discussion for the better information of all of the long-term future of utility services in this province.

One last alternative or additional matter that I think might go toward solving the problem referred to in the earlier debate is that the staff, who are very important to the operations of the Public Utilities Board and in the long term try to get the best possible evidence and present it in as neutral a form as possible, might be required to give their evidence to the board in the public forum. That way their evidence would be subject to cross-examination by utility customers or groups representing utility customers. The whole impression that people get of the work that staff does and the role they serve in the Public Utilities Board hearings might take on a much more positive outlook in terms of the public's perception.

Mr. Speaker, although some critics of the Public Utilities Board hold a somewhat unreasonable expectation that rate increases should be eliminated or that all aspects of rate increases can be sufficiently explained to all consumers, as the previous debate has I think very well indicated, the whole process of the Public Utilities Board hearings, particularly as this process applies to utility customers, should be reviewed, and all possible means of improving the process should be undertaken. Therefore, Mr. Speaker, I would like to propose an amendment to the motion. I have copies to distribute, and I would like to read the amendment into the record.

Be it resolved that the Legislative Assembly urge the government to consider means whereby utility customers could be encouraged and assisted to participate in hearings before the Public Utilities Board.

Mr. Speaker, I believe the amendment would accomplish the overall objective set out by the mover of the motion from Red Deer, and I think the mover of the motion would certainly concur with the amendment. It would provide for a broad and thorough look at the operations of the Public Utilities Board as it applies to the representation of utility

customers' interests. It would not mean that this review would have to be limited to the provision of a consumers' advocate, although that might very well be one of the outcomes.

The other aspect of the amendment that I would like to focus on is that it refers to utility customers, and those are the people who are directly concerned by the various factors and points that were made from many constituencies earlier in the debate. Mr. Speaker, I think this amendment would accomplish the overall purpose of the original motion and hopefully lead to good and creative measures to improve the situation.

MR. SPEAKER: We have an amendment.

MR. TAYLOR: I would like to speak against the amendment, Mr. Speaker, because in my opinion it emasculates a very good initial motion by the hon. member from Red Deer. If the member from Red Deer agrees with the amendment, I can only surmise that once he had been in the Legislature long enough to get over his youthful exuberance and initial reaction, the older minds on the front bench frightened him into taking this watered-down solution that is now presented. I would like to hear the member from Red Deer say that.

MR. SPEAKER: Hon. member, we have a point of order.

MR. DAY: On a point of order. If that could be clarified to Red Deer South, not just Red Deer.

MR. TAYLOR: I'm sorry, Mr. Speaker. I should have said the Member for Red Deer North. I thought the Member for Red Deer South would be proud to be associated with it.

Speaking to the resolution of the Member for Red Deer North, I think it's a very good resolution, and it carried with it the ... Isn't it Red Deer North? Red Deer South? I'm sorry, Mr. Speaker. My double and triple apologies to the Member for Red Deer North. I'm not gaining on this. If you'll pardon me, I'll just keep on going.

MR. SPEAKER: Is this on the point of order?

MR. JONSON: Mr. Speaker, I believe it is a point of privilege more than anything. I perhaps misled the hon. Member for Westlock-Sturgeon. In my remarks it should have been Red Deer South.

MR. SPEAKER: Perhaps the solution is to refer to the mover of the motion.

MR. TAYLOR: Mr. Speaker, if the mover of the motion has agreed to the amendment, I can only surmise that the mover must have had some pressure put on him from the front bench to in effect emasculate a very good motion indeed, a motion that anybody in the opposition would enjoy being identified with.

In effect the amendment just says to give them the means. What I took to be the whole idea of the motion when the mover made it was to have a consumer advocate with teeth, a consumer advocate who had a range of experience in continuously meeting with the public utilities commission and, more so, taking on the rather monopolistic system of power companies we have in the province that have all the legal aid and mechanical and engineering facilities at their fingertips at the expense of the taxpayer, I let you know.

A utility company's legal and engineering fees are a deduction from their earnings before they calculate income tax. Yet if consumers go out and retain lawyers or advocates, nine times out of 10, unless it's in their line of business, they're not allowed that deduction. That's the first thing that's very ... [interjection]. As a matter of fact, as my colleague on the left rightfully pointed out — I think the hon. minister across had many, many times in her profession before she entered the House taken money from companies knowing full well that they would not only deduct it from their income tax but maybe even build it into the rate base. So the consumer pays for it twice: it gets deducted from the income tax and gets built into the rate base.

The point is that what we want here is a consumers' advocate who is there not at the cost of the consumer. A consumer can ask and enroll this advocate to act on his behalf and most of all be not only reactive but proactive. One of the problems with having this motion as amended is that it only encompasses acting for the utility customer. Many people think that in deciding power rates in the future there is great room for proactive solutions, not just reacting to what the power company says, not just reacting to whether the power company has asked for too fancy a wire, too many poles, too big a generating facility, or for the line to be too high in the air.

How about alternative methods? Right now, and under this motion too, the consumer is put in the position of just reacting to what the power or utility company suggests and is not able to come forward and say: "Why hasn't the power company purchased power from people running wind-mills? Why hasn't the power company worked out a system whereby they can purchase power from a methane manufacturer or from vegetation or waste handled by big cities?" The town of Ryley wants to take the waste from the city of Edmonton and try to manufacture it into gas and power that could be sold back into the utility system, and nothing is being done about that. A consumers' advocate not only could stand up and defend what the utility company is proposing but could in his own way propose alternatives to what the power or utility company is suggesting, which would mean a lot indeed.

I know we've been raised with the idea that the utility companies in this province can do no wrong, and at another time I'll get a chance to debate the whole question of the Public Utilities Board. The Public Utilities Board used to be a quasi-judicial body when it was set up by the old United Farmers and the old Liberal government in the 1920s. Yes, Virginia, Liberals ruled this province for longer than the Tories have if you look at your books; they were actually in power longer than you people. If you want to look at your own mortality sometime, pick up the books and read what happened to the early Liberal Party in this province. Nevertheless, they set up a utility board that was absolutely independent. Since the early '70s, this government has virtually turned the Public Utilities Board, in spite of the excellent appointments that have been made to it, into a servant of the Lieutenant Governor in Council, into a servant of the front bench by changing the period of time the commissioner can serve at the request of the Lieutenant Governor: no set period of time. They also changed the salary, instead of being a set salary like the Supreme Court, to one that is set from time to time by the Lieutenant Governor in Council. Worst of all, it had a set number of people of it for years; now the number on the utility board can be expanded or retracted as the Lieutenant Governor in Council may direct. If there has ever been a time in

the history of this province when we needed a consumers' advocate for utilities, a real consumer advocate with teeth, now is the time.

I ask you not to vote for this watered-down, emasculated — and that's as refined as I can get — amendment that's been put forward today. Thank you.

MR. WRIGHT: Mr. Speaker, I would like your ruling on this alleged amendment. With respect, in fact it is not an amendment at all; it is a new motion. The motion on the Order Paper proposes the establishment of a consumers' advocate. This does not. It proposes nothing except the general encouragement of citizens to participate. It is not an amendment at all and is out of order.

MR. SPEAKER: The Chair failed to receive advance warning of the amendment and has been looking at the matter and is prepared to listen to other points of view on whether or not this is indeed an appropriate amendment. On the point of order, the Member for Ponoka-Rimbey

MR. JONSON: Mr. Speaker, I would submit that the general principle behind the motion is that of providing more adequate representation for the utility customers of the province, the people using the service. I believe the intent and wording of the amendment serve the same broad general purpose or principle, and therefore I would submit that it is in order.

MR. HORSMAN: On this particular point of order which has been raised, it has been my understanding that when motions are on the Order Paper relative to a specific issue or a specific method of dealing with agencies such as the Public Utilities Board or any other matter which zeros in on a specific recommendation for dealing with issues, it is in order to expand upon what has been suggested by the mover in the original motion to make it possible to have additional methods of dealing with the issue contemplated in the original motion.

In this particular case, the original motion asked the government:

... to consider establishment of a consumers' advocate for the purpose of intervening at Public Utilities Board hearings.

This amendment provides a mechanism whereby utility customers would be "encouraged and assisted." In that respect "encouraged and assisted" could very well include the specific which is the intent of the original motion. It could indeed, and perhaps debate will centre on other methods by which members of the public in this particular case could avail themselves of encouragement and assistance in terms of participating in the hearings.

Therefore, I would suggest that the motion expanding the opportunities for the public in this particular case is in order, and I would ask that you so rule.

MR. TAYLOR: Mr. Speaker, on a point of order.

MR. SPEAKER: The Chair recognizes the Member for Edmonton Kingsway first and then the Member for Westlock-Sturgeon.

MR. McEACHERN: Mr. Speaker, in answering the point raised by the hon. member opposite, he is suggesting that the word "assisted" could be interpreted as meaning that the customers could find someone to assist them, and perhaps

that would take the role of an advocate, in which case this amendment would be meaningless because we would be talking about the same thing. Clearly, the person that moved this amendment had something other than that in mind. I concur with the Member for Edmonton Strathcona, who said that if you change it from talking about a specific consumer advocate to just saying that we will encourage the customers themselves to be their own advocates, those are two very different things. So I think, Mr. Speaker, the motion is likely out of order.

MR. TAYLOR: Speaking to the point of order, Mr. Speaker, I think the operative words in both resolutions ... In the resolution that was originally presented, it says, "for the purpose of intervening." Intervening is not always co-operative. Intervening is not often always nice. Intervening could be mean. The other one says, "assisted to participate." What is this? Tea and sandwiches? A free bus ride? Certainly "assisted to participate" doesn't prove any point of order ...

MR. HORSMAN: On the point of order, Mr. Speaker.

MR. SPEAKER: On a point of order.

MR. TAYLOR: Okay.

MR. HORSMAN: The hon. leader of the Liberal Party has spoken to the amended motion.

MR. TAYLOR: No, I'm talking about that point of order.

MR. HORSMAN: It seems to me, Mr. Speaker, that it is quite out of order for him to speak on a point of order relative to the relevance of the motion. He has spoken to the amendment.

MR. SPEAKER: The Chair recognizes the wisdom of the Attorney General on this point, that the Member for Westlock-Sturgeon, having spoken with respect to the amendment, therefore gave tacit approval to the fact that the amendment was indeed a proper amendment. The Chair apologizes in that respect.

MR. TAYLOR: Why didn't you stop him?

MR. SPEAKER: The Chair has been asking himself the same question. The Chair appreciates the cogency of the arguments as presented, especially by the Attorney General, and he is persuaded thereby. Nevertheless, the Chair must rule the amendment out of order because the form is defective. This is the difficulty of not having received the supposed amendment earlier. The amendment as printed really is a substitute motion, and it is defective in form. It really should say that in the original motion X number of words should be deleted and, following upon that, Y number of words should be put in place. Therefore, the Chair rules that the amendment is out of order, and perhaps the Assembly could return to the original motion.

MR. WRIGHT: Speaking to the motion on the Order Paper, Mr. Speaker, the idea is to spend public money to help consumers with all the facts, figures, research, and so on to intervene in a way more likely to be successful, to be more equal to the vast resources at the command of the capitalists and on the odd occasion the municipal councils. We shouldn't forget that there's a much easier way around

the problem, which is simply to take all the public utilities into public ownership. Then you don't need a public utilities board, because if the rate is a bit too high, the public gets the profits. If it's a bit too low, the public gets a good deal.

The rates can be set as a matter of government policy, so you don't have to have a board that spends a great deal of necessary time, let it be said, if there are privately owned public utilities, deciding what is the fair and proper rate. It's not only the question of who gets the profits. I remind you that Calgary Power, now TransAlta Utilities, has over the years been the most profitable public utility in North America and, so far as I know, still is. All that money, all that profit in the years since 1948, could have been going into provincial coffers, and it is a shame that it has not been.

It's not only where the profit goes. It is also the great amount of money that has to be spent on one hand by the utilities trying to conceal their profits by the use of experts and lawyers to try and make the point to the Public Utilities Board and on the other hand by the public interest groups, usually the municipalities concerned, trying to make the opposite case. So the public pays twice, and they also pay it through their rate base.

I urge members to be practical about this and embark on a course of provincializing privately owned so-called public utilities in this province.

MR. PIQUETTE: I would like to speak in favour of the motion, although I think it's not complete in terms of all the amendments that could be brought to the whole public utilities question. Members of my constituency recently brought to my attention some of the real inequities relating to price increases by TransAlta and other utility companies. Their local REA was part of a hearing last year to try and cut back the rate increases demanded by TransAlta in the area. Their intervention was unsuccessful. Not only was it unsuccessful but in the county of Athabasca they are now paying \$4 a month to pay back the cost of intervening on behalf of their own REA. That didn't seem to make any sense to me. Not only was the REA faced with a larger increase because of the one given to the utility company by the Public Utilities Board but they were also penalized for having intervened to try and beat back the price. When a consumer group that is trying to advocate a decrease or at least hold the line on prices is penalized for intervening, that shows me the total inequity and lack of fairness of the Public Utilities Board.

I can't see why this should be just a motion. I think this should be a government Bill making these required changes as quickly as possible. We are already facing some additional increases this year advocated by utility companies in Alberta, some as high as 30 percent. There will be intervention by consumer groups or individuals who are not happy with the situation in terms of the economic recession we're facing in the province. Not only that, they will have to bear the costs of intervening, and probably their chances of winning that intervention are fairly minimal in terms of looking at the past practices of the PUB, which over many years has to a large extent guaranteed a 7 percent profit margin to the public utilities operating in this province.

I'm urging the government to look at this private member's motion and take the leadership in bringing in a Bill before this sitting of the House is over so that we can make some meaningful changes and for this year's hearings we will at least have something in place whereby a consumer advocate

group is publicly funded in order for these hearings to be properly paid for so consumer advocates are not being penalized for intervening to protect their own self-interest.

[Mr. Deputy Speaker in the Chair]

The second point I would like to make is the whole aspect of the Public Utilities Board being the kind of institution that the average Albertan understands very poorly. In the upcoming year, before the spring sitting of the Legislature, I think what we should be doing as well is undertaking some public hearings to revamp the whole Public Utilities Board, to bring this whole process before the public so that we have a much better system by which the public is represented and the whole system is understood by the average Albertan. At the present time it appears to the average consumer, the average citizen in Alberta, that it is a self-serving board basically working on behalf of the large monopolies we have created in this province.

The small businessmen are very often upset with the whole workings of it because they don't understand the process, they don't understand how they can have any meaningful input in terms of safeguarding their economic livelihood from unnecessary increases to public consumption of power or natural gas. Another thing that many of them are pointing out as well is that it seems to agree to increases all the time, but they have never seen a decrease; for example, when there is a decrease in the price of natural gas. It is very slow to react to that type of situation in our economy.

I think we should be looking at leadership in this whole area from the Minister of Transportation and Utilities, introducing a meaningful Bill that will put in place a consumers' advocate, and looking at a long-term or short-term review of the whole utilities board in the province of Alberta.

MR. MITCHELL: Mr. Speaker, I rise in support of this motion. My support is premised, however, upon one point of clarification, and that would be to clarify the definition of the mandate of this consumers' advocate. I believe the mandate of the consumers' advocate should include not only the review of existing public utility enterprises but the responsibility and the right to review other enterprises that are not currently public utilities but which might better be handled as such in the interests of Albertans.

To illustrate my point, I would like to raise the issue of the arrangement that has currently been proposed between Bow Valley Resource Services Ltd. and the Alberta Special Waste Management Corporation under which the Swan Hills waste management plant will be built and operated. It's very clear that this project, the Swan Hills waste management plant, shares many important characteristics with public utilities. It operates in a sphere in which there is insufficient demand to permit open competition between a variety of companies that might otherwise be involved in that area. It involves — and this is critical — a situation under which the government in all respects will be guaranteeing tremendous returns to Bow Valley Resource Services Ltd. That represents direct cost to Albertans through taxpayers' money. Finally, it involves public safety in the extreme, and it is heavily regulated by government as a result of that.

The subject of guaranteeing returns emphasizes in particular the kinds of interests that the proposed consumers' advocate would, under my definition of his or her mandate, be responsible for: reviewing, considering, and finding interest groups in this province to assist in presenting cases on

behalf of. The deal that I am referring to between Bow Valley Resource Services and the Alberta Special Waste Management Corporation is structured like this. Alberta . . .

MR. HYLAND: Mr. Speaker, on a point of order. I believe we're talking about Motion 201, which does indeed deal with a consumers' advocate, but the hon. member is referring to the Swan Hills plant. I note that also under his name on the Order Paper is Motion 235, discussing that subject before the very same board. I wonder if we're not overlapping the two.

MR. DEPUTY SPEAKER: It would appear that the hon. member is indeed addressing the question of a consumers' advocate. The Chair has some difficulty in differentiating between the terminology. The Member for Edmonton Meadowlark.

MR. MITCHELL: Thank you very much, Mr. Speaker. If I can continue with outlining the financial structure of the deal, Bow Valley Resource Services will be participating in this project in the order of 60 percent. In order to do that, depending upon the scale of the plant but assuming it's roughly a \$37 million plant, they will be required to put up \$22.5 million. Owing to the financial status of that company at this time, there is some question as to whether they would have capital or whether they would have to borrow. We will assume that they will have to borrow the \$22.5 million.

Once that \$22.5 million is put up, the deal will be structured like this. The government, through the Alberta Special Waste Management Corporation, will cover all the operating costs incurred by Bow Valley Resource Services. In addition to that, they will guarantee that the interest-carrying charges on Bow Valley's debt in this project will be covered. In addition, they will guarantee Bow Valley Resource Services in the order of 13 percent. They will also guarantee that the tax that would be paid on that 13 percent will be paid, and the cash flow will be provided to the company for that. The irony in that is that of course this company, owing to its current financial status, will not be paying taxes, so in fact we're just augmenting, increasing, and enhancing the cash flow to that company without a particularly strong rationale for doing that.

The net cost to Alberta consumers over a period of 10 years because of this deal that could otherwise have been done much less expensively is in the order of \$40 million to \$45 million extra for the construction and operation of that plant or, put into today's terms, discounted at a conservative discount rate, about \$23 million. For a government that is besieged as it is now with high costs and diminishing revenues, it is very difficult to understand how this could be justified under any circumstances. These observations raise clearly and strongly the need for an outside and objective review of this kind of enterprise to determine whether it would be better handled as a public utility.

Mr. Speaker, I submit that this Legislature should move with haste to pass this resolution. Once the mandate of the consumers' advocate is properly clarified as I have laid out, it is a resolution that, once implemented, would serve to support the interests of Albertans in the very important areas of public utilities regulation and regulating those enterprises which are not now public utilities but which would be better handled as public utilities.

Thank you, Mr. Speaker.

MR. R. MOORE: Mr. Speaker, it's interesting to get up and speak to a motion when I see all three parties in this House agreeing to it. I think they must have all used the same NDP researcher.

I think a lot of thought has to go into setting up an advocate to work on behalf of the intervenors to the Public Utilities Board. First of all, an advocate, given that responsibility and understanding the fact that there isn't a citizen or a company in Alberta that agrees with a rate increase in utilities, that everybody is opposed to it — when they see that the government has a trained advocate's office, you can imagine the bureaucracy that demand would create. We would be in no position to curb that bureaucracy. I ask every member of this House to think about it. It would start with an advocate not only here in Edmonton but we'd have offices in Lethbridge, Calgary, Red Deer, and Grande Prairie, all staffed with these experts. Mr. Speaker, there'd be no end to that bureaucracy. Every citizen would avail himself of it, because every time he looks at his utility bill, he says, "It's too high."

When we look at it in that light, Mr. Speaker, I think we all have a responsibility to every one of those taxpayers to think about the cost. I'm sorry that the good Member for Westlock-Sturgeon isn't here, because he talked about the cost to the taxpayer in his little talk and he hasn't shown any consideration whatsoever by supporting an advocate. But that's consistent with his way of carrying on business in this House.

I think we should look at what the Public Utilities Board was in the first place. What was the reason for it to be there? The sole purpose of the Public Utilities Board as set up by the government of Alberta was to act as an intervenor on behalf of the citizens of Alberta, to review all increases in utilities and judge whether they were fair. That's the purpose of the Public Utilities Board: an intervenor on behalf of the taxpayers.

Through the process we've developed companies and individuals that come and call themselves intervenors. So there are intervenors going to the intervenors. Then we have this type of thing come along and say that we'll have an advocate to the intervenors to the intervenors, and so on. That's typical of socialists. Create work through their bureaucracy and control. No thought given to it. I'm sorry that some of our members over here were slipped some of the research papers from the NDP and spoke on behalf of it. I'm sorry that happened. I have to say to them, Mr. Speaker, that they were very clever in getting their research papers over on our desks.

When I think of an advocate to the intervenor to the intervenor, it really stirs me up. I'm really looking after the taxpayer if I sit here and let this go by. I think every one of us would sure look like something four or five years down the road from now when we look at what we created, what we were a party to. Surely we have more sense of responsibility to the taxpayers of Alberta than to do this.

If we were to do the right thing, if the Public Utilities Board — and I say "if" — is not doing its job, then we should be responsible people and look at that Public Utilities Board and say, "Let's make the thing work the way we set it up on behalf of the public of Alberta, to serve as an intervenor that really looks responsibly at increases and says whether this is justified or not." For my friends sitting to my right — unfortunately, they're to my right; they're to the left of me on many things — I want to say that you would just love mere and more government in our lives, but we aren't going to allow it now.

I have to say thank you, Mr. Speaker, to the hon. Member for Edmonton Strathcona for knocking this amendment out, because I couldn't have attacked this as hard on the amendment as I can on the motion. So indirectly I'm really indebted, and I think all the citizens of Alberta are indebted, to the Member for Edmonton Strathcona for this one thing. He at least put it back to where we can deal with it in the proper perspective.

It's completely irresponsible. It's completely unacceptable. I urge every member of this House to suddenly realize just what they're doing and defeat this motion.

MR. DEPUTY SPEAKER: Before we proceed, I would draw the attention of the House to the *Standing Orders*. Members should not walk between the member speaking and the Chair, irrespective of their height.

MS BARRETT: On a point of order, Mr. Speaker. I'm sure one would have sympathy for the exact location of this particular seat. In fact, with the member speaking, I could have passed the other way and interrupted the flow of communication equally. Height has nothing to do with it in this particular instance — honest.

MR. DEPUTY SPEAKER: The Chair takes note of your comment, but you're entirely wrong.

MR. HERON: Mr. Speaker, I welcome the opportunity to go on record as not being in support of Motion 201. I find many of the remarks made by the Member for Lacombe refreshing and right on track. I particularly like the idea where he said, "We have the Public Utilities Board, and if it isn't working, let's change it to make it work." I also like the idea or the example he brought forth where if something's not right, just create another bureaucracy and keep adding and adding, when all the while we keep saying, "We have to bite the bullet; the economic party is over."

It's not consistent to keep creating these bureaucracies while recognizing at the same time that we have serious fiscal problems this year. Given the double whammy of the decrease in oil prices and the world grain markets, we have to take a real close look when we propose motions like this and when we stand up and advocate spending more and more money.

It was with the greatest difficulty that I listened to the Member for Edmonton Strathcona and his socialistic point of view when I believe he said, "if we had the profits of TransAlta from 1948." That is the socialistic point of view: take them over and run them. But I ask to be provided with some evidence that socialistic governments have operated utilities more efficiently than the private sector before ever advocating it.

Also, I note the Member for Lac La Biche, in making a point, said "the monopoly of TransAlta." I would like to point out that TransAlta is not a monopoly in the province of Alberta, maybe an oligopoly at best. I want to go on record as saying that TransAlta has done a fine job in urban and rural Alberta, and I think they have performed a job to the envy of many, many provinces.

Mr. Speaker, while we may have some minor problems and minor complaints from time to time with the Public Utilities Board, I think we have a fine agency that serves this government and the citizens well, and I for one would not support tampering with that agency. I would then like to conclude by saying that I cannot support the proposal

put forth that we create another bureaucracy through a consumers' advocate.

MISS McCOY: Mr. Speaker, I would like to make one or two comments on this particular motion. Firstly, to correct the record, a member opposite earlier referred to the Public Utilities Board first having been formed in 1920; the fact is that it was formed by statute in 1915. He referred at the time to a long Liberal administration in the province of Alberta. He is quite right, and I would like to point out to him that it was during a Liberal administration that the board was first formed. I would also like to point out and commend to him some reports in newspaper *Hansard* from the time which contain many allegations of a scandal and many hints that government members and leaders of the day were indeed involved in the scandal having to do with the railroads. It was that very case that led to the Public Utilities Board first coming into existence.

Going on to other matters, I've been quite interested in following this debate, and the Member for Ponoka-Rimbey is quite right that the Public Utilities Board was set up in order to take account of the public interest. What has troubled me throughout many of the different representations and so forth made in the debates is a tendency to simplify to such an extent that the whole of the public interest has not been accounted for. Many, many years ago in first-year law school I had a professor who would lecture us at great length. It was rather boring, but one of his favourite expressions was "text out of context is pretext." In listening to the debate on this motion, I found that one or another speaker tried to oversimplify the issue to the point where the issues have become not true to the intent that I think was behind the original motion.

Consequently, I lauded the Member for Ponoka-Rimbey when he attempted to introduce an amendment which, as it turned out, was ruled out of order only because of the form in which it was printed. Nevertheless, I laud him for his attempt, because in a truly wise way he was attempting to open the debate far enough to take into account the many different approaches that one could take.

I also wish to say that I agreed with the Member for Athabasca-Lac La Biche when he stated at some length that there are many people who do not understand the process, there are many people who would wish to have meaningful input, and there are many people who would like the process to be better understood. That is one of the difficulties, and I think it was well taken up by that member.

Just for the record, I would like for a moment to speak to the question of public interest. The public interest is never a singular thing; it is never unanimous. The delight and challenge of governing is always in balancing the various different aspects of the public interest, and when we are talking about utilities, utility rates, and utility customers, each and every one of whom of course is a consumer, I think we do have to keep in mind the various different interests that are represented among them. In some cases one individual can represent several different aspects of the same public interest.

To illustrate that, let me first of all make reference to an individual utility customer who has an interest as a homeowner, who would have another interest as an employee of a company and would therefore be interested in that company's profit picture and continued stability by which his job would continue. That person has another interest as well when he is down at the municipal ice rink or when his children are there playing hockey. A farmer, similarly,

has many, many different interests and represents many aspects of the public interest: firstly, when he is at home on the home quarter; secondly, in his capacity as an agribusinessman; and thirdly, if he has irrigation, he would have to pay the utility rates for that irrigation system, whether it be gas or electricity. Another one that he often has is as a surface rights owner, which is an aspect of the public interest that would directly contradict that farmer's interest as a utility customer, insofar as he would be on one hand interested in increasing the rates that the utility company pays him for the use of the surface of the land and, on the other hand, interested in reducing the costs of the utility.

I could mention others. There is no doubt that the wholesale municipal customers have a particular interest, and of course they in turn represent all the interests of their residential, commercial, and industrial customers within municipal boundaries. Then, of course, there are also large power takers and large natural gas takers in the industrial-user category which form another kind of interest.

One of the difficulties that I had earlier with Motion 201 was trying to envisage how many consumers' advocates we would be considering. As I have just outlined, surely one would need a consumers' advocate for every one aspect of the public interest. It is not so simplistic as to say one consumers' advocate can represent all those different aspects of the public interest. Again, we would be proliferating the bureaucracy, and I think there are better ways of approaching the question.

The Member for Westlock-Sturgeon was suggesting earlier that a consumers' advocate would have teeth, would be intervening, would be, in short, mean and nasty, which I almost took to mean that the member was applying for the job. However, I say that this consumers' advocate is not the only and not necessarily the best approach to take in protecting or advancing the interests of utility customers. I would encourage the Member for Ponoka-Rimbey to rise again on his amendment, having had an opportunity to correct the form, because the proposed amendment at least would have taken into account the very many other ways that could be used or approached which would indeed advance the consumers' interests.

For all of these reasons, Mr. Deputy Speaker, I would now move that we agree to adjourn this debate.

MR. DEPUTY SPEAKER: All those in favour, please say aye.

HON. MEMBERS: Aye.

MR. DEPUTY SPEAKER: It is so ordered.

202. Moved by Mr. Stewart:

Be it resolved that the Legislative Assembly urge the government to consider adopting a leadership role to encourage departments of government, Crown agencies, hospital boards, and other public institutions to purchase goods and services, and in particular new products, from Alberta businesses whenever reasonably possible, in order to expand the economic and employment opportunities within this province.

[Adjourned debate June 19: Mr. Mitchell speaking]

SOME HON. MEMBERS: Question.

MR. STEWART: Mr. Speaker, I rise to close debate on Motion 201. I appreciated the debate because I think it

canvassed many of the considerations that I feel are important to this issue. I particularly note the recent trade communiqué from the Premiers' Conference which relates to the matter of interprovincial trade barriers. I think it's an important step in the process of freer trade nationally and internationally. It's an acknowledgment of the difficulties that do exist as a result of these trade barriers, and I look forward to the result of the initiatives that are to be taken on the matters which the Premiers have classified as requiring urgent action.

I think it is important to note that the purposes and objectives set out in that trade communiqué are not in any way contradictory or inconsistent with the thrust of Motion 202. The motion is also in accordance with several of the initiatives of this government in its program to support Alberta companies, initiatives such as were described by the former minister of economic development, the hon. Hugh Planche, in a press release dated April 15, 1983, and endorsed by the then Premier and subsequently by the present Premier. That press release announced an accelerated program of support for Alberta corporations to be undertaken by all provincial departments to ensure that Alberta consultants, manufacturers, suppliers, and contractors would receive a fair opportunity to compete in the supply of goods and services for provincial departments.

Mr. Speaker, I believe that the motion deserves the support of all members, and I therefore urge all members to vote in favour of the motion.

[Motion carried]

MR. HORSMAN: Mr. Speaker, I would move that we move to the next item on the agenda, private member's public Bills.

[Motion carried]

head: **PUBLIC BILLS AND ORDERS
OTHER THAN
GOVERNMENT BILLS AND ORDERS
(Second Reading)**

**Bill 222
Retail Business Holidays Act**

MR. HAWKESWORTH: Mr. Speaker, this is the first private member's Bill I've ever had the privilege to introduce in this Assembly. I'm greatly pleased to be able to rise and introduce Bill 222, the Retail Business Holidays Act, for second reading.

Mr. Speaker, when we experience those things in life that give us a boost, that make our lives better and more enjoyable, we sometimes refer to them or describe them as building blocks. When situations come our way that help us achieve our objectives and the things that are important to us, we think of them as building blocks for our future. On the other hand, when events occur that frustrate our lives, that put obstacles in our way, that prevent us from achieving things important to us and to our families, we often call those things stumbling blocks.

Mr. Speaker, for thousands of Albertans Sunday shopping has become a stumbling block, not a building block. Sunday shopping has taken away the one day of the week they could be sure to be with their families. It has taken away the one day they could arrange to visit friends. It has taken

away the one day when all of us in this province could seek out some refuge and pause in the working world. Seven-day shopping has prevented some of them from participating in religious observances the way they would like. Seven-day shopping has become a stumbling block, not a building block, and for those Albertans affected, they have lost some elements of their freedom.

In its decision on the Lord's Day Act in a matter between the city of Calgary and Big M drugs, the Supreme Court of Canada made some noble comments about freedom and religion, and I'd like to quote a few brief passages from that decision.

A truly free society is one which can accommodate a wide variety of beliefs, diversity of tastes and pursuits, customs and codes of conduct.

Then they added:

Freedom can primarily be characterized by the absence of coercion or constraints. If a person is compelled by the state or the will of another to a course of action or inaction which he would not otherwise have chosen, he is not acting on his own volition and he cannot be said to be truly free.

That decision goes on and adds:

Coercion includes not only such blatant forms of compulsion as direct commands to act or refrain from acting on pain of sanction — coercion includes direct forms of control which determine or limit alternative courses of conduct available to others.

Mr. Speaker, many Albertans have families that depend on the income they receive from their job in a retail store. Can they make a decision not to work on Sunday without fear of sanctions from their employer? What freedom do they really have to refuse work on Sunday? How does the Charter of Rights and Freedoms protect them from their employer coercing or compelling them to work on Sunday? For those who own businesses and shopping centres and would like the freedom to close on Sundays, how are the Charter and the Supreme Court of Canada going to protect their rights? If a landlord in a shopping mall tells a businessperson to open on a Sunday, and if the landlord tells them to pay a fine or evicts them if they do not comply, are the Charter and the Supreme Court going to come to their rescue? Unfortunately, in the time it would take to go to the Supreme Court with problems of this nature, it's unlikely they would get any practical assistance in the short term. It seems a practical result is that unless a legislative right is equally extended to everyone, it's going to be equally denied to everyone.

For many Albertans the Supreme Court judgment on the Lord's Day Act has served as a stumbling block, not a building block. I ask today: who is going to protect the freedoms of those Albertans affected by this decision who wish to create building blocks for their future? To all members of this Assembly, Mr. Speaker, I say that Bill 222, the Retail Business Holidays Act, represents a building block for those Albertans in three ways. First of all, it will place responsibility for regulation of seven-day shopping where it clearly belongs and where it will most effectively be carried out, that being at the provincial level. Secondly, this Bill will protect the rights and freedoms of retail workers to have a regular weekend day off, to be with their families and their friends, and to participate in and enjoy their community. Thirdly, Mr. Speaker, this Bill will protect those small businesses which have traditionally done the bulk of their business on Sundays and who presently face

overwhelming competition from large retail chains and multinationals.

In 1985 the government amended the Municipal Government Act which allowed municipalities to control the hours of business in their jurisdictions. This followed the striking down of the Lord's Day Act in the judgment I previously quoted. At the same time as making that amendment to the MGA, the provincial government increased the maximum fine for an offence under municipal bylaws governing opening hours from \$500 to \$2,000. When he announced his intentions to pass on the responsibility for this issue to municipalities, the then Attorney General said:

Given the wide diversity of views likely to exist throughout Alberta among citizens in large and small communities, decisions in respect to store openings and closings should remain in the hands of locally elected councils . . .

He was in effect saying that if you want building blocks, you're going to have to go to the towns and cities all over Alberta in order to get business closing bylaws passed. Don't look to this government for building blocks on this particular issue.

Mr. Speaker, taking on that responsibility has been a nightmare for those municipalities who have chosen to do what the provincial government recommended. For example, last fall a plebiscite was held in Red Deer. Sixty-one percent of the people voting in that plebiscite voted against seven-day shopping, and the council passed a bylaw forcing all businesses, with some of the same exceptions that are proposed in Bill 222, to close on Sunday or for 24 hours within the next seven days.

Red Deer's lead may be one for other municipalities to follow, but they've run into problems that I'm certain will convince other municipalities from passing such bylaws within their jurisdictions, because the experience of Red Deer has proven this legislation is a stumbling block to solving this particular problem. Why? I understand they're currently fighting a court challenge to that bylaw launched by the Brick Warehouse and London Drugs.

When determining whether to proceed on this particular matter, we dealt with this when I was a member of the city council in Calgary. We were very conscious of what was occurring in the city of Red Deer. One of the arguments which persuaded that council not to proceed with a bylaw, as Red Deer had done, was that it would be very expensive to enforce and would likely be challenged the moment it was passed. By the time you add up legal fees, the cost of a possible referendum, the cost of hours of council debate, staff time, surveys, and go through all the steps that a municipality might go through to defend itself in the Court of Queen's Bench, the Court of Appeal, or the Supreme Court of Canada, you could easily be looking at costs in the order of \$200,000 to \$250,000.

In fact, the experience of Fort McMurray bears this out. They passed a bylaw and it was attacked in court. As I understand it, they lost that particular case in court, and because of the expense and time involved in an appeal, they have decided not to pursue it any further. So in that instance, their bylaw is no longer in effect.

This government said municipal governments would be the building blocks for their citizens who wanted action on this particular issue. So far, Mr. Speaker, these bylaws have proven to be nothing but stumbling blocks. The provincial government could have provided financial assistance to those municipalities taking on this particular kind of legislation. They could have provided research staff, and

they could have provided legal staff to assist Red Deer or Fort McMurray or Lethbridge in defending their bylaws, bylaws which they proceeded with under that amendment to the Municipal Government Act. They could have chosen to provide building blocks underneath this legislation they passed last year. They have not done so. They still remain a stumbling block when it comes to local municipalities having to defend legislation they've enacted under that particular amendment to the Municipal Government Act.

Mr. Speaker, the Lord's Day Act was struck down because the Supreme Court ruled that the Christian interpretation of the Sabbath could not be the deciding factor in the hours of store openings. That doesn't change the fact that for most families Sunday represents a traditional day of rest. You create stress within families when one member works both weekend days and the remainder work only weekdays. Marriage partners may be finding it impossible to find the time they need for themselves and for their children. We need to provide building blocks for families, Mr. Speaker, not stumbling blocks. I believe Bill 222 would provide the opportunity for retail workers and their families to be together for at least one recognized day in the week to re-establish bonds and participate in the leisure activities within their communities. I believe we need to provide building blocks for individuals and communities, not stumbling blocks.

In regard to small business, Mr. Speaker, it's a fallacy that Sunday shopping creates a significant number of jobs and increased sales for retailers. The net effect of wide-open shopping hours seven days a week is the increased employment of part-time workers and the elimination of family-run businesses from the retail market. A study done by the British Home Office, entitled the shops inquiry report, indicates the immediate effect of Sunday shopping is to shift employment from full-time to part-time workers. This will mean an increase in the proportion of Alberta's workers who would have no benefits or job security. The report also says there would initially be a substantial contraction in business as retail capacity is used more efficiently. That means that those without the promotional and financial resources to make the best use of wide-open shopping will suffer and probably go out of business. Who would that be in the retail industry? It's obvious that would be the small convenience businesses, the independent grocers, and the neighbourhood retailers that have always been there for our needs, our emergency prescriptions, and our emergency requirements for a quart of milk or whatever. Their share of the market is being taken over by the large and often foreign-owned chains.

Once again, here is evidence of government not removing stumbling blocks and not providing building blocks, in this case for our small, largely family-run businesses in the retail market. Many of the small businesses in shopping malls are family run, and many of them also don't want to be forced to work seven days a week, but the leases and contracts they have with the owners of those particular shopping malls force them to stay open. In those instances, for those people and those businesses, they find government inaction on this matter a stumbling block to their needs and aspirations.

Mr. Speaker, I introduce Bill 222 because for thousands of Albertans this Bill represents a building block for their future. I'm confident it's going to do what I say it's going to do. First of all, it's patterned on similar legislation in Ontario. I don't know whether I should confess that this is legislation that was once upon a time passed by a Progressive Conservative government in that province.

Nevertheless, there it is. That statute in Ontario is 11 years old and has been challenged a number of times. In fact, Ontario is one of the few provinces who had their own legislation on business hours when the Lord's Day Act was struck down in 1985.

In September 1984 the Ontario Court of Appeal upheld the convictions of two Toronto retailers charged with being open on Sunday. That court found that the law in Ontario was constitutional and secular in nature. Sunday was the traditional day of rest, and closing on Sundays did not necessarily put the interests of Christians ahead of other religious groups. However, it's a matter that has since gone to the Supreme Court, and that court case began on April 1, 1986. The decision on that matter is expected very, very shortly, and I gather considerable interest is being shown by all provincial governments across this country.

There are really two cases at once as part of this challenge. The merchants are appealing their loss in the Court of Appeal decision, and the province is appealing its loss in an attempted conviction of a Jewish bookstore owner. In that particular case, the Court of Appeal directed the province to change the Act to accommodate other religions. The province naturally doesn't want to do so, because if they did, the basis of the Act's constitutionality — that is, that it does not involve religion — might then later become a source of challenge.

But we have a bonus here in Alberta. Bill 222 is better than the Ontario legislation in two important ways. First, this Bill leaves Saturday as an option, without tacitly indicating that this is for the interests of minority religious groups. Secondly, the Ontario Act has provisions for areas of towns and cities to be declared tourist sections by municipal authorities and exempting the shops within them. This has been the cause of a lot of the trouble in Ontario. For example, a carpet shop in Chinatown in downtown Toronto can open on Sunday, while a carpet shop some blocks away cannot open under that legislation. Bill 222 avoids this particular problem. So I think this Assembly can be confident that our efforts will not be undermined by decisions outside our jurisdiction.

Mr. Speaker, people in our society live in a world full of stress. Those who work in hospitals, psychiatric wards, schools, and community and social service agencies every day see the casualties of people who have not been able to hold up under the stress and pressures of our modern living. The longer we allow seven-day shopping, the longer we give approval and condone a relentless drive to continue that stress and that pressure on people; and the longer we allow the machinery of materialism and the demands of the almighty dollar to dictate every action of our lives every day, the more we will see casualties like that appearing in those hospitals, psychiatric wards, and social service agencies. The more stumbling blocks that are placed in their way, the more people are going to stumble.

Mr. Speaker, where are the people who think about the future? Where are the people who worry about the pressure that's being brought to bear on our families? Where are the people who speak for the kids when their parents aren't at home with them? Where are the people who say that the stresses and demands placed on people today are getting too far beyond their ability to cope? For working people in the retail trade, for small businesses, for the building of families in this province, for the strengthening of individuals and communities, I ask: will this Assembly place building blocks under their feet on which they can build their lives in prosperity, happiness, and promise in this province? I

ask this Assembly to do that, Mr. Speaker. I ask this Assembly to pass Bill 222 into law.

Thank you.

MR. DOWNEY: Mr. Speaker, in rising to speak against Bill 222, I wish to base my arguments on two basic issues. The first of these deals with the wide diversity of business and business practices across this province. This Bill suggests that legislation which is desirable for large urban trading centres is exactly the same legislation which would apply in smaller and rural trading areas. I'm sure we all realize this is simply not the case. Business done in small rural centres is done in a much different fashion than in the cities in this province and I would think in all parts of the world.

The alternative here, Mr. Speaker, is to leave the regulation of shopping hours and Sunday shopping as a decision of the local municipalities, whose elected representatives are better equipped than this provincial government to determine what local needs, aspirations, and business and consumer interests are in their particular jurisdiction. Secondly, I am rather surprised this Bill would be introduced here, considering the fact that there is no general consensus across the province that legislation of this nature would be desirable.

A Gallup poll conducted in 1983 showed that 49 percent of those polled were categorically in favour of Sunday shopping, 7 percent saw some limitations as being useful, and 42 percent were opposed. Mr. Speaker, I suppose the best this government can do is represent the interests of that 49 percent or alternatively have legislation which is silent on the issue. At this point it would be constructive to look at the history and experience on the record in other provinces which have attempted to deal with this matter on a provincial basis. The hon. Member for Calgary Mountain View brought some of this out to support his arguments. I suppose I'll bring the rest out to support mine.

Ontario passed the Retail Business Holidays Act in 1975. That is the Act on which this Bill is modelled. Sunday is included as a holiday, and shopping is restricted on those days. The Act has been challenged, and the case was presented to the Supreme Court of Canada in March of this year. Although the case is before the courts, the Ontario Solicitor General is still enforcing the Act. There are presently 3,000 cases before the provincial courts awaiting a Supreme Court decision. I ask this Assembly: is this the sort of situation we want to create in Alberta?

They also passed a provincial statute in British Columbia dealing with the issue of Sunday shopping. The Act provided an opting-out policy for municipalities. Again, this begs the question: why pass legislation with an opting-out provision? Why not allow the municipalities to pass their own bylaws instead, rather than opting out of a provincial statute? Provincial courts in British Columbia have ruled that the Holiday Shopping Regulation Act is unconstitutional. Again, the net effect is that the law is in virtual abeyance until the Supreme Court decision on the Ontario Act has been rendered.

In Saskatchewan there are court challenges pending from Saskatoon retailers, with the cases scheduled to be heard in November. In Nova Scotia the Retail Business Uniform Closing Day Act of 1985, again patterned on the Ontario Act, has not been broadly enforced pending the Supreme Court decision. In Prince Edward Island their Day of Rest Act is being challenged by some malls and supermarkets which have been opening on Sundays. I bring these items to the attention of the Assembly to illustrate, Mr. Speaker,

that by passage of this Bill, we would be creating a further onerous burden on an already overloaded court system.

There have been mixed results in Alberta with regard to the successful application of local bylaws to control Sunday shopping. But there have been some positive experiences, Mr. Speaker. If the bylaw is properly drafted, it is useful and answers all our concerns with regard to local autonomy. The city of Lethbridge has a bylaw which has stood for more than 20 years. It has managed to keep businesses closed on Sundays, with a few exceptions. The city's solicitor said there is broad-based political support for this type of bylaw, something which does not exist for the passage of a provincial statute.

In closing, Mr. Speaker, I would like to quote from *Alberta Hansard*, April 24, 1985. Debating this same issue, the government's position at that time was that there should be a comprehensive base under the Municipal Government Act for municipalities to deal with all the issues relating to retail business holidays on a local option basis.

Given the wide diversity of views likely to exist throughout Alberta among citizens in large and small communities, decisions in respect to store openings and closing should remain in the hands of locally elected councils acting in the best interests of their respective communities.

That continues to be the position of this government, in contrast to the opposition's view of wanting to regulate everything from this Assembly. Mr. Speaker, it is not what Albertans want.

Thank you.

[Mr. Speaker in the Chair]

MS BARRETT: Mr. Speaker, I'd like to address this Bill as well, and it will come as no surprise that I'm going to support this Bill. However, I'd like to make some comments with respect to those made by the Member for Stettler. For example, he pointed out that in provinces where they have Acts such as this one or similar Acts, the Solicitor General in Ontario, for example, is still enforcing the Act even though it's in front of the courts.

AN HON. MEMBER: What courage.

MS BARRETT: Yes, what courage. Might I say, Mr. Speaker, that as a believer in the democratic process and in observing and upholding laws once they are established by the democratic process, I think that practice is infinitely preferable to a practice which recently went on in this province in which radar detectors were still on the statutes as being illegal but I understand the enforcement of that law was something less than a hundred percent.

Mr. Speaker, the Member for Stettler also asked, somewhat rhetorically I believe: why not let the municipalities pass their own bylaws with respect to seven-day-a-week shopping? I would like to point out to that member and all other members of the Legislative Assembly that the extreme difficulty with that is that one ends up with what is called a checkerboard province. Of course, that means that in communities such as Edmonton which are surrounded by a number of satellite communities, you may, for example, have the city of Edmonton, which according to the polls I have is quite opposed to seven-day-a-week retail shopping in nonessential services, voting against full retail shopping in nonessential services seven days a week while nearby communities — for example, St. Albert, Sherwood Park,

or any number of the nearby communities — might not do that. In fact, what you have then is a constant transition from one area to another in order to satisfy this need. In the long run, of course, it's not an economically viable alternative.

It seems to me, Mr. Speaker, that governments must not simply reflect but also lead in shaping public policy. The polls indicate that the trend over time is to see an actual increase in the shopping itself on Sundays, which is what one usually connotes from the statement with respect to seven-day retail shopping. It seems to me that it would be appropriate to pass this sort of Bill and lead the way in public thinking with respect to the quality of life; that is, encourage people to do what they did for many years prior to the advent of what is called Sunday shopping. That is to do other family-oriented things or rest-oriented things.

It comes to mind that in being petitioned and lobbied by a number of people over the years with respect to this issue, I have been asked, again rhetorically: if the government is so darn sure that it's right in not passing legislation which would restrict full-scale retailing at least one day a week, is the government at least willing to conduct its hours of practice over a full seven days per week? Similarly, schools. I believe, and I'm sure I'm right, the government is not prepared to do that, unless the policy has changed or unless I'm about to be corrected when I sit down. It seems to me that there are good reasons for not wanting a checkerboard approach to this.

Mr. Speaker, there's another really important issue here; that is, as my colleague the Member for Calgary Mountain View pointed out, the tendency of Sunday or seven-day-a-week retailing to affect the small retailers, the independent retailers, and actually affect employment. The Canadian Federation of Independent Grocers presented a brief to all members of the Legislative Assembly on August 8, 1983, in which they cited four particular reasons why they would like to see some kind of solution to this problem, preferably by way of an Act similar to that which I am supporting at the moment. They point out a drastic reduction in revenue presently derived from Sunday sales, representing up to 30 percent of the total volume of weekly sales. What that means, of course, is that if consumers have X amount of dollars to spend over six days a week, if full-scale retailing is allowed seven days a week, their X amount of dollars isn't going to increase. Of course, the effect of that is that overhead associated with being open seven days a week increases, and the prices to consumers may in fact have to increase to reflect or embrace the costs associated with the additional day of being open.

They also note that layoffs and reduced working hours for employees in the order of 1,000 person-hours per month per independent store is a real cost associated with their study on the matter. I'm not in a position to vouch for the exact accuracy, but I believe they did a very comprehensive study. In any event, I think the case is made very clearly by a number of organizations, in particular with respect to full-time jobs.

Mr. Speaker, they identified one item which I consider extremely important because it addresses the nature of our overall economy. That is, they talk about the monopolization factor which goes along with the more powerful stores being able to afford to stay open seven days a week or until midnight, as apparently is the case now in Edmonton, and its economic impact on smaller retailers. Of course, what this gets at is that there are some chain stores which really have the wherewithal to do this. Once they've been able

to capture an increasing share of the market — and that's the way retailers look at it; market share is everything — they can hold it by virtue of having accommodated all these millions of hours and at the same time by virtue of having become even more of a monopoly or, to be strictly technical, an oligopoly. They also have a greater power to raise their prices, so no benefit is in fact ever felt by the consumers. A really important point, I would argue, Mr. Speaker.

Similarly, the Canadian Federation of Independent Grocers argued that the chains of convenience stores themselves would benefit from this, but the independent grocers would not, and I'm just using grocers for an example. One then has to ask about all the rhetoric about entrepreneurship and being a self-initiating businessperson in this context. Of course, I think the rhetoric is coming from the other side of the House. In the first place, it's very difficult to initiate a small business in this province. In the second place, if one is going to do so in the small retail sector, what incentive is there if there is absolutely no regulatory protection against environs which encourage the oligopolistically inclined participants to take over whatever market share those smaller retailers may have hoped to get?

Mr. Speaker, I do have another point here. I happened to start glancing at some figures with respect to employment in this province. I note there is a steady increase in the percentage of Alberta jobs going to part-time jobs in the last many years. The Minister of Manpower prior to the 1986 election had been on record noting that Sunday shopping might be really good for jobs. He did specify that it might be really good for part-time jobs. In that I might not contest him, because as the British Home Office study my colleague cited a few minutes ago indicated, in Britain it has been fairly clearly assessed that seven-day-a-week retail shopping may increase part-time jobs but at the great expense of a decrease in full-time jobs.

For example, I note that in 1976, 13.13 percent of all jobs in the province of Alberta were part-time, and by 1984 that figure had risen to 15.74 percent. What we have is an increase in part-time employment, some of which I'm certain can be attributable to the provisions under existing law which allow for retailers of virtually any stripe to be open any time they so choose. What I'm getting at here is that there has also been a decline, relatively speaking, in the number of full-time jobs. Full-time jobs are better for income security, for economic stimulation, and for an economy overall. They actually help drive an economy in a more profound way and in a more specific direction than do part-time jobs with respect to the industries with which they are associated.

Therefore, Mr. Speaker, I would argue that there are an awful lot of economic reasons why we would want to support this sort of measure. On many occasions I hear in this Assembly that restricting people's rights is a flaw in attitude. I have had occasion to point out that we restrict people's rights when it comes to driving motor vehicles, for example. We put yellow lines down the middle of the road, construct traffic lights, and that sort of thing. We do this for the betterment of all people. I believe the fact of the matter is that most people aren't chomping at the bit to get into stores on Sundays, which we understand to be the traditional day of rest. People can actually live with full-scale retailing occurring six days a week and going to facilities which carry products to meet essential needs and services on that seventh day of the week and not being sincerely affected, Mr. Speaker.

I think it might take a little bit of political courage to support this Bill. I'm sure it would from the government

side of the House, in any sense. However, I bid we do so anyway.

MR. MUSGROVE: Mr. Speaker, I'd like to make a few comments about Bill 222, not necessarily against or for the Bill. But I would like to support some action that was taken by our government in 1985 concerning retail holidays.

We're into a different life-style. Just to show an example, I would like to talk a little bit about the history of one of the major towns in my constituency. Some years ago — I believe it was probably in the late '50s or early '60s — there were only five retail days in that town. I don't think it's a coincidence that started about the time our labour legislation allowed for a 44-hour work week. Consequently, all the retail stores in that town closed on Saturday and Sunday. After a few short weeks they decided that didn't work very well, because in a town that brings in a rural community, Saturday is generally the big day. So they started closing on Sunday and Monday. But there were some problems there because banks opened five days a week and closed Saturday. The stores were of course open on Saturday and closed Sunday, and it caused some problems. Mr. Speaker, because of the competition created by other towns and because of the holidays for the bank and the town, they started staying open six days a week through part-time help.

Just to show what happened historically, during that time you weren't allowed to charge for professional sports on Sunday. I can recall being at ball games and hockey games during those days when they would pass the hat around to collect to pay the expenses of the team; to have a charge at the gate was not legal. At that time, legislation was changed so they could charge for Sunday sports. But the communities considered it quite sacrilegious, and there was quite a lot of press coverage over it. Nowadays, to mention not being allowed to charge for Sunday sports would be something the population of Alberta would consider very detrimental, because it would rule out sports on Sundays. That's just an example of how our life-styles have changed through the years.

There was a poll taken in the town of Brooks in 1985 to see what people thought of Sunday openings, and there were 533 people polled. Of those, 103 said they were not in favour of Sunday openings. There were about another 49 percent that had some concerns but didn't voice an opinion against it. The balance of the 533 were noncommitted, so they obviously weren't concerned whether or not they had Sunday openings.

In a farming community, particularly during harvest and haying time, farmers generally work seven days a week because of weather conditions. Our farm repair shops stay open on weekends during those times. To have a regulation that says they must close those days would be a detriment to that farming population. Breakdowns generally can't be scheduled, and if they happen on Saturday night and a person needs repairs on Sunday morning, he would have to wait until Monday in order to get them.

Our communities in Alberta are all different, as was stated by some of my colleagues. We have differences in ethnic backgrounds in some of the communities, in spiritual backgrounds and economic backgrounds. Some of our communities may want a retail holiday because of their ethnic or spiritual backgrounds. Others might be vibrant economic communities that decide they would like to see some retailers opened on Sunday. There are oil companies, for instance,

where their hands are working the other six days a week, and they want to use that day for shopping.

There's a country store fairly close to my neighbourhood. He stays open seven days a week from 6 a.m. to 7 p.m. He draws quite a lot of clientele from some of the major centres, and weekends are his big days. I don't think he does anyone any harm, and I think it would be a violation of his rights if we were to say he had to close that store on a given day because he was in competition with other people. Quite often people will go out there on the weekend just for a drive, browse around through the store, and pick out a few items. He sells everything from boats to popcorn. He probably doesn't do a big retail business that way, but I don't believe we should tell him he should close, and I don't think we should discourage the people that use this as part of their Sunday entertainment.

As has been stated before, the federal Lord's Day Act, passed in 1906, was struck down by the Supreme Court in April 1985, and my colleague from Stettler read the *Hansard* of April 24 on Alberta's position on that at that time. Of course, subsequent to that we passed Bill 64, allowing the municipalities to govern their days and hours of business, and we also set out penalties for violation.

Mr. Speaker, because our communities differ considerably in their needs and wants and because we have the legislation to allow municipalities and communities for that matter to deal with this issue, I don't believe the government of Alberta should get involved. It's noted that some of the bylaws that have been passed by certain communities have failed and have been charged in court, but that makes it quite evident the people in those communities were not in favour of that bylaw or they wouldn't have participated in the use of the store. The bylaws, whether they were challenged or not, would have been to no avail to the storekeeper. So communities make their own decisions in this regard, and I believe municipal councils are a lot closer to the population than the Alberta government or the MLAs. The decision should come through those people.

With those few remarks and comments on Bill 222, Mr. Speaker, I would ...

MR. WRIGHT: Mr. Speaker, there are two main arguments in favour of Bill 222. The first and main one is the quality of life. It is important that there be one day in the week when all members of the family can be sure to be together. Think, if in this Assembly we worked in shifts in some way so that every day of the week was a working day and it so happened that our family members' days off did not jibe. This ensures something that's important to the quality of life. I'm in a sense summing up what other speakers have said, Mr. Speaker, so I'll be very short.

There is an ancillary argument, which is that it raises the price of everything because there is only a certain amount of business to be done and what would otherwise be done within six days is now done within seven days, which increases the price of doing it over seven days in terms of the services rendered on that extra day. Admittedly, one is always in a balancing act here between the liberty to do anything you like whenever you like and reasonable limits to that liberty. It seems to us that the reasonable limits have been struck once you have been open for six days. Let us have time off on the seventh day.

The last argument on the quality of life is that as things stand, the big retailers are taking over. The little retailers are forced to the wall. This will restore their custom and add to our quality of life.

Thank you, Mr. Speaker.

MR. DAY: Mr. Speaker, I rise to oppose this Bill but more on some inconsistencies rather than on the principle. I would like to say that I appreciate the motivation and the underlying concerns which prompted the hon. Member for Calgary Mountain View to present this Bill and congratulate and agree with him in principle, but I would now like to outline some of the technical inconsistencies which I feel make it impossible for me to support the Bill.

First, I'd like to take a broad look at the question so that we can see how we as a society have arrived at a place where we cannot legally enforce any type of day-of-rest legislation which requires a store owner to close. At least that's my opinion. It's not necessarily my desire, but it is my evaluation of the present state of affairs, and my opinion and evaluation is reflected in the court decisions in our land today. I believe it was in April '85 that we saw the Lord's Day Act ruled by the Supreme Court to be inimical to the spirit of the Charter of Rights and Freedoms. However we may now feel about that ruling, that was in fact the ruling and is therefore the definitive legal word on the question in our society, at least to this point in time, regardless of how we feel about it.

Since the Supreme Court ruling the responsibility of enacting any day-of-rest legislation was moved to the provinces. As we know, the provinces subsequently shifted it to the municipalities, and the municipalities have done various things with it. The member has clearly outlined what happened in Red Deer. There they decided on some legislation, and the legislation has since been held up in courts and is being questioned as to its validity. So at best we have only seen frustration coming with legislation at the municipal level.

To look to the future to the type of legislation suggested by this Bill and its possible success, I think we've got to look at the past and see where this original legislation came from. Seeing where it came from and why it has been in place might be informative to us to see why it cannot stand in society now. A study of the origin of the Lord's Day Act reveals two things: one, it was based on certain premises and presuppositions; and two, its legal precedent actually had sociological and theological roots going back some 3,000 years. Though today the main impetus for retaining day-of-rest legislation is along quality of life lines — and I agree with those — that was not the original motivation of day-of-rest legislation. Our jurisprudence system draws heavily and is rich in precedent derived from the British system of common law as we know it. The basis for the British system of common law and jurisprudence is firmly rooted in the Judeo-Christian ethic, which of course draws its over-riding principles from the Old and New Testaments of the Bible.

In fact, the basis of the now defunct Lord's Day Act goes all the way back to the mosaic law of the Hebrew people. My study of that law's inception reveals that the original Sabbath law was inscribed in a somewhat unorthodox manner on a couple of stone tablets during a summit meeting at which there were only two participants. One of those participants returned from the summit meeting somewhat aglow over what had transpired, as leaders tend to want to do after summit meetings. He presented the particular ruling along with nine others. These 10 regulations were neither debated nor voted on, since Israel was at the time a theocratic state as opposed to a democratic state.

Up to the point of time of Christ coming on the scene, this day-of-rest law maintained its Hebrew uniqueness, but in the years following Christ, the years A.D., the Christian church, still recognizing the Hebrew writings, the Old Testament, as the written revelation of the character and will of God in daily affairs, moved somewhat from the letter of the law as such but maintained the principle of the law, which recognized the importance of a day of rest physically, spiritually, and sociologically. Therefore, down through the centuries the Christian church maintained the importance of a day of rest first — and this is important — because they supposed it to be God's benevolent wish for his people, and second, because of an awareness of all the positive effects of such a ruling.

Then throughout most of this last millennium we have seen the British population, and therefore its legislative and executive and judicial leaders, form a consensus, which for the most part accepted as valid a Judeo-Christian world view which presupposed the legitimacy of biblical principles in providing a framework for all ways of life, including legislation. As long as that consensus was in place, in judicial minds the enforcement of the Lord's Day Act did not constitute a violation of anyone's rights, since the right of God's law being honoured was deemed to be the over-riding right. Today, without the biblical principles being regarded as a source of truth in an absolute sense, all discussion of enforcing such a day-of-rest law is simply academic, since it is secondary to choices of the individual. The consensus of our population today, and therefore the consensus of our Legislature and judicial and executive branches, is that the past British common law, which presupposes a foundation based on Judeo-Christian writings and belief, is now no longer relevant. Therefore, we are today gradually replacing a legislative and social framework that was based on Judeo-Christian principles with a system based on the thinking of the population at the time, which is what we have today rather than a set of absolute values.

Therefore, Mr. Speaker, since the present state of thought in our society holds up man and his personal choices as supreme, it is inconsistent and unacceptable in our present judicial thinking to enact a law which would force a business to close down one day a week. As regrettable as this may be, it is the price that is paid when we move from a set of values based on absolutes to a set of values based on that which is relative. We now therefore have no legal basis to demand that somebody close their stores one day a week. I therefore can't support this Bill in a technical sense, since it simply won't stand up in a court of law and therefore results in an unnecessary public expenditure and waste of time, at least to this point in time.

We look at this Bill and we see a schedule of businesses which the member lists as being acceptable to be open. Now this gives rise to a question. Under present thinking today, what gives one person a right to arbitrarily declare what types of businesses should stay open and which should close? The Lord's Day Act, presupposing the validity of Judeo-Christian principles, only allowed for emergency or essential types of services, and a population operating from a Judeo-Christian consensus and world view accepted that. But now that we've put away that consensus, what right does one individual or group have to demand that certain types of businesses close or stay open? The law maintains that in a relativistic society an individual has no right to demand that somebody close. Businesses can argue, and rightfully so, using the case of Sears in Ontario, where an individual won the right to stay home from work because

of his religious holiday. Businesses can now say that an individual can claim that legal precedent and not actually have to report to work. We know that is not going to work out in reality, because the person is going to be afraid of what his boss is going to say to him, but it's the price we again pay when we make individual rights supreme.

Mr. Speaker, a day of rest now is merely a personal choice, and the only way we will see stores closing is if it's not economically feasible for them to stay open; i.e., people decide not to support the stores that stay open. Store owners then would make a choice to close. Since individual choices now reign supreme, and the Judeo-Christian ethic is no longer accepted as truth in an absolute sense, I see no way that this Bill can stand in a court of law. Therefore, as much as I support all the concerns enunciated by the member and his motivations, I cannot support the Bill.

Thank you, Mr. Speaker.

MR. NELSON: Mr. Speaker, it is unfortunate the time has drawn to where it has, because having been in this business for 25 years, I might have been able to offer some good information and facts rather than some of the drivel that has been performed here today. So I would just ask that we adjourn debate.

MR. SPEAKER: Having heard the motion to adjourn debate, does the Assembly agree?

HON. MEMBERS: Agreed.

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

MR. HORSMAN: Mr. Speaker, this evening it is proposed to deal in Committee of the Whole with the Bills which were dealt with in second reading yesterday, starting with the hon. Minister of Energy's Bill 18 and then proceeding with Bills 25, 26, and 28, which is the Appropriation Act.

Therefore, Mr. Speaker, I would move that when the members reassemble at 8 o'clock this evening, they do so in Committee of the Whole and the Assembly stands adjourned until such time as the Committee of the Whole rises and reports.

[The House recessed at 5:30 p.m.]

[The Committee of the Whole met at 8 p.m.]

head: **GOVERNMENT BILLS AND ORDERS**
(Committee of the Whole)

[Mr. Gogo in the Chair]

MR. CHAIRMAN: Will the Committee of the Whole please come to order.

Bill 18
Mines and Minerals Amendment Act, 1986

MR. CHAIRMAN: The first Bill to be considered is sponsored by the hon. Minister of Energy. Mr. Minister, do you have any questions at the committee stage before we proceed? Do members have any questions, comments, or amendments to any section of the Bill?

MR. PASHAK: Mr. Chairman, brief as it is, Bill 18 may appear to be rather innocuous, but I think careful reading of the Bill suggests otherwise. For example, one of the things the Bill does is extend the types of programs that can be funded from the nonrenewable revenues of the province. Presently the Mines and Minerals Act, as I read it at least, permits the payment of exploratory drilling incentives and geophysical grants or credits from the General Revenue Fund. The new Bill would permit funding in addition to those purposes I have already mentioned, but it would provide for any activity related to the exploration and recovery of a mineral. That's pretty broad. What are the implications of that new breadth that would be contained in the amended Act?

First of all, it would permit funding for the grant assistance that was already provided to the energy sector earlier this year. Note my use of the word "grant." As I read it at least, it will reduce gross revenues by providing for the grants that were made available to Husky, Suncor, and Syncrude. If enacted, this Bill is so open-ended that in the future, just because it mentions recovery of minerals, it would possibly permit for such purposes as the gasification of coal — that's a mineral — and grants to the petrochemical industry. We have concerns about that principle of making grants available to the energy sector, particularly in these amounts.

If you look at them, these grants are really economic grants that belong to all people of the province of Alberta, and to give money away without getting something in return, such as equity participation, makes no economic sense at all, at least to this member. If you want to be good Christians, I think you should do it with someone else's money, not mine. Part of that money is mine, as an Albertan, and belongs to all Members of this Legislative Assembly. To give it away without getting anything in return — I think even the most hard-hearted businessman would understand that that is a bad practice.

Another principle at stake in these measures is that it appears to me that these grants come off the top of moneys earned from the province's nonrenewable resource revenues. What that means is that we're going to get a corresponding decrease in moneys that would otherwise go into the heritage trust fund.

In looking at the Bill, I think I begin to understand exactly how it is that the Treasurer will come in with his anticipated \$2.5 billion deficit. If it looks like he's not going to obtain his anticipated revenues, he merely waves a kind of magic wand and makes money that should be going into the heritage trust fund available for purposes that should be coming out of the general revenues of the province. In a way that is my basic question to the minister. How much money will be lost to the heritage trust fund as a result of the measures that are contained in this budget?

I have some broader concerns too. I see this as part of something that is maybe larger and more ominous. Ridicule the old national energy policy of the federal government as we did, at least it had the saving grace that part of it provided for a Canadian sector to the oil industry. But what are we seeing happen with the Western Accord and all of the policies this government has followed over the past year? We've seen almost a virtual shutdown of the Canadian sector of the industry. The other day there were protests in Calgary and Edmonton because many of the firms, drilling contractors, and suppliers are in debt. There's a report in the latest issue of *Oilweek* that the Rocky Mountain Drilling company is in receivership. I previously mentioned a number of other companies.

MR. CHAIRMAN: Order please. The Chair is having a little bit of difficulty. Dealing with principles is reminiscent of second reading. I wonder if the hon. member could direct his comments more directly to the amendment of Bill 18 before us?

MR. PASHAK: Mr. Chairman, I think I have directed all my specific comments to the Bill.

MR. CHAIRMAN: I apologize about the amendment — to the detail of the Bill before us.

MR. PASHAK: Perhaps I'm not understanding your ruling, Mr. Chairman. Would you ...

MR. CHAIRMAN: At committee stage of the Bill ... With respect to the hon. member, it appears to the Chair as though we're reliving second reading or the principles of the Bill. It seems to the Chair that the member could direct his comments to the — I don't want to quote *Standing Orders* — particular section of the Bill we may be dealing with. I'm suggesting that perhaps the hon. member could relay his comments relative to the Bill before us.

MR. PASHAK: I thought I was relating it to the section. I've been talking about section 4.1, where it says that under these new regulations the Bill would "authorize the payment of grants relating to the exploration for or recovery of a mineral." I was just trying to build a case that that's a pretty broad provision in this Bill that, in effect, gives the government extraordinary revenues, as I see it, to transfer funds that would otherwise be going into the heritage trust fund out of the general revenues of this province. My basic question to the minister was just ...

MR. CHAIRMAN: Again, believe me; the Chair is very hesitant about interrupting a member. It would appear to the Chair that that indeed was the principle of the Bill, followed by section 4.2 and so on, dealing with the matter before us. It appears to the Chair that that's a matter of principle, which was passed in second reading. I'm not for one moment as Chairman of this committee trying to hold up the member, because he can speak as often as he wishes. It seems to the Chair that we're dealing with the principle here as opposed to the details before us.

MS BARRETT: On a point of order, Mr. Chairman. It seems equally to members in this caucus that at least when one talks about the technical aspects of a Bill, that necessarily embraces the principle components of a Bill. The principle components, of course, are understood to be the item under discussion at second reading. This being committee reading, it seems to us very clear that the *Standing Orders* do provide for a debate on the technical aspects, the details, and any principles underlying those details and that the member is well within the provisions of the *Standing Orders*. [some applause]

MR. CHAIRMAN: Please don't applaud when someone is raising a matter with the Chair. Order please.

I'd like to draw to the Member for Edmonton Highlands' attention — the Chair honestly and earnestly wants to hear the Member for Calgary Forest Lawn. If the hon. Member for Edmonton Highlands would check section 62(3), perhaps we can talk about that later. That deals specifically with

my point. Hon. Member for Calgary Forest Lawn, would you continue please?

MR. PASHAK: As I understand it, Committee of the Whole — may I ask a question of the Chair? At this point, could I stop and get an answer from the minister to the question I've put and perhaps get back into the discussion later? Is that correct procedure?

MR. CHAIRMAN: We're at the committee stage of the Bill. Members can ask questions, make comments, or move amendments to any section. The Chair apologizes if the Chair has put the hon. member off course. I reiterate; it appeared to the Chair that the member was dealing with the principles that were passed in second reading stage. I will simply draw the member's attention to the sections of the Bill before us. Could the comments or questions be related to that?

MR. PASHAK: At this point I can just repeat what I think is a legitimate question under your ruling, Mr. Chairman, which is to the Minister of Energy and perhaps to the Treasurer. Just what impact would this Bill have on the amount of revenues this year that would otherwise be going into the heritage trust fund? Would it affect that in any significant or substantial way, and to what extent?

DR. WEBBER: I would note that on second reading of the Bill, Mr. Chairman, at the stage when one would expect principles to be raised, there was no debate whatsoever. However, I'd be happy to respond to the question raised by the member in that this particular Bill really is nothing new. The Act now permits for the incentives we have in geophysical and exploratory drilling programs to be treated in a fashion whereby the moneys would be paid from the General Revenue Fund and treated as a reduction of the nonrenewable resource revenue, thereby reducing the amount of money paid into the Heritage Savings Trust Fund. That's already happening relative to the geophysical/exploratory drilling programs.

So there's really nothing new in principle from this Bill. All this does is extend it so that we are able to pay moneys out that already were committed in terms of the developmental drilling and well servicing programs. There really isn't anything to comment on, other than that that's the general principle.

With respect to the amount of dollars, if you take \$100 million for the developmental drilling program, I believe the number I've been informed of is about \$75 million in total impact upon the Heritage Savings Trust Fund.

MR. WRIGHT: Mr. Chairman, my remarks are directed to section 2 of the Bill, which of course is — and this really is the entire Bill — an amendment to section 4.1 of the Act. Contrary to the explanation given by the hon. Minister of Energy, it would seem that this amendment is a significant broadening of the powers under 4.1 as it stands at present, unamended. That clearly confines the powers in the section to "regulations under this Act providing for exploratory drilling incentive or geophysical incentive grants or credits." Those words are removed from the amendment before us. It simply refers one back to any regulations passed under section 5(1)(k) of the Act, which speaks of regulations

respecting the payment of money or the granting of other incentives relating to the exploration for or recovery or processing of a mineral.

So any regulation could be made for the payment of money or the granting of money or of other incentives relating to exploration, recovery, or processing of a mineral, which is a very wide power in itself, but that exists in the Act now. You could have a case where a particular proposed vote has in fact been disallowed by the Assembly or a case where it's been overlooked entirely. But a regulation can be passed, and under this amendment

(a) the grants shall be paid from the General Revenue

Fund where there is no supply vote for the purpose, and the rest of the section follows.

What the amendment is doing is compounding an already very bad legislative provision. It's a King Henry VIII clause, I think they call it, for the making of regulations with no or hardly any limits. On top of that, it can contravene legislative enactments actually made if the minister decides to do so. It goes beyond an untrammelled regulatory power, because it means that the minister is empowered to go contrary to a provision of legislation in the Appropriation Act, certainly to flesh out or to provide for, as I read it, provisions that have failed to have been made in the Appropriation Act. Unless I hear something that makes that reasonable, I'm afraid I'll be voting against this amendment, Mr. Chairman.

MR. CHAIRMAN: Mr. Minister, do you want to respond? The leader of the Liberal Party.

MR. TAYLOR: Actually, Mr. Chairman, I could wait a minute if the minister is going to respond. It might save time.

DR. WEBBER: Mr. Chairman, the amendment says, "If regulations under section 5(1)(k) authorize the payment." Certainly that section does provide the regulation-making authority to do so. All the Act does is say that the regulations authorize the payment of grants, in that particular section 4.1(2), and then simply tell how the grants are to be paid from the General Revenue Fund. Then

unless the Treasury Board otherwise directs, the grants shall be

(i) applied to reduce non-renewable resource revenue, and

(ii) deducted from the total amounts used to determine the transfers ... to the Alberta Heritage Savings Trust Fund.

I believe the hon. Leader of the Opposition indicated in the House last week that he calculated that about \$100 million would not go into the Heritage Savings Trust Fund because of this. If you look at the estimated \$500 million — what it comes to for these four programs — and assume a 15 percent royalty rate, then we come to about \$75 million, the number that would be transferred. Those dollars would not be transferred into the Heritage Savings Trust Fund.

These programs really can be seen as reductions in royalty revenue. Assistance to the energy industry really should be paid from revenues generated by that industry. The transfers to the Heritage Savings Trust Fund would then be based on the net nonrenewable resource revenues that would come about. That's precisely what has been happening with the exploratory drilling program and the geophysical program. The amendments would allow that to occur for the two programs referred to, the developmental drilling and the well servicing programs. In order to get this Bill through, in order for people to be paid, this Bill needs to go through.

MR. TAYLOR: Mr. Chairman, possibly I could address this question more to the Treasurer. Speaking to the amendment, one of the things that concerns me is the whole purpose for it. It has been mentioned by the Minister of Energy that it may not be that important, that it's just a little bit of window dressing. But I see two things about it that worry me. One, as the hon. Member for Edmonton Strathcona has already pointed out, it seems to me that it leaves a hole, maybe not big enough to drive a truck through but rather ad hoc, order-in-council types of resolutions that could be made to reward or give money back to the oil industry. I see that possibility.

The second one I want to address to the hon. Member for Lethbridge East, the Treasurer: is it being constructed in such a way as to try to hide the amount of money or incentives being passed back to the oil industry so that, in effect, what you're doing is netting the income coming out of royalties in the industry rather than highlighting the fact to the public that you are actually taking royalties that have been collected with one hand and giving them back with the other?

MR. CHAIRMAN: Before we proceed, the Member for Westlock-Sturgeon said "amendment." It's an amendment to the Act, but the terminology is probably the "Bill" before us.

MR. TAYLOR: Yes. Am I in line to ask the Treasurer to answer even though it's not his Bill?

MR. CHAIRMAN: The minister is the sponsor, and the minister can defer to whomever.

MR. JOHNSTON: Mr. Chairman, as the Minister of Energy has pointed out, this program is to stimulate the oil and gas sector in a variety of areas. The five programs have been listed. It has been a consistent treatment of this government to use the incentive programs as a deduction from royalties so that there can be a direct relationship in the mind of the explorer what the net benefit to him is. If you allow them to pay royalties and get some kind of grant back, the processing system is somewhat difficult, and of course there's a delay in terms of the program. As well, these become reward-based incentives as opposed to simple activity-based incentives. The member obviously understands that.

But there's nothing here that is an attempt to camouflage the flow of money into either the General Revenue Fund in the direction of collection of the normal royalties or the Heritage Savings Trust Fund. If we're going to reduce the amount of gross royalties or a flow of money which will come to the province, then as the Minister of Energy has noted, obviously, 15 percent of that aggregate flow must be reduced and flow into the Heritage Savings Trust Fund.

It can be argued that perhaps a better disclosure could be made of these so-called tax expenditures. I don't know if there's such a thing in the fiscal regime known as royalty expenditures. I guess it could well be in the context of these programs. But at least with respect to the disclosure and the announcement of these programs, we did indicate what the tax cost or the equivalent expenditure would be in terms of these oil and gas incentive programs. There's never been an attempt here to camouflage the fact that these were royalty deductions and that there was a net balance effect on our deficit. These have always been up front in terms of that disclosure.

With respect to the Heritage Savings Trust Fund, simply thinking out loud, again I would doubt that it would be appropriate for us to show something called an expenditure in the royalty losses in the Heritage Savings Trust Fund, because already we're being criticized by some members with respect to the so-called deemed asset sections of the Heritage Savings Trust Fund. Nonetheless, it's important, and I think it's a reasonable investment of taxpayers' dollars, measured here to some extent and explained fully to the industry and the public, to provide this kind of initiative and this kind of reward incentive to the private sector to get the sector back on track, to do something to ease the cost of royalties, the economic rent to the province.

As the member pointed out, all citizens of Alberta are of course bearing this cost. But in a large sense the majority of the citizens, if not all, are getting benefit back from the oil and gas industry. Therefore, I think directly relating rewards to a particular sector to dollars which are earmarked as part of the targeting of sectors, which some members have talked about, is targeting the assistance directly to a very vital part of the economic profile of this province. It's measured up front. It does affect the Heritage Savings Trust Fund, and there is nothing camouflaged about it. It's not a subterfuge; it's not a trick; it's the normal way in which this process has to work. Because we are in the complex system of moving revenues from the Heritage Savings Trust Fund to the General Revenue Fund, obviously, some place in between this 15 percent reduction has to show up as a reduced amount to the Heritage Savings Trust Fund.

Mr. Chairman, I don't know if that has aided at all, but I can give you my commitment that we are not at all attempting to do anything underhanded in this approach.

MR. McEACHERN: Thank you for the explanations from both of you; they're very helpful.

You mentioned, Mr. Treasurer, that the revenue side would be affected, and there are just a couple of problems I have with the way this thing is developing. We didn't see a very good breakdown on the revenue side when we looked at the overall budget. We did get a pretty good breakdown on the expenditure side. But as you said, this some \$500 million doesn't really show up on the expenditure side, and since we've spent all our time debating the expenditure side, we didn't really get to scrutinize very carefully or very fully the revenue side of the introduction to the budget. That is a bit of a problem, I think, because what happens is that the cabinet decides, in this case during election time or just after, that they will make these reductions in revenues, if you want to call them that, by, in effect, order in council. They do not get approved by this Assembly because they were never before the Assembly — some \$500 million of those kind of expenditures. That's one concern I have.

The other concern I have — I'd like to focus on something my colleague from Edmonton Strathcona said that was not specifically answered. Would it be possible under the regulations of section 4.1(2) for the minister — or let's say the cabinet, because they would make a decision as a group, I would think — to make a decision to effect those kinds of expenditures that might in some way contradict something that was in the budget? Is there any possibility of that happening with this clause the way it is? I think that was the question raised by the Member for Edmonton Strathcona, and you didn't quite get to that. It would be like the cabinet

being in effect able to over-rule something that was passed in the Assembly. Could the minister respond to that, please?

DR. WEBBER: Mr. Chairman, I think section 4.1(2) is very clear. It says that if regulations are made under the regulation-making section of the Act, "payment of grants relating to the exploration for or recovery of a mineral," then it indicates how it could be. So if the order in council were passed, that we decided as a government that we wanted to assist a particular section of the industry, whether it be in further funding or a new program in the geophysical area, then this particular Act or amendment would allow us to allocate the funds to do that and for those funds to be paid without having to come back to the Legislature for an amendment to the Act.

In this particular situation we have, as has been pointed out by others, a number of beneficial programs that were asked for by the industry. We've responded, and we have the legislative authority to make payments to the people who apply for those programs. This amendment would allow us to provide the funds for the developmental drilling and well servicing aspects of the program. But the amendment is such that, as I understand it, if a new program were to be approved by an order in council, we would have the authority to pay the moneys for that, provided that they were related to the exploration for or the recovery of a mineral.

MR. McEACHERN: Can I try to clarify? Even if it happened to be in conflict with something passed in the budget by this Assembly, would it supersede it? That's what I am trying to ask.

MR. JOHNSTON: Mr. Chairman, I'm having some difficulty with the notion the member is expressing here, and I would only ask for clarification. If I can attempt to guess for a moment the point he's making, we should remember that in the traditional parliamentary process in the budget formation, this is normally separated in most parliaments into two different sessions. One is on the estimates side when estimates are tabled — as we're doing with the appropriation Bill — where you examine the expenditure program, and the other is the normal finance or fiscal side, which in many cases is done by two different departments or two different statements of financial and expenditure plans.

Here I think we tend to bring them both together, although the Appropriation Act deals only with the expenditure side. Yet the collection of revenues on the royalty side, because it is so complex and so changing, is fundamentally provided for in the legislation which the minister has referred to, including the Mines and Minerals Act itself, but as well is followed up almost on a routine basis, if not every two or three months, to correct some of the anomalies in the royalty process to deal with those kinds of changes which are recommended to us by the private sector and in fact to deal with the kinds of initiatives in targeting which have been suggested to us by the private sector and put in place by cabinet decision. That doesn't affect the expenditure side. As the member knows, it simply deals with the reduction of the economic rent to the province and can be provided for quite appropriately by the existing legislation, the Mines and Minerals Act, and this amendment as well.

So I don't think we are doing anything to contravene the legislative authority of this Assembly as it is passed on to the government. I think it's quite appropriate for us to use

the tax system in this fashion to target particular kinds of activity in the private sector which can be pursued and which can be triggered quite effectively and quickly by adjusting either the tax expenditure side or the royalty side in this case. So I don't think this is at all unusual or unique. It's commonly understood by the private sector, by the oil industry itself, and is very acceptable and, in fact, designed to take into account a substantial number of recommendations given to us which provide for a reward system as opposed to a general activity system, as we found on PIP, for example, and the national energy program.

MR. CHUMIR: I would like to ask the hon. Treasurer's views on one aspect, and that relates to the tax expenditure accounting issue that he raised. If I understand the legislation and the issue, section 4.1(2)(b) has two functions. The first portion is that the grants shall be

(i) applied to reduce non-renewable resource revenue, and the second relates to the deduction of amounts which flow into the heritage fund.

The second is a substantive issue relating to the flow of funds and where they ultimately end up. If I'm not mistaken, the first one relates simply to the manner in which the government will ultimately report the revenues, and that raises the issue of whether or not in the public perception there is a reporting of the revenue amounts so that the people of this province can see exactly what we've received, and then we will very clearly see what in turn has been paid out. So I'm wondering whether or not my perception is accurate and, if that is the case, if the minister shares the concern with respect to accurate reporting of tax expenditures, as I'm sure he does, whether the government might consider an amendment to that section which has no substantive need or validity but is merely cosmetic and perhaps cosmetic in a deceptive nature in terms of what the public may see from the point of view of government revenue and expenditures.

I'd appreciate hearing the minister's views as to his receptiveness of that suggestion.

MR. CHAIRMAN: Will members please put questions to the Bill's sponsor and then that sponsor can defer the question, if that's all right?

MR. JOHNSTON: Of course, the Member for Calgary Buffalo is — first of all, I don't mind saying that I'm one who is in favour of tax expenditure reporting of a variety of sources, because it provides the best disclosure of the information for which you can do a variety of things in terms of evaluation. But there are obviously processes within the existing system here in the province of Alberta to effect that kind of tax reporting. For example, on many occasions over the past few years I have recognized motions for returns which are directed specifically toward measurement of the particular revenue reduction or royalty reduction programs, and those have been answered in the normal process. I think that if they come in that form in a reasonable context and give some time for reasonable and appropriate answers, they would be considered by the government as well.

I think that in that case there is ample opportunity for that information to be provided, and frankly, in terms of the information given here, the amount of the tax expenditure is already given. What is missing and I think what the member is getting at is how we evaluate whether or not these tax expenditures were appropriate, whether they were

effective, and whether the take-up was adequate. That's something that perhaps cannot be given in terms of tax expenditure reporting but must be given in the other ways I talked about, one of which would be a motion for return.

MR. WRIGHT: Mr. Chairman, my question is much along the same lines as the question from the Member for Calgary Buffalo. I'm sharpening my focus on what is troubling about this. Perhaps it's a measure of my ignorance of the process, but at any rate, something really alarming seems to be happening here, which is — and please correct me in due course if I have the process wrong — that this is a provision for the grants which hitherto came out of the General Revenue Fund, pursuant to the budget and so on, to be paid in reduction of the renewable revenue income into the general fund. So it makes an end run around all the budget process and, it would seem, renders special warrants for these grants unnecessary. Again, unless I've got something quite wrong, you simply can't compare it to a royalty reduction, because it doesn't reduce the royalty at all. These are grants or incentive payments which come out of the royalty after it has been paid, so one is troubled by how this appears in the provincial accounts. In due course, do we simply find a lessened nonrenewable resource royalty revenue, with an explanation in a footnote, if we're lucky, as to why it is reduced, and nothing on the expenditure side of the provincial accounts? Is it not simply a device for reducing the size of special warrants?

MR. JOHNSTON: For example, Mr. Chairman, the development drilling assistance program is one that I think has been referenced by the minister. When a company makes its expenditure on the cost of drilling a development well on a program which is essentially a per metre subsidy, about 40 percent of the cost of the drilling those wells between June 4 and September 30, as I understand the current regulations, it would earn something called "transferable royalty credits." Those royalty credits would be determined and evaluated by a variety of people, including the Energy Resources Conservation Board, the department as well and, to some extent, Treasury. When the corporation has a royalty payment to make, it would use those transferable royalty credits to offset the amount due to the province.

MR. TAYLOR: Mr. Chairman, this is back to the Minister of Energy. All of us in the House share some of his frustration at making the points with Ottawa in order to get the PGRT taken away. I think he has found many, many times that he has been asked why he hasn't reduced his own royalty. I'm sure the minister has answered many, many times: "We have. We have this grant. We've given back this. We've done this incentive. Actually, instead of 35 our net royalty is 25 or 15."

I think it's the cosmetics of the area, Mr. Chairman, that have given us a great deal of problems. What this Act does more than anything else is in a way highlight the mess we have made. Maybe it's really something that progresses. I'm not going to blame the government for it, because you've heard many, many times that one of the things they started to be concerned with in the national energy policy was that it was activity-oriented rather than reward-based.

MR. CHAIRMAN: Order please. Hon. leader, we're at some distance from the section of the Bill.

MR. TAYLOR: Mr. Chairman, just let me develop the argument. No, I don't think I am. What I'm trying to get across here is that we are trapped into giving back grants to get activity. In other words, we're saying that we're netting the royalty. Yet we're trapping ourselves in the same problem we have with our heritage trust fund in that we are building a case of something that doesn't happen. We're talking about assets that are not in the heritage trust fund. Here we're talking about royalties that are not charged, so what I'm getting at ...

MR. CHAIRMAN: Hon. member, if there's anything we're dealing with at all with your remarks, it's the principle of the Bill. That was put to bed on July 26. Now would you please address the section of the Bill in front of us.

MR. TAYLOR: What I'm trying to get across is that as you go through the clauses, this Act perpetuates the idea of giving back, and as the Member for Edmonton Strathcona has already pointed out, opens the door even wider for giving back, activity grants when we should be moving to a reward system based on what the oil companies are going to get if they find some oil. Consequently, I maintain that it's a very badly crafted Act and amendment and should be suspended for the time being. In light of what has happened in that last week or two or, in light of what's happened recently — even as late as today, when the federal government asked this government to reduce its royalties — this should be looked at and recrafted with the point of view of changing the cosmetics of the thing to show the public of Canada what the actual royalties are, rather than saying that we have these high royalties and we're giving back all these grants.

MR. CHAIRMAN: The Chair suggests that members make comments, questions, or amendments to any section of the Act.

MR. PASHAK: Mr. Chairman, in my earlier remarks I indicated a concern with respect to section 4.1(2), that that section is now so broad that it might permit cabinet, in effect, to make decisions that would result in grants coming from the nonrenewable resource revenues that could be used for a multitude of a variety of purposes. The minister in responding to the previous question suggested that this Bill was just intended to provide for the grant programs the \$500 million that was made available this summer. Would he view my concern as being essentially correct, that the cabinet now would be authorized to use these funds for making grants available for programs, for doing such things as the gasification of coal and grants to the petrochemical industry? How broad does he see the application of this program?

DR. WEBBER: Mr. Chairman, I'm sure there are a number of ways in which the situation could be handled. The one that has been the case with the other two programs and that the Act reflects is, I think, a very realistic way of keeping track of revenues that are coming in from the oil and gas industry, taking into account the incentives that would be going back out to that industry in terms of generating activity, and then the net difference, realistically showing what the province is receiving in return. I don't think we're trapped into anything with this Bill, and I don't think the comments made by the hon. Member for Westlock-Sturgeon are relevant to the Bill when he starts debating

whether something should be activity-related or reward-related.

We have made a decision as a government to provide incentives to an industry after consulting with the umbrella organizations in that industry as to what kind of programs would be most beneficial at a time when world prices came down rapidly. So this particular Bill is a very simple principle. It simply allows the government to provide the funds to the industry and at the same time provide a mechanism for showing a realistic picture with respect to the revenues that come in from nonrenewable resources.

I would gather from the remarks of the hon. Member for Calgary Forest Lawn that every time the government were not sitting, we would not be able to respond to the needs of the industry unless the Legislature were to come back and deal with the particular incentive program. I think that would be ridiculous. This particular Bill would allow the government to respond to the needs of the industry and provide the funds that would be appropriate. A very simple concept. I can't understand some of the so-called principles that are being discussed that have nothing to do with Bill.

MR. WRIGHT: I'm sorry to rise again, Mr. Chairman, but the ...

MR. CHAIRMAN: Order please. I'm sorry; the minister is not finished.

MR. WRIGHT: I beg your pardon.

DR. WEBBER: In view of the confusion of the hon. members over there taking up more time of the House tonight — so that they gather their thoughts together in an organized way, I beg leave to adjourn debate.

MR. CHAIRMAN: Moved by the hon. Minister of Energy that we adjourn the debate on Bill 18. All those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. CHAIRMAN: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. CHAIRMAN: The ayes have it.

Bill 25

International Child Abduction Act

MR. CHAIRMAN: Mr. Minister, do you have any comments with regard to the Bill?

MR. HORSMAN: Mr. Chairman, the other day there were questions in second reading on this matter. Perhaps I dealt with them, but I think of two items of clarification. First of all, this Assembly cannot make any changes relative to articles 12 and 13. The hon. members for Edmonton Avonmore and Edmonton Belmont made some comments about those two items, and we really can't do anything about that. This is an international convention. The points are interesting.

On the subject of legal aid, we provide there to the extent that if an international applicant will meet the legal aid criteria, the province will fund legal aid. I have no idea, as I pointed out yesterday in second reading, what level of

legal aid funding might be required as a result of this Act being passed, but in any event, to do more than that would be to give a preferential financial advantage to an international applicant to the prejudice of a domestic one.

I really think that's the only point of clarification I could make on this particular piece of legislation, which I understand has the support of members who spoke yesterday on this matter in the House.

MR. CHAIRMAN: Comments, questions, or amendments to any section of this Bill?

MR. SIGURDSON: I'm sorry, Mr. Minister, I didn't hear part. Did you say that money can't be made available? Additional money cannot be made available through the Legal Aid Society for . . . I'm sorry, I missed that. If you could just clarify that, please.

MR. HORSMAN: Let me clarify that. At this stage, because we will have to experience what additional amounts might be required to assist in legal aid, we cannot predict the amount. But moneys will be made available through the legal aid fund. The question was put to me, as I recall, as to how much might be required. At this stage we don't have any idea, because we don't have the experience to go on. Certainly that is a matter that can be applied for and, when the criteria are met, will be made available.

MR. SIGURDSON: Further to that, Mr. Chairman, to the minister. I'm wondering how one would go about making an application to legal aid. I have a constituent now who has a very serious problem. I don't know if in fact the country that her child was abducted to is a contracting member to the convention. If that country is a signator to the convention, I'm wondering, first, how we would apply so that we could realize some funds for legal services in Israel; two, if the country to which a child has been abducted is not a member of the convention, would we still provide funds or make some fund available, as we have become members to the convention?

MR. HORSMAN: Mr. Chairman, the person I assume application would be made to would be the central authority for the province, namely the Attorney General. As to the technical aspects of the particular case, that is something I would be happy to deal with the hon. member on once this Act is in place and proclaimed.

[Title and preamble agreed to]

MR. HORSMAN: I move that Bill 25, the International Child Abduction Act, be reported.

[Motion carried]

Bill 26 International Commercial Arbitration Act

MR. HORSMAN: Mr. Chairman, an amendment has been circulated which would strike out clause 13, which provides that the Act comes into force on proclamation. The purpose of the amendment is to provide that the Act will come into force on Royal Assent. Assuming that this moves speedily through to Royal Assent, that's when the Act would come into place. That is, in fact, the purpose of the amendment.

If I may, Mr. Chairman, while I'm on my feet, the hon. Member for Edmonton Strathcona made some reference to the issue of the Reciprocal Enforcement of Judgments Act in force and as to whether or not this Bill should have some of the features of that legislation in place. It's a very technical aspect. I think I could deal with that matter more directly by providing a legal opinion as provided by the Department of the Attorney General directly to the member and any others who are interested in that particular aspect of the matter. But suffice it to say that there are some significant differences between the nature of the convention in question and the Reciprocal Enforcement of Judgments Act. It is my opinion and the opinion of the department that, in fact, it will be easier to register international arbitration awards under this process than it is now to register judgments under the Reciprocal Enforcement of Judgments Act.

MR. CHAIRMAN: Any comments on the amendment?

[Motion on amendment carried]

MR. CHAIRMAN: Comments, questions, or amendments on the Bill as amended?

MR. WRIGHT: Mr. Chairman, my question is simply that this is too naked. You can't tell how you register these things. It says that they shall be enforced, but it leaves it *carte blanche*. It will not work. The only purpose of my reference to the Reciprocal Enforcement of Judgments Act is that there is an Act in which you know what you're doing. You know how you can make the registration of in that case, a judgment, and you know the conditions. Some of the conditions under which registration can be refused, the only conditions, are set out in the convention itself. So all those parts of the Act I referred to would not need to be in.

For instance, there's no time limit here. There is no inquiry made as to whether the party has been properly served. There's no inquiry as to whether it's the sort of procedure that we would approve of because it's similar enough to ours to be fair. There is no provision in the Act that would stop enforcement of the arbitration award while appeal is pending. All of these things should be in the Act, Mr. Chairman, if it is to make sense.

At what date is currency converted if it's a currency award? What is to be the effective date of the enforcement in this province? Is the enforcement of the arbitration award to be under the control of the court? The Act is quite silent on these practical things, which should be in sections 2 and 3, Mr. Chairman. Even if the easy way were taken and it was provided that the arbitration awards were to be registered in the same manner as registration of foreign judgments are provided for in the Reciprocal Enforcement of Judgments Act *mutatis mutandis*, that would at least give us an idea, speaking as a lawyer, of how you went about registering these things when they came from a foreign jurisdiction. But it doesn't, and the proposed Act is deficient in that respect and just has to be worked on.

MR. HORSMAN: Mr. Chairman, section 9 of the Act provides that

the functions referred to in article 6 of the International Law shall be performed by the Court of Queen's Bench.

All the matters that the hon. member has raised — if he looks at article 6, which provides that

the functions [in question] shall be performed by
(Each state enacting the model law specifies the court, courts or, where referred to therein, other authority competent to perform these functions.)

it is specified to be the Court of Queen's Bench. Therefore, when it comes to the questions of grounds for challenge, challenge procedure, failure or impossibility to act, or the competence of an arbitrable tribunal to rule on its jurisdiction, those matters are all dealt with by making the Court of Queen's Bench the appropriate court within Alberta to deal with these matters.

Mr. Chairman, as it was with the International Child Abduction Act, it is, of course, necessary to specify some person or authority to deal with these matters. In this case it's the Court of Queen's Bench, and I'm puzzled by the hon. member's suggestion that there is no specified body which would make the determination within this province when this Act is legislation.

MR. WRIGHT: Mr. Chairman, of course there is a specified body; that wasn't my complaint. My complaint is: what rules will they apply? Can you make an application 20 years later for registration? If the arbitration award has been made ex parte, can you register that sort of arbitration award? If it was a nonvoluntary appearance which is repugnant to our ideas of justice, must we register that? All of these things are provided for in the Reciprocal Enforcement of Judgments Act. There's every reason why the same sort of specificity should apply in this Act. It's not there, Mr. Chairman, and it should be.

MR. HORSMAN: Mr. Chairman, in an arbitration award it must be, according to this convention and according to the legislation which will enact it in this province — and this is identical legislation to every other province in Canada and to the federal government's. I find it very strange that this question is being raised, but put it this way: this Act has now been passed by the federal Parliament and by several Legislatures in the identical form with the exception that there is a provision here that the agency referred to in section 6 of the convention is to be the Court of Queen's Bench.

The other point — just let me get my thought process in order here — is that the convention itself provides that before an arbitration can be dealt with, the parties must come together in a foreign jurisdiction and agree upon an arbitration process; that is part of the convention. Therefore, it can't be done as the hon. member suggests, by way of an ex parte application or an ex parte, one-sided application for arbitration. That is clear. As in any arbitration the parties must agree to an arbitration in a foreign state. This provides a mechanism by which it can be dealt with and registered here.

I repeat that it is identical legislation to every other province and the federal government. I really think the hon. member and I should get together and iron out whatever technical difficulties there may be in his mind. I think this Act should pass; it is important to the federal government and to our colleagues in other provinces to have it processed.

[Title and preamble agreed to]

MR. HORSMAN: Mr. Chairman, I move that Bill 26, the International Commercial Arbitration Act, be reported as amended.

[Motion carried]

Bill 28 **Appropriation Act, 1986**

MR. CHAIRMAN: Do you have any comments, Mr. Minister? Are there any questions, comments, or amendments to any section of this Bill?

MS BARRETT: Mr. Chairman, I would like to comment at this stage of reading Bill 28. Further to my comments made in the House yesterday, I believe, at which point we were at second reading of this Act, I noted that I thought there were some principal flaws, primarily the time given to consideration of the estimates, particularly with respect to the special warrants, which amounts to money that was already spent.

What I think is the greatest flaw of all in this Bill is section 1, which is annotated Appropriation for 1985-86. The reason I speak against this particular section of the Act, Mr. Chairman, is because this is asking for approval of money that has already been spent and was directed by the government without the ability of the Legislative Assembly or members therein to discuss the direction in which that money was being pointed and eventually allocated. Probably the greatest problem is the actual amount of time that was given over to consideration of those special warrants at the conclusion of discussing the estimates, which amounted to a total of one hour.

Mr. Chairman, I'm sure it was quite clear during the whole so-called 25 days of consideration of estimates that there were more questions to be raised and more answers that were sought than time permitted.

MR. CHAIRMAN: Hon. member, we've been over this before. We are not dealing with *Standing Orders* but the implementation of the process of *Standing Orders*. If I could draw that to the hon. member's attention.

MS BARRETT: Mr. Chairman, if there's anybody in this House who is more painfully aware of the limitations of the *Standing Orders* with respect to consideration of Her Majesty's estimates under section 59, it is I.

The purpose of my reference is in fact because you, Mr. Chairman, invited amendments at this stage; this is a technical stage. I was talking about a particular section, which members of this caucus and I find particularly troublesome. We regret the absence of democracy with respect to having called legislative sittings when it would otherwise have been appropriate and traditional.

Therefore, Mr. Chairman, I would like to move the following amendment to Bill 28:

This Bill is hereby amended by striking out section 1 and schedule A.

This is not a deliberate attempt to defeat the Bill in whole; rather it asks for the members to consider the validity of taking out that one section of the Bill, a money Bill, the most important Bill of the entire Legislative Assembly's attention this year, so that those figures considered therein can be given opportunity for greater debate and consideration.

The members of the Assembly may think this amendment is a little moot because the money has already been spent. However, I can think of ways of splitting this Bill so that we would be passing the overall budget of the government this year, not necessarily with complete endorsement because

as members of the opposition benches have made clear, we're not entirely happy with the overall direction of the budget, with its intention, with its ability to accomplish what it says it would like to accomplish department by department.

However, Mr. Chairman, this amendment would separate the worst part of this Bill and let the government get on with its business. We as members of the Assembly can get on with the business of debating policy and trying to convince government members of better ways of spending the tax dollars that are collected in this province and, at the same time, allow more than one hour's entire discussion of the special warrants of a previous fiscal year. That's got to be the most important consideration in supporting this amendment. We are not talking about special warrants that might have gone on in the current fiscal year. Those were of course covered in the interim supply Act, and we noted our objections at that point.

We also understand the responsibility of all members of the Assembly, including opposition members, not to hold up the real business of the government. We want to make sure the government continues to function on a day-to-day basis, that salaries are paid, that support packages are made available to those in need, and that indeed incentive packages are made available to the various industries. We wouldn't want to hold that up because we know how important it is. It's ridiculous to try to do that; it would be irresponsible.

I'm speaking in favour of this amendment because I think it's a responsible amendment to a Bill that is otherwise not poorly conceived. This particular inclusion — that is, section 1 of Bill 28 — we believe to be poorly conceived on the basis of the limitation given over to proper democratic consideration of the special warrants referred to in section 1. I urge members of the Assembly to support this amendment.

MR. CHAIRMAN: Mr. Minister, are you speaking on a point of order?

MR. JOHNSTON: No, I'm speaking on the amendment.

MR. CHAIRMAN: Just a moment, please. The Chair finds that the amendment is not in order. I would refer you to section 773(6). You cannot amend a clause of a Bill. You have the opportunity, as the Chair said, to comment, question, or amend any section of the Bill. The proper course is to amend a section of a Bill, and the amendment is therefore out of order. [interjections] Order please. For the benefit of the committee, the Chair will read the applicable section, *Beauchesne* 773(6):

An amendment to delete a clause [which is a section] is not in order, as the proper course is to vote against the clause standing part of the bill.

Therefore, the proposed amendment is out of order as the proper course is that members of the committee have the opportunity to vote against any clause of the Bill under consideration.

MR. CHAIRMAN: Are you ready for the question? The Member for Edmonton Kingsway.

MR. McEACHERN: I'm sorry. The question on what, sir? Surely not the amendment?

MR. CHAIRMAN: Are you ready for the question on Bill 28?

SOME HON. MEMBERS: Question.

MR. CHAIRMAN: The hon. Member for Edmonton Kingsway.

MR. McEACHERN: Thank you, Mr. Chairman. We will not be allowed to debate this amendment, which we hoped would have given us a chance to talk more thoroughly about the details of section A another time. We didn't feel that hour we had the other day was adequate. We asked a lot of questions that didn't all get answered. We are left feeling that we were being asked to pass nearly \$800 million of the taxpayers' money, which I realize has already been spent, but that doesn't mean we shouldn't look at it very closely and carefully in some detail. I have a couple of specific details I want to raise again in a minute. But there should be some way that we could get a look at this section in more detail, and I don't see it coming in this debate tonight. If we are to debate the whole Bill and pass it this evening, we are not going to get time to give this section its proper due.

In any case, there are two specific areas that I want to ask for some clarification on. The other day I asked the minister of the Treasury why there was a \$60 million increase on page 410 of the Treasury estimates, an 82 percent increase in grants from \$73 million to \$133 million, and he said that the \$60 million difference was a result of the increase in rebates to farmers for gasoline from 7 cents to 14 cents. However, in looking at the section on supplementary estimates, I found the figure was only \$55 million. So in terms of the Treasury, that leaves me with the question: where is the other \$5 million? I would like some clarification on that.

The other area that bothers me in section A is the \$78 million for the Canadian Commercial Bank. The minister answered my questions on that to some extent. He sort of told me that more or less we would not get anything back.

MR. HERON: Point of order, Mr. Chairman. I didn't bring a pillow this evening, but I was wondering . . .

MR. CHAIRMAN: Order please. When a member rises on a point of order, would other members please be seated.

MR. HERON: Point of order, Mr. Chairman. We've listened to the defaults of the Canadian Commercial Bank on previous occasions. I was wondering how applicable that is to our purpose here this evening?

MR. McEACHERN: I wasn't specifically asking about the details of the \$78 million. I wasn't going to go into any long discourse about the rights or wrongs of that, if he had been prepared to listen to me.

MR. JOHNSTON: But you should have listened before.

MR. McEACHERN: I did. I heard what you said, and I appreciate what you said. Today I had a look at the *Hansard* record of your answer. You indicated that we did get some money back on the \$18 million, which was debentures, the \$13 million plus \$5 million debenture money, but you didn't say how much it was. I thought you might have been a little more specific on that.

I have another question about this \$78 million. The package to save the CCB did delay the collapse of the CCB by two or three months. During that time, we know that a number

of institutions, I'm not sure if any departments directly were involved but certainly some of the secondary educational institutions around this province, which are in effect dealing with taxpayers' dollars . . .

MR. CHAIRMAN: I hesitate to interrupt the hon. member. The Chair has raised this matter before. Would members please not walk between the member speaking and the Chair. It's not in the interest of this Chair to embarrass anybody, but would members please give the person speaking the honour of addressing the Chair without having someone block their view.

MR. McEACHERN: Mr. Chairman, what I would like to know, and it's detailed numbers about the \$78 million, is: were some of the institutions around this province that had money in the CCB able to get their money out as a result of that two or three months' delay of the so-called rescue package? Therefore, in a way maybe we did not lose a full \$78 million. If that is correct, would the Treasurer be able to tell us or give us any kind of an idea how much we may have been able to rescue? I must say that at the time it did seem funny that as we were putting money in to rescue the company, some of the government institutions of this province were pulling their money out at the same time. That did seem an anomaly, but at least it means that maybe we didn't spend a full \$78 million, since it ended up being a failure; that is, the package to save the CCB.

Those are all my questions on schedule A at this moment. I will perhaps look at some other questions on section B later.

MR. YOUNIE: Mr. Chairman, a couple of very brief remarks related to section 2 of this and specifically to the Environment department initially, during which time I promise not to wax eloquent about nine football fields covered with six miles of water but will try to look at some specific expenses involved in the budget and expenditures.

I did notice, for instance, that 78 percent of the increase within the Department of the Environment is directly related to water resource management — in other words, building dams and related things — and 58 percent, or over half of the entire budget, is under water resource management. My concern is that what we have indicated by section 2 of the Appropriation Act and the estimates thereto in schedule B is a department that is completely and totally preoccupied with building things rather than with the condition of the environment from a biological point of view.

I certainly think it's appropriate to look in some detail at the expenditures involved in the construction of these dams. Typically they have gone two and a half times over budget, indicating that we could see the newest one under construction — the one that is a very large portion of this budget, the Oldman, or Three Rivers dam, whichever name you use, the one that will account for a significant portion of the budget — hit an expenditure ceiling of half a billion dollars or more before we are done. So we will see the same problem in future years as we're seeing here, where a larger and larger portion of the budget we're asked to approve in the Appropriation Act will be allocated to building that dam and Lord knows how many others in the future.

I am concerned, and I think it's important to note that many groups have asked the government to look at alternatives, which in the case of the Oldman dam would cost approximately 7 percent of the entire cost of the dam and yet achieve all the goals the dam is publicly stated to achieve

and, in fact, would only have one goal that it wouldn't achieve, that being to divert water to other basins. When we consider the Appropriation Act, I really think it's important to consider how wisely spent that money is and whether we do want to endorse that kind of money. It's especially important to look at that with the recent limited success of the Paddle River dam and the need to consider whether or not the alternatives that were also suggested for that one mightn't have worked as well for less money. I'll have more to say about that at a future point when we consider the capital fund.

It's also important to look at another very large factor involved in what this government wants to do in terms of the Alberta Special Waste Management Corporation and the joint venture agreement that is being signed and is a large portion of the budget involved. The government is allocating money for that plant at Swan Hills that will . . .

MR. CHAIRMAN: Order please. It appears, hon. Member for Edmonton Glengarry, that there's something wrong with your microphone. Would you care to put on the microphone for the Member for Edmonton Mill Woods as well?

MR. YOUNIE: I will try to use my most projected teacher's voice, if that will help. If not, let me know. I am very anxious that the minister involved gets to hear all of this; I would not want him to miss any of it. At some point in time I'm sure that I will get responses to the questions and concerns I have in the expenditures of his department.

In terms of the interim agreement with Bow Valley Resource Services, there is the matter of the cost involved to the taxpayers, how much of that cost needs to be there and whether or not there aren't alternatives in that as well. In fact, in that agreement the government will be spending money to provide for Bow Valley Resources the difference between what it calls open market prices and market service rates for dealing with hazardous wastes. What that means is that the government will be paying to that particular corporation the difference between what one industry can actually afford to pay to get its mess cleaned up and what it really costs to clean it up. It will also be paying them a profit rate on all of this somewhere in the neighborhood of 36 to 38 percent, which financially speaking cannot be in the best interests of the taxpayers of the province, as we consider the appropriation Bill.

I think it's also important to point out that one of the principals of Bow Valley Resource Services even said that his company is counting on recent moves into industrial and solid waste management to increase his company's cash flow. That was in reference to some fear that they might in fact go under because of their rather shaky financial position. Before we allocate money to that particular agreement, I think we have to be very concerned about that side of the expenditure. I don't think we have seen on the part of the government and the Environment department the kind of concern that should be there.

In terms of the expertise of that company to fulfill its obligations and give us our money's worth, so to speak, in what we're going to appropriate here, when I asked earlier what the extra \$22 million or so in increased costs from what Bow Valley or Chem-Securities had initially estimated was for, I was told that it was for additional safety features that had been required of them, presumably by the Special Waste Management Corporation. What that indicates to me is one of two things: either that corporation put in an intentionally low bid that they knew left out

important safety features so they could get the contract, or they don't have the expertise to know what safety features to put in in the first place and that the Alberta Special Waste Management Corporation, on behalf of the Environment department, had to tell them what should be in there. For the extra money, which could escalate year by year and which certainly doesn't look too good for this year, it doesn't seem to me we are getting our money's worth with that kind of deal, especially when we consider that the debt load puts Bow Valley Resource Services in the same kind of shaky financial position that left the provincial government holding the bag, or holding the warehouse full of toxic wastes, I suppose, for Kinetic Contaminants when they went under and sought sunnier climes.

I'm worried also about the transportation of hazardous wastes. I think we're going to have to consider what kinds of costs those will bring on. From a financial point of view I think it's important to consider that a very competent management firm, Woods Gordon, went over that proposed agreement, the idea of a joint venture with Bow Valley Resource Services, and came to the conclusion that what we were looking at was the worst of all possible economic worlds. This is not some left-wing, socialist organization that thinks the government should run anything and everything. In fact, they are a very business-oriented company which said that from a business point of view the combined agreement with Bow Valley Resource Services was a bad deal. They gave some very good reasons for it. Then they recommended that because at this moment and for the foreseeable future there was no way the Swan Hills plant would be a money-making venture in the free-enterprise sense, the government would be much wiser to look at it as a public service or perhaps a public utility and that it should be run through the Alberta Special Waste Management Corporation.

Considering that the Alberta Special Waste Management Corporation has, as I've demonstrated, shown superior expertise to Bow Valley Resource Services anyway and also that they will save us many millions of dollars this year and in future years, it's very important that we consider alternatives to that particular deal. In fact, I think it should be enough reason right there, just in one expenditure of one department, to make it impossible in good conscience to support the budget at all. The minister has assured us that each year we can review the deal after a certain point in time. I certainly hope we will review it very quickly.

I would also suggest that the three other companies that made suggestions to the government might now be looked at, because the deal we seem to be going ahead with with Bow Valley is not in the least similar to the initial proposal that won them the contract in the first place. Perhaps either Genstar Conservation Systems, Tricil, or Stablex could now be looked at to see if they aren't willing to do it more cheaply and couldn't save us some of those millions. They might in fact be willing to do it as an agent operating it on behalf of the government rather than as a free-enterprise business that merely needs millions upon millions of dollars of subsidy to stay in the business. I certainly think that a 10 percent management fee is much better than 37 percent or so in terms of guaranteed profits with minimal or no risks.

There are a number of other areas as well that deserve to be looked at in terms of expenditures. Certainly in vote 1 the deputy minister's department has gone up 15.6 percent, which seems to me to be an awfully big increase to accept. Although in view of the minister's assertion that he plans

to improve the image of his department, perhaps the deputy minister's job becomes much more expensive in terms of the public relations involved in convincing the public that everything is A-okay. So perhaps from that point of view it does fit in with the goals of the department, although that's not necessarily a goal that I could personally agree with. I would much rather see less pollution and a cleaner environment than merely good public relations to convince us that the environment isn't all that bad after all, even if it smells, especially perhaps in Pincher Creek.

In terms of air and water resources, air quality management has gone up 39.7 percent, whereas water quality management has gone up only 3.6 percent. I certainly think air quality management is important. I hope that this level of increase would indicate that although the study in Pincher Creek is done and no monitoring of the air quality was done during the study, perhaps better late than never, at least we will get some air monitoring done as the acid deposition research program requested in the first place. Perhaps that expenditure may even be justified.

I am concerned that water quality management is not a higher priority, when one considers that even some of the government's own research indicates that our landfill sites in the province may well be contributing to excessive amounts of groundwater and surface water pollution. Certainly a lot of the chemicals in the main body of water sludging its way through Edmonton has a lot of evidence of that kind of pollution. So we need to see more concern in that expenditure area.

From start to finish I think that what we see within the Environment department are expenditures in the wrong areas, expenditures that do not lead us toward a cleaner environment but merely lead us toward more dams and megaprojects of that nature. An economic analysis or cost/benefit study of the Oldman dam indicated that it did have a positive cost/benefit ratio, but using the formula the Environment department used, digging a big hole and filling it in has the same cost/benefit ratio. I imagine that using that we could also prove that dismantling the Legislature Building and rebuilding it would have the same cost/benefit ratio. So one has to wonder if we're building these dams just to create jobs and spur the economy. Almost anything else would work as well and might have more benefits in the long run. I don't think we can be expected to approve the expenditures for the department this year. I hope that in future years we'll see a little more concern for the environment and a little less concern for building big dams or covering football fields with water.

In terms of another department about which I have some concerns, I must admit that I had more adequate opportunity previously to express some of them, so I'll deal with just one that I didn't deal with as thoroughly as I might have liked. That's under Forestry, Lands and Wildlife and specifically the moneys allocated to monitoring the conversion of Crown land to private farmland. I have some specific concerns before I could consider that kind of allocation. Although I can certainly see stronger arguments in favour of converting Crown land to farmland in the north, I'm still concerned that the public hearings are only being held in the south and central portions of the province, where land sales are not going ahead, and not being held in the north, where land sales, as I've been given to believe, will be going ahead.

It would seem to me that the public input might be more vital there in the immediate future to decide which parts of Crown land are suitable for agriculture and which aren't

and that perhaps the people who have lived many years in the area would have a much better idea of which areas are too ecologically sensitive to be converted to farmland, too important for the public at large for other reasons to be converted to private farmland. Their knowledge should be sought before we allocate this money to doing that. So I think we should look at that.

In terms of the south and the centre I think we're looking at areas that are ecologically much more sensitive, and public input may help us there. I think that what the public input will show is that, especially in the south, none of those Crown lands should be converted to private farmland. They should be kept for the wilderness heritage they represent.

We also have to look at the methods of public input, how the public is going to be informed before we spend this money as to what areas are up for sale and what aren't. Will it just be those who hold the leases at present who find out that it's for sale? Will other people have a chance at it? How will the public concerns be evaluated and by whom? Those kinds of things are very important. We need a method established to provide public feedback on what applications have been approved and why, so that when a decision is made, everybody knows why, for what purpose, and also the methods of arriving at a fair sale price. It think it's very important that we look at that. Again, I trust that if not with this year's budget at least in future we will have those kinds of measures in place before we go on.

In terms of Community and Occupational Health I have a concern related to health units, and the minister may be surprised that my concern is that the health units may not be getting enough money. Every time I ask a question about community health, I'm told that it's the responsibility of the health units. So I'm concerned that they may not have the money and manpower to do the myriad jobs that seem to be put upon them. They're responsible for posting signs by contaminated lakes, and they're responsible for policing, monitoring, and keeping track of what goes into our landfill sites. Presumably that means they're also responsible for the testing, and I'm wondering what kinds of facilities and manpower they have.

The reason I bring that up is that there was the instance I brought to the minister's attention recently of Buck Lake, where a health unit official said, "We're too busy to put up a couple of signs." I'm not calling them liars. In fact, I've no doubt they were too busy, and I think that's the problem. We may be looking at not increasing the size of the entire department, but if so many of the department's duties are shuffled on down to the health units, maybe a little more of the department's money should be shuffled on down to the health units as well. They should get those facilities they need so we can see that the very valuable services those 27 health units provide can be met because they will have sufficient manpower and facilities to do their jobs.

With that, Mr. Chairman, I'll rest for the moment.

MR. CHAIRMAN: Order please. Before we proceed, I would very much like to draw to the committee's attention the role of the Committee of the Whole. The Chair is in the hands of this committee, but the Chairman must follow the rules of the House, and I'd like to take just a brief moment to point out the rules of the House in the Committee of the Whole.

First of all, section 62(2): "Speeches . . . must be strictly relevant to the [matter] under discussion." When the Chair

is in doubt of the rules of the House, it consults *Beauchesne*. *Beauchesne* says that the function of this committee is to go through the text of the bill clause by clause and, if necessary, word by word, with a view to making such amendments in it as may seem likely to render it more generally acceptable.

When that's in question, one consults *Erskine May*, and for those who wish to read it, that's section 549, in great detail.

It would appear to the Chair that we should follow the following process: members making speeches that are going to end up as questions should probably refer to the section of the Bill we are dealing with, followed by the schedule, and in the case of Bill 28, there are schedules A, B, and C. It becomes difficult not only for the Chair but for members of the committee and probably for members of Executive Council who have to respond if they cannot identify what the question is dealing with. If that's satisfactory to the committee, I would recommend and suggest that we follow it that way.

MR. MUSGROVE: Mr. Chairman, with the permission of the Chair, I would like to respond to a couple of points made by our hon. member across the floor. One of them has to do with irrigation dams in the south. I suspect that he was discussing the Three Rivers dam on the Oldman River. This dam, in case the opposition isn't aware, will increase the amount of irrigated acres in that area by about 170,000. That's not a benefit to the people in that area. A study done in 1984 by Underwood McLellan on the irrigation projects division of Alberta showed that 86 percent of all the benefits from any money spent on irrigation in southern Alberta goes to people other than the irrigation district or the farmer involved. As a matter of fact, out of every dollar spent on irrigation in southern Alberta, 60 cents goes to the rest of the people in Alberta and 16 cents goes to the people in Canada. Only 14 cents benefits the irrigation farmer or the irrigation district.

Another comment that was made had to do with agricultural conversion leases on public lands. Those leases are only made on lands that are assessed by our department of public lands as being eligible and that benefit the economy of Alberta by being put into cultivation. A point that is not readily known is that in 1985 the department of fish and wildlife purchased a piece of land in Bow Valley constituency that amounted to 5,000 acres for the enhancement of fish and wildlife. That total purchase was quite a lot more than all the lands that were sold in Alberta in 1985 under agricultural conversion leases. I had to make that point to show that we are not selling the public lands in Alberta but rather are increasing the amount of publicly owned land in Alberta for the benefit of fish and wildlife.

MR. KOWALSKI: There were very few questions that really came forward with respect to the estimates of the Department of the Environment that are included in Bill 28 and very specifically dealt with the clauses, as you, Mr. Chairman, so correctly indicated hon. members should deal with. Perhaps just a couple of comments should be made, though, with respect to the second vote listed in the Bill under Environment, dealing with pollution prevention and control.

The Member for Edmonton Glengarry pointed out words to the effect that he thought perhaps it was more important for the Department of the Environment to be concerned about pollution and the biological aspects of the environment rather than dams. Certainly that's a comment that is well

accepted. However, we live in a world of comparisons. It's really important for us to understand what's happening in the province of Alberta and put it in perspective on a comparative basis with other jurisdictions. What I'd like to do is provide to all members of the Assembly a comparison of our expenditure level on pollution control on a per capita basis in the province of Alberta with other provinces in Canada. As my source for comparison I choose to use not any statistics that might have been developed by one of the 1,300 employees of the Department of the Environment, as it seems there is not too much respect for those individuals, other than in my eyes of course. I believe we have an excellent group of public servants in the province of Alberta who have given yeoman's service to the people of Alberta. I'm absolutely delighted with the enthusiastic response I get from those 1,300 individuals who are currently under my direction as Minister of the Environment.

So I choose to provide to the members of the Assembly tonight some information on a comparative basis that has been gathered by the Canadian Nature Federation. No funding at all from the government of Alberta, no funding at all from Alberta Environment — not involved. The minister doesn't have to send them a letter with a cheque or anything else. Recently they did a conservation report card and compared the performance of the provinces of Canada in nine categories of environmental effort. They published it in an independent magazine printed it in another part of Canada. The magazine is called *Equinox*. I find it a very delightful magazine. I subscribe to it as an individual. I live in the constituency of Barrhead, and I don't pay for it under this enormous amount of money that's provided to me as a minister of the Crown. Perhaps it's important that all members really understand this because we live in a world of comparisons. We can say on the one hand, "Oh, it's really nasty." But let's see what's happening elsewhere in Canada.

Why don't we begin with this comparison of pollution control expenditures per capita in Canada. Do you know that in the province of New Brunswick they spend on an annual basis \$1.42 per capita to look at pollution control expenditures? In British Columbia they spend \$2.06 per capita. In Quebec they spend \$2.49 per capita. In Nova Scotia they spend \$3.93 per capita. In Saskatchewan they spend \$4.72 per capita. In Newfoundland they spend \$5.09 per capita. In Manitoba they spend \$6.02. If individual members have lost the trend of my thought, this is dealing with pollution control expenditures per capita. In the province of Prince Edward Island the annual expenditure is \$8.60. In Ontario it's \$11.45. Finally, we come to the province of Alberta. In Alberta the annual expenditure on pollution control work per capita is \$71.62.

I think it's important, Mr. Chairman, that this is a report card provided to the people of Canada on a comparative basis, and their conclusions. They also have some other expenditures with respect to park expenditures per capita.

MR. TAYLOR: Point of order, Mr. Chairman.

MR. CHAIRMAN: Order please.

MR. TAYLOR: He's chattering on about the cost for Environment, but won't he mention the fact that Alberta is the only province with sulphur plants?

MR. CHAIRMAN: Why don't you ask him when it's your turn?

MR. KOWALSKI: I think the question was: wouldn't I comment on the fact that Alberta is the only province with sulphur plants. That's probably correct, but we don't have major steel foundries, and we don't have a whole variety of other things which seem to provide acid rain to other jurisdictions in the country.

I think it's really important for all members to know the conclusion of the comparative: "In pollution control . . . Alberta was by far the leader." I only say that because I think it's important that all members would want to have this useful information at their fingertips. As they talk to constituents about what is happening in the province of Alberta, I would only ask one thing of them: that they be fair. As the Minister of the Environment I'm not going to stand here and say that we live in an absolutely sterile environment where we can find no difficulties and no negatives. I know that isn't so, but I recognize one of the challenges I have as Minister of the Environment and one of the challenges that I made very, very open when I was appointed minister. I said that intend to do something about correcting many of the concerns and problems we have in the province of Alberta. I'm prepared to do that, and I'm prepared to hit it right on.

Mr. Chairman, you cautioned us that we should really restrain our comments with respect to those items which are included in the votes listed in Bill 28. An hon. member made the comment about the limited success of the Paddle River dam. The Paddle River dam is not funded under the estimates of the Department of the Environment. I very much look forward in ensuing weeks, when the estimates of the Alberta Heritage Savings Trust Fund committee are dealt with, having an opportunity to talk to the estimates that are included with respect to the Paddle River dam. Members might want to prepare themselves to know exactly the kind of approach I will take by looking at *Hansard* for years gone by. They will find large numbers of pages in terms of previous speeches that were given by me. I recall a very important note the former Leader of the Opposition, the late Grant Notley, provided to me. In a note to me a number of years ago when I talked about the Paddle River dam and the importance of it to rural Albertans, he said, "Ken, right on." That note and that thought will remain with me for a great deal of time. The Paddle River dam worked exceptionally well in 1986. But, Mr. Chairman, I'm cautioned by the statements you made not to talk about it tonight, because it is in essence not part of the estimates of Alberta Environment. However, I look forward in ensuing days to debating the question of the Paddle River dam with anyone. Quite frankly, I'm quite prepared to have such a debate outside the Legislature, anyplace in the province of Alberta.

Several questions were raised with respect to Bow Valley Resource Services. Several days ago I filed in the Legislative Assembly a document with responses to a series of questions the Member for Edmonton Meadowlark raised in the Assembly during the day the estimates of Alberta Environment were presented. The responses list: some 16 pages. I note as well that last Friday the Member for Edmonton Meadowlark raised a number of questions with the Premier with respect to that. When I filed the information in the Assembly, he had no further questions, but I'm quite prepared and quite happy to deal with that.

Mr. Chairman, I think that really covers the types of questions raised here this evening with respect to Alberta Environment. If there are additional questions, I'd be very, very happy to get back into the business of the evening.

MR. DINNING: Mr. Chairman, I welcome the intervention of the hon. Member for Edmonton Glengarry, because he raised an issue I was hoping to have a chance to respond to after question period or on an occasion such as this. It relates to his questions last week on Buck Lake. I appreciated it and went to the only proper source; that is, the local health unit. I asked them about the state of Buck Lake, and I can advise the member that less than 24 hours after his having raised that item in the Assembly, through samples of water, tests conducted by the public health lab here in Edmonton, the water in the lake was found to meet the strict standards. The lake was reopened for public use and public swimming.

I appreciate that intervention, but the public health unit in the area had, as is their responsibility, taken the proper action: found the problem, shut down the lake for public use, and used notices that it found adequate, having set its own priorities in that area and having set and met the standards that are acceptable to the members of the local board in that area. I have to agree with that, Mr. Chairman. It's something that goes back a long way in this province, back to the 1930s. This province and this government believe strongly in the ability of Albertans in local communities to set their own standards, to set their own requirements and, under the Public Health Act, which sets a very strict basic standard for those local communities, to interpret that Act and deliver the kind of public health we in this province can all be very, very proud of.

Mr. Chairman, if the hon. member wants to suggest that he hasn't got confidence in those local Albertans to deliver that kind of home-grown, local product, that home-grown, local public health service, that he can't trust those local Albertans, many of whom are elected just as we are — I do. I have a lot of faith in those people, and I believe that faith is well vested. I'm delighted to have on the record that he says he wants that responsibility taken away from those local health people and brought back to Edmonton for Edmonton to deliver that service. I'm just delighted to have that statement on the public record.

MR. YOUNIE: Mr. Chairman, on a point of order. That is directly and totally the opposite of what I said. In fact, I said that if so many jobs are going to be placed on them, they merely needed adequate funding.

In terms of one other point, the previous speaker mentioned what the health unit did about it. My only comment was that they didn't have adequate facilities for signs, that they did know about it and had to put up a couple of rather small, handwritten signs in a hurry. I was wondering why they weren't getting support with some kind of facility or place where they could get signs of an appropriate nature made up. I tried to make it plain that I was complimenting the work they did and was merely concerned about the level of support they were getting from those above them, not that I wanted those above them to take their jobs away.

MR. CHAIRMAN: The Minister of Forestry, Lands and Wildlife has asked to respond to questions from the hon. Member for Edmonton Glengarry, I believe.

MR. SPARROW: Mr. Chairman, thank you for the opportunity. The member had some questions with reference to the budget in my area and was recommending not spending any money until further public input was received with reference to the land freeze that we talked about in the

Speech from the Throne. He asked for input into the methods of that public input and the price of lands in sales.

We will have public meetings throughout the southern part of the province, and announcements will be coming out fairly shortly on the method, process, and locations of those meetings for that public input. We'd like to hear the concerns that were raised in southern and central Alberta. With reference to northern Alberta, the land sale process is proceeding and conversions are being considered on an individual basis. In northern Alberta we had a lot of good public input. It was very positively received in northern Alberta, and that was why the break in where we put the freeze was made.

With reference to the stopping of spending any money, Mr. Chairman, I can't agree and will not for one moment consider that. He's really asking me to stop very valuable programs that are in place. One is the Use Respect program, which affects not only Crown lands but private lands. We've got 25,000 farms being visited this summer by 4-H clubs with the idea of opening up to Albertans access to many acres of land that previously had no access or uncontrolled access. Ducks Unlimited is another project we're working with and spending money on. They have 20 projects going on which affect some 800,000 acres. This was a 10-year program. With their request to speed this up, we're trying to accommodate them to achieve this in five years. A massive amount of funds is being spent by Ducks Unlimited. Our job is to primarily acquire lands and assist them in engineering. That work shall be continued.

Fish and game clubs throughout this province are also being aided. Over 100 clubs and 180 projects are under way, with Buck for Wildlife projects improving habitat throughout the province. This year alone 35,000 acres will be enhanced in that area. The member from Bow Island mentioned the Ward Ranches acquisition of a 5,500-acre ranch, which was done by four different groups: fish and game clubs of the province of Alberta, Ducks Unlimited, Habitat Canada, and ourselves. Those projects are going to carry on and be continued. We will definitely not consider holding up the spending of any funds for more public input to a policy. That public input definitely will be coming, as stated in the speech. Very definitely fair value is received. If you get market value, I don't know what more you can ask. I've mentioned to you that the process, the location of meetings, et cetera, will be announced.

One other I should mention, Mr. Chairman, is the North American waterfowl agreement. We're working with the Canadian and U.S. governments. It was signed early in May this year. Over the next 10 to 15 years that agreement might affect some 1.3 million acres in the province. To put that in perspective, along with the 800,000 acres that Ducks Unlimited are working on, after the public meetings and public input, if all the lands in southern and central Alberta that have been applied for for conversion from a grazing lease to a cultivation leased were approved, of which many may not be because they may be sensitive, it would only amount to 120,000 acres.

I think the record of our department is second to none in this country, and our policies are good policies. We should be watching what we're asking for sometimes.

MR. WRIGHT: Mr. Chairman, just touching for a moment on the figure that's in schedule B as voted to the Department of the Environment. My hon. friend from Edmonton Glengarry had some remarks. The most cogent of them related to the Oldman dam. I notice that the Minister of the

Environment did not address himself to that. The vote for the department that includes that sum represents a gross waste of public money when independent studies claim, we believe correctly, that the same result can be obtained for 7 percent of the amount. The hon. Member for Bow Valley incidentally confirmed that by pointing out that the program was only 14 percent effective, because only 14 percent of the expenditure went to those it was designed to benefit. With the greatest respect, the minister has a facility for answering questions that have not been asked and not answering questions that have been asked.

Mr. Chairman, I wish to refer to that part of the Act that entails the expenditures listed in schedule B, which is the budget of course. That's section 2. It is in this Bill that for the first time we get a bird's-eye view of the expenditure of the government with all the departments put together.

I just want to draw to the attention of all hon. members present one or two of the warped priorities of this government, if I may put it that way, Mr. Chairman. We see it so clearly illustrated. For example, look at the vote under the Solicitor General's department: control and development of horse racing, \$7,304,678. Compare that with vote 6, the Department of Community and Occupational Health: worker's compensation, \$45,043,040. That is one of those votes that isn't broken down by element; it's all under the heading worker's compensation pensions. We don't know how much goes to the administration of the pensions and how much goes to the actual pensions. But the fact is that there has been no increase in those pensions to allow for inflation since January 1, 1982, representing a real loss of some 30 percent.

There is no increase voted in this Bill for those injured workmen, to whom I would respectively suggest the people of Alberta owe something. Yet there is a 91 percent increase represented in vote 5 under the Solicitor General's department, control and development of horse racing, for bigger purses for the owners of horses, representing an increase of \$3,480,239. That is an illustration of the deplorable and lamentable set of priorities this government has for ordinary people. [interjection] The Minister of the Environment can joke, but this is not a joking matter, Mr. Chairman.

I know that my hon. friends on this side of the House can multiply this sort of warped priority tenfold, twentyfold, and the same answer comes, that there is no bird's-eye view of what the government is doing in cabinet. There is no sense of what is a fitting priority when it comes to the increase of money. I'm sure it's true that the Solicitor General will say, "But this increase of \$3.8 million to swell the purses of racehorse owners comes from their money, so to speak, because it comes from the pari-mutuel tax." But it's a tax, Mr. Chairman, much as a tax on anything else. It's part of the general revenue of this province. To say that it really doesn't impinge on the purses of ordinary people to increase the share of the tax from 40 percent to 80 percent is casuistry because it's the people's money, and it's being handed out in this way, while I daresay that an increase of \$3.48 million could go perhaps one-third of the way to bringing up the pensions of injured workmen to the 1981 level in real terms.

That's just as illustration, as I say, Mr. Chairman. But it is illustrative of the strategy of the budget, as we can collect from the various elements that we examine in committee, and is one reason hon. members should vote against this Bill.

MS LAING: Mr. Chairman, I would like to speak first to the special warrants, schedule A, in regard to the special

warrant for education under vote 3, where nearly \$400,000 was given for two man-years in funds for the establishment of the Council on Alberta Teaching Standards. I would suggest this was a significant step. It was taken over the protest of teachers' professional associations and without debate in this House. I believe teachers as a profession should be treated as other professionals, should be able to set their own standards, certify and decertify teachers, and be responsible for discipline in two areas, competency and ethics. The Minister of Labour has stated that a professional group is best able to determine competency in their area of activity and that in the realm of ethics a profession should be able to show responsibility and be self-governing by developing a code of ethics and through peer review and peer pressure keep that code of ethics in action.

Other professionals are responsible for these two areas and this, for the most part, has worked well; whereas in the teaching profession the process is in the hands of other people, particularly the Department of Education for certification and decertification. We have had some real difficulties. Unfortunately the Teachers' Association has been held responsible for unethical or incompetent teachers being in the teaching profession. I think this indicates a flaw in the practice and in the process.

[Mr. Musgreave in the Chair]

I would suggest the money that was spent on the establishment of the Council on Alberta Teaching Standards would've been better spent helping set up a teachers' professional Act that would have made teachers truly a professional organization.

In terms of schedule B in regard to the Department of Education, I note a 5.2 percent increase in funding, which barely keeps abreast of the cost of living, does not recognize the increased demand on the educational system for both personnel and technology. There has been in the past some reduction in enrollment, but that trend is being turned around now, and in fact last year there was an increase.

I would look at vote 2. The provincial foundation program increase is 4.9 percent and the special assistance to school boards is 4.3. In the face of these kinds of increases, there is an increasing burden on the local taxpayers, from 15 to 37 percent. In the face of this, school municipalities are calling for a one-time grant to help retire a debt that was taken on in a period of high interest rates. As far as I know, there has not been an answer to that. Generally, in order to alleviate the increasing burden on local taxpayers, there have been increases in property taxes, user fees, school closures, and teacher loads, and reductions in support services such as librarians and teachers' aides.

There is no real aid to the school jurisdictions for increasingly complex technology that is being required, such as typewriters and computers or aids for students with special needs. I would note, however, that there is an 8.2 percent increase in funding to private schools, nearly double the overall increase in this department. In private schools we have some limited control and monitoring in place.

In vote 3 we note a significant reduction in early childhood services. I'm not sure what this means. A 149 percent increase in curriculum development. There are many, many questions about the new proposed secondary curriculum, particularly from educators. I would suggest that before we move into spending this kind of money in putting this curriculum into place, there be a review by educators and concerned people. I would note that a new social studies

curriculum was developed in 1981 at a cost of \$1 million. We're looking again at a new curriculum in this area.

The final area I would return to is the teachers' certification and development estimate, which shows an increase of 118 percent over last year's special warrant. These issues need to be addressed. Again, I would say the government is proceeding over the protests of the teachers and ignoring their professional status. I would again call on the minister to redirect this money to aid teachers to set up a professional teaching Act so that they can be truly autonomous and a profession.

Thank you.

MR. SIGURDSON: Mr. Chairman, I've got a couple of questions to a couple of different ministers, and they both fall under section 1 of the Act, schedule B. The first set of questions I have goes to — I don't know how it goes. It should go to the Minister of Tourism and Small Business, but that's since been changed, so I suppose maybe it'll go to the minister of economic development. Let me just find my notes.

Some concerns about the small business equity corporations program. There was an expenditure under the special warrants of some \$17,094,460, and I'm wondering if there's going to be an evaluation of this program. If so, will that program be made public? I'm curious to know how many companies were formed under SBECs, and when the government phased out the program, had all of the money been expended that was allocated to that program? If it wasn't expended, how much was, and how much went back into general revenue, if in fact it went there?

The other questions that I have are directed to the Minister of Manpower. Again, it's under section 1, schedule A, vote 3: the special employment programs. There's something interesting under the supplementary estimates of expenditure and disbursements. It says that "To carry forward unexpended 1984-85 Special Employment" programs, there's a return of some \$24 million. I'm wondering if the return of that money, which is quite substantial: \$24 million returned when it's there to create employment. At times of high unemployment a return of that amount is an incredibly high amount of money. I'm wondering if the wages offered through the program were too low, thus making welfare or other assistance programs more attractive.

I would suggest that it speaks rather poorly of the nature of program, Mr. Chairman, in that if it offers only short-term employment rather than attacking the root causes of unemployment — and we should look at the root causes of unemployment: the boom/bust cycle without sufficient economic diversification — that may end that so we can try and find a plateau between the peaks and the valleys. I'm wondering if we should be looking at more effective long-term job-creation programs that would make people respond to the kind of the program that is being offered — not the short-term in that department.

So just to sum up the questions then: I'm wondering why so much money was coming back to the department, how the minister can explain this, and how many jobs were offered at the minimum wage rate that went unfilled? If that can be found out, I would appreciate that.

Mr. Chairman, I'll seek some guidance from you, because I've got a couple of questions that may not be in order. I suppose the only way to find out if they're in order is to give them a shot, so I'll attempt to give them a shot. No doubt you'll feel free to step in and rule me out of order, if I'm out of order.

I'm wondering if the minister can anticipate money coming back from the programs this year and what amount maybe coming back. I would hope that the minister would undertake to conduct a study, perhaps using graduate students through the programs, to determine what positive effect the programs currently offered are having. Finally, the money that was returned from the 1984-85 special programs fund: is that money being used currently to create the 1,700 positions the minister announced two weeks ago?

So to those two ministers, Mr. Chairman, those are my comments and questions.

MR. SHABEN: Mr. Chairman, the question by the hon. member with respect to SBECs and the \$17 million provided for that program. The \$17 million was part of the total \$50 million commitment to the SBEC program. The program has registered 388 small business equity corporations, and they've created a capital pool of more than \$190 million. The program to date has recorded 230 investments, and the investments, of course, are spread across the province. There's Motion for a Return 145 that has been accepted by the government, and we will provide a list of the grants or certificates of corporate investment approved under the program since its inception March 31, itemizing where known the names of the registered small business equity corporations. So that information will be provided through our usual motions for returns.

With respect to the second part of the hon. member's question, Mr. Chairman, on the amount of funds that have been returned, I don't have that available because I know the member is referring to funds that are not invested during the first year and flow back to the General Revenue Fund. I would have to check that information and provide it to the hon. member. To date a decision has not been made by the government whether or not those funds that are not expended and that flow back to the GRF will be made available for SBECs that have been approved, but funds are not available to provide them with the grants.

[Mr. Gogo in the Chair]

MS BARRETT: Mr. Chairman, I'd like to try once again to move an amendment to this Bill which, I believe, having looked through every subsection of the citation in *Beauchesne*, qualifies as a legitimate amendment to this Act. I will explain very briefly what I explained upon introduction of my earlier amendment; that is, that the intention of this amendment is not to defeat the entire Bill, although in special circumstances I might be inclined to do that.

MR. CHAIRMAN: I hesitate to interrupt the hon. member.

MS BARRETT: Yes.

MR. CHAIRMAN: Would the member forward a copy of the amendment to the Chair?

MS BARRETT: Oh, certainly.

MR. CHAIRMAN: Perhaps we could be looking at it. It would be unfortunate if the amendment were out of order.

MS BARRETT: Okay. The amendment, Mr. Chairman, would again have the effect of asking the government to bring back most of the consideration under section 1 of Bill 28 for reconsideration by the Legislative Assembly,

given the time limitations that were imposed by virtue of *Standing Orders* and other considerations on the matter of. . . You want them all?

MR. CHAIRMAN: Order, please. Perhaps I could interrupt again. We have no pages in the House. Perhaps we could undertake to get the amendment distributed.

MS BARRETT: That's fine. The purpose of the amendment is to give time for due consideration of the special warrants which were approved by order in council in the fiscal year 1985-86; that is, a fiscal year that has long since gone by. It's the contention of the Official Opposition that if the fiscal year has long since expired, surely the members of the Assembly can put up with another couple of weeks of discussion and debate on those special warrants.

Therefore, I propose:

that Bill 28 is hereby amended by substituting in section 1, for the figure \$796,682,627.01, the figure \$1 and, similarly, by substituting for all references in schedule A under Votes . . .

MR. CHAIRMAN: Order please.

MS BARRETT: Is there somebody calling order?

MR. CHAIRMAN: Member for Edmonton Highlands, I was addressing other people who are interrupting you.

MS BARRETT: This does get confusing. I'll read the second part of it again:

and, similarly, by substituting for all references in schedule A, under Votes: Government, the figure \$1.

For the reasons I've already outlined, I urge members to support this amendment.

SOME HON. MEMBERS: Question.

MR. CHAIRMAN: Are you ready for the question on the amendment? Hon. Member for Calgary Mountain View.

MR. HAWKESWORTH: Mr. Chairman, I would like at this point, inasmuch as the amendment does deal with schedule A and clause 1 . . . On Monday certain questions were raised but were not able to be answered on that day by the Minister of Economic Development and Trade. It has to do with schedule A under Economic Development, 1 and 2. It has to do with, for example, the establishment of the economic development director position, the New York office. I don't know whether the hon. minister has had a chance to review *Hansard* or consult with his department since Monday on the content of those questions raised at that time, but he is in the House this evening, and I was wondering whether he would be able to maybe respond to some of those points that had been raised last Monday as it related to . . .

MR. CHAIRMAN: Order please. Member for Calgary Mountain View, the Chair cannot hear you. Could you stand closer to the mike or speak up? There is a suspicion of the Chair that you're not addressing the amendment, but the Chair will listen very closely.

MR. HAWKESWORTH: Inasmuch as the amendment deals with schedule A, clause 1, and the question . . .

MR. CHAIRMAN: Hon. member, I can't tell because I couldn't hear you. I just had a suspicion. Perhaps if you spoke up, the Chair would be very clear in its decision as to whether or not you were addressing the amendment.

MR. HAWKESWORTH: I'm sorry, Mr. Chairman. It's not often that that sort of request has been made of me.

My questions are to the Minister of Economic Development and Trade. On Monday a number of questions were raised in regard to the supplementary estimates as to what was contained in those estimates provided to us, and I would like to find out if he would be able at this point to answer some of the questions that were raised at that particular time.

MR. SHABEN: Mr. Chairman, yes, I was able to take note of some of the questions that were asked, and I believe I responded to one question on SBECs earlier in reply to a question this evening.

MR. CHAIRMAN: Excuse me, hon. minister. The Chair has some difficulty in that, as I understand, the amendment is reducing that figure to \$1, yet the hon. Member for Calgary Mountain View is asking the Minister of Economic Development and Trade about the figure which is really prior to the amendment. So the Chair is having some difficulty. If the hon. Member for Calgary Mountain View wants to address the specific arguments of reducing the amount in section 1 to \$1, then that would appear to be in order.

MR. HAWKESWORTH: Mr. Chairman, only as much as the amendment deals with schedule A, and I thought that specifically at this point it would provide the opportunity for the minister to answer those questions on the estimates on the supplementary warrants, as they were raised earlier in the week.

MR. SHABEN: Perhaps it would be useful to have the vote on the amendment to see whether there is any money there to discuss.

MR. CHAIRMAN: The Chair agrees. The Member for Edmonton Kingsway?

MR. McEACHERN: That's quite a clever ploy. [interjections] No, I enjoy it. It's quite good. I rather enjoyed the speaker's comments on the Member for Calgary Mountain View as well, and he was quite right. I think what the speaker for Calgary Mountain View did illustrate, though, by his questions, although he didn't couch it in these terms, is the fact that we have not had a chance to debate those same details to quite the extent we would have liked to. Certainly that's what he was saying in a sense about his numbers.

I would like to say the same thing for the numbers in Treasury. In fact, earlier when we were on the full Bill, I raised a couple of questions. Perhaps if this amendment is defeated, the Treasurer would like to consider answering those questions. Those questions did illustrate the problem we have. This \$800 million being asked for here has not been properly debated in this Assembly. The hour we had the other day was not adequate, and we can't talk about section A enough tonight to consider that adequate. That's a lot of money that was passed or spent shall I say, rather than passed — we're now being asked to pass it — by a

number of distinct promises made by the former Premier through the summer, after he announced he was retiring. There were promises made by the Premier after he was elected. The Premier was not in a hurry to call this Assembly and pass a budget in the spring, which he could well have done, and okayed those expenditures.

MR. CHAIRMAN: Order please.

MR. HORSMAN: Mr. Chairman, on a point of order. The hon. Minister of Economic Development and Trade is quite right in his comments that if the amendment which is before the Assembly were to be passed, then of course there would be no special warrants to be debated. Yet the hon. Member for Edmonton Kingsway is proceeding to debate the special warrants issue.

It just can't happen. We have to vote on the amendment. If it is passed, then the debate is over, and there's a new election, I guess, if that's what the hon. members are seeking. The fact of the matter is that we have to have something before the Assembly to debate. The hon. member is complaining that he can't debate it. The fact of the matter is that he can by discussing the special warrants as part of the estimates. Quite frankly, until the amendment is voted on, all debate on anything other than the \$1 issue should be ruled out of order.

MR. JOHNSTON: On the point of order. Of course, Mr. Chairman, it is obvious to everyone that this is a debate on closure not on the estimates. Everyone knows that the hon. member has a resolution on the Order Paper already. Of course, it's not for this committee to debate closure. That debate is somewhere else. If there is something imperfect with respect to the *Standing Orders*, then that's another debate. But to cast the imperfect comparison between estimate consideration and the question of the rules of the House which were established by this House, which are the application of the law of these proceedings, is in my view totally out of order. We should look through the intention of this amendment, Mr. Chairman, and rule it clearly out of order. It's not an amendment on the estimates themselves. As the hon. member made the point when she introduced the amendment, it's in fact a debate on the rules of the House.

MS BARRETT: On a point of order, Mr. Chairman. I think the Provincial Treasurer identifies correctly one sore point. However, this amendment is quite in order. It is not trivial. It does not offend any of the rules as cited in *Beauchesne*. It is here for the intention of demonstrating and allowing debate on the point of fact with respect to being asked to pass, approve — having previously, it is assumed, scrutinized — special warrants which were approved by order in council during the fiscal year 1985-1986.

I thought I made it clear to all members of the Assembly that the effect of this motion would be to split this Bill such that we will give approval to the government having spent \$1 under special warrants in the fiscal year '85-86 and to allow us time thereafter to debate the merits of the special warrants that would amount to \$796,682,626.01. There's nothing trivial or out of order on this matter. The point is not to hold up the Bill, let the Bill go through, but not approve money that has already been spent until we've had adequate time.

Now, the Treasurer is right in noting that I do have a motion on the Order Paper with respect to *Standing Orders*,

but that has nothing to do with this particular amendment, Mr. Chairman. This amendment is actually talking about the money that we're authorizing. The sentiments of the Official Opposition are that although we don't approve of every direction of every dollar being spent in this Bill, we have no intention of holding the whole Bill up. All we want to do is make sure that we have enough time to scrutinize that money which has already been spent so that we, too, may be accountable to the electorate.

MR. HORSMAN: Mr. Chairman, on the point of order.

MR. CHAIRMAN: Order please.

MR. HORSMAN: The hon. member has said, and it is correct, that a motion of this nature is in order. It clearly has been for many years a method of demonstrating or voting confidence in the government, and if the government were to go along with the motion then, of course, we would be into an election. I point that out. By moving this motion, the hon. Member for Edmonton Highlands has restricted the debate to nothing but this motion, and we certainly cannot debate anything that's in the special warrants while this amendment is before the Assembly. None of the particulars can be debated while this amendment is before the House, Mr. Chairman.

MS BARRETT: One more point of order, Mr. Chairman. With all due respect to the Deputy Government House Leader, I would contend that speaking to an amendment does not in principle preclude the opportunity to speak on why it is being moved. In other words, when speaking in favour of amending this Bill to recognize the value of \$1 in section 1 and schedule A, it is perfectly within everybody's rules of orders from *Bourinot* to *Erskine May* to talk about why it is that you support that particular amendment as opposed to the form in which it originally stood. There is nothing out of order in so doing.

MR. YOUNG: Mr. Chairman, if I may, on the point of order. I would submit that debate, is quite out of order if, as suggested by the hon. Member for Edmonton Highlands, the debate turns on the lack of time, because that has to do with the House rules. What the amendment says is reducing the sum from X to Y, and that's how narrow the debate has to be. It can't be on the basis of time. That's a reflection on the House rules. It's got to be that either you approve or disapprove of the specific funds now, not a debate on procedure, not a debate on House rules. Every time I listen to the hon. Member for Edmonton Highlands, Mr. Chairman, that is inevitably the direction that she concludes, and that's out of order.

MR. CHAIRMAN: Is this on the point of order?

MR. HAWKESWORTH: This is on a point of order, Mr. Chairman, that in terms of the proper legislative function, which is to review expenditures, it's a way of expressing our feeling that there has been a lack of proper scrutiny in those estimate.

MR. CHAIRMAN: Order please. In view of the *Standing Orders* of the Committee of the Whole, members may speak as often as they wish, not more than 30 minutes. So it would appear to the Chair that regardless of the wrangling, a member may speak as often as they wish. I would now

call on the Member for Edmonton Kingsway to address only the amendment to the Bill which is before us.

MR. McEACHERN: All right, I was in the process of explaining why I was supporting this amendment, unlike the hon. member across the hall. I think that when you are discussing why you're discussing an amendment, you may bring in a number of different reasons. One of those reasons is the lack of time to debate \$800 million worth of expenditure.

MR. YOUNG: Mr. Chairman, on a point of order. It is quite out of order to bring in a reflection on the rules of the House that pertain. The only point that is under discussion is why the hon. Member for Edmonton Kingsway likes, does or doesn't approve the sum of money, not on the effect that rules of the House have.

MR. McEACHERN: Mr. Chairman, I believe that I have the right to give whatever reason I like for reducing that. I don't see any reason he should try to rule that out of order. The fact is that I have asked several questions on section A tonight, as a matter of fact, and they have not been answered yet. So why should I accept that we should spend \$800 million of the taxpayers' money without adequate debate and without adequate answers being given for the reasons for those expenditures? We would be selling out the democratic process if we did that.

The time is one of the major reasons that I believe we need to pass this amendment, and then if the government does the honourable thing, they will bring back another Bill later covering ...

MR. HORSMAN: After the election.

MR. McEACHERN: Well, I would love to have an election. So defeat the motion.

AN HON. MEMBER: You wouldn't be here.

MR. McEACHERN: Oh, I'd be here.

MR. CHAIRMAN: The Member for Edmonton Strathcona on the point of order?

MR. WRIGHT: On the point of order, Mr. Chairman. It is true that the motion before the House presently is to amend the main motion by reducing the sum of money in paragraph I, schedule A thereof. That is true. But the reasons that a member may state for doing that is not a debate about the rules. It's a debate about the attitude and programming by the government of the length of time allotted to the debate on the special warrants. It does not have to be — there's nothing in the rules that says you may only have one hour allotted to the consideration of three quarters of a billion dollars of special warrants.

There's nothing in the rules. It's not a debate about the rules. It's a debate about the cavalier attitude of this government to allowing members of the Assembly to scrutinize the special warrants.

MR. CHAIRMAN: Hon. member, the rules of this House are made by the members of this House. The Committee of the Whole is not the place where we make the rules or alter the rules. It's the place where we follow the rules.

MS BARRETT: On a point of order, Mr. Chairman. I beg for some kind of reason here. We are not debating the *Standing Orders* of the Assembly. We are talking about the reasons a member may approve the amendment, which calls for a substantial reduction in section 1 of the Act and schedule A thereof. Reasons can be all sorts of reasons, as long as one sticks to the issue of the motion. I support the amount of money in section 1 being reduced to the value of \$1. As long as one sticks to that point, I know of no rule that puts the arguments or debates thereafter out of order, if one is speaking to the amendment.

MR. FOX: On the point of order if I might, Mr. Chairman. I might just note that the hon. Minister of Technology, Research and Telecommunications seems very sensitive and defensive about the standing rules of order, and maybe he will participate in the debate to change them at the appropriate time. The hon. Member for Edmonton Kingsway simply says that he's supporting this amendment on the basis that there has not been sufficient time allowed to the opposition to debate such a huge amount of expenditure that's already taken place.

The rules don't state that thou shalt not have reasonable time to consider estimates. We're not dealing with the standing rules per se here. We're just saying that we have not had sufficient time to analyze this; therefore, the hon. Member for Edmonton Highlands is moving an amendment that would split the Bill so that we could consider part of it now and part of it after the amendment.

MR. CHAIRMAN: The Associate Minister of Agriculture on a point of order?

MRS. CRIPPS: No, on the amendment.

MR. McEACHERN: Just to wrap up a point. I would appreciate if somebody would answer the questions I raised earlier on this section. I'll stop at this point.

MR. CHAIRMAN: Are you ready for the question? The hon. Minister of the Environment.

MR. KOWALSKI: Mr. Chairman, I'd like to speak against this amendment. As I see it, the amendment basically would ask to reduce the figure of \$796 million to \$1. I would have to suggest, Mr. Chairman and members of the committee, that that would be the most antipeople and anti-Albertan amendment that I have ever seen or heard of brought before the Assembly, ever in the history of this Assembly.

Mr. Chairman, I think it's very important for all of us to understand what exactly is being asked for by the Member for Edmonton Highlands with this amendment. The amendment would say that expenditures that occurred in the fiscal year 1985-86 should be reduced to \$1. That would mean that the hon. Provincial Treasurer would then have to send letters to those people in agricultural Alberta, those farmers who suffered enormous losses in the 1985-86 fiscal year, saying, "Look, return to us promptly, without hesitation, \$178,443,000." He would then have to go and tell those hardworking rural folk in this province who experienced damage from environmental problems caused by hail — and other forms of crop-related insurance — that they would have to send back to the Provincial Treasurer assistance in the amount of \$204,500,000.

What would happen to all of the cultural groups in this province, who received an additional \$200,000 of assistance in the fiscal year 1985-86? Would they also have to return to the Provincial Treasurer and the taxpayer, the people of Alberta, that kind of assistance? And what do we do to those people who received \$6.16 million under benefits and income support in Social Services and Community Health? We've heard repeatedly that we're not doing enough. Having done it and responded to cases of need because of compassion and because this government believes in working with people, dealing with people, and helping the people of Alberta, do they now have to send back to the Provincial Treasurer their \$6.1 million?

Community social and health services: \$7.818 million. Would those people also have to return it? I ask the Member for Edmonton Highlands to go there and tell her constituents today and tell the other people who live in the constituency of Barrhead and all parts of Alberta: "Hey, hey, hey. You've got to give back the money, because, boy oh boy, on this particular night in August 1986, we got 'em. We got 'em. We passed an amendment, and now you're going to have to pay, little person in Alberta."

Mr. Chairman, this government cares about people. It's because this government cares about people that certain expenditure levels were made: \$1.5 million by way of special warrants to help the poor injured workers in our province under workers' compensation. Fish and wildlife conservation and rehabilitation: I've heard the hon. members come here to this Assembly and say, "What is this government doing to help the fish and wildlife concerns of the people of Alberta?" We've done it, and now: "Hey. You can't do it. You've got to pass an amendment. The Provincial Treasurer's got to send all these people letters."

You know, this very significant amount of caring is very important. The people of Alberta know what has happened. They understand the compassion, the understanding that this government has shown to people, to men and women: little men and women, not the big folks that our hon. friends across the way keep talking about.

When I see expenditure levels of \$393 million for education program development and delivery and \$20 million for forest fire protection in 1985-86 — how are you supposed to deal with that? Mr. Chairman, are we supposed to go and relight those fires because somehow we couldn't expend the money that we put in to put the fires out? What kind of a ... Well, I can't use certain words because they'll probably be considered unparliamentary. And there's no way in the world that our public servants who were awarded bonus increases and increases in the 1985-86 fiscal year are going to be asked by this government that I'm a member of, and so many illustrious men and women in this Assembly are members of — are we going to send them letters and say: "Hey. Send back these dollars that you've so rightfully earned," and we've debated, acknowledged, and dealt with in this particular Assembly.

Mr. Chairman, it was only a little earlier tonight that an hon. member said, "What are you doing about pollution control in the province of Alberta?" I gave those figures. What are we supposed to do here? Money spent for pollution prevention and control in the 1985-86 fiscal year: an additional \$2.5 million. What are we supposed to do, Mr. Chairman? Are we supposed to go back there and light some more fires, get some more smoke, do something? We've done it because we care and because we have responded to the concerns of the people.

MS BARRETT: A point of order. [interjections] Sorry, a point of order takes precedence.

Mr. Chairman, to the extremely frustrated actor across the way, might I point out that in the provisions of section 1 of the Bill the way it stands, and even under amendment, the "several charges and expenses of the Public Service from April 1, 1985, to March 31, 1986," includes a deadline that has long since passed, and therefore the member's comments make no sense.

MR. KOWALSKI: Mr. Chairman, if I can continue. One of the reasons that I sought nomination a number of years ago is because of a very, very intense commitment to those people in my constituency. For the hon. Member for Edmonton Highlands to refer to me as a "frustrated actor" or something along those lines, I think is really a derogatory comment made to the people of the constituency of Barrhead. Those people on three occasions now have had an opportunity to evaluate their interpretation of their representative in the Legislative Assembly, and it is my good fortune to inform the Member for Edmonton Highlands that on those three occasions the vote count has continued to go up. In fact, I feel really humbled by their endorsement. I think one of the reasons they keep telling me they want me to come back is that they see me concerned about working for the little guy, the little person in Alberta.

When I look and see what we have done in this Assembly in the fiscal year that we're talking about with respect to those items included in schedule A, I can see innumerable examples of a government that cares, that's compassionate, and is quite prepared to make decisions when and if those necessary emergencies arise. Their leader isn't here tonight, but of course hon. members know that he's gotten up twice now in this Assembly in this session alone to compliment the government for immediate responses to emergency kinds of situations. We can look through this document, Bill 28, the Appropriation Act, 1986, and we can see on pages 2, 3, and 4 innumerable examples of support to the little person.

Mr. Chairman, there is no way that this antipeople, antirural, antiurban, antiman, antiwoman Bill can ever get the support of this Assembly and this government. It may have the support of the opposition, not all of them I'm sure, but some of them who seem to vote consistently together, because there ain't no difference between the two parties there in the centre.

But holy mackerel, Mr. Chairman. Let the record show and let the people of Alberta know that this government cares, this government does, and there is simply no way that we can support an amendment that would have the Provincial Treasurer go and ask the people of Alberta to return \$797 million to the government. [interjections]

MR. CHAIRMAN: Order please.

MRS. CRIPPS: Mr. Chairman, I just want to speak to the supplementary estimates in schedule A and to the amendment here to reduce the expenditure from \$796 million to \$1. I want to follow on the Member for Barrhead's comments because the first set of estimates in schedule A are for the Department of Agriculture and the departmental support services. I want to explain to the hon. members opposite that if they take a look at those departmental support services to March 31, 1986, production assistance estimates for instance: to provide for a grasshopper control assistance program; a drought program, \$6 million. We didn't anticipate the drought, and we didn't anticipate the grasshoppers, but we surely helped with a solution to the problem.

To provide additional funding for the 1984-85 feed freight assistance program: again, a drought assistance-related program. We didn't even make the drought. The Minister of the Environment can't take responsibility for that. To provide for the fresh vegetable production incentive program: those were frozen crops. The people weren't going to plant again; \$1,200,000 for planting in the next year because they didn't have any receipts from the previous year due to frost. Now, surely to heaven the champions of agriculture for this whole section are not now going to say that we shouldn't have made those expenditures, that we should have waited until May of 1986 . . .

AN HON. MEMBER: Point of order.

MRS. CRIPPS: You can make a point of order if you like, but I'm on the topic.

The feed freight market adjustment program which is to offset the hurt of the Crow rate and to save the feed industry in this province: surely you don't want us to wait until the livestock feeding industry in this province is gone before we react to those needs.

To provide for a livestock drought assistance program, \$24 million, and then you go down a little further and there's another \$41 million, so you're looking at \$65 million. Sixty-five million dollars of this budget is to pay \$75 per head on drought assistance. Member for Athabasca-Lac La Biche, surely to heaven your farmers and agricultural producers were appreciative of that program. Without it they couldn't have afforded to buy feed.

AN HON. MEMBER: Point of order.

MRS. CRIPPS: The amendment is to eliminate all of those payments to agriculture, Mr. Chairman, those payments which were made to agriculture because of circumstances, circumstances which we had no control over and circumstances which were immediate and important to the health of agriculture.

Red meat stabilization. We probably could have waited with that one, but you know, we might have lost the feeding industry in Alberta if we'd waited for it. We had promised the farmers in Alberta that there was going to be a red meat stabilization. We even gave a date. The Minister of Agriculture gave a date for red meat stabilization. [interjection] Not this one, the former minister. And we live up to our commitments, I'll have you know. In order to live up to that commitment, we introduced the interim red meat stabilization program, another \$48 million. Everybody says they don't want those programs, but they have to apply for them, and \$48 million was applied for. The beekeepers' assistance program: due to the drought, yes, \$15 a hive, up to 100 hives . . . [interjection] Over 100? All right. Kept a lot of people in business.

Mr. Chairman, I just want to say that for the Official Opposition to introduce an amendment of this kind when the programs in agriculture, for instance — and I'm only going to talk about agriculture; I'll let the other ministers talk about theirs. But when these programs are there to meet a specific need for a circumstance that was devastating to the rural economy of this province, I really can't fathom how anyone with the interests of agriculture at heart would even think of jeopardizing the instant response that this government made to the agricultural sector in 1985.

MR. FOX: Mr. Chairman, I might point out that we are not taking issue with any of the things the hon. Associate

Minister of Agriculture mentioned, but in speaking to the amendment, I can't help but comment on the moving and stunning performance of the hon. Minister of the Environment whose thespian — and I say the word carefully — performance here tonight was very moving. It reminds me of a well-known Chinese admonition: beware the sleeping bear, lest he wake and roll over. I can understand why he's so sensitive about this particular amendment, because I believe it was the Minister of Environment in our sister province of British Columbia whose salary was reduced to \$1 on a similar motion, and it indeed passed. So I appreciate his facile nature in regard to this amendment, but in general I speak in favour of it.

MR. TAYLOR: Speaking to the amendment, Mr. Chairman, I think it's quite clear in spite of the Minister of the Environment's long elocution on the subject that it's not the idea to get back. I might mention to the House that he has the neighbouring constituency, so you see what I have to put up with occasionally. He is fond of spreading what he's in charge of cleaning up. But I would like to point out that the whole point of the exercise and delay in this is to get a proper debate. They can always bring back the Act, and we'd be prepared to answer it. We're being asked to approve in one hour what government spent until the end of March '86, and this is a government that refused to have a sitting last fall to go over things. This is a government that refused to have a sitting this spring before the election. Now they have the nerve to come waltzing along three-quarters of a year late and say, "Well, let's approve everything in one hour." Certainly we'd like to debate. Certainly we'd like to go through all the topics, and I'll admit this to the associate minister . . .

MRS. CRIPPS: On a point of order, the member wouldn't have been here last fall to debate it anyway.

MR. TAYLOR: The associate minister was kind enough anyhow to explain what she was at and answer some questions. If we'd got the same performance from the other ministers over there as we had from the Associate Minister of Agriculture, then we probably wouldn't have to do this \$1 and maybe we could wait until six in the morning. The idea of moving the amendment to \$1 now was to give the ministers a chance to go home, regroup their forces, talk to their assistants, and be prepared to answer our questions when you bring it forward in the next few days. But to try to use your majority, to try to use the environmental filibuster to push through in just an hour things for which you have refused to call the House in session twice, last fall and this spring, seems to me the most flagrant abuse of democracy since I heard the Minister of the Environment speak.

Thank you.

MR. YOUNIE: Mr. Chairman, I was most impressed with the list of little people who were helped by this and that we would have to go back and get the money from them. I just wonder which member of the government would in fact be travelling to the Bahamas to ask the little people who own Kinetic Contaminants to give back the \$2.5 million they were given on an emergency basis so we could bail them out because of their excesses in the area of pollution. I certainly think those are little people who definitely needed to be helped so they could live in such sunny climes. I presume that we wouldn't ask them for the money until

sometime around February when the weather down there is much nicer than ours. That would be an appropriate time to ask those little people to give back that little sum of money we paid for that little operation out at Nisku.

In terms of emergency expenditures, I agree that hail or flooding can raise an emergency situation. In fact, I would add my compliments for the expeditious way that primarily the flooding situation was handled. I wonder how one has an emergency overview, emergency co-ordination, of environmental conservation. I thought an overview was something you did on an ongoing basis. I would contend, in fact, that most of these expenditures became emergencies when the governing party became so wrapped up in leadership conventions that it forgot to have sessions to deal with this business in an expeditious way so we could do it with some discussion. That's where the problem came up. That's why these things became what one might call an emergency. I wonder how one can have emergency cultural development or emergency economic development in international trade to the tune of \$2.5 million. That's a lot of emergency trading over a long period of time. It seems to me that for that time we had a lot of ongoing emergencies, which seems to be a contradiction in terms.

The point we are trying to make with this amendment is not that we want anyone to ask for some money back but that a lot of these weren't emergencies. Some of them were. We would like to say that you get \$1 tonight; bring another Bill to us that we will discuss in a parliamentary manner, we will decide which ones were and which ones weren't emergencies, and the interests of the people of Alberta will be served in that discussion. Until then I'll have to support the motion to reduce this to \$1 and come back with a more realistic look at it at a future time.

Thank you.

MR. CHAIRMAN: Are you ready for the question on the amendment?

MR. SIGURDSON: Mr. Chairman, I rise to speak in favour of the amendment and to add a couple of comments before we go to the question.

SOME HON. MEMBERS: Oh, oh.

MR. SIGURDSON: Don't get too excited.

This \$796 million has already been spent. The amendment would only allow that amount less \$1 to come back under a separate cover for the approval of the Assembly. Mr. Chairman, I know that a number of us have a lot of difficulty with the amounts of money that have been voted tonight and on previous occasions. But if we take a look at the money we're approving — to try to bring it into terms that we can all understand, I took a calculator and did a little arithmetic.

Mr. Chairman, if we look at the financial assistance under vote 3, tonight I asked a couple of questions and it took only a couple of minutes to get a response. But if you look at the amount of money, some \$17 million that was expended by special warrant, and take a look at your watch, if every second that goes by can be looked at as \$1 and if we had talked for \$1 for every second, we would have been here for just that one vote for 197.8 days. If we look at Tourism and Small Business, another area where questions were asked and again answers were supplied and it didn't take a very long time, if one second represented \$1, in that particular vote we would have been here for 16 days. If

we look at the overall amount of \$796 million and designate a dollar for every second, we would have been here for 25 years. We would go back to 1961.

We're not asking that we go back that far. We're not asking that we give one second to every dollar spent, because it would be impossible for members to sit that long in the Legislative Assembly.

Let me take it one step further and give that dollar value a minute. If we were to take that minute and place a value of a dollar on it and debate every dollar, we would go back to the year 471 A.D. The Member for Stony Plain doesn't believe it. He ought to do a little arithmetic. He doesn't know what the funds are. That's the problem we have in the Assembly right now. We're allowing money to go through without the completion of the vote, and we ought to have more time to vote. It doesn't take long to answer the questions.

Mr. Chairman, I would encourage members to vote in favour of the amendment.

MR. CHAIRMAN: Are you ready for the question on the amendment?

MR. R. SPEAKER: Mr. Chairman, I would just like to make a couple of comments with regard to the amendment that is before us. There are a variety of intents the amendment has, and certainly it is a concern with regard to the accountability of government and being able to review the \$792 million and the purpose thereof. The assessment we have to make with regard to that figure is certainly whether it comes under section 30(1)(a) and (b) of the Financial Administration Act on a judgment as to whether the money was urgently required while the session was not in place or while we were debating the budget. After scrutiny and examination of those sums of money, I'm sure some \$600 million could possibly come under that category, but that certainly would have to follow after close scrutiny of the numbers that are presented before us.

I stand in my place, Mr. Chairman, for another reason. I look at this particular expenditure through special warrants, and I believe it's incumbent upon the Provincial Treasurer to examine that kind of trend where over 8 percent, close to 10 percent, of the budget of the province is passed by special warrant. That is totally unacceptable. I have found over the years that the Conservative government has very recklessly taken that approach, passing many special warrants between sessions when those expenditures could have been endorsed during the session.

We had a sequence of events prior to this session, and I suppose we could argue back and forth as to whether it could have been done or not. We had some emergency situations in the agricultural community and the oil and gas community that placed certain demands on the budget. But I would like to highly recommend when I examine this amendment here that the Provincial Treasurer in the current fiscal year aim at special warrants of 5 percent or less. I would highly recommend to the government that they should consider an amendment to the Financial Administration Act or the proper legislation that would only allow government to spend up to 5 percent of their budget on special warrants. If more money is needed for emergency situations, we should resume the Legislature and call it quickly.

Mr. Chairman, if my support were to lie behind this amendment, it would be for that purpose, as an indication to the government of my dissatisfaction with a trend such as this. We have to build in better accountability, which is

only found here in this Legislature in a discussion format and not behind the closed doors of cabinet.

MR. WRIGHT: Mr. Chairman, the short illustration of what we as an Assembly have been asked to do in respect of considering the special warrants has been absurd. I got my calculator out. We were asked to approve, disapprove or otherwise debate the special warrants at the rate of \$220,000 a second or \$13,233,000 a minute. That's Guinness Book of World Records stuff for a parliamentary democracy, Mr. Chairman, and that shows the measure of our disgust with the procedure that was laid down for special warrants.

By no means do we wish to be asking anybody to pay back anything. What we do wish is that the Assembly, on behalf of the people of Alberta, can scrutinize the process of special warrants. It's supposed to be in a parliamentary democracy a holy exception ...

MR. YOUNG: Point of order. The hon. member again is back on the rules of the House, the rules of this Assembly, which are completely not to be reflected upon in this committee. Not only that, Mr. Chairman; in making those observations about the rules of this Assembly, the hon. member omits reminding himself that it is within the prerogative of the opposition to call certain estimates if they choose to do so. They chose not to do so, and now they're telling us about their problem as they perceive it.

MS BARRETT: Mr. Chairman, the hon. Minister for Technology, Research and Telecommunications might do well to get his facts right. If he will look in *Hansard*, he will see that the Official Opposition designated estimates for each Wednesday to which we were entitled.

MR. YOUNG: On the point of order. They should have exercised their prerogative of priority better than in fact they did.

MR. PIQUETTE: I just want to add an element here to all the statistics. The Member for Edmonton Strathcona reminded me that maybe we should be changing the name of the Bill from appropriation to expropriation. That would seem to be a better name to call it because of the fact that we really did not have any debate on these vast expenditures. Where previous Legislatures should have been called to properly debate and accept these government expenditures, we're now looking at that almost over a year and half later, sitting here tonight trying to make some sense out of the \$796 million that has already been spent.

At least tonight we will make the point that in the future the government will not dare to spend money that has not been estimated for in terms of the budget estimates without due consideration that they should be going back to the Legislature in terms of getting proper approval for such expenditures. I hope that point is well taken by the government tonight.

MR. CHAIRMAN: Are you ready for the question on the amendment? All those in favour of the amendment on Bill 28, please say aye.

SOME HON. MEMBERS: Aye.

MR. CHAIRMAN: Those opposed, please say no.

SOME HON. MEMBERS: No.

MR. CHAIRMAN: Lost. Are you ready for the question on Bill 28?

SOME HON. MEMBERS: Question.

[Several members rose]

MR. CHAIRMAN: Order please.

AN HON. MEMBER: Point of order.

MR. CHAIRMAN: On the point of order, the hon. Member for Edmonton Strathcona.

MR. WRIGHT: Thank you. Mr. Chairman, I was waiting for the results of that vote to be announced by you.

MR. CHAIRMAN: The amendment was defeated.

MR. TAYLOR: On a point of order. The four of us rose for a count. How come we missed that?

MR. FOX: If I may, on a point of order, Mr. Chairman. You said "aye, nay" on the question of the amendment on the main Bill, at which point three members rose to speak on the Bill, not to seek division.

MR. CHAIRMAN: The interpretation of the Chair was that members rose to speak on Bill 28.

MR. TAYLOR: Mr. Chairman, speaking to the main Bill, I had a couple of questions I wanted to touch on, if I may. I can't understand why in this day and age, for instance, the Minister of Energy — if it's not the Minister of Energy, yes; he's back beside my friend with the Associate Minister of Agriculture — would find it necessary to let \$38.6 million be spent on further oil sands research when the price of oil is down to less than \$15 American. It seems to me this is a classic example of the principle of the sorcerer's apprentice. This thing was set in motion, AOSTRA, back when oil looked like it was going to \$70 a barrel. At that price we had a great deal of the world's reserves. At \$15 a barrel the tar sands is a long, long way off from being developed. Yet we're cranking up \$38.6 million, which would go a long way in providing employment training, a long way with public works, highways, areas like that that are highly labour intensive. Oil sands research is highly money intensive, not capital labour. Consequently, I would like to hear the Minister of Energy's explanation. Or is it just a case that he fell asleep at the switch and the \$38.6 million is like the sorcerer's apprentice grinding on with nobody to stop it?

Another area I was going to touch on for only a minute was horse racing, which the Member for Edmonton Strathcona has already touched on. To use the argument that money for horse racing is raised from horse racing itself by the bettor's tax is rather ridiculous. If that's the idea, this government should be spending all the money it raises in cigarette tax on the nicotine addicts. It should spend all the money it raises in the liquor stores on the boozers and all the gasoline tax on the motorists. So to come back and use an argument that all the money raised from horse racing is going back to horse racing is to beg the issue and show that in fact it is nothing more than a subsidy to what is popularly called the sport of kings, although in Alberta it's rapidly being called the sport of Tories.

The third area is in Transportation and Utilities. I don't know if there's an acting minister for Transportation and Utilities, but they have a natural gas protection plan for Albertans of \$13.4 million. I'd like to point out that although it was a well-conceived plan some years ago, the best way they could be protecting gas reserves for — this is a very positive thought. At times the Premier has asked me what I could contribute positively to the energy debate. Here is a good one. If this money plus some others that might be saved here and there through the budget were used to buy the reserves now from small gas companies in Alberta, it would perform a double function. The gas prices now are probably as cheap as they will be for maybe a generation or two. Gas prices are very cheap indeed. If the money that goes into natural gas price protection and some utility development were passed on to Gas Alberta to go out and buy natural gas reserves in the ground for delivery later on, we would serve two purposes. One, we would ensure a cheap supply of gas. So indeed in three to four years when the price goes up, you wouldn't have to have a big portion of your budget going into natural gas protection. Most importantly, the natural gas companies today that are having a hard time meeting their requirements, meeting their expenses, would get an additional shot of income through selling their reserves to Gas Alberta.

I'd just like to pose that. There are two questions there plus one positive thought. I guess I'll sit down now and listen to what the Minister of Energy will say. I know he's had a hard day. His federal cousin has literally told him where he can go and soak his head. Here's a chance for him to come out and tell us something.

MR. WRIGHT: Mr. Chairman, it's plain that there is a division in the way that hon. members are approaching the motion before us, which is Bill 28; that is that there is a great deal of concern in some parts of the House regarding clause 1 of the Bill and a great deal of concern about clause 2, too, but along entirely different lines. The concern about clause 2 is the estimates. We have debated them. There is an argument that we haven't debated them long enough, but we're not taking that argument tonight. We're just dealing with things in the ordinary way.

As to clause 1, however, the fact is that we complained about the inadequacy of the examination process prior to this time and, I submit, on entirely valid grounds. Mr. Chairman, I invite you to split the vote on the motion so that we can tidy away the estimates in due course, perhaps under the rules, and adjourn the debate on the special warrants, which have already been passed, so that hon. members can give them the examination they deserve. That way the one does not depend on the other, and we are not put in the difficult position of denying supply to the government on account of the necessary examination of expenditures that have already passed. The rule in *Beauchesne*, if you're looking for it, is dividing motions, citation 415. There's a similar one in division of clauses, but this is division of a motion, Mr. Chairman.

MR. CHAIRMAN: Are you ready for the question?

MR. HAWKESWORTH: Mr. Chairman, are you going to split the motion as suggested by the member?

MR. CHAIRMAN: I believe that deals only with motions and not with Bills.

MS BARRETT: Mr. Chairman, under the circumstances you cited when ruling out my first amendment, you pointed out that in *Beauchesne* under citation 773(6)

An amendment to delete a clause is not in order, as the proper course is to vote against the clause standing part of the bill.

I refer Committee of the Whole to citation 776, division of clauses:

A committee has the power to divide a clause or to decide that the first part of a clause shall be considered as an entire clause. A motion to divide a clause must be taken before the clause is adopted.

So it could be considered a motion from the floor to do that.

MR. CHAIRMAN: Has the hon. Member for Edmonton Strathcona made that as a motion?

MR. WRIGHT: Yes, I'm quite prepared to make that as a motion, Mr. Chairman. In point of fact, I base it on citation 415, dividing motions. This is a motion. It is a motion on the Bill.

MR. CHAIRMAN: Would the hon. member take a moment to submit that in writing to the Chair, and the Chair would be prepared to rule. Does anybody else wish to speak on Bill 28?

MR. HAWKESWORTH: Mr. Chairman, earlier in our discussions this evening I asked the Minister of Economic Development and Trade if he would be in a position to respond to some of the questions that had been raised earlier in the week during discussion of the special warrants. I wonder if he would be able to provide some of those answers to the committee this evening.

MR. SHABEN: Mr. Chairman, I'd be delighted to provide some information for the edification of the member in the opposition. First of all, a question by the Member for Westlock-Sturgeon with respect to natural gas price protection. A number of years ago the government instructed Gas Alberta to negotiate with producers to arrange contracts for the supply of gas in order to not depend heavily upon the Nova system, the interconnected system. It has been successful in terms of providing a market opportunity for smaller gas producers and also providing natural gas at reasonable rates principally to rural Albertans who are supplied through the rural gas system, as well as reducing the cost to the Provincial Treasurer for shelter, so that process is under way.

With respect to some of the questions raised earlier, I have responded to the questions that were raised on SBECs. There was another question raised earlier on the strengthening of the New York office. The principal trading partner of Canada and Alberta is the United States, and it's important that the government have the capacity to respond and to increase trading opportunities for Alberta firms. We have an established office in New York but have placed a trade representative there. Placing of the trade representative, including the salary, the travel, the hosting, and other aspects, was necessary in order to strengthen our ability to respond to those trading opportunities.

I believe there was a question asked with respect to Sturdi-Wood. Sturdi-Wood is a new plant, a state of the art plant, in Drayton Valley producing oriented strandboard. The plant is owned by Pelican Spruce Mills, whose first plant was

in Edson. That company and the principals are world leaders in the utilization of poplar for the manufacture of oriented strandboard panels, and the government was delighted to be able to respond to the request by Pelican Spruce Mills and provided equity funding assistance in order to establish a plant that will employ hundreds of Albertans and utilize an underused resource in poplar. It's the government's view that the markets, North American and Pacific Rim, could accommodate three or four additional plants. That's one of the items in the supplementary estimates, and I know the government is really pleased to be able to respond in that way in terms of the diversification of our economy, particularly in the forest industry.

Those were the key questions that were asked earlier, and I'm pleased to be able to respond.

MR. HAWKESWORTH: Thank you to the minister for responding to those.

Mr. Chairman, there were also some questions raised about Alberta Intermodal Services and whether that was only for — I think it had to do with the container ports in Edmonton and Calgary. Is that for one city or the other or both?

As well, there have been some questions raised in previous weeks in this Legislature calling on the government to take more equity investments in various mechanisms by which support is provided to the private sector, so we're pleased to see that concept followed here in a number of these instances. Would the minister also give us a bit better clarification in terms of what sort of participation the government plays in the board of directors and the voting shares and so on in those various firms?

MR. McEACHERN: I have a few questions for the Treasurer that somehow I've not been able to ask through the debate. The first one's about section C of the Bill, the \$125 million in the second part of section C. It was rather hard to track down exactly what that was made up of, so I'd like to ask him to quickly enumerate the major parts of that.

Also, I'm not quite sure if this particular question is in order; the Chairman may wish to rule on that. But in the statutory budget the expenditures are up from approximately \$150 million to \$335 million. I understand the two loan programs from Bills 12 and 14 are in there, but that's only \$35 million, and it is not easy to see what else is in that.

In section A of Treasury's part, there is a contingency fund of \$45 million for salaries; I believe it was in that category. I was wondering: did that turn out to be adequate, or do you know that yet, and is there a comparable figure for the 1986-87 budget? In talking of contingency funds, and I know you won't have a figure for this — you might be able to give me one off the top of your head or at least make a projection — what is it likely to cost the taxpayers of this province when North West Trust is either rescued or goes into receivership or whatever because of the investments through the Treasury Branches in that company and its associates? Will the heritage trust fund end up costing us money and, if so, how much? Is there any contingency fund set aside for either of those?

Those are the questions to the Treasurer, plus I had two questions earlier in the evening on section A that I would like the Treasurer to answer. If he doesn't remember what they are, I would be glad to restate them.

MR. CHAIRMAN: Are you ready for the question?

[Mr. Chairman declared the motion carried. Several members rose calling for a division. The division bell was rung]

[Eight minutes having elapsed, the House divided]

For the motion:

Ady	Fjordbotten	Nelson
Alger	Getty	Orman
Bradley	Heron	Pengelly
Brassard	Horsman	Reid
Cassin	Hyland	Rostad
Cherry	Johnston	Schumacher
Clegg	Jonson	Shaben
Cripps	Koper	Shrake
Day	Kowalski	Sparrow
Dinning	McCoy	Stewart
Downey	Mirosh	Webber
Drobot	R. Moore	West
Elliott	Musgreave	Young
Elzinga	Musgrove	Zarusky
Fischer		

Against the motion:

Barrett	Laing	Piquette
Fox	McEachern	Sigurdson
Gibeault	Mitchell	Taylor
Hawkesworth	Mjolsness	Wright
Hewes	Pashak	Younie

Totals:	Ayes — 43	Noes — 15
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MR. JOHNSTON: Mr. Chairman, I move that Bill 28, the Appropriation Act, 1986, be reported.

[Motion carried]

MR. HORSMAN: Mr. Chairman, I move that the Committee of the Whole rise, report progress, and ask leave to sit again.

[Motion carried]

[Mr. Speaker in the Chair]

MR. GOGO: Mr. Speaker, the Committee of the Whole has had under consideration and reports Bills 25 and 28, reports Bill 26 with some amendments, and reports progress on Bill 18.

MR. SPEAKER: Having heard the report, does the Assembly agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed, if any? Carried.

MR. HORSMAN: Mr. Speaker, I guess we don't have time for many second readings unless we move to stop the clock, and I don't propose to make that motion. Tomorrow by way of government business I would advise that third reading of Bills 25, 26, and 28 and Royal Assent for same will be sought and, if there is time, Committee of Supply on the Alberta Heritage Savings Trust Fund estimates for Agriculture.

MR. SPEAKER: Before putting the motion, I'm sure that all members of the Assembly would join with me in extending thanks to the *Hansard* staff, who will be here probably sometime close to 2 o'clock in the morning.

[At 11:45 p.m., on motion, the House adjourned to Friday at 10 a.m.]