

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Wednesday, March 25, 1987 2:30 p.m.**

Date: 87/03/25

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

[Mr. Speaker in the Chair]

PRAYERS

MR. SPEAKER: Let us pray.

As Canadians and as Albertans we give thanks for the precious gifts of freedom and peace which we enjoy.

As Members of this Legislative Assembly we rededicate ourselves to the valued traditions of parliamentary democracy as a means of serving our province and our country.

Amen.

head: **READING AND RECEIVING PETITIONS**

MR. SCHUMACHER: Mr. Speaker, I move that the petitions for private Bills presented before the Assembly on March 24, 1987, be now read and received.

[Motion carried]

head: **INTRODUCTION OF BILLS****Bill 27****Agriculture Statutes Amendment Act, 1987**

MR. ELZINGA: Mr. Speaker, I have the pleasure of introducing Bill 27, the Agriculture Statutes Amendment Act, 1987.

Mr. Speaker, this Bill simply updates a number of different pieces of legislation currently in existence.

[Leave granted; Bill 27 read a first time]

head: **TABLING RETURNS AND REPORTS**

DR. WEBBER: Mr. Speaker, I'd like to file with the House copies of a news release issued this morning by the federal minister of energy related to his announcement with respect to major assistance to the oil and gas industry.

MR. DINNING: Mr. Speaker, further to section 52 of the Universities Act, I wish to file with the Assembly a report of inspection of laboratory animal care and facilities for Alberta universities in the year 1986.

MR. YOUNG: Mr. Speaker, it's my pleasure to table today the annual report for the year 1986 of Alberta Government Telephones.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. CRAWFORD: Mr. Speaker, I take great pleasure in introducing 80 students from grade 6, Brander Gardens school. I've seen them, and they're all good looking. I would like to

introduce as well the four teachers, Mr. Gordon Inglis, Dr. Laurie Mireau, Mr. Fred Dempsey, and Mrs. Natalie Esteves, and the parent accompanying the group, Mrs. Gail Home. They're in both galleries. I would like them to rise now and receive the welcome of the House.

MR. MUSGREAVE: Mr. Speaker, it's my pleasure today to introduce to you and through you to the members of the Legislative Assembly, 12 students from grades 11 and 12 of John Diefenbaker high school in Calgary McKnight. These students, who are future parliamentarians, are the organizers of a model parliament at their school, and they are accompanied by two teachers, Mr. Pollock and Mr. Gathercole. They are seated in the public gallery, and I would ask them to rise now and receive the warm welcome of the Assembly.

MR. ANDERSON: Mr. Speaker, it's my pleasure to introduce to you and to members of the Assembly today seven leaders of ethnocultural organizations in the province of Alberta: the president of the National Black Coalition of Canada, Mr. Alwyn Brightley; the president of the German-Canadian Association of Alberta, Mr. Knodel; the president of the Sikh Society of Alberta, Mr. Sahota; the president of the Edmonton Korean Association, Mr. D. Chung; the president of the Ukrainian Canadian Committee, Alberta Provincial Council, Dr. Andrij Semotiuk; the president of the All Western Lao Federated Associations, Mr. Sasorith; and the president of the Canadian Romanian Society of Alberta, Mr. Les Lutic.

Mr. Speaker, they are seated in the members' gallery, and I'd ask them to stand and receive the thanks of the Assembly for their contribution and our warm welcome.

MISS McCOY: Mr. Speaker, today I am delighted to introduce to you and through you to members of the Assembly, 32 students from grade 8, the Calgary Christian school in Calgary West. It's been my privilege to visit with them in their school on more than one occasion, and I have always been struck by the sunshine and laughter that is present always in that school. I'm delighted that they're bringing a little sunshine to us today, and I do draw members' attention to the Flames shirts that many of the students are wearing. They're accompanied by three teachers, Miss Blaak, Mr. Wyenberg, and Mr. Abma, and one parent, Mrs. Hartley. I'd ask them now to stand -- they're in the public gallery -- and receive the warm welcome of this Assembly.

MRS. BETKOWSKI: Mr. Speaker, Albertans involved with and interested in the native education project are seated in both the members' and the public gallery today. I would like to introduce them to you and through you and ask them to please rise as I call their names: first of all, Mrs. Frances Hanna, who has in the past couple of years been the chairman of the native affairs advisory committee which is under the Department of Advanced Education and mine; Mrs. Phyllis Cardinal, who is the native education consultant with the Ben Calf Robe Society in Edmonton; Mr. Pat Shirt, who is the president of Ben Calf Robe and executive director of the Poundmaker Nechi Lodge in St. Albert; Dr. Ralph Sabey, the director and original member of the native education project team with the Department of Education; Ms. Pearl Calahasen, who is a consultant with the native education project and a recent appointment to the Human Rights Commission; and Mr. Bernie Makokis, who was an original member of the native education project and is also currently em-

ployed as the director of education with the Yellowhead Tribal Council. I would ask them to all rise and receive the warm welcome of this Assembly.

head: MINISTERIAL STATEMENTS

Department of Community and Occupational Health

MR. DINNING: Mr. Speaker, over the past number of years the Alberta Aids to Daily Living program and extended health benefits program offered by the Department of Community and Occupational Health have provided over \$240 million in benefits to over 210,000 Albertans with the sole purpose of helping these people to remain independent and, wherever possible, to live in their own homes and be active in their communities. The programs have provided benefits such as wheelchairs, oxygen supplies, hearing aids, and other medical supplies to Albertans who to some degree or another are disabled, chronically ill, or terminally ill.

The extended health benefits program was introduced in 1973 to support Albertans 65 years of age and over. When it began, the program served 2,000 people and cost \$400,000 in its first year. In 1983 Albertans receiving widows' pensions were added to the program, and today the extended health benefits program serves 57,000 Albertans at a 1986-87 cost of \$24.5 million. Alberta Aids to Daily Living began in 1980 to help those under age 65. In its first year of operation 5,600 Albertans were assisted at a cost of \$5.2 million. This year 54,000 Albertans have received these benefits at a cost of \$22.4 million. In 1987-88, Mr. Speaker, we expect that over 115,000 Albertans will benefit under these two programs.

The challenges that we face are to ensure that people who need the benefits can continue to receive them, to provide those benefits within the limits of the government's ability to fund the programs, and to ask those who can afford it to share in the cost of the benefits. To that end, Mr. Speaker, I am announcing program changes that will take effect June 1 of this year.

Albertans 65 years of age and over, their dependents, and those receiving widows' pensions will continue to receive all benefits at no cost. The extended health benefits program under my department remains unchanged for its 60,000 Alberta recipients. Approximately 28,000 Albertans receiving social allowance, Alberta assured income for the severely handicapped, as well as benefits from the handicapped children's services and polio programs will continue to receive the full range of benefits from the Alberta Aids to Daily Living program at no cost.

All Aids to Daily Living benefits will be available at no cost to families who have a taxable income equal to or less than \$11,000. This means that a family of four with a single wage earner whose total income is approximately \$22,000 or less will continue to receive all benefits at no cost. For the single person, benefits will be available at no cost if the taxable income is not greater than \$6,500 or a total income of approximately \$13,000. There are approximately 8,300 Albertans who will continue to benefit under this protection arrangement.

For approximately 25,000 Albertans the cost sharing arrangement will be introduced. We will ask them to pay the first \$100 of program benefits each year. Once the \$100 deductible has been paid, they will be asked to pay 25 percent towards the cost of their benefits to an annual maximum of \$1,000. When they have contributed a total of \$1,000 towards their benefits,

then the Aids to Daily Living program will pay for all further benefits during that year. An essential part of this approach, Mr. Speaker, will be an appeal process that will be sensitive and responsive to unusual situations that are not protected by measures announced earlier.

In addition, we have drawn the line on which Aids to Daily Living supplemental benefits will remain universal and which ones will be available only to those who continue to receive these benefits free of charge. Included in the material I am tabling with the statement is a list of all benefits available under the programs.

Mr. Speaker, this government has shown its commitment to those in need of the benefits under these programs by providing an additional \$10 million for a total of \$47 million in 1987-88. We continue to provide the most comprehensive list of benefits and serve the widest range of people of any province in Canada. We have ensured and protected the needs of our seniors and fellow Albertans who are physically or mentally challenged as well as those who can least afford to pay. This is a responsible approach, one that underscores our budget themes of fairness, quality, and protection.

MR. SPEAKER: Leader of the Opposition.

MR. MARTIN: Fairness, quality, and protection. Mr. Speaker, I can't say that the minister's announcement is any kind of surprise, but I can say, however, that this government is showing day by day that it really doesn't mind who it hurts in the process of getting tough with the budget deficit.

The Aids to Daily Living program has made it possible for many people to carry on normal lives free of institutions and free of absolute dependency on others. It provides disabled people with the means to live with a degree of dignity, without having to beg and without becoming financially embarrassed in the process. It's one of the better things that have been done in Alberta, and I think the humane and progressive thrust of the program should be recognized. But I say, Mr. Speaker, there's no surprise in this announcement, because I read the sad story of the Premier and his sons who didn't return crutches from various sports injuries. I also read this announcement was coming because the minister of transportation has his supp-hose purchased by the taxpayers. The Premier obviously felt that the minister of transportation was ripping off the system, but I can't help but wonder about the relevance of the Premiers' sons' crutches or the minister's supp-hose and why this should serve as a benchmark by which disabled people in this province are judged.

Let's talk, Mr. Speaker, about real people even before these cuts. I've recently been told of a case of a 77-year-old man in Edmonton suffering emphysema, diabetes, and heart disease who needs oxygen equipment. He was recently cut off the Aids to Daily Living program. He must now pay \$168 for oxygen equipment and pay user charges of \$5.53 per month plus \$35 per tank of oxygen. He's an old-age pensioner and can't afford these fees. He's told he'll have to do without. I've also been told of a 70-year-old woman with crippling arthritis. She needs a motor for her wheelchair to get around. Aids to Daily Living doesn't approve wheelchair motors for people over 18, so she doesn't get one.

The point we want to make is that most people who are cut off this program do without essential equipment and devices. It's not primarily a question of the wealthy and the well to do ripping off the taxpayers. As a result of the minister's an-

nouncement, there will be more Albertans who won't be able to have the equipment they need to live their lives in comfort and dignity. The people who use this program are not trying to rip off the system, and I would say to this minister that they're hardly living in the lap of luxury when a family of four at \$22,000, which is around the poverty level -- and you could dock them up another thousand dollars. I think that's unconscionable, Mr. Speaker, and the people of Alberta will remember that.

Department of Education

MRS. BETKOWSKI: Mr. Speaker, there are over 23,000 native children attending our provincial schools. These children represent Metis, nontreaty, and treaty Indians with distinct histories, cultures, and life-styles which contribute to the fabric of Alberta society.

Today I am announcing the establishment of a new native education policy which will guide the education of native children in provincial schools. The policy proposes the development and delivery of programs and services which will provide enhanced and equal opportunities for native students to acquire the high quality of education in Alberta, provide opportunities for native people to help guide and shape the education of their children, and provide opportunities for all students, native and non-native, in Alberta schools to recognize and appreciate our various native cultures and their many contributions to our province and to our society.

I am pleased to table copies of this important policy statement in the Assembly today. The policy is a government policy, a statement of our commitment to making significant improvements in the education of native children. But more importantly, it is a policy developed by and for native people.

I would like to acknowledge and thank the literally hundreds of native parents, elders, associations, and groups who presented their views to the native education project team on what should be done to develop appropriate policy for native education. The views expressed to us are summarized in an important attachment to the policy statement. I feel strongly that a policy for native education must reflect the views, the goals and, most importantly, the commitment of native people. I believe the policy statement achieves this aim and will guide all of us and especially natives in ensuring that native children receive an excellent education.

The development of a native education policy has been under way since November of 1984. Many will recall that shortly after that time, in December, the final recommendations of the Ghitter Committee on Tolerance and Understanding were released. In the committee's final report, recommendations for improvements in the education of native students were made.

With this announcement today, we are making significant progress toward our goal of providing an excellent quality education for native children. In addition to the tremendous amount of work involved in developing the policy, work has progressed on preparing a series of new textbooks in co-operation with the native people and school boards. Two of these resources, *The Peigan: A Nation in Transition* and *The Land of the Bloods*, are excellent examples of co-operation between school boards, natives, and Alberta Education.

Finally, I would like to announce that in order to continue and to build on the work that we have begun in native education, \$4 million has been retained from the educational opportunities fund compensatory component, which had been scheduled to

end in June of 1987 and which will be redirected more precisely to native education projects and learning resource development. The funds will be allocated to school boards which have significant numbers of native students in their schools. During a time when provincial dollars are scarce, funding decisions for all education programs were made on the basis of preserving those programs which have a direct impact on students in the classroom. I am pleased that the priority which the province places on high-quality education can be recognized in the native education policy.

I should also make it clear that the policy and the funds involved do not infringe on the federal responsibility for the education of native people on reserves. The focus of the policy is on enhancing educational programs for native students who attend provincial schools.

Mr. Speaker, we are on the eve of an important and historic constitutional meeting of first ministers on aboriginal rights. It is important to note that the native education policy and the directions undertaken in learning resource development are a major innovation in the education of native young people. The partnership of native people, school boards, and the province will ensure that we are able to look to the education of young people who are natives in this province with a great sense of pride. Alberta leads the way in taking action to encourage native people to work with school boards in improving native education. I am grateful for their help. Their continued participation and commitment are essential to the success of this policy.

MR. MARTIN: Mr. Speaker, in replying to this ministerial announcement, it is indeed much more of a pleasure to reply to this one than the last one.

I would like to compliment the minister. I had obviously just a quick perusal. I haven't had time to look at it in much detail, but it certainly looks like a good proposal from my perspective. I think the most significant statement in there is where you say: "But more importantly, it is a policy developed by and for native people." I think that is the key point, because in the past you've had well-meaning, perhaps, non-native people involving themselves and doing just the wrong thing. So as long as the native people have been involved in this, then I'm extremely pleased with it.

I would hope that the thrust of it is pride in native culture. Of course, we all know that there's a lot to be proud of, and I know a lot of native kids in my own riding and a lot of schools are working in that direction. I think this is a very good policy.

I would just conclude, Mr. Speaker, by saying I hope the Minister of Education talked to the Premier before he went off to the First Ministers' Conference so that the province will take a much more flexible approach in self-government and land claims, especially dealing with the Lubicon and people like this. But in saying that, it looks like a very good proposal, and at first perusal we support it.

head: **ORAL QUESTION PERIOD**

Taxation Policy

MR. MARTIN: Mr. Speaker, I'd like to direct my first question to the Provincial Treasurer. What's a billion dollars, Treasurer?

Mr. Speaker, the major tax hikes in the budget raise the question -- and I tried to talk about this the last day -- of tax fairness in a very fundamental way. My question is: is the Treasurer

aware of the extent to which this government has layered tax incentives, credits, and benefits to major corporations in the last five years, and in particular, is he now aware of the startling imbalance which has grown between taxes paid by individuals as opposed to those paid by corporations?

MR. JOHNSTON: Mr. Speaker, I'm fairly well acquainted with the relative proportions of tax paid by the various taxpaying groups in this province.

MR. MARTIN: Well, that's encouraging, to say the least, Mr. Speaker. But my question then specifically, rather than trying to skirt around the issue: I've noticed that a list of energy industry tax and royalty benefits handed out on a discretionary basis since 1982 -- I was amazed that this list is now more than \$9 billion, but unlike the federal program, these funds are not targeted to small and medium producers or directly tied to job creation. Has the Provincial Treasurer initiated any type of review of the overall fairness of the Alberta taxation system, in particular to determine whether the layer on layer of corporate tax credits, investment credits, and tax rebates is distorting investment priorities from job creation to tax avoidance?

MR. JOHNSTON: Mr. Speaker, I'm sure that in any tax system there will be ample opportunity for charges of distortion, or in fact some of the ways in which corporations arrange their affairs is to avoid taxation. That's a fairly legitimate response by corporations, and in fact many people are paid a considerable amount of money to effect those changes. Nonetheless we obviously have in this province our own corporate tax system. Therefore, we have the opportunity to assess the way in which the impact of economic objectives and the tax system interact; we have an opportunity to put in place our own set of priorities which will stimulate investment, driving certain sectors of the economy to achieve the economic ends that we think are necessary.

It should be noted that since the Member for Edmonton Norwood is talking about tax and the impact of taxation, the record should show that the small business sector in this province did not suffer any tax increases as a result of this budget and therefore will not have any additional taxes to pay and, moreover, will be one of the major engines driving new investment and generating jobs for this province.

DR. WEBBER: Mr. Speaker, I'd like to supplement the hon. Provincial Treasurer, in that I believe the hon. Leader of the Opposition indicated that significant tax measures had not been directed to the small producers in this province, which is entirely false. In fact, a very significant program to the small producers in Alberta is the Alberta royalty tax credit system which we discussed last night in estimates, and I was appalled to hear that the ND Party want to reduce it. The small producers are the people who . . .

MR. SPEAKER: Hon. minister, thank you. Leader of the Opposition, a supplementary.

MR. MARTIN: If you want to be in the opposition, come over here.

Mr. Speaker, I had to shake my head listening to the Treasurer, because I thought maybe R. B. Bennett had been reincarnated over there. It's the same type of logic. My question to the Provincial Treasurer . . . He refuses to look at the

fairness of the taxation system; maybe we can narrow in on one small item and that would make it a little fair. Will the Treasurer advise why he decided to make the three income tax increases on ordinary people retroactive to January 1, 1987, when a myriad of other tax increases take effect at various other dates following the budget? In other words, why a retroactive tax increase?

MR. JOHNSTON: Mr. Speaker, we know the policies of the socialists across the way are one of confiscation of all private-sector assets, and you can be sure that if this group across the way ever became the government there would be no taxes to be paid at all. Why? Because there would be no investment. It would be all eliminated; there would be no job generation. So you can see the conflict they are in. On one hand, they say we are not generating enough jobs with this policy, and on the other hand they would tax it all away by confiscatory policies.

Let it be very clear here, Mr. Speaker, that with respect to the adjustments of timing of tax adjustments, it has always been the case that on the personal side they are retroactive to January 1. That's the tax agreement arrangement which we have with the federal government; it provides for ample notice to change agreements so the impact can take place on three-month-notice periods.

With respect to corporations, the hon. member should know, if he was ever involved in the private sector at all, that corporations do not have a calendar year basis. Their year varies between January right through any 12-month period ending within the year. Therefore, to have a date affixed to January 1 is irrelevant because their tax year would go through that period. If he only knew something about the private sector he wouldn't have had to have asked that question.

MR. MARTIN: Mr. Speaker, I know that the average taxpayer is going to love an answer like that, and we want to get that out to them.

Just a little suggestion for the Treasurer to try to pull him out of this bad budget. There's one little thing he could do. In view of the fact that there will be a double whammy starting on July 1 for average taxpayers because you'll have to double up, in view of the tight family budget of most Albertans, will the Treasurer agree to back off his plan to double up monthly deductions, collecting twice as much from Albertans in the second half of the year? In other words, he could start a tax increase later instead of before. All Albertans know that.

MR. JOHNSTON: Mr. Speaker, all Albertans know that under this proposal Albertans will pay the lowest tax within any province in Canada and no sales tax. Therefore, a clear objective of this policy document is to protect the disposable income of all Albertans, and this proposal does just that. The reason why the additional taxation, such as the two temporary taxes that have been described, is that they do in fact protect the regressive nature of taxation in that they enter at a higher level, protecting the deductibility so that the low-income people are protected. And as the Premier said just yesterday, under the Alberta selected tax reduction program more than 235,000 additional Albertans will receive protection under this plan. This is a plan which does protect the low-income individual, this is a plan which provides for the lowest tax regime in Canada, and this is a plan which saves this province from a sales tax, different from any other province in Canada.

MR. TAYLOR: Mr. Speaker, to the Provincial Treasurer. I want to go back to his point about keeping small business alive and well and healthy. In point of view of the fact that personal income tax is going up, so there's less money to put in a starting small business -- small business under way -- how can the minister also justify a 12 percent cut in the small business division of Economic Development and Trade and still claim he's supporting small business?

MR. JOHNSTON: Mr. Speaker, over the past two years my colleague the minister of economic development, who is unavoidably away today and who will be able to, I'm sure, through the course of his estimates, provide perhaps more finite explanations or details as to the policies in his budget -- but all Albertans are well aware of the tremendous response that this government has made with respect to the needs in the small business sector. I have just now talked about the fact that the small businesses, corporations in particular -- the ones who generate jobs -- do not suffer any additional taxation as a result of these proposals.

Over the past year, Mr. Speaker, the hon. Mr. Shaben, the Minister of Economic Development and Trade, brought forward a new initiative, a \$1 billion initiative which put \$1 billion back into the private sector -- small businessmen -- to allow them to have long-term interest rates at 9 percent, a program unheard of by any other province and unmatched by any other political party.

On top of that, Mr. Speaker, we have now revitalized the Alberta Opportunity Company so that it as well can appeal on a broader basis to the needs of small business. Moreover, the small business equity corporation, which provided for patient capital within those organizations, has been an immense success. I could go on to announce and relate three or four others, but I know it would simply embarrass the member across, who knows full well that this government has responded more than any other province in Canada.

MR. SPEAKER: Second main question, Leader of the Opposition.

Office Space Tendering Process

MR. MARTIN: Yes, Mr. Speaker. I'd like to direct this to the Minister of Public Works, Supply and Services. The government with our Provincial Treasurer has indicated a policy of tax hikes for ordinary Albertans and major cuts in necessary social programs. At the same time, an expensive form of cronyism seems to be going on in our tendering process for government office space leases. Could the minister indicate why the government didn't have an open tender for leased office space, the space now being leased at Sterling Place?

MR. ISLEY: Mr. Speaker, in response to the hon. Member for Edmonton Norwood, my department is involved in providing space for all government departments. We provide space in a number of ways, one way being the open tender process where specific location or the expansion of a department is not going on, one when the client requests a certain geographic area or certain types of facilities to accommodate their program delivery. We will go by the select tender route where we will identify a number of facilities that may or may not satisfy our client department. We will then take the client department through those facilities. The client department will say: "We

like A, B, and C, but D and E will not suit our needs for a variety of reasons." In that case, then, a select tender is requested from landlords A, B, and C, and the lowest tender wins.

We also use something known as direct negotiation. That will be used when a department is expanding and needs additional space and for administrative purposes it should be located in its immediate vicinity. I believe, and I would have to check the records to be certain of dates and other details, that originally the space in Sterling Place was acquired by select tender, and Sterling Place offered the lowest bid. The more recent acquisition was by direct negotiation because of the amalgamation and expansion of certain departments.

MR. MARTIN: Mr. Speaker, I'd like to continue this process with the minister. This direct negotiation: is it a coincidence that this untendered contract went to Les Mabbott, the Conservative campaign manager, or is it important to be close to the government to get these sweetheart deals?

MR. ISLEY: Mr. Speaker, I don't think the hon. member has any evidence to suggest that any sweetheart deals were negotiated with anyone. I just tried to explain to him very clearly, but I realize that it takes some time for them to understand the process, that the select tendering process was used originally in the facility that he is questioning. Direct negotiations occurred on an expansion at the request of the client, and that goes on with many, many building owners in this city and in other cities and towns in this province.

MR. MARTIN: A supplementary question. We think we know what the process is; I think it's very clear, Mr. Minister. But just to continue about the process, will the minister indicate whether the rate for the 4,000 square foot extension agreement is the same rate as the original bid price on the first contract for Sterling Place? In other words, will the minister assure the House that no increase was slipped in?

MR. ISLEY: Mr. Speaker, I would take that question on notice.

MR. MARTIN: A supplementary question. We appreciate that, Mr. Speaker. Just to continue, there has been some speculation that Mr. Mabbott has been involved in trying to get the Alberta government to be a major tenant in the Olympia & York development. Would the minister take this opportunity to give a solemn commitment to this Legislative Assembly that before any other leases are signed, all building owners will have a fair opportunity to bid on future government leases? Or has the government already had a commitment with Olympia & York?

MR. ISLEY: Mr. Speaker, the hon. member should know that I do not comment in the House on media speculation. I do not comment in the House about any discussions that may or may not be going on with the private sector unless such discussions bear fruit. And the question is purely speculative.

MR. MITCHELL: Mr. Speaker, to the minister. I wonder whether he could confirm what the market rate for space in a building such as Olympia & York would be -- downtown, Jasper Avenue, corner of 101st Street -- compared to space that might be found in the government core, given that it's probably about \$5 to \$6 in the latter case and in the order of \$18 to \$19 to \$20 in the former case. Could the minister please confirm those figures?

MR. SPEAKER: The question is put in such a way that to supply the answer to the House . . . It's public knowledge that can easily be made available. I'd be rather surprised if the minister intends to answer.

The Member for Westlock-Sturgeon, main question, followed by the leader of the Representative Party.

Agricultural Assistance

MR. TAYLOR: Mr. Speaker, on Friday, March 13, in this House, the Minister of Agriculture responded to a question about the future of the farm fuel distribution allowance, and I quote:

Half of the program was due to expire at the end of March. We gave the commitment in the Speech from the Throne that we are going to continue.

Although not an outright lie to farmers, Mr. Speaker, the minister has engaged in a dangerous game of deception and misrepresentation. Will the minister apologize?

MR. SPEAKER: Hon. member, order. This is very serious.

MR. TAYLOR: I said, Mr. Speaker, if you'll listen -- I've read it, so [inaudible] no chance -- although not an outright lie to the farmers, the minister has engaged in a dangerous game of deception and misrepresentation. Now will the minister apologize to all the farmers for his misleading public statement and his disgraceful action in reducing the farm fuel distribution allowance?

MR. ELZINGA: I'm delighted to have this opportunity to remove whatever confusion there does exist in the hon. member for Westlock-Sturgeon's mind and to indicate to him that we did give a commitment that the 14-cent differential was going to be maintained. We have maintained that 14-cent differential, and just so there is no confusion in anybody's mind, I'm going to review it with you, and I would hope, Mr. Speaker, that you would allow me this brief opportunity to elaborate.

There is no disputing the fact that Alberta farmers have the lowest fuel costs of any farmers in this country. That is going to be maintained. The fuel tax that comes into place on June 1 is not applicable to the farming population. There is a foregone tax there of some \$40 million that will be of direct benefit to the farming population. Admittedly, the farm fuel allowance will drop on June 1 to 9 cents per litre, but the overall differential, sir, remains at 14 cents or 63 cents on a gallon of gasoline, again which is a direct injection of some \$95 million to the farming population. And as has been pointed out by the associate minister, this does not take place until June 1, allowing the rural population the opportunity to put in their crops well in advance of this taking place. In addition, they'll have an opportunity to fill their own fuel tanks prior to that time, not having to pay any additional cost. And it's so important, Mr. Speaker, again that we underscore that it is going to be an injection of \$97 million, an average saving of in excess of \$3,000 per farm family to every farmer, and that's an average. Those farmers that farm a greater amount of land will experience greater benefits.

Mr. Speaker, I thank you kindly for allowing me this opportunity to erase any confusion that might be in the hon. member's mind.

MR. SPEAKER: The Chair respectfully requests the Member for Westlock-Sturgeon to stand and apologize to the House, be-

cause twice the words "deliberate deception" were uttered and indeed are ruled unparliamentary according to *Beauchesne* 320 and found on page 106. Would the member be gracious enough to withdraw.

MR. TAYLOR: Mr. Speaker, I'd rather you wait till you check the Blues. I didn't say "deliberate deception." "Engaged in a dangerous game of deception and misrepresentation." If the Blues say what you said the Blues said I said, I will apologize. Is that all right? Okay?

Mr. Speaker, then can the minister tell the House how he can justify raising the annual farm fuel bill of the average farmer by \$1,000 to \$2,000 a year? I know he said you can fill his tank in June. How far will that take him? When grain farmers are already facing a 20 percent cut from their wheat, how can you justify that?

MR. ELZINGA: Mr. Speaker, I'm happy that the hon. member again has allowed me the opportunity to explain in a very concise way so that the confusion hopefully is erased in his mind, because it is our hope to be as forthcoming. It's so important, too, that we underscore the total commitment of this government to the agricultural sector, which again surpasses any province within this great country of ours, whereby we have committed close to \$5 billion worth of injection into the farming community to offset this difficult period of time we are going through. We acknowledge the difficulties the agricultural sector is facing, and we're making a serious and deliberate attempt to offset some of the difficulties that are being caused by the European Economic Community and the United States with their huge subsidy programs.

We're also working very hard, Mr. Speaker, on the international level and on our national level to ensure that we do have trade access to the United States, which is so important to our agricultural producers within this province. We acknowledge and the farmers themselves acknowledge that they don't like subsidy programs. We're going to continue with our injection of deliberate and strong support for the agricultural sector, acknowledging the importance that it does play in the Alberta way of life.

MR. TAYLOR: Mr. Speaker, I'm glad to hear that the minister acknowledges farmers are in a heck of a position, a very tight position. Also, in view of the fact that this government refuses to put a moratorium on foreclosures, could the minister give any estimate of how many farmers will be forced off the land due to this unconscionable raise in fuel prices?

MR. ELZINGA: Mr. Speaker, I should point out to the House that there has been some misleading information coming from both the New Democratic Party and the Liberal Party when they relate to figures as to what this increase is going to cost, because as I have just indicated to you, the average saving to the farm family at that 63 to 64 cent per gallon level is an injection of in excess of \$3,000 on an average per farm family. They've indicated some other figures whereby individuals are going to suffer that amount simply with this small increase in costs that's going to take place on June 1.

Maybe I could indicate to the hon. member, too, as it relates to his suggestion with the moratorium, that that is why we conducted the very extensive review as it relates to the Agricultural Development Corporation, so we can be more responsive to the needs of the agricultural sector. We acknowledge that there is

not a consensus in the agricultural sector as it relates to placing a moratorium on farm foreclosures, because there are a number in the farming population that feel it would have a detrimental impact to the credit needs of agriculture as a whole.

MR. SPEAKER: A supplementary question, Westlock-Sturgeon. Final one.

MR. TAYLOR: Mr. Speaker, I was at a meeting last night with over 200 farmers who are worried about losing their farms.

MR. SPEAKER: The question, hon. member.

MR. TAYLOR: What advice could the minister offer those 25 percent of Alberta farmers -- some have had the farms for three generations -- that are likely to be forced off their land or are going to go into arrears even further this year?

MR. SPEAKER: That's a hypothetical question.

MR. ELZINGA: Mr. Speaker, what we have done -- and I'm happy to offer good sound advice rather than the advice we have heard on a consistent basis, whereby there are suggestions from some individuals and some parties that farmers not seed their crops or they not do this or they not do that. We're going to offer the advice of solid support, as we have done in the past, for the agricultural sector through actual cash injection while this difficult period is going on.

In addition to that, Mr. Speaker, for hon. members who are unaware -- and I recognize that most are aware -- we just had a very extensive review as it relates to the hail and crop insurance. There are a number of excellent recommendations in that report, one that relates directly to revenue or cost of production insurance. We are having discussions with our federal counterparts because they are so instrumental in that they are partners in this program. We are going to be coming forward with further initiatives -- and I say "further" with great sincerity -- for the agricultural sector to support them during this difficult period.

MR. FOX: Mr. Speaker, the more the minister tries to explain it, the more confusing it becomes. Will he confirm for the farmers of Alberta that on June 1 -- without any description about benefits received or shielding in place, will he confirm that the price is indeed going up 22.7 cents a gallon on diesel fuel and purple gas, which represents a 43 percent increase in diesel fuel, not a small increase, and a 34 percent increase in the price of purple gas? Yes or no.

MR. ELZINGA: Mr. Speaker, I'm happy to confirm to all members in this House that we are going to maintain a 14 cent differential that will result in savings of in excess of \$3,000 per average farm in the province of Alberta, resulting in the lowest fuel costs of any province within this great country of ours. We're going to continue with that support. We do acknowledge that effective June 1, yes, gasoline costs are going to go up for the agricultural sector. But I explained when I first got to my feet the process we are going through to make sure that that impact is as minimal as possible.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister and it's with regard to the \$1 billion federal program in support for the farmers this spring. Can the minister indicate whether recent discussions with his federal counterpart

have arrived at a new formula for the distribution of those funds? And secondly, has a target date or a firm date been given when those funds will be made available to western Canadian farmers?

MR. ELZINGA: Mr. Speaker, I'm happy to confirm to the hon. Member for Little Bow that we are going to meet, both the associate minister and myself, with the other agricultural ministers from across the province in Ottawa on March 30, at which time this will be one of the items for discussion.

It's interesting to note though, Mr. Speaker, that the farm leaders that gathered with the federal Minister of Agriculture, I believe on March 5, had indicated their desire -- and I stand to be corrected on this, but the communication that we have received from the federal government is that the major farm leaders that meet with the agricultural minister, it was their desire that nothing be announced to cause any distortion in the traditional seeding patterns, whereby if something was preannounced, it could cost a large influx of one type of grain to be planted compared to another. It was at their desire, the desire of the farm leaders, and I hope to have that confirmed when we do meet with the federal Minister of Agriculture on Monday, March 30.

In addition to that, I wish to leave the assurance with the House, as I did by way of tabling the telegram, that this government is going to continue to push in a very forceful way, as our Premier did quite some time ago in initiating the \$1 billion payout from the federal government. We're going to continue to work very strongly on behalf of the agricultural sector in this province to ensure that we can offset whatever hardships they are going to be facing.

Federal Aid for Oil Sectors

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Energy, and it's with regard to the announcement today that is assisting the conventional oil sector. Could the minister indicate, in the discussions with the federal minister, when we might expect federal aid for the nonconventional oil sector as well?

DR. WEBBER: Mr. Speaker, I'm very pleased to get the question from the hon. Member for Little Bow. I've been waiting since March 5 to receive the first question on the matter of conventional oil and gas from the opposition.

Certainly we had an extremely good news announcement today from the federal government for the conventional oil and gas industry. Certainly there was a need, Mr. Speaker, for this announcement. The Alberta government had done all it could possibly do to help the oil and gas sector in this province, and we needed this assistance from the federal government. It's directed at the smaller and medium sized companies and will be the shot in the arm that the industry needs to help it get back on its feet.

Mr. Speaker, with respect to the nonconventional side, we announced in the throne speech that we welcomed proposals from the private sector in that regard, in developing oil sands and heavy oil projects. We discussed very thoroughly on January 30 with the federal minister, with the other provincial ministers, the question of security of supply and the need to bring on new projects. And at the current time our officials and federal officials and other provincial officials are looking at options as to how we can bring these projects on stream. They will be making recommendations to the ministers by July 1. In

the meantime we will be working with the federal government on individual proposals as they come forth to the provincial government.

MR. R. SPEAKER: Mr. Speaker, a supplementary question. The first one was to kind of get the minister started. My real concern, and this is the key question to the minister, is with regard to the payment of this program. It relates to the questioning that has just gone on in this Legislature in terms of an increase of fuel costs, not only to agriculture but to Albertans in general. Could the minister indicate at this time whether the federal government has made any proposal to increase the federal fuel tax to cover the cost of this program, thereby affecting Albertans in a very adverse way?

DR. WEBBER: No, Mr. Speaker. The federal government gave no indication of any such increase. The program has been estimated to cost the federal government about \$350 million per year to generate \$1 billion worth of investment in this country. As hon. members know, there was an increase at the pump on the part of the federal government by, I believe it was, 1 cent per litre a short time ago, which will generate revenues. I'm not expecting the federal government to put any further increases on it at the pump as a result of this announcement today.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. In light of his answer could the minister commit to this Assembly that any indication of a tax increase, a federal fuel tax increase -- that the minister will commit to this Assembly to fight against that tax because of its effect on the consumers of Alberta?

DR. WEBBER: Well, Mr. Speaker, as I indicated earlier, on the nonconventional side we're looking at all options over the upcoming months, and I don't know what those options are going to be. So I am not going to be making any commitment as Minister of Energy at this time.

MR. SPEAKER: Final supplementary over here, Member for Little Bow? No. Member for Calgary Fish Creek.

MR. PAYNE: Mr. Speaker, following up on the long awaited and most welcome announcement from the federal minister of energy and natural resources this morning, I wonder if the Minister of Energy could indicate to the House how many new oil patch jobs in Alberta will be generated by the implementation of this most welcome plan?

DR. WEBBER: Well, Mr. Speaker, we've been working very closely with the federal government over the last 10 days which led up to this particular announcement, and one of our primary concerns in those discussions was the number of jobs that would be generated by any federal announcement. As best we can estimate, there would be 15,000 direct jobs created by this announcement today and in addition the possibility of some 10,000 indirect jobs. This is very important considering the loss of jobs we received last year with the downturn in the economy. It's a very significant impact on the economy of this province in job creation. Maybe my hon. colleague responsible for jobs in Alberta would care to comment further.

MR. SPEAKER: Member for Calgary Buffalo, a supplementary.

MR. CHUMIR: Thank you. Supplementary to the minister. It's encouraging to see that the conventional oil industry is now going to get a welcome \$350 million a year from the federal government. This still leaves us \$55.650 billion in the hole. Is the provincial government going to pursue the issue of long-term overall price stabilization with the federal government, since prices are still subject to the vagaries of the OPEC cartel and could well collapse once more?

DR. WEBBER: Well, Mr. Speaker, I'm surprised at the fact that the hon. member is not happy with the announcement today. Certainly we think it's a shot in the arm that the industry needs. And with oil prices firming up, with finding costs the lowest in North America in this province, and with the fiscal regime that we have in place today, not only is Alberta the best place in North America for investment in oil and gas; it is a good place for investment in oil and gas in North America.

MR. PASHAK: Mr. Speaker, to the Minister of Energy. What assurance can the minister provide that these are really in fact new jobs that are going to be created by this program and that they're not just jobs that are being created as a result of activity already planned by the industry?

DR. WEBBER: Well, Mr. Speaker, obviously when \$1 billion worth of investment is injected into the oil and gas industry in this province that would result in drilling and activity from the service and the supply side, it has to result in the increase in jobs. These would be 15,000 direct jobs that will be created by the announcement today.

MR. ALGER: Mr. Speaker, a lot of my questions have been answered already this afternoon. I'd like to ask the Minister of Energy, rather in the style of a supplemental, in that: are international groups beginning to invest funds with our established companies or are they coming to Canada with their own exploratory companies following this announcement?

DR. WEBBER: Well, Mr. Speaker, prior to this announcement when I visited investment houses in New York and Boston, it was acknowledged that investment in this province in the conventional oil and gas industry was a very positive place to invest. In fact, about that time we heard several announcements from American companies who are transferring investment they had planned for U.S. exploration and development. They were going to move those funds up into Canada. As a result of this announcement today, I would expect that we will see a considerable injection of investment from not only within this country but outside, into the oil and gas industry.

MR. ALGER: A supplementary, Mr. Speaker, to the Minister of Career Development and Employment. It would seem to me that the service sector will be happily affected with this announcement, but I worry a lot about the speed with which rigs will pick up. Does the minister expect an immediate demand for drilling rigs and complementary services, or will the companies react to this assistance a little more gradually this time around?

MR. ORMAN: Mr. Speaker, I presented to this House, I think last fall, a study that indicated the extent of job losses in this province as a result of the downturn in the oil and gas sector, and as I recall, that number was in the area of 50,000 jobs. It

was determined from that study that some 60 percent of those jobs are lost or created depending on the activity in the service and supply side, and that's generally the employment that is around the service industry, the exploration, the drilling, the preparing of surface leases, and so on. I would anticipate that those jobs that were lost during that period of time as a result of the statistics in that survey would again be regenerated.

I should say, too, that we have preliminary statistics as to the results of the lower energy prices and the impact on the rest of Canada, Mr. Speaker, and outside of Alberta there is a potential for some 15,000 jobs to be lost. I would hope that as a result of this announcement not only will job losses be stemmed here in Alberta but that it will save jobs and create lost jobs outside the bounds of this province.

MR. TAYLOR: A supplemental, Mr. Speaker, to the Minister of Energy. Although I join in welcoming back the old Liberal PIP program, the old Liberal PIP program did say that unless you were 80 percent Canadian owned, you didn't participate. Does the minister have any concern about the fact that now foreign capital can come in and drill wells with one-third paid by the Canadian taxpayer and that there's no limit at all as to what the citizenship and the ownership of a corporation is that benefits from this one-third gift from the Canadian taxpayer?

DR. WEBBER: Well, Mr. Speaker, the announcement by the federal government today has benefits very, very similar to the benefits of the earned depletion allowance with flow-through shares, because there is a flow-through capability here in exactly the same way as the earned depletion allowance system had. And so it's very close to that particular program, and that's what we were after, in that we were saying that the mining industry in this country were receiving benefits that the oil and gas companies were not. And now we see the industries equalized from that particular perspective.

The \$10 million cap -- \$10 million of investment per year would be the amount up to which they would be able to get a 33.3 percent grant, and the fact that it has a cap means that it's primarily directed to the smaller and medium-sized companies, as the hon. member knows, the significant Canadian portion in that particular sector. So the cap on the program makes it so approximately the top 50 companies in the industry will not have significant benefits from this particular program.

With respect to foreign investment, Mr. Speaker, we welcome foreign investment into this country. We welcome the investments from people like Mr. Li in Hong Kong. We welcome investment from the United States, and we welcome investment from within Canada, as long as we maintain the Canadian content that we have in the oil and gas sector right now.

MR. SPEAKER: The Chair had recognized the Member for Edmonton Belmont, but it seems not. The Member for Calgary Forest Lawn.

MR. PASHAK: A supplemental to the Minister of Energy, Mr. Speaker. In spite of what the minister just said, the top 57 companies will receive almost half of the grants that are being made available. Why did the minister not insist that more of this money go to the small and medium-sized Canadian companies?

DR. WEBBER: Mr. Speaker, the hon. member is totally wrong on this point.

MR. SPEAKER: The Member for Edmonton Calder, followed by the Member for Edmonton Meadowlark, if there is time.

Social Assistance

MS MJOLSNESS: Thank you, Mr. Speaker. My questions are to the Minister of Social Services. The Provincial Treasurer admitted in his budget that unemployment will remain at high and unacceptable levels. There is virtually nothing in the budget that will help people get off welfare and back to work. The minister's cuts in social allowance shelter rates announced this week will condemn single employables to a even greater level of stress, frustration, and despair. Will the minister now acknowledge that her new rates are highly punitive and withdraw them?

MRS. OSTERMAN: Mr. Speaker, the question raised by the hon. Member for Edmonton Calder is a very important one, but I would certainly disagree with the preface to her question that in the Provincial Treasurer's budget there were no incentives for job creation. I believe, if one understands business in this province, you will see that there are incredible opportunities and investment being provided that, in fact, will have great impact on job creation. Further, my hon. colleague responsible for career development will be announcing some initiatives that certainly will provide the incentives and the opportunities, either for career enhancement or job experience for many of those people who unfortunately are on social allowance.

MS MJOLSNESS: So in other words, it's a no, I guess. In view of the fact that statistics from the Municipal Affairs department show that the average cost of two-bedroom accommodation is \$465 a month, will the minister instruct her department to prepare a registry of two-bedroom accommodations available in this province for \$360 a month, furnished and not requiring a damage deposit?

MR. SPEAKER: The minister may try to respond, but it is hardly within the purview of the minister.

MRS. OSTERMAN: Mr. Speaker, the hon. member again has opened her question with a premise about the precise type of accommodation that a single individual may seek or a group of individuals may seek, and I believe that to suppose, as she has, that all single employables in this province will live in precisely the same fashion is certainly a false premise.

We will make every effort to make sure that the offices throughout the province, each district office -- and as well, I believe my colleague responsible for career development will instruct the centres that are under his jurisdiction to make sure there are bulletin boards so that people who are interested in advising about the accommodation they may either want or have to offer, will certainly be in a position to do that.

MS MJOLSNESS: I'm not talking about a list of roommates, Mr. Speaker.

A supplementary to the minister. One-third of social allowance recipients were forced to pay more in rent and utilities than they received in total shelter allowances, the extra dollars coming from their food allowance. Would the minister advise single employables which they should choose: rent, heat, or food?

MR. SPEAKER: The time for question period has expired. May we complete this section of questions?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed?
Hon. minister.

MRS. OSTERMAN: Mr. Speaker, although it certainly may change the life-style of some people -- and I realize that that indeed is difficult -- as we look at all the people who share in the over \$1 billion in programs for this province, programs that are unlike any across this country, and look at the people who are in the best position to accommodate changes, I believe -- and it is certainly a judgment on my part -- that single employables are able to make that accommodation.

Mr. Speaker, the hon. member also raised the idea of the damage deposit. I would say that certainly those who are in single accommodation now by way of rental of a small bachelor pad or apartment would probably already have a damage deposit on that particular accommodation, and I would expect that that damage deposit would be returned if there were no unwarranted circumstances and that that damage deposit would be applied to another rental accommodation.

MS MJOLSNES: They've also signed leases, Madam Minister.

A final supplementary. Section 15 of the Charter of Rights and Freedoms guarantees equal treatment and benefits from government without discrimination. Will the minister now withdraw this policy that clearly discriminates against single employables?

MRS. OSTERMAN: Mr. Speaker, the hon. member may be an expert on the Charter of Rights; I am not. And so certainly any matters that would be up to some sort of judgment would obviously end up in the courts of this land. But I would say that in every aspect of our life there is some kind of discrimination. In fact, probably one of the most guilty parties of discrimination in this House is the hon. Provincial Treasurer, because I have noticed he is not treating everybody equally under our taxation system.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the minister. In terms of the single employables that have had their allowances cut, could the minister indicate if, in cases where those employables go out and earn extra income, they're allowed to keep that income, along with what they are receiving from the department? Or are there some limits and guidelines with regards to that extra earned income?

MRS. OSTERMAN: Mr. Speaker, there are -- and I could certainly make available to the hon. member -- the tables with respect to income that is eligible to a ceiling for exemption under the social allowance program. I should add that at the same time, for single employables, as with other families, the appeal process is open, and there certainly are incentives for those who are actively seeking employment in terms of a number of things that they may need. Also eligible for exemption -- and the hon. member, I'm sure, will be interested in this, because we are formalizing this process very shortly, and that is that if you are to lease a room or provide room and board and, in fact, you are already a recipient of social allowance, you will have a considerable amount of that exempted under the allowance program.

MRS. HEWES: A former human rights commissioner not fa-

miliar with the Charter? Incredible.

Mr. Speaker. Albertans are appalled at these tragic and draconian housing and food reductions, just appalled -- right across the province. Did the minister consult with food banks, with rental or housing agencies any place in Alberta to see if these kinds of things are in any way sustainable?

MRS. OSTERMAN: Mr. Speaker, on a very constant basis I receive advice from many, many people across the province, and the amount of mail that reaches my office would attest to that. As well there are advisory and appeal committees in place across the province that indeed do provide advice. But I would say to the hon. member that indeed it is a judgment on my part, and I think many of us will have had advice and information from young people in our society who have spent a number of years with limited circumstances. They may have been students or whatever, and certainly we are now asking the single, employable people of this province to maintain themselves in very limited circumstances.

DR. WEST: Mr. Speaker, to the minister. Recently in my constituency there have been several statements by some people that I actually know that say they have had trouble getting people to take jobs at between \$5 and \$8 an hour. I wonder if some of these initiatives would now encourage some of the employable singles on social assistance to seek out these jobs.

MRS. OSTERMAN: Mr. Speaker, while there may be a very small group in our society who, for whatever reason, are not interested in employment -- in fact, they maybe fit under the category of single employables. [interjections]

MR. SPEAKER: Order please.

MRS. OSTERMAN: Mr. Speaker, I believe that to be a very small minority and that most people who in fact are either on unemployment insurance or classified as employable in our province will very much look to what opportunities they will have to gain job experience, albeit some of it initially may be at a lower income than they would like to achieve. But I believe most people will be looking for those opportunities.

MR. SPEAKER: The time for question period has expired. There are a number of points of order that need to be dealt with.

First, with regard to a point of order with respect to Motion for a Return 154 as raised by the Member for Calgary Mountain View on March 23. The Minister of Recreation and Parks has agreed to supply the information to the House, and the Chair understands the information is to be delivered tomorrow.

With respect to today's exchange between the Member for Westlock-Sturgeon and the Chair, Hansard has responded and indeed the Member for Westlock-Sturgeon has somewhat skillfully dealt with using language which has been deemed parliamentary. Nevertheless, the Chair cautions the hon. member to take heed to the following citations from *Beauchesne*, 359(1) and 359(7), with regard to a brief question:

- (1) It must be a question, not an expression of an opinion, representation, argumentation, nor debate.
- And more appropriately, with regard to subsection (7):
- (7) A question must adhere to the proprieties of the House, in terms of inferences, imputing motives or

casting aspersions upon persons within the House or out of it.

And in the Chair's considered opinion, the member was in violation of 359(7), and the Chair respectfully suggests to the hon. member that a more considered approach will be given to questions in the future.

With regard to a final purported point of privilege, which really was a point of order, as raised last Friday on an exchange between the Leader of the Opposition and the Minister of Hospitals and Medical Care, the Chair is pleased to report that the gentlemen concerned met and were able to settle their differences in an amicable fashion. [interjection] That's a different form of aids to daily living.

The Chair now utters those words which the Chair forgot to utter yesterday, much to the consternation of the television coverage.

ORDERS OF THE DAY

head: GOVERNMENT BILLS AND ORDERS (Second Reading)

Bill 24

Appropriation (Interim Supply) Act, 1987

MR. JOHNSTON: Mr. Speaker, I move second reading of Bill 24, the Appropriation (Interim Supply) Act, 1987.

As all hon. members know, this legislation provides for partial funding of the various departments which are outlined in the budget before the Assembly, to allow them to complete partial expenditures of the major commitments and services provided by this government... [interjections]

MR. SPEAKER: Order please

MR. JOHNSTON: ... through to at least the anticipated period when this Assembly will perhaps rise and adjourn.

In accordance, Mr. Speaker, necessary services for Education, for Hospitals and Medical Care, and for Social Services are among the clear priorities spelled out in this request for funding, and I would accordingly move second reading of Bill 24.

MS BARRETT: Mr. Speaker, I think also that the Provincial Treasurer failed to say that there's provision in here to cover the special warrants which have been passed through order in council since we last sat. Is that not correct?

It seems to me, Mr. Speaker, that what we're looking at is the remnants of a budget which, I believe, was a budget designed to fatten the scapegoats before the spring slaughter. It's not our intention to hold up this Bill because we understand, of course, that the provincial Treasury needs funding in order to make the payments that it is obliged to do, commencing April 1.

On the other hand, Mr. Speaker, it seems to us that this is the beginning of the approval process for the worst budget in the history of Alberta's society. Part of that budget includes cuts in services to the poorest people in our society and what amounts to a trickling out of a hidden agenda that's buried in the numbers throughout the Provincial Treasurer's budget as finally released on March 20.

It also constitutes, in our view, the beginning of the process which will commence a series of new tax levies, a double-whammy tax on individuals who are employed and paying income taxes. It commences the process whereby municipalities

are going to be increasingly strapped for funding and will have to turn to the more flat tax process of taxing properties, as opposed to earned incomes. It is the start of a regressive budget, which can't be torn apart bit by bit because it would take too long. In fact, it would take more than the 25 days that we're allocated to deal with the regular budget estimates. But on the other hand, it's something that we could have dealt with in part at least if we could get a commitment from this government to sit twice a year, not once a year -- that is, fall sittings -- so that we could scrutinize the special warrants that are also buried in this appropriation Act.

We have no choice but to support this, but that is not to be interpreted by anybody as an endorsement of the current budget, which we're now looking at in Committee of Supply; that is, the budget for 1987-88.

MR. SPEAKER: Is there a call for the question? The Member for Edmonton Kingsway.

MR. McEACHERN: I'm just concerned that the minister answer the question about whether or not the warrants are in this Bill or not. Last year we did have two separate Bills, as I recall. If he will give an answer to that, then I'm happy to end debate.

MR. SPEAKER: Thank you. other comments? So the minister may close debate.

May the minister close debate?

HON. MEMBERS: Agreed.

MR. JOHNSTON: Mr. Speaker, first of all, let me say that I know that we're in the process of debating the general estimates of the Assembly, and they're moving through with good discussion, a good opportunity for questions and answers. We've already so far, Mr. Speaker, out of the 25 days, I think very valuably exhausted two evenings on Advanced Education and on Energy, two key departments where in fact the ministers responded with candid outlines of their policies. There was nothing at all that was hidden from the Assembly, and there is no second agenda.

Moreover, Mr. Speaker, when the debate moves to the area of Social Services, all hon. members will be able to identify very simply in the estimates that in fact there are no cutbacks in Social Services. As the minister was attempting to relate to the House this afternoon and to all Albertans, Social Services, in fact, has expanded at the rate of approximately 17 percent, Mr. Speaker, which of course is not at all considered to be a cutback, unless the math has changed since I was there, recognizing it was some time.

Moreover, Mr. Speaker, let me say that I don't think any more is needed by me with respect to the so-called rhetoric or, in fact, indeed the rhetoric which flowed from across the way. We are simply here to ask all Albertans to endorse an interim supply Bill which provides 33 percent of the requirements. There are no special warrants here, Mr. Speaker. Those will be covered by the supplementary estimates, which will be provided in due course.

This simply requests something in the order of \$4 billion, which provides the needed services to that area of social services, health, and education. Those are the clear priorities which are spelled out within our budget, and we're now simply asking the House to approve additional dollars for the early part of 1987-88 to allow those costs to be met from the government

of Alberta.

Accordingly, Mr. Speaker, I again move second reading of Bill 24, Appropriation (Interim Supply) Act, 1987.

[Motion carried; Bill 24 read a second time]

Bill 25
Appropriation (Alberta Capital Fund)
Interim Supply Act, 1987

MR. JOHNSTON: Mr. Speaker, along with the additional messages from Her Honour the Honourable the Lieutenant Governor is an interim supply Act to provide interim funding for the Alberta Capital Fund. The Alberta Capital Fund, as all members are now aware, is in its second year as an element of expenditure within this Assembly. The items which are included herein, Mr. Speaker, would include capital funding for new hospitals, capital funding for new advanced education facilities, and this year the capital construction costs of a water development project: read, Oldman River dam.

Mr. Speaker, to allow the important job priorities of this government to be paid for through capital projects, part of the \$2.4 billion which is being spent on capital projects, I would request the Assembly to agree to second reading of Bill 25.

MR. SPEAKER: Comment? The Member for . . . The Chair is having great difficulty with individuals jumping up and down at this stage.

The Chair now recognizes the Member for Edmonton Kingsway. Thank you, hon. members.

MR. McEACHERN: Thank you, Mr. Speaker. Just a question. I was under the impression from the agenda given us yesterday that Bill 24 would come before the Assembly, but it was not mentioned that 25 and 26 would be, if we're assuming we are moving on to 26 at this time.

MR. SPEAKER: Hon member, all three were mentioned yesterday.

MR. JOHNSTON: On the point of order, Mr. Speaker. Yes; I'm sorry.

MR. SPEAKER: Further questions or comment? Is there a call for the question then?

HON. MEMBERS: Question.

[Motion carried; Bill 25 read a second time]

Bill 26
Appropriation (Alberta Heritage Savings
Trust Fund, Capital Projects Division)
Interim Supply Act, 1987-88

MR. JOHNSTON: Mr. Speaker, the third interim supply Bill which I request the Assembly's approval for this afternoon deals with the Heritage Savings Trust Fund capital projects division.

As all members know, as an integral part of the fiscal plan of the province and the government, the Heritage Savings Trust Fund plays a very large role. When I talked previously on my other Bill with respect to the job-creation elements that are a priority of this government and the capital projects division,

wherein are capital items which are going to be paid for by this province, we should include therein the important elements of the capital projects division of the Heritage Savings Trust Fund. Such important projects as Farming for the Future, irrigation and rehabilitation, oil sands technology and research, agricultural research, the Walter C. Mackenzie building, and of course the very important universal rural private telephone line service, are all parts of the capital projects division of the Heritage Savings Trust Fund, items which Albertans have a great deal of pride in and items which we think are significant both in terms of job creation but in terms of investment, which this province has made historically and currently in the infrastructure of this province.

Although the heritage fund has been capped, Mr. Speaker, as part of the fiscal plan of this government, dollars are available within the liquidity of that fund -- some \$2 billion, nearly -- which allows us to make those capital payments with the current liquidity of the fund itself.

So, Mr. Speaker, in recognition of the important elements which are committed to by this government under the capital projects division, important projects which benefit all Albertans and significant contributions on infrastructure investments which are best described as social, economic, and cultural, I would move Bill 26, the capital projects division interim supply Bill, for second reading.

MR. McEACHERN: Mr. Speaker, just a few comments on this. The capital projects division of the heritage trust fund is made up mainly of expenditures, and although the government has decided to cap the fund, nonetheless we run into an interesting semantic problem that they have, and that is that they decide to call expenditures "capital assets." So, therefore, I guess they will not be touching the capital assets of the fund.

What I'm saying is this: since none of the earnings of the fund will stay in the fund and since no new money will be put in, a certain portion of the fund is capital assets, including in fact the part that is fairly liquid that the hon. Treasurer referred to. Now, if you take even some of your short-term securities, which are considered capital assets, cash them in, and then spend them on further development of dams or parks or whatever other projects are in the deemed assets division of the fund, then you are in fact spending them. And just because the Treasurer goes around this province telling everybody that we've got \$15 billion in the fund instead of \$12.7 billion, if you take the deemed assets out of the fund as they should be, and as everybody else in the world seems to know they should be, you cannot claim to be not touching the capital of the fund. This Bill will in fact spend some of the heritage trust fund money, even though he will continue to call them deemed assets.

So with those few comments I will sit down, Mr. Speaker.

MR. SPEAKER: Additional comments, call for the question?

HON. MEMBERS: Question.

MR. SPEAKER: Provincial Treasurer, summation.

MR. JOHNSTON: I must say that the arguments presented by the member across the way really leave me in a dizzying state of misunderstanding. The convoluted explanation and the misleading statements which were left here just are not even appropriate for comment. So, Mr. Speaker, I can simply repeat what is in fact the case. The fund has assets of the order of \$15 billion.

Of those assets, approximately \$13 billion are financial assets. The additional \$2 billion are capital projects division, which are clearly assets, just the same kind of assets as whether you have a car parked in your driveway or \$100 in your bank account. Those are assets.

What has happened here, Mr. Speaker, is that the liquidity of the fund, which is close to \$2 billion right now, which is being used for a variety of purposes including the capital projects division we're now discussing here, is being employed to generate jobs to carry out these projects. Now, in this provision are the normal kinds of expansion. There are no dams; I don't quite know where that came from. But there are certainly irrigation headworks, which are clearly important to my part of the province. The city that I represent, in particular, is dependent upon agriculture as a major agricultural service centre, and the irrigation expenditures in that area are significant.

Therefore, I don't quite understand the arguments, but nonetheless I'm trying to keep it as simple as possible. We're simply asking for a partial payment to pay for these very important capital expenditures under the capital projects division of the Heritage Savings Trust Fund, and accordingly I move second reading of Bill 26.

AN HON. MEMBER: Have you had any offers to buy the irrigation?

MR. SPEAKER: Hon. member, just a gentle reminder to all quarters of the House that this is not the relaxed procedure of Committee of Supply or Committee of the Whole. If comments need to be made, they can be recognized in the normal chain of events. Thank you.

[Motion carried; Bill 26 read a second time]

Bill 8 Real Estate Agents' Licensing Amendment Act, 1987

MISS McCOY: Mr. Speaker, I move second reading of Bill 8, the Real Estate Agents' Licensing Amendment Act, 1987.

The function of the Department of Consumer and Corporate Affairs is to foster equity in the consumer marketplace between buyers and sellers, and one of the best ways of doing that is to ensure that representatives of buyers and sellers are well qualified and have standards of practice that are enforceable. The purpose of this Bill is to achieve just that.

On the one hand, the self-regulatory program that had been introduced some years ago will be extended to apply to real estate agents as well as to real estate salesmen, such that the Alberta Real Estate Association will take on the functions of licensing, examining, educating, and in some part disciplining its own members.

That delegation of power from the superintendent of real estate to the association will in turn free up time and resources in the superintendent's office, which will allow him and his cohorts to focus on supervising the marketplace, acting as a neutral third party in situations which warrant it.

We are also introducing explicit standards of practice, indeed defining a number of areas in which it would be deemed to be improper for an agent or salesman in certain practices. Prior to this we have relied upon the statement, "when it is in the public interest to do so," and now what we are doing is expanding that phrase, although not removing that phrase, so that the superin-

tendent has some specific standards of practice that he can point to, and it will also assist the Alberta Real Estate Association in its activities.

A third way of increasing the standards of practice in the marketplace for real estate agents and salesmen is contained in the section which permits the superintendent to publish certain information. That information that has to do with "refusal, cancellation and suspension of licences and prosecutions and disciplinary actions" will be allowed to be published to the industry and in some cases, at his discretion, it will be published to the public at large. Information of that sort in the marketplace will be of assistance to both other agents and salesmen and to consumers generally because it will be something of a consumer alert on the one hand and also a practice alert on the other hand.

Provision has also been introduced to allow regulations to be written which would differentiate between classes of licence. The concept here, which is not yet worked out in detail, is this: it could be that a licence recognizing the superior skills or greater experience of one salesman or agent over another would back up the educational efforts for all agents, such that there would be a class 1, 2, 3, 4 sort of step licensing regime in which the more skilled and more experienced would aspire to the higher class of licence, and of course only those licensed with the higher class would be allowed to trade in certain types of property.

Finally, Mr. Speaker, I wish to mention that at the express request of the hon. Member for Lloydminster, we are introducing a provision which would remove limitation on real estate agents in Lloydminster. Prior to this amendment those agents were required to keep trust accounts on the Alberta side of the street in Lloydminster and not on the Saskatchewan side of the street. Those, I am told, who live in Lloydminster do not make that arbitrary distinction, and indeed in many other areas, including the legal practice, it is the practice to have a reciprocal arrangement with Saskatchewan, whereby we treat Lloydminster as a total Alberta city for certain purposes when we're dealing with our legislation and they deal with Lloydminster as a total Saskatchewan city when they are dealing with their legislation. This amendment would merely remove an artificial barrier to the integrity of business in the city, and I do thank the hon. Member for Lloydminster for bringing this to my attention.

MR. SPEAKER: The Member for Edmonton Kingsway, followed by the Member for Westlock-Sturgeon.

MR. McEACHERN: Thank you, Mr. Speaker. I rise to support this Bill in its intent. This is second reading, and we are to debate the basic principles of the Bill and not get too much into detail.

The basic thrust seems to be to allow for the self-government, or the self-regulation, at least to some point, of a group of professional people. Our party has generally speaking supported those kinds of moves. I think of the Alberta Teachers' Association drive for more self-regulation. And so we are in favour of the general direction of this Bill. There are a couple of concerns, and I suppose the sooner I raise them -- and they are related of course to the basic principle or the idea of: once you decide to allow for more self-regulation, how do you go about it? The Bill will give more powers then to the association, some of the powers presently held by the superintendent. That's okay as far as it goes, but on page 5, section 23, of the Act, section (c) says:

by repealing subsection (5) and substituting the

following:

- (5) An agent shall account to the Superintendent in accordance with the regulations.

And then if you turn over to page 6 -- actually, you've got to look at the bottom of page 6, although the statement I want is really on the top of page 7. On the bottom of page 6, section 57. presently reads -- and on both sides the present Act and the new Act say the same thing there, but the new Act adds (d) and (e) sections. The (d) section says:

for the purposes of section 23(5), the times at which and the manner in which an accounting shall be made and the information to be provided;

And that is that the minister shall be allowed to set that. I'm just wondering why. And I'm not really at this stage particularly objecting, but is the purpose of taking out the regulations that were in the old Act and substituting it with the right of the minister to make new regulations . . .

MR. SPEAKER: Order, hon. member, please. Hopefully you can bring this back to the principle of the Bill in the very near future. It's a difficult thing, as you pointed out yourself, about getting into the detail of the Bill when we're talking about the principle of the Bill at second reading.

MR. McEACHERN: Yes, thank you, Mr. Speaker. I didn't mean to get into a debate about the fine points. I wanted to sort of raise it as a question which she could then be prepared to deal with in the Committee of the Whole at the next step.

How you carry out that allowing of more regulations, self-regulation by a profession is perhaps as important as whether or not you should do that, so I thought I would raise it in that light. Anyway, I'm wondering if the new provision is meant to allow the association then to write some of those regulations; and then the minister will look at them and supposedly accept them or maybe adapt them a little bit. So it's more of a question, rather than for or against it, depending to some extent on the answer we get.

Just a final point then. I will be really interested to see and to watch over time, as this association takes more control of its own affairs, how it exercises its new responsibilities or its new freedoms, whichever they might be, and how they work out. The other aspect of this I'll be watching with interest is the degree to which the minister is able to fulfill the role of the neutral third party and be a watchdog of the public's interest. I would, after all, remind her that her department is called the Department of Consumer and Corporate Affairs, so she must of course be cognizant of the role of being a watchdog for the consumers. I don't quite see very much in the Bill that really speaks to that, and I guess I would be interested in second reading to look at some of the details in that area.

MR. TAYLOR: Mr. Speaker, I too am concerned along very much similar lines that the hon. Member for Edmonton Kingsway brought out, but possibly the minister will be able to answer some of the concerns. Anyhow, it's a little surprising for a Liberal to have a little more jaundiced view of allowing professions of any sort to govern themselves than does the average socialist. Usually they're the ones that are suspicious, but I'm afraid I'm the suspicious one this time.

I think, Mr. Speaker, that when I read through this, although I am for maybe more indirect control, as the minister seems to be moving in that direction, of real estate, I am concerned that possibly there is not enough recognition brought that the profes-

sion not only has to rule justly and fairly amongst its members and the public, but it has to appear to be governing itself fairly. Consequently, I would like to see something, and possibly I've missed it somewhere, that the minister somehow or other include in the governing board, or whatever it is, that's set up and runs the association, a large percentage, 25 percent to as high as 35 percent of the board to be non real estate people selected from the public at large. Because if after all they can't convince -- as is often said, whether it's engineers or lawyers or real estate men, outsiders really don't know the profession like they do, but the fact is that if you can't convince an outsider that's sitting on your board of the rectitude and the correctness of your actions, you haven't got much chance to convince anyone else.

I think it goes a long way also to getting across to all professions that they really exist for the good of the public and at the permission of the public. I don't buy the idea that someone that educates himself or digs some money out is automatically above all else and consequently the public is something to be tolerated rather than to be listened to. So I would like to see some sort of answer from the minister on how she would go about getting public input into the governing body?

I think it is all the more important in this case, because I notice a couple of clauses -- I think the minister did mention that there were going to be different grades of real estate, I gather, numbers 1, 2, 3, and 4, whatever it is. So if there is a promotion process in there, I think it's quite important that the public and the government be aware that that promotion process depends on merit and not who is friendliest with the local superintendent or what politics might be involved in changing classes.

Consequently, Mr. Speaker, I think that's all I have to put in here, this general statement that I would like to see, in view of the fact that there seems to be quite a transfer of authority, from in effect the government to the Real Estate Association, something that spells out just what is this Real Estate Association, what is its governing board, and what members on that governing board are not realtors.

MR. SPEAKER: Member for Edmonton Strathcona.

MR. WRIGHT: Thank you, Mr. Speaker. The hon. Member for Westlock-Sturgeon says that he was surprised that he is apparently taking a more jaundiced view of deregulation, as it were, than we are. I don't think that is so in fact, but even if it were so, I don't think it is a matter for surprise, because in a matter like this we all agree that the public should be able to regulate their own affairs without interference from government except to the extent that it is reasonably necessary that government interfere. Now, we all have that same principle. The difference between us is that we take, generally, a more restrictive view of when it is necessary to interfere. Sometimes the difference is so great that it appears to be a difference in principle, and I suppose, depending on how you define principle, it may be. But in a case like this, it is a matter of mechanism.

So the first thing I wish to say is that we agree with the idea of the Act. It is a step for this profession, the same as has been taken for other professions, and which has existed always in the case of the medical and legal professions.

But I have four areas of concern dealing with the principle of the matter. The first concerns the rules under which the Alberta Real Estate Association will operate. The second concerns also the question of lay membership, which the hon. Member for Westlock-Sturgeon has adverted to. The third concerns the relationship, which now becomes even more crucial than it al-

ways has been, between the Real Estate Association and the real estate co-operative listing bureaus in the various cities; the multiple listing bureau is the common name. They in fact exercise tremendous power over licensed salesmen and indeed agents in the business of selling particularly residential real estate, yet they are largely unregulated. That does on occasion provide problems, and I'll advert to that later. Lastly the position of the licensed salesman.

Dealing with the first point, Mr. Speaker, the rules. I referred to the rules under which the Alberta Real Estate Association will judge all matters, particularly their licensing themselves and, perhaps more important, disciplinary matters, because the licensing requirements are laid out basically by the legislation and any regulations passed thereunder. Those regulations can be promulgated or revoked as circumstances warrant, and that is as it should be, but when it comes to the rules of the association as to the procedure for discipline and for revocation of licence -- but I suppose really we're talking more about discipline which may result in suspension of the licence, in effect. These can be very important, and if something goes wrong, of course, the disappointed member can always appeal to the courts. But it would be good if the regulations received scrutiny in the first place. I'm talking about the internal regulations of the association, whether called by-laws or articles or whatever. Perhaps this is just my ignorance, but I'm not quite sure how the Alberta Real Estate Association is set up, whether it is a society or it has a private Act or whatever. It certainly doesn't have a public Act under that name, at least not that I saw. I didn't look under "Alberta," though. No, it doesn't.

So I hope, Mr. Speaker, that there'll be a...

ANHON. MEMBER: Are we being ignored?

MR. SPEAKER: Please continue.

MR. WRIGHT: Thank you, Mr. Speaker. Yes, I thought so.

MR. TAYLOR: It looked like you were praying.

MR. WRIGHT: Perhaps he is.

So I hope that there'll be some mechanism there so that the articles -- whatever you call them -- of the association can be reviewed by the superintendent to make sure that they conform to the usual standards of natural justice, or provide for that at least, of which I'm sure the hon. learned minister is well aware. Indeed, I think it would be better if the association were incorporated under an Act, whether private or public, so that their rules and powers can be there for all to see, Mr. Speaker.

[Mr. Musgreave in the Chair]

Secondly, the question of lay members. The hon. Member for Westlock-Sturgeon has spoken of that, and I don't need to add anything. Maybe there is already provision, Mr. Speaker, for this element to be on the board of directors, but we would like assurance of that. If so venerable a society as the Law Society or the College of Physicians and Surgeons has them, certainly this association should have them. And I agree that everyone, all the similar associations, ought to have them.

The third point I wish to make is a position relating to licensed salesmen. They are very much at the mercy of the agents, Mr. Speaker, as most of us who've had anything to do with real estate associations know, because they may not prac-

tise as salesmen unless they are employed by a licensed agent. And the agent can dismiss them quite wrongly perhaps, or certainly without any mercy, and they cannot do business until they have engaged themselves to another agent. At least since 1984 their licence has not been automatically canceled, which was always something very unfair, I thought. They are licensed to do business but cannot do business till they are employed. That's fair enough. Nonetheless, it is a fact that the agent, under the present situation, can just dismiss them. They cannot practise. It may have been very unfair that the agent dismissed them, yet we don't know whether the association will have any rules to bring some sort of reasonable fairness and equity into the relationship which is so crucial to that licensed salesman earning his or her living, without imposing on the salesman, who usually doesn't have the means to resort to court and try and rectify what has happened.

The last and perhaps most important point I wish to make on second reading, Mr. Speaker, is the relationship of the Alberta Real Estate Association to the real estate co-operative listing bureau in the various cities. I don't quite know how many there are. There's certainly Edmonton, Calgary, and Lethbridge, and perhaps some more. They are set up very ingenuously as co-operative associations, although, my goodness, they are not co-ops. I don't know how they managed to get away with that, but they did, thanks to the cleverness of Mr. Ken McKenzie, a lawyer of great esteem in Edmonton in about 1958.

The result is that though they are not regarded as exercising a monopoly, because there are agents outside the board and a licensed salesman can therefore employ himself or herself with that agent outside the board -- the co-op, that is to say -- nevertheless, for practical purposes, if you want to sell residential real estate, particularly in any of those places ... Despite being called, say, the Calgary multiple listing bureau, it includes Red Deer, I think, too. However many there are of them, they cover all the province, although it may be, say, the Edmonton multiple listing bureau that covers all of northern Alberta. Forgive me for not being exactly aware of the jurisdiction, but you get my point. The point is that that salesman then, unless he can get back not only with an agent but also be admitted to the board, cannot practise in the area. Therefore, it is important, and I say this with great sincerity and earnestness to the hon. learned minister, to have some jurisdiction built into the Act to remove unfairnesses that do crop up in the case of unreasonable actions of those multiple listing bureaus which so vitally affect the livelihood of licensed salesmen.

Thank you, Mr. Speaker.

MR. ACTING DEPUTY SPEAKER: May the hon. minister close debate?

HON. MEMBERS: Agreed.

MISS McCOY: Thank you. I appreciate the comments that have been made on the Bill and will think about them to some more degree, and of course, we will have more chance to discuss the points in detail in Committee of the Whole.

As to the rules and as they are developed, most particularly the Member for Edmonton Strathcona was discussing principles of natural justice. I can assure the House that those principles will be built in. There is going to be an appeal from the association to the superintendent and a further appeal from the superintendent, which exists already in the statute, to the minister. The process, as I say, is in the statute whereby the minister then

strikes an appeal panel of persons that the minister has appointed for that purpose. So I do think that the rights of appeal and the rights of persons affected will be well protected at each step, and in fact, there's probably one more step in the process here than there are in most statutes at a subjudicial level. So I think that those concerns will probably be allayed, and most certainly I will have a keen eye on the development of the procedures to ensure that those are all looked after.

Regarding the word "deregulation," which was used, I would prefer to correct that misapprehension. This is not a deregulation; this is a delegation of power. The fact is that the superintendent will still be regulating, but what we are doing is moving to a community-based delivery system such that we are having participation of our citizens, which is a principle I hold very dear to myself. I think it is very important, particularly in 1987 and in the coming years, that we have the citizens of Alberta participating in their own lives and taking on responsibility for that, and this is yet another example of our moving in that direction.

But do be clear. The superintendent is not giving anything away but merely allowing that participation to happen. All of the power will still be maintained by the superintendent, who can exercise it in a timely and appropriate manner according to the circumstances. And this indeed will allow him and his office to concentrate on the truly horrific, if any, abuses in the marketplace and focus the resources of the department where they need to be focused mostly.

Other comments have been made, and I think, Mr. Speaker, I will leave response to those until we get into Committee of the Whole, because I think they become a little more specific than we are dealing with this afternoon.

[Motion carried; Bill 8 read a second time]

head: **GOVERNMENT MOTIONS**

6. Moved by Mr. Johnston:

Be it resolved that the Legislative Assembly approve in general the fiscal policies of the government.

[Adjourned debate March 23: Mr. Piquette]

MR. PIQUETTE: Mr. Deputy Speaker, yesterday when I adjourned debate, I was on the topic of small business and agriculture, and we were raising in the House both yesterday and today about the 5 cents a litre price increase that farmers will be suffering coming June 1.

At a meeting last night at Redwater-Andrew we heard quite a few of the local farmers really indicating their concerns about that price increase and about the government's intent about the agricultural policies in this province. I was also pleased to read in the newspaper today that even their Member for Redwater-Andrew also raised that concern. I'm surprised he's not here today, and I hope that nothing undue happened to him because of raising that concern that many of his own constituents have and were indicating to me last night.

There is no doubt that the agricultural industry is suffering, and today I would like to conclude my speech from the budget to make the government aware of what the Ministry of Agriculture and Food in the province of British Columbia instituted way back in 1974 under a New Democrat government and continued since 1974 by the Social Credit government. I'm just not aware if members from the Conservative Party here are aware that in

the last 13 years they've had a farm income and crop insurance plan which would be a lot more effective in terms of answering the concerns of farmers today than a lot of these stopgap programs we have now in place and which are very often canceled at the whim of the government.

In British Columbia the farm income and crop insurance branch program was designed to reduce fluctuation in farm incomes and the risks associated with the production of selected commodities. The clients of the branch are producers of major farm commodities, and in British Columbia the ones participating in the plan are the beef fanners, the people who raise blueberries, broilers, hatching eggs, greenhouse vegetables, potatoes, processing strawberries, processing vegetables, raspberries, sheep, swine, and tree fruit. They have not instituted the one for the grain program at this time, but it can be used as a method of how a similar program could be introduced here in Alberta or by the federal government as well.

[Mr. Deputy Speaker in the Chair]

The farm income insurance program of British Columbia provides an insurance scheme that reduces farm losses caused by factors such as low market returns or rapidly rising operating costs. Each plan covers a specific type of commodity -- for example, tree fruits -- and has a unique set of eligibility criteria and operating procedures. Premiums and indemnities are based on the number of units of production sold, with premiums shared equally by the client and the provincial government. Participation in the program is voluntary. Now, this program is administrated under the provision of the Farm Income Insurance Act of 1974 and, as I indicated, was introduced by the British Columbia New Democrats back then and has worked extremely well in terms of keeping these farmers in British Columbia from suffering a lot of the problems that we have suffered here in Alberta in last few years.

If in Alberta here we had a decrease or an increase, for example, of 5 cents a litre in the price of fuel, if that was adjusted by a parity price formula or a farm income insurance program as the one in British Columbia, then the farmers would really have no cause to complain, because at least their cost of production, the price for their product, would be supplemented to make up the difference in that. In view of the fact that in Alberta here we just do not have such a plan and that we should be moving to such a plan, this 5 cents a litre price increase is really discriminatory against the Alberta producers.

Now, in 1984, the last year that I got a copy of their insurance plan, these are the factors that they considered in terms of making adjustments for these commodity groups. They considered excess supply, low prices, poor weather affecting berry crops, particularly strawberries, high feed costs for swine producers contributing to increased costs of production, and they also considered in 1984 the reduced harvest but continued low prices for tree fruits. Those were all adjusted in terms of the payouts to the various commodity groups, and some did not suffer any loss in price or there was no fluctuation and there was no payout. So it was a very fair and equitable method that was arrived by this plan. Just to give you examples, in 1983 beef farmers in British Columbia received a payout of \$12.82 million, and in 1984 only a payout of \$10.454 million, because the price of feed grain was lower during the year.

Now, the farm income insurance plan is reviewed annually by the B.C. Federation of Agriculture and the branch. Financial status level, the reserve, and long-term industry development

needs are reviewed yearly. Program changes to encourage poultry production are discussed with each of the commodity groups.

So here we have a plan that's already been in operation for 13 years, and I think it's high time in Alberta here, and in provinces like Saskatchewan and western producers look at this method of finally addressing our whole price fluctuation that very often is causing many of our young farmers to go under.

The Minister of Agriculture indicated today, for example, that the way to go is to address the problem caused by international subsidies through the GATT program. But the trouble is, to address the farmers' problem today using that method might take three or four years. This is what some of the experts have indicated, that it can be a very long process. Now in the meantime, what are the Alberta farmers supposed to do when they are competing against United States farmers who are guaranteed a profit and by European farmers who are guaranteed a profit by their governments? Are we to let the farming community here in western Canada and in Alberta basically be fighting this international battle off their own backs as opposed to be looking at the government to at least on a temporary basis be assuring them a decent return for their product?

Just to give you an example of what's happening, in the United States last year Washington guaranteed its farmers a profitable price for wheat when it set its target price. Last year the Canadian farmers got \$130 a tonne, whereas the United States farmers got \$219 Canadian -- quite a difference when you're trying to compete in the international market. In Europe it's a lot more.

What I would like to recommend to this House is that it is about time that we address that whole concern of farmers and that we look at tax dollars. You know, we are looking, for example, like today, at the federal government kicking in \$350 million to help stabilize the oil industry, which is a three-year program, which the provincial government last year matched by kicking in, according to the Premier, almost \$2 billion into the oil sector. What we have from our federal government is a \$1 billion basically one-year bailout with no long-term kind of plan that the energy sector is receiving today, a three-year plan that they have received today.

We must address, for the farmers, the whole question that they have to know where they're going. It can't be just simply a one-year program or after a harvest where you make an automatic bailout. It must be set into their plan so they know where they're going in terms of their profit margins . . .

MR. DEPUTY SPEAKER: Order. Order please. I hesitate to interrupt the hon. member [interjections]. Order please. The time for the hon. member has expired. Hon. Member for Calgary McCall.

MR. NELSON: Thank you, Mr. Speaker. I would like to begin my comments on the budget by saying that I'm glad to see the government undertaking such a thorough yet at the same time sensitive approach to challenging the economic difficulties that face our province. Despite what the hon. Leader of the Official Opposition may think about governments taking a macho approach to deficit cutting, in difficult economic times strong measures must be taken. This is what our government has done. It has produced a budget that is strong when it comes to reducing this province's deficit but that is sensitive when it comes to addressing the needs of Albertans.

I find it amazing that the opposition in this House can come

up with the idea that this government is balancing the budget at the expense of disadvantaged families in the province. The truth of the matter is that Albertans will continue to enjoy the lowest basic rate of personal income tax in Canada. This government has also ensured that Alberta will continue to enjoy the benefits of having no retail sales tax, which many even suggest should have occurred. This, along with the wide variety of programs which will continue to be available to Albertans, should certainly convince critics that this government indeed has found an intelligent and fair way to reduce the deficit.

As well, perhaps some people are overlooking the fact that this government has developed a budgetary program that will see our budget balanced by 1990-91. Given the difficult global economic situation, this is truly an exciting and important thing. Therefore, Mr. Speaker, before too much criticism can be let loose on this government's approach to the budget, it has to be remembered that the goal of this budget is ambitious -- ambitious but also realistic.

Let's face it. Everyone is always anxious to talk about solving economic problems and reducing the deficit, but no one ever wants to face up to what that may mean. It means having to make consistent but fair reductions in spending. That, Mr. Speaker, is just what this government has done. I personally do not always agree with every kind or amount of spending cut that has been put forward. All the same, unlike the opposition in this House I recognize the extent to which all areas of spending must face cutbacks, and I am able to recognize good programs when I see them. The opposition thinks itself very capable of seeing what should be done in this province, but when the government takes measures to address those concerns, it is interesting to see just how stubbornly blind they can be.

In his response to the budget speech a week ago Monday, the hon. Leader of the Official Opposition tried to label the government's labour market strategy a sham. That's certainly the most original description for a \$143.5 million program that I've heard lately. In fact, the labour market strategy will greatly promote both job creation and job retention through wage subsidy programs. Seventy-six million dollars has been provided for those initiatives alone, all to the tune of a 52 percent increase in spending. A sham, Mr. Speaker? The evidence says otherwise. I would not be in such a hurry to dismiss a labour program of its scope and importance. Neither would my constituents in Calgary McCall.

Calgary McCall is one of the most populous constituencies in the province. In it are people from every walk of life and of many ethnic backgrounds. The primary concerns for them, as I'm sure they are for most Albertans, are unemployment and the economic well-being of this province. This is why programs such as the labour market strategy will not be so easily dismissed by the people who will benefit from them even if the opposition likes to downplay them.

Mr. Speaker, we have a budget that goes a long way towards seeing Alberta safely and soundly through this rocky economic course. We also have a budget that continues to offer support, assistance, and encouragement to all Albertans despite the necessary limitations on government spending. All in all, I would have to say that this budget gives Alberta what it needs while it provides for a smoother economic future. In other words, we have to face a little short-term pain for some long-term gain. Our friendly Official Opposition here may not understand that approach, but then I wonder what kinds of long-term pain their ideas would create had they the unlikely chance of trying them out.

The issue of Quebec's partnership in Canada through the Constitution is another example of what I mean. I, too, want to see Quebec sign the Constitution and join the rest of the provinces.

MR. GIBEAULT: On a point of order, Mr. Speaker. Aren't we discussing the provincial budget here?

MR. DEPUTY SPEAKER: I believe that when either the Speech from the Throne or the budget debate is under way, generally it's been accepted practice of this House that the comments can be fairly wide-ranging. The Chair at this point has not noticed anything that is too far away from the objective of the budget debate. Hon. Member for Calgary McCall.

MR. NELSON: Thank you, Mr. Speaker. I, too, want to see Quebec sign the Constitution and join the rest of the provinces in an equal partnership. What is deplorable, however, is the idea that they should have a special status that would negatively affect the economies of the other regions, particularly the west and Alberta. That kind of special status is just what the New Democratic Party supported in their recent annual convention in Quebec. I would like to state here and now that I think such a status for Quebec would be a betrayal of the rest of Canada and that I do not think any of my constituents or any Albertans or any westerners, for that matter, could ever support such an idea in good faith. A special status for Quebec in the areas of culture and language is one thing, but a special status to the detriment of other provincial economies is another.

That said, I wish now to put forward a few of my thoughts on the budget and the province of Alberta in general. I must say that I'm well aware that funding cuts have been made with the best interests of all in mind and with the best intentions and that I agree with the approach this government has had to take. Where I sometimes disagree, however, usually has more to do with the level at which certain funding cuts may occur.

The funding cutbacks to education are a good example of this. The place where we are seeing most of the cutbacks is at the school level. The administration level, though it has faced a little trimming as well, could surely stand to be trimmed somewhat more. When cutbacks are necessary, I believe it is the administration level that should bear the largest brunt of reductions. The school level, the level at which children's needs are most directly met, should see the very least of the cutbacks, if any at all.

In this area, I don't mind going on record as saying that the boards of education could be far more responsible. Many of my constituents, Mr. Speaker, have stated to me that they would even be prepared to pay more in order to stop these cuts. If necessary, I suggest that boards of education reduce the number of area offices, particularly in Calgary, and that the board make the decisions regarding where cutbacks will be seen. These decisions should not necessarily be made at the bureaucratic level. Certainly I believe that reductions in funding to education should start at the top of the structure, not at the bottom where our children will suffer as a direct result.

Another area in which I have some disagreement is that of the 50 percent funding cuts to community schools. I am and I've always been a great supporter of community schools. What they are able to achieve in the way of pride and spirit as well as the wide number of excellent activities and services they provide should not easily be forgotten. I would therefore ask the government to give further thought to this matter. Community

schools represent a rich resource that surely deserves further consideration and continued full support. To support them as they should be supported, perhaps lottery moneys could be put towards this worthy cause.

I would also urge that the government move quickly ahead with the building of an elementary school in the Falconridge area of my constituency. As well, the matter of a high school in Calgary northeast is also long overdue. As I mentioned before, the constituency of Calgary McCall has one of the largest populations of any constituency in the province. It must have the schools to match its population base. Busing students, and especially very young students, outside their own neighbourhoods is no longer satisfactory, especially given the fact that there has already been a commitment made to build certain schools in areas of Calgary northeast. This government must pursue and honour these commitments to ensure that schools in the northeast are built at the most expedient time.

Mr. Speaker, another area I'd like to address today is that of hospitals and hospital boards. Having enough hospitals to meet the needs of the people who use them is one thing; having enough hospital boards is another. It is my belief there are far too many hospital boards in existence at present in the city of Calgary. And like the old saying, "too many cooks spoil the soup," it seems that too many boards can spoil the hospital system. A far more efficient system in Calgary might have one board for the children's and the Foothills hospitals and one for the balance of the hospitals in the city. Having a separate board for every hospital is a costly and unnecessary duplication of efforts.

I must also say, Mr. Speaker, that I have some concerns about the manner in which the new Peter Lougheed hospital is to be opened in April. It seems that this new hospital is not to be opened with full services in operation, and although that decision has not been completely determined at this time, I wish to go on record as to show some concern with regard to this unit. I wish to urge that this hospital become one that is fully serviced without undue delay. If a hospital is to be opened, let it be properly equipped with full emergency services and therefore truly ready to take on as many patients as may need it as soon as possible. It should not be treated as a band-aid station, as some have recorded it.

I'm sure, as I've indicated before, if the government were to change the board system, we may run a more efficient, less costly hospital program in Calgary, thus producing more moneys to the health care system.

I would also like to make my views known regarding the proposal to close the Airdrie laboratory. The closure of this laboratory will certainly affect the city of Calgary a great deal, and so I would hope that further consideration can be given to this matter. I have communicated several ideas on this to the Minister of Agriculture, which suggest the possibility of transferring the service to Calgary on a cost-share basis as well as a couple of possibilities for retaining the laboratory in Calgary on a user-fee basis. Certainly, before the laboratory is closed in Airdrie and amalgamated with the Edmonton food laboratory, these and other possibilities must be considered.

A situation similar to the Airdrie laboratory was the possibility of closing the Calgary motor vehicles office. Mr. Speaker, original plans had been to close the northeast Calgary office completely. I don't mind saying that partly through my work to prevent that from occurring, northeast Calgary still has its motor vehicles branch. It will remain open, though with reduced functions, so that in this case we all win. All three offices in Calgary

will then have an equal balance to service all of our city, and I thank the minister for that consideration.

The recent arbitration agreement between Edmonton Telephones and Alberta Government Telephones is another concern to my constituents. The decision, which leans heavily in favour of Edmonton Telephones, leaves a lot to be desired, particularly in southern Alberta. As a result of the decision the city of Edmonton will receive a greater share of all long-distance revenue generated in Alberta as well as an extra \$27.5 million for 1985. As far as I am concerned, this is a situation that is simply not fair.

To rectify that situation, I've put forward the following solution: move the AGT headquarters to Calgary. By doing this, the economic spin-offs presently being enjoyed by Edmonton would be transferred to Calgary. Presently they get it both ways. In this way Edmonton would no longer be able to enjoy the revenue and economic spin-offs to their service community that result from having both its own Edmonton Telephones office along with the Alberta Government Telephones office in the city. It is high time that Calgary received the same kind of benefit in this area as Edmonton.

Economic spin-off by continually depleting the share of government dollars to the service sector of our community must be better balanced. Too often, Mr. Speaker, it seems that reductions in the public service end up being reductions that favour the Edmonton community at the expense of the Calgary region. Reductions should not hit one region harder than another. As far as possible the difficulties associated with necessary reductions should hit all regions of the province equally so that no one area faces extra hardship.

Another area which I feel I must bring to the attention of the House is that of the Alberta Mortgage and Housing Corporation. This corporation has hurt some individuals quite badly and seems to be in terrible disarray. I believe it is important that Albertans be given the opportunity to review this corporation, and that is why I intend to bring a motion to the House on this very matter. The Alberta Mortgage and Housing Corporation should, as soon as possible, stop investing funds in any projects other than seniors' accommodation while measures should be taken to allow the private sector to take over lending to individuals and businesses. This is certainly an area in which the spirit of free enterprise should be given a freer rein, and I therefore challenge the government and members of this House to have the courage to support an independent review of the Alberta Mortgage and Housing Corporation, as outlined in my Motion 226.

The matter of gambling casinos is another in which the spirit of free enterprise should apply. There is simply no sense in letting tourist dollars fly south to Nevada for something that could enjoy just as healthy a business climate in Alberta. And as well as the tourist dollars generated, the opening up of casinos in Alberta would also see the generation of many jobs, something that in these economic times should not be ignored. We can create a good, healthy environment with strict controls similar to those in many European communities.

Mr. Speaker, another matter which needs immediate attention is the issue of liquor sales. It is a well-known fact that not all bars are closed on Sunday as the law requires. As far as I am concerned, if the law has been broken, then it ought to either be properly enforced or re-examined. In the case of liquor sales, I am of the mind that it be the latter approach that is taken. Bars should be allowed to stay open for extended hours, the number of which should be determined by the consumer. There are

many areas, Mr. Speaker, where people are ready and willing to support freedom of choice. I think the matter of liquor sales should be one of them. I challenge the government and the Legislature to pass Motion 209 or parts thereof. Job creation is important. Are you ready for the challenge?

As I speak on these various areas, I wish to make clear that it is not only my personal opinion that I'm trying to put forward but also the views of many constituents in Calgary. The fact that I am personally opposed to the mandatory wearing of seat belts is fairly well known. However, so is the fact that I support my constituents and will represent their views when they differ from mine. Such was the case on the issue of seat belts when several surveys that were conducted showed to me that my constituents overwhelmingly supported seat belt legislation.

Mr. Speaker, I wish for the record, however, to state the fact that I am opposed to game ranching and the sale of Crown lands.

I would also like to address another highly controversial issue by stating that I would like to see South African wines back on the shelves in Alberta, not because I'm opposed to the regime that continues to impose degrading and unequal conditions on its black population, because it is my belief that economic sanctions only end up hurting the people that they aim to help. Furthermore, sanctions of this kind should be voluntary. Surely we do not need a paternalistic government that tells us how and what to sanction. And if Albertans wish to impose economic sanctions on South Africa, they should do so on a voluntary basis through the nonpurchase of their products.

Mr. Speaker, the area of parks in our communities in north Calgary, and especially in northeast Calgary, often comes up. We have 1,100-plus acres of developable land in Nose Creek that would service the needs of all those citizens in the northeast area of Calgary. A 40-acre parcel of land certainly will not do justice to all those citizens, and I urge -- wherever possible, either some lottery moneys -- the city of Calgary and the government to develop some enhanced funding arrangements through manpower initiatives or whatever to assist in the development of this very much needed area for parkland for the residents in northeast Calgary.

Finally, I would like to comment on a couple of truly positive areas for Alberta. The first has to do with the very successful financial deal undertaken by the Alberta government in the last year. In the 1986 IFR review Alberta was named as closing the bond deals of the year for its handling of Eurobonds. Mr. Speaker, against all the odds, as well as against Alberta's challenging financial position, Alberta's first-time negotiating team managed to close Eurobond deals with enough skill and flair to surprise even the long experienced lead managers. This is just another example of the resourcefulness and initiative of our province. We can all feel proud of that deal.

As the 1988 Olympics approach, I wanted to say once again how proud I feel to have been a member of the original group that traveled to Baden-Baden, Germany, to bring the games to Calgary. This effort through hard work and initiative will show Calgary and Alberta to the world. We should all be proud, Mr. Speaker. In any case, the Olympics will be an ever-increasing source of pride and excitement as they draw near. I am, for one, truly excited about the 1988 Olympics in Calgary, and I know Calgarians and all Albertans share that feeling.

Mr. Speaker, this province must face the challenges given to us by the difficult world economic situation, and this budget shows that this government is ready to do just that. Despite the

fact that the media, with all its sensationalism, public blackmail, and alarmist headlines, determinedly highlights only the economic difficulties that can never be solved to everyone's satisfaction right away, this government is doing good things for all Albertans. It is making the cuts necessary to ensure that Alberta has a strong and healthy future. The irresponsible manner in which our hon. opposition would handle the same situation would only be to plunge this province further and further into debt. More and more spending today would only hurt the people they want to help tomorrow. This government, on the other hand, is going to do all it can to protect and support Albertans today, despite economic difficulties, and provide for an exciting tomorrow.

Mr. Speaker, it is important to remember that Alberta still has much to offer. It is a rich province in its resources, in its people, in its heritage, and in its future. Whatever difficulties we must overcome, I have no doubt that we will come out on top and we'll certainly be better off in the future. After all, it's not only our legacy; it is our children's.

Thank you for the opportunity. [Two members rose]

MR. DEPUTY SPEAKER: Order please. I believe the hon. Member for Edmonton Centre caught the Chair's eye first. Member for Edmonton Centre.

REV. ROBERTS: Thank you, Mr. Speaker. I'm indeed pleased and privileged to be able to participate in this debate on the budget, a very important debate that is needed on a very important budget, one that puts into dollars and cents the lofty ideals of the Speech from the Throne. I must tell you, Mr. Speaker, just before the Treasurer leaves, how I am somewhat intimidated, not being a financial expert or economic genius as the good Treasurer is.

ANHON. MEMBER: But you've been to Harvard.

REV. ROBERTS: That's right. But it seems to me, Mr. Speaker, that one of the real things that needs to be brought to bear in terms of the budget debate is not just an economic analysis, an economic theory, not just the Treasurer's ideology and his departmental officials', but rather a real sense of values, an understanding of what the values are in our province and the values that are held by the people of our province. It is those values which need to be brought to the budgetary process. The values of average Albertans and us, in reference to our constituents, are what is needed in the budgetary process as well as economics.

For we all, Mr. Speaker, realize that in Alberta today there is a loss of Utopia. We realize that with the fall of commodity prices the halcyon days of spending are over. And no matter what political ideology, what economic theory, one has held, certainly the fall in the world oil prices and the hit of the grain prices has been a blow to the economy of Alberta. No one, I guess, could have predicted it, and yet with unpredictable force it has hit us, the irony of course being that for central Canada such a drop in prices is a boost in their economy. With low fuel prices their manufacturing economy can take off, whereas for us here in Alberta we now for the first time must face a substantial deficit and the continuing chronic tragedy of unemployment.

This loss of Utopia, Mr. Speaker, I'd even say would be a loss of a capitalist Utopia or a socialist Utopia, for the budget that is presented to Albertans is not one that is based in ideology but one that is based in real, hard data, a budget that's brought to

Albertans who, in a sense, don't even have faith in economists anymore. And we as legislators should stop trying to kid ourselves that we have any perfect solution or any pure approach. Certainly government in our day and the economy is more a matter of art than it is of science. I am the first to admit that I have made my mistakes, my errors in thought, word, and action. And we as New Democrats confess that in speaking up for average Albertans, we do not have all the answers or all of the perfect solutions. [interjections] How about it? I thought they were going to applaud for that one.

However, with the real loss of Utopia, with the real deficit that we face and the chronic unemployment that is around us, we must look together at what is the most successful series of compromises and have those compromises dictated to by the best values that we can bring to the debate, the best sense of direction, the best emphasis that we want to bring about in terms of the best economic and social policy that will result in the best for the common good.

So, Mr. Speaker, the real debate as I understand it is in these terms: it is whether we're going to focus on and control the reduction to reduce the deficit, or whether we're going to focus on to control and reduce the rate of unemployment. Clearly, in the Budget Address and the government policy there are clear plans for reducing the deficit to zero within four years. There is not in the Budget Address -- as I see it, Mr. Speaker, though there are some attempts -- any such clear plan for reducing unemployment to the zero level within four years. Certainly my constituents are divided on the issue. Which to go at first, the deficit or the unemployment problem?

But my experience as an MLA so far has been experience with people who have been ravaged by the tragedy of unemployment, and when I look at the situation of these two evils that exist in our economy, that of the deficit and that of unemployment, it seems to me, Mr. Speaker, that the greater of the two evils is unemployment. It is unemployment which needs to be looked at first. And this is not a conclusion which I've reached just out of my own experience, but it is also the conclusion that has been reached out of a solid segment of my constituency, which is the churches of my constituency. As I've been familiar with the mainline churches, particularly the Anglican, United, Lutheran, Baptist, and Roman Catholic churches in a downtown ministerial in the city of Edmonton ~ and I might point out that the root of the word "ecumenical" is the same as the root of the word "economy." They both have to do with the Greek word "the household."

And so it is within the household of the church that values have been brought to bear upon the household of our society. And let me tell you that Roman Catholics, Mr. Speaker, in my constituency, headed by the Canadian Conference of Catholic Bishops and the Pope, in clear Vatican documents have said over and over that in these difficult economic times and in this fallen world there are but two values which are pre-eminent, two values which matter most in public policy. And these two values are, simply put: number one, the preferential option for the poor and, number two, the special value, dignity, and priority of human labour over capital and technology.

Of these two great values, of these two commandments, if you will, I might even be willing to debate with hon. members and concede to some degree that in fact this Conservative government and this budget do in some ways exercise policies which do maintain the value of a preferential option for the poor. There are, as I have read the budget, clear tax exemptions and exemptions for user fees and others for social policy and

programs, exemptions for those with low income. The question I still have though, Mr. Speaker, of the government is whether its policies really do root in a concern for the poor or whether it's a condescension and sympathy that is felt. Certainly the welfare rolls have swollen. Certainly the rich are getting richer and the poor are poorer in our province. But at least there is the social safety net and at least we have MLAs and cabinet ministers who do from time to time visit the food banks, the low-cost housing centres, who do get their hands dirty in the nitty and gritty of poverty in our province.

But, Mr. Speaker, it is the second principle that my Roman Catholic brothers and sisters and the bishops are telling us; it is the second principle and value which I feel really needs to be hotly debated by members of this Assembly, because I feel from my perspective that the second value has been grossly violated by this budget. And that is the value of the dignity of human work and labour, the priority of human work over capital, the belief that the economy and the technology are tools to serve the common humanity, not that the average Albertan is here to serve the economy and technology. His Holiness Pope John Paul II in his encyclical Exercise of Human Labour, has said:

It is through the activity of work that people are able to exercise their creative spirit, realize their human dignity and share in creation. By interacting with their fellow workers in a common task, men and women have an opportunity to further develop their personalities and sense of self-worth.

Such tasks, such work, must be available to all men and women.

Further to that statement by His Holiness Pope John Paul, we have the statement from the Canadian Conference of Catholic Bishops in their Ethical Reflections on the Economic Crisis. In their statement they give five points that need attention.

MR. HERON: Spare us.

REV. ROBERTS: The first statement is -- I wouldn't want to spare you from the words of the Catholic bishops, Member for Stony Plain -- that we need to give priority to fight the fight against unemployment while not ignoring the deficit; the second point is to put economic burdens not on low-income people; thirdly, as the minister of career development is trying to do, to develop an industrial strategy to create real, permanent employment; fourthly, to involve local communities in plans of co-ordinated action; and fifthly, that the budgetary process of governments have input from ordinary people.

So, Mr. Speaker, in spite of these statements from the hierarchy of the Roman Catholic church and despite the articulated organizing principle which is rooted in this value of the dignity of human work, which is rooted in centuries of tradition prescribed to by thousands of Roman Catholics and other Christians in my constituency as well as throughout Alberta, this budget at this time from this government, in my view, has clearly violated this principle of priority for human labour and, in fact, has contravened the principle which has been so articulated by putting an emphasis on the deficit more than an emphasis on reducing unemployment.

The emphasis is clearly on the deficit reduction. The basic operating principle is that of balancing the books in four years, with a promise of a labour market strategy. Such a promise we still feel to be weak. It should be the number one goal. Where are the statistics to show that by 1990 there will be 5 percent unemployment in the province, that by 1992 there will be zero percent unemployment in the province?

The hope of the private sector alone in creating jobs, it seems to me, is pure ideology. What about the federal government, Mr. Speaker, who this very day is going to have to increase its federal deficit by \$350 million in order to give \$350 million to support job creation in the oil and drilling sector here in the province of Alberta? Certainly the federal government has decided it has to increase its deficit in order to create jobs in the province. Its priority, it seems to me, is on job creation and getting votes than it is on controlling the deficit. The same phenomenon is true of the President of the United States, who in coming in on a platform of reducing the deficit has in fact increased the deficit for military spending and for many other of his priority programs to get votes in the United States.

It seems to me, Mr. Speaker, that the Treasurer of this province should by regulation first be a successful Minister of Social Services, that the Treasurer of this province should be first a successful Minister of Career Development and Employment, for it seems to me that the only way to reduce health care costs substantially is to reduce unemployment to zero, for the effects of unemployment -- in terms of alcoholism, suicide, mental depression, chronic mental ill health and physical health -- are increasingly costly to our health care system. The obedience to the Canadian Conference of Catholic Bishops' principle would clearly have forced any government to look at it, to have forecast it over four years, and to have targeted clearly how it is going to decrease the unemployment rate to zero.

Again, Mr. Speaker, we see that the province of Manitoba has the lowest unemployment rate of any province in Canada at 6.7 percent. Sweden has had an unemployment rate of about 2 percent. The minister of career development -- and I do want to encourage him in his efforts -- it seems to me has been trying unsuccessfully to talk about job creation when it really hasn't been there. The minister's claim recently about 60,000 full-time jobs having been created in Alberta in 1986 really does not jibe with the fact that there are 29,000 more people unemployed at the end of the year than there were at the beginning. Where did all the jobs go, if there were 60,000 new jobs and yet 29,000 more people unemployed by the end of the year?

The reality of my constituents and the people that have been talking to me suggests that the unemployment strategies are not working. Instead, Mr. Speaker, we have the prospect of even more unemployment with deregulation taking off, with cuts to government incentives, and with free trade. And I've yet to see any studies which indicate that with a free trade arrangement with the United States, more Canadian jobs will ensue. In my constituency there's a constant stream of people who need help with unemployment insurance, retraining programs, who want me to look at their résumés, who want me to give them references for jobs. The elderly in my constituency, in a way that I find to be rather profound, are less concerned about their own health and well-being than they are about a job for their own grandchild.

In Edmonton Centre we have both the public sector and the private sector working together in what we know to be called the service sector, which is a combination of services provided both by the public and private sector. And the number one service in my constituency is the hotel and restaurant and hospitality industry: highly labour-intensive, highly creative, an industry of which I'm proud and want to develop as the third largest industry, that being tourism, in the province.

Well, in its fury to harness the deficit, the government has dealt an unfair and discriminating blow to my constituency and to the hospitality industry and to Alberta's third largest industry

by imposing a 5 percent hotel room tax. Who is in charge in the government anyway, Mr. Speaker? Who has studied the negative impact this is going to have on hotels, the declining number of tours that are going to come to Alberta, the number of laid-off workers that the hotels, who already have a 57 percent occupancy rate, are going to have to lay off more of their workers, causing more unemployment? The service sector wants to pay its due to reducing the deficit, but this is clearly unfair and clearly been done with no consultation.

So in conclusion, Mr. Speaker, let me sadly say that this budget is an exercise in violation. While it has been well intentioned and is certainly fiscally conservative, it violates two of the most basic principles and values held by the members of the Roman Catholic Church. It violates the evidence of other jurisdictions which clearly shows that unemployment when it's brought under control is much greater of a good than a deficit that is brought under control. This budget has violated the process of consultation, both in terms of its impact on people and input from average Albertans. Finally, it is a budget that violates, that betrays the common good, for when there is no guarantee, no clear method for reducing the unemployment rate to 5 percent or zero percent, then we are not in for a better day but one in which the debate in this province is going to flare even more loudly and more vociferously until the next election

is called.

Thank you, Mr. Speaker.

MR. HYLAND: Mr. Speaker, I beg leave to adjourn debate.

MR. DEPUTY SPEAKER: Moved by the Member for Cypress-Redcliff that this debate be adjourned. All in favour, please say aye.

HON. MEMBERS: Aye.

MR. DEPUTY SPEAKER: Opposed, if any? So ordered.

MR. CRAWFORD: Mr. Speaker, tomorrow night the House will sit and will begin by Committee of the Whole on the Bills which were given second reading today plus Bill 2, Daylight Saving Time Amendment Act, 1987, and, if there's time after that, will go into Committee of Supply and deal with the estimates of the Department of Agriculture.

[The House adjourned at 5:29 p.m.]