

**LEGISLATIVE ASSEMBLY OF ALBERTA**

Title: **Friday, April 10, 1987 10:00 a.m.**

Date: 87/04/10

[The House met at 10 a.m.]

[Mr. Speaker in the Chair]

**PRAYERS**

MR. SPEAKER: Let us pray.

O Lord, we give thanks for the bounty of our province: our land, our resources, and our people.

We pledge ourselves to act as good stewards on behalf of all Albertans.

Amen.

**head: NOTICES OF MOTIONS**

MR. CRAWFORD: Mr. Speaker, I want to inform the House now under notices that before the end of the sitting day today I will be filing a notice of motion which will appear as a motion next week. Basically, it will refer the matters that involve the hon. Member for Athabasca-Lac La Biche and involve the privileges in respect to the question of the speaking of the French language so far as that relates to a matter of privilege. The intent would be to refer that to the Committee on Privileges and Elections, Standing Orders and Printing in accordance with the statement made by the Premier yesterday. When I file the motion, I will provide a copy to the House leaders so that they will know the intent.

**head: TABLING RETURNS AND REPORTS**

MR. SHABEN: Mr. Speaker, I wish to table two annual reports: the annual report of the Alberta Motion Picture Development Corporation for the year ended March 31, 1986, and the annual report of the Department of Economic Development and Trade for the year ended March 31, 1986.

**head: INTRODUCTION OF SPECIAL GUESTS**

MR. MUSGROVE: Mr. Speaker, it's my pleasure today to introduce 16 grade 8 students from the Bassano school. They are accompanied by their teacher, Mr. Driscoll; three parents, Mrs. Pat Dyck, Mrs. Debbie Hein, and Mr. Rick Ratzlaff. Unfortunately, they are seated behind me in the public gallery, but I would ask them to rise and receive the warm welcome of the Assembly.

MR. SPEAKER: Member for Edmonton Kingsway.

MR. McEACHERN: Thank you, Mr. Speaker. It gives me great pleasure to introduce to you and to members of this Assembly, 13 students from grade 10 at the Coralwood junior academy in the constituency of Kingsway. They are accompanied by two teachers, Mr. Tony Reeves, the principal, and Mrs. Lorraine Popik. They are seated in the public gallery, and I ask them to rise and receive the warm welcome of this Legislature.

MR. SPARROW: Mr. Speaker, I have the honour to introduce to you and through you to members of the Assembly, 54 grade 6 students from Caledonia Park school in Leduc. They're accompanied by their two teachers, Mrs. Foley and Mrs. Nicol. Four parents are with them: Mrs. Winch, Mrs. Huckabay, Mrs. Knull, Mrs. Cox. They are seated in the members' gallery. I wish they would rise and receive the warm welcome of the House.

MR. SPEAKER: Also, Minister of Forestry, Lands and Wildlife for a second time.

MR. SPARROW: Thank you, Mr. Speaker. I also have the honour to introduce to you 23 students in grade 6 from the J.E. Lapointe school. They are accompanied by their teacher, Mrs. Yearwood. They are seated in the members' gallery, and I also would like them to rise and receive the warm welcome of the House.

**head: ORAL QUESTION PERIOD****Tendering Process**

MR. MARTIN: Mr. Speaker, I'd like to direct my question to the Minister of Public Works, Supply and Services. It relates to the government's decision in October to reward friends of the government with one of the richest property deals ever rewarded by any government in the history of Alberta. On April 3 the minister told the House, and I quote: "We did it to participate in the redevelopment of our downtown capital city." My question to the minister is this: will the minister inform the House as to when the government decided to participate in redeveloping the block on Jasper Avenue between 101st Street and 102nd Street?

MR. ISLEY: Mr. Speaker, I thought I made very clear to the House that we followed up discussions on this matter for two I think very good reasons: number one, the creation of some badly needed jobs in this city -- and I've shared with the House the number of jobs, both direct and indirect, that will be created, and I'm amazed that the hon. member would appear to be opposed to that -- secondly, the redevelopment of downtown Edmonton. I think I also made clear to the House that many developers came forward in discussions with proposals and ideas, and we eventually came to agreement with Olympia & York because they brought the most to the table from a job-creation perspective.

MR. MARTIN: Supplementary question, Mr. Speaker. We've heard about these eight imaginary developers before. A very specific question to this minister when did the government decide to participate in this development?

MR. ISLEY: Mr. Speaker, our interest in the development or in any type of developments that would create jobs at noncost to my budget was certainly ongoing. I would assume the final decision was reached when we signed the agreement to lease space in this project in 1990, and I believe I've indicated to the House that that was during the month of October, 1986.

MR. MARTIN: Well, that's very interesting. Mr. Speaker. Land title records show that the Tory campaign manager had most of the properties in this specific block sewed up by July 23, 1986. My question to the minister is: why did the minister

tell the House it was impossible to go for tender for this office space because it was a site-specific project? Did he mean that only Tory campaign managers should apply?

MR. ISLEY: Mr. Speaker, I think the hon. member should understand that if we were going out to tender for 400,000 square feet of office space, we would have lots of people interested in building 400,000 square feet of office space, and that would be all that they would be prepared to build. With our commitment to this project, I repeat again, we'll have created, when the total project is completed, 2,500 man-years of direct employment, about 2,900 man-years of indirect employment, and man-years translate into a significantly higher number of jobs. You couldn't have done that with an open tender.

MR. SPEAKER: A final supplementary.

MR. MARTIN: Mr. Speaker, it seems things aren't as the minister says. He said there's ongoing discussions. We know that by July 23 Mr. Mabbott had most of these properties sewed up, and we know that this Tory campaign manager began acquiring options to the properties in question on May 16, eight days after the provincial election. How is it that the campaign manager of the Conservative Party comes into possession of a site picked by the government for redevelopment at this time frame?

MR. ISLEY: Mr. Speaker, I've suggested to the hon. member on earlier occasions that if he's interested in any business dealings that occurred between Olympia & York and anyone that worked for them in their land assembly or anyone that was working with them in any other sort of a private-sector consulting capacity, those questions should be directed toward Olympia & York. I indicated to the House the day I made the announcement, or the day following, that all my dealings in this matter, all my negotiations, all my meetings, were with Mr. John Sheppard, vice-president of Olympia & York, who I believe was showing a great deal of confidence in our capital city in creating these construction jobs at a badly needed time.

MR. TAYLOR: A supplementary, Mr. Speaker, to the minister. This is a make-work project. Now, obviously Olympia & York, instead of getting a cash grant, are getting a cash cow in hidden rewards in a very expensive rental deal. Consequently, if it's a work project, was the Minister of Career Development and Employment or the city of Edmonton consulted on this method of creating jobs?

MR. ISLEY: Mr. Speaker, I would say that this was a method of using the purchasing power of government without laying down any dollars out of this budget and maybe no additional dollars out of a future budget to create some badly needed employment. I'm amazed that people would appear to be in opposition to a project that (a), is creating a few thousand construction jobs in a city that sorely needs them and (b), is participating in the redevelopment of downtown Edmonton. I just can't believe it.

MR. R. SPEAKER: A supplementary question to the minister. Could the minister indicate whether the range of rental rates that was established was established on the basis of a rate of return to the investors, or were the rental rates established on the basis of what rental rates were projected to be in 1990-1991?

MR. ISLEY: Mr. Speaker, I can state very clearly to the House that the range of rental rates, as I've already indicated, was felt necessary so that there was protection for the public on the upside, protection for the developer on the downside. And I can assure the House that we are currently paying some lease rates within that range.

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

MR. MARTIN: Yes. Mr. Speaker, I'd like to designate my second question to the Member for Edmonton Avonmore.

### Education Funding

MS LAING: My question is to the Minister of Education, regarding the ceiling she has placed on equity grants. Sparsely populated rural counties without corporate tax base have a tough time meeting the cost of quality education. The minister is now bypassing the formula established to ensure that rural school boards are able to provide their students a quality education, and as a result of the ceiling put on equity grants, the boards most in need of funds will receive much less than they expected for the 1987-88 school year. Given the desperate state of the rural economy, doesn't the minister recognize the injustice of hitting those most in need?

MRS. BETKOWSKI: Mr. Speaker, the one portion of the Department of Education budget which will increase, despite reductions in other areas, is the equity portion. The reason for that is that when we are in a time of fiscal restraint, those school boards which have less fiscal capacity than others are affected more seriously than those who have a better capacity to raise the dollars locally. In fact, there has been an increase in the equity, and as well I have built in another portion, not strictly within the equity formula but in terms of contingency funding, which will recognize those boards which are most hit by both the reduction plan and the lack of fiscal capacity locally to raise dollars.

MS LAING: Mr. Speaker, did the minister consult specifically with those school boards to see how they would be expected to cope with the additional burden of reduced equity grants in the cases where that in fact will occur?

MRS. BETKOWSKI: Mr. Speaker, I welcome that question because in fact consultation was a major part of my budgetary process, which I would describe as starting in about the early part of November. I gave school boards a general notice that there would in fact be a reduction in the general area, in the per-pupil grants. I did that in early December and then subsequent to that met with every school zone in this province and virtually every school board to discuss the effects of the reduced funding. I am pleased that the communication process has been well established and continues, in fact, to this day.

MS LAING: I'm pleased to hear of that consultation process, but I would ask the minister: in the face of the declining rural economy, what options can the minister suggest to school boards besides either increasing taxes, reducing the quality of education, or increasing user fees?

MRS. BETKOWSKI: Mr. Speaker, I'm confident that school boards, in dealing with the difficult fiscal issue which is before

them, are in fact placing the maintenance of quality in education as their number one priority. School boards across this province are dealing with the issue. They are dealing with it the best they can, and I am confident that the process is working and that school boards are responding in a very, very responsible way.

MS LAING: Mr. Speaker, I would question how the minister can say that the quality of education will be maintained. Has she done a district-by-district study to discover how many students spend more than three hours per day on school buses, how many students are being forced into two- or even three-grade classrooms, and what effect these practices have on the quality of education and the quality of family life in rural Alberta?

MRS. BETKOWSKI: Mr. Speaker, the quality of education in this province is very high and will remain high in spite of the difficult fiscal situation which we are all in. Rural education in this province does face some special challenges, and I am very much aware of those challenges. I would make two points to the hon. member: number one, I would be pleased to get into the matter in more detail during my estimates and, number two, . . . I've forgotten my second point. I'll have to sit down.

MR. SPEAKER: Supplementary, Member for Calgary Buffalo.

MR. CHUMIR: Thank you, Mr. Speaker. The minister has received a report recommending the amalgamation of the Starland and the Drumheller school districts. I wonder whether the minister is ready to make an announcement on that and whether or not the pressure which was put on the Starland school district in that instance is a reflection of a broader policy of the government to encourage and perhaps force amalgamation of rural school boards for purposes of reducing costs and for any other reasons that the government may have in mind.

MRS. BETKOWSKI: Mr. Speaker, it is not my intention nor is it the intention of this government to force school boards to amalgamate with other boards. I do believe, though, that there may well be efficiencies that could be effected by looking at some novel and innovative ways of dealing with the difficulty which fiscal restraint places upon us.

My second point, which I had unfortunately forgotten in my last answer, was simply that the quality of education in this province in my view does not solely depend on the number of dollars that are going into it. We have worked very hard to maintain the quality of education in this province, and it is certainly my first priority and this government's first priority to ensure that that continues.

MR. SPEAKER: Member for Westlock-Sturgeon.

MR. TAYLOR: Mr. Speaker, I'd like to designate my question to the Member for Edmonton Gold Bar.

MR. SPEAKER: Member for Edmonton Gold Bar.

### **Social Services Voucher System**

MRS. HEWES: Thank you, Mr. Speaker. We've been informed that the Social Services department is considering the implementation of a food voucher system which would be computer coded and would limit the products that can be purchased. They would also limit food purchases to stores that have com-

puter coders. My question is to the Minister of Social Services. Can the minister confirm whether her department is considering a new food voucher system for social allowance recipients?

MRS. OSTERMAN: Mr. Speaker, I have no such system under consideration.

MRS. HEWES: Mr. Speaker, thank you; that's very good news and it will be a beginning to relieve the anxiety that is mounting about such a system. Will the minister then assure this House that no system will be put in place that restricts recipients to certain stores?

MRS. OSTERMAN: I can make that assurance, Mr. Speaker.

MRS. HEWES: Thank you. Mr. Speaker, will the minister assure the House that no food system will be put in place that would in any way restrict diabetics, ethnics, or religious groups with special dietary considerations to certain outlets?

MRS. OSTERMAN: Mr. Speaker, I am aware that when there are cases that a special diet is needed and it is mostly based on medical evidence, that diet or the amount that is required for that diet is provided.

MRS. HEWES: Mr. Speaker, I'm pleased to hear that the minister has no plans, because this is a system that is widely being talked about in Alberta. Will the minister then assure the House and all Albertans that no system will be implemented or is under consideration which would unfairly favour some stores with the millions of dollars that those purchases would entail and adversely affect the business of many small retail operations throughout the province?

MRS. OSTERMAN: Mr. Speaker, the assurance that I would be pleased to give the House is that all efforts will constantly be made to make sure that the clients have the widest access possible to the food system or whatever other basic necessities they must purchase.

MS LAING: Supplementary to the minister. I have personal knowledge of a time when clothing vouchers were in fact designated for certain stores. Is that practice no longer in place?

MRS. OSTERMAN: Mr. Speaker, from time to time I have had raised with me the fact that vouchers were not always utilized in a manner for which they were intended, and certainly we would make every effort to provide the widest discretion possible for our clients. Where there are specific instances where this is not possible, I believe the House would understand.

### **Business Transfer Tax**

MR. R. SPEAKER: Mr. Speaker, my question is to the Provincial Treasurer. The federal government intends to announce a business transfer tax, possibly to replace the manufacturers' sales tax, in its upcoming tax reform package. This tax could certainly affect Alberta industries in terms of paying more tax, and some of the tax in Ontario and Quebec could be reduced because of it. Could the minister indicate what presentation is being prepared by Alberta in order to put forward a strong case against this tax for Alberta industries?

MR. JOHNSTON: Mr. Speaker, with respect to the area of tax reform itself, it's my understanding that the federal government's agenda, first of all, will deal with adjustments and corrections to the income and personal and corporate tax income systems, and that over the period there'll be final consideration with respect to the business transfer tax. Yet it is clear, from our point of view -- several implications are readily apparent and evident to us as we analyze some of the initiatives and discussions that we've had with the federal government.

Obviously, the first would be the revenue impact on the province's own source of funds. Obviously, we're quite concerned about the impact, the final impact, of any additional business transfer taxes on producers and particular industries in this part of Canada and in this province in particular. And we are at the present time analyzing and reviewing ways in which the business transfer tax, in supplanting the manufacturers' sales tax, would impact on the Alberta economy. There will be an opportunity, I'm sure, for discussion of that point, either by resolution or motion or in public debate right across the province, once we know the details of the total tax package.

MR. R. SPEAKER: Mr. Speaker, to the minister. Could the minister indicate whether some type of a forum has been established between the government and the private industries of Alberta to put Alberta's position into a co-ordinated package rather than just a government perspective?

MR. JOHNSTON: Well, of course, Mr. Speaker, there are a variety of organizations in this province already who have made clear and very precise recommendations to us as to the impact of the various taxes on the local industries they represent, and we will continue to encourage and to foster that discussion. One of the troublesome problems right now is that we have no formal position from the federal government that we can ask and seek response upon.

MR. R. SPEAKER: Mr. Speaker, final supplementary to the minister. Would the minister be considering a resolution before this Legislature to discuss this tax and, one, not only to air the implications but as well consider a public forum through the Public Affairs Committee to invite Albertans to make presentations on the same?

MR. JOHNSTON: Again, Mr. Speaker, I'm open to all suggestions. I think in matters of taxation all governments, including this government, encourage the widest possible participation, because there are a lot of experts in the field who know much about various taxes and of course could lend much to the consideration and discussion of these issues. Obviously, from Alberta's point of view, we're concerned about this business transfer tax being imposed on industries, industries which may be competing both in the domestic Canadian market -- and of course a business transfer tax may in fact distort some of the current economic strengths and advantages which exist to Alberta industries.

Outstanding at this point as well, Mr. Speaker, are those questions as to what kind of sales will be taxed by the business transfer tax. For example, how will you deal with such questions as some of the moderate as opposed to total value-added production which is transferred to other parts of Canada? And certainly all governments, including this government, are in particular concerned about the so-called regressivity of that tax; that is, what will happen for those people in the so-called lower

income levels? As we have done in our own tax regime with respect to the personal and corporate tax, we have ensured that the low income is protected in this province in a variety of initiatives, and we'd like to see that complemented with the business transfer tax in particular, which, it is suggested, at least in a particular time period, seemed to be a regressive tax.

MR. TAYLOR: Supplementary, Mr. Speaker, to the minister. Have you made representations or have you had any indication from the federal government whether there will be a business tax on the transportation portion of any product? Located where we are, transportation is a very important part of our competition. Is the government of Canada intending to put a business transfer tax on transportation?

MR. JOHNSTON: You know, Mr. Speaker, from time to time I don't mind giving credits to members when they come up with some fairly salient observations, and this is one of the first that I've seen from the Member for Westlock-Sturgeon. In fact, that is one of the big issues, as a matter of fact, as to how this tax would apply on transportation. As the member well knows, only the indirect input costs in transportation are now taxed to the manufacturers' sales tax. We have some concerns about whether or not a business transfer tax would be applied to transportation, and obviously there would be some significant dislocation with respect to the commodities which were accessed into foreign markets or into domestic markets. I appreciate the fact that the member has done at least some homework on this issue.

MR. McEACHERN: A supplementary to the Treasurer. Given that the Alberta corporate taxes are very low compared to the private individual taxes, when the feds increase this business transfer tax or institute it, will the Treasurer make sure that Alberta gets its share of those taxes?

MR. JOHNSTON: If the member is suggesting we should bring in a sales tax, I think we made it very clear that this government of course wants to maintain the unique advantages which exist in this province; that is, we are not in favour of a sales tax.

It's interesting that the socialists across the way argue about protecting the low-income individuals in this province. They know full well that we're doing that, but now they're advocating a sales tax, Mr. Speaker. That's unbelievable.

### Unemployment Statistics

MR. MUSGREAVE: Mr. Speaker, I'd like to address a question to the Minister of Career Development and Employment. It is my understanding that the labour force statistics on unemployment were released today by Statistics Canada. I wonder if the minister could advise the Assembly if there's been a significant change in the rate of employment and unemployment in the province for March of this year?

MR. ORMAN: Mr. Speaker, I'd begin by saying that the rate of unemployment in this province is far too high and a matter of extreme concern for us on this side of the Legislature. I would also like to point out that the rate of unemployment in Alberta today is higher than it was last year. But I would also like to indicate that there are some encouraging signs, and that is that the adjusted rate has dropped from 11.6 from February to March to 11.1. That is the unadjusted rate, and as far as the seasonally

adjusted rate, Mr. Speaker, it has dropped to 10.2 percent from 10.9 percent.

MR. MUSGREAVE: Supplementary, Mr. Speaker. Could the minister advise if these figures reflect a new trend for employment in Edmonton and in Calgary?

MR. ORMAN: Well, Mr. Speaker. I'm loath to predict based on month-over-month trends. We certainly have to look at Statistics Canada in the context of what they are: they are merely one yardstick in measuring the rate of employment in the province. But I would say to the hon. member with cautious optimism that the trends are encouraging. We have seen one of the biggest drops in unemployment month-over-month in Alberta since 1980 and in Calgary since 1975. That is a very encouraging sign on a month-to-month basis. Edmonton also dropped in its rate of unemployment. Again, I caution members in using Statistics Canada as a yardstick, particularly on a month-over-month basis. But in the overall context of the point that I've just brought to the member's attention, there are some encouraging signs.

MR. MUSGREAVE: A final supplementary, Mr. Speaker. Keeping in mind the cautious optimism of the minister, I still would like to know: what does this reflect in terms of jobs?

MR. ORMAN: Mr. Speaker, again, when we're trying to translate Statistics Canada's numbers into actual jobs, we do have somewhat of a problem, and it's a subject of debate in a motion for a return. But to the best of my knowledge, from February to March there were an additional 18,000 people working in the province of Alberta, in Calgary an additional 9,900, and in Edmonton an additional 8,700.

I would also like to note that 12,000 of the 18,000 jobs created during that period, Mr. Speaker, occurred in the service-producing side of the economy.

MR. SIGURDSON: Given that the capital city region unemployment is up 1,000 over last month and 6,000 over last year, and with 57,000 people unemployed in the capital region, which is 14,000 more than in the Calgary region, has the minister, aside from prayers and Tory patronage, any plans or programs that will specifically address the unemployment crisis in the capital city region?

MR. ORMAN: Mr. Speaker, again, the hon. member may be using statistics that are different than the ones that I'm using. In the Edmonton area there was a drop in the rate of unemployment. Now, again, as the Member for Edmonton Belmont recognizes, the rate of unemployment in Edmonton and throughout this province is too high. I guess I could ask my colleague the Minister of Economic Development and Trade to enunciate some of the 56 initiatives in his department that will address job creation in this province.

I think there's renewed optimism in the energy sector, Mr. Speaker, and I think the dramatic drop in Calgary in the rate of unemployment is a reflection of the federal government's initiatives and this government's initiatives. I believe that the ripple effect will take hold throughout the province, including the capital city region.

MR. SPEAKER: Supplementary, Member for Calgary Buffalo.

MR. CHUMIR: Thank you, Mr. Speaker. Since the minister well knows that retail sales in January collapsed very dramatically in this province, and since the budget is taking \$1.6 billion out of the economy, and since the Olympic spending will soon end, this means trouble. Is the minister going to revise his employment plan, which really at the present time means shuffling money from one pocket to another, and do something which really meaningfully tackles the unemployment problem in this province?

MR. ORMAN: Mr. Speaker, I did indicate to the members of the Assembly just a moment ago that 12,000 of the 18,000 jobs in the last month came in the service-producing side, which to a large extent is in the retail sales/wholesale sales area of the economy. Alberta has traditionally been the highest per capita retail sales in the country. We did dip below Ontario for a brief period of time, and I understand that we are now back to being the highest in per capita sales, so I would say that there is an underlying confidence in the economy. I do not want to exude confidence at this particular time, Mr. Speaker, but I think it's important that we do recognize the trend, and I for one am encouraged by that trend.

MR. SPEAKER: The Member for Vegreville, followed by the Member for Calgary Buffalo.

#### **Rural Telephone Service**

MR. FOX: Thank you, Mr. Speaker. My question is to the Minister of Technology, Research and Telecommunications, and it concerns rural telephone service. Even with the proposed expansion of the extended flat rate calling system, there are still many rural Albertans who for economic, social, or family reasons feel that they're not in the right telephone exchange. They live near the boundary and have to make frequent long-distance calls to neighbouring exchanges. I'm wondering what consideration the minister has given to providing Albertans so affected a onetime opportunity to move their phone or transfer their phone from one exchange to another?

MR. YOUNG: Mr. Speaker, the Member for Vegreville raises the question of the exchange boundaries, and my research into that matter suggests that many of these boundaries originated with the old mutual telephone systems. What we are faced with now is, as has been pointed out -- and many of my colleagues from all over the province have pointed it out to me; they do so almost on a daily basis -- the fact that some of these exchanges do not recognize municipal boundaries and are not convenient from that point of view, nor are they necessarily convenient from a hospital contact point of view or a school jurisdiction point of view. The modernization -- in short, the adoption of digital switching equipment -- will, we believe, enable us to start examining the possibility of modifying those boundaries without undue cost in the future. I think, however, that it will not be possible to engage in that in a major way for five or six years, but I do have hope that the adoption of digital equipment will enable us to make some changes in about that time frame.

MR. FOX: You're welcome. [laughter] A supplementary question. The \$18 million allocated in this year's budget to the rural individual line program is somewhat less than expected, and I'm wondering: does this mean that it will take longer than the original five years projected to supply individual lines to all

rural Albertans?

MR. YOUNG: Mr. Speaker, that's clearly a question which could lead to some debate in estimates but, briefly, that will of course turn on the cost of the program and the availability of resources later on. So the answer at this point is one of uncertainty, but it is my goal to meet the commitments which were made, and I think it's possible to do that.

MR. FOX: A supplementary, Mr. Speaker. If only two or three people on a given party line decide to pay the fee and get the individual line, will the remaining subscribers be forced to pay to get that line? Or will they get the service by default, essentially having a party line all to themselves?

MR. YOUNG: Mr. Speaker, that's a question which of course is hypothetical, in the sense that we haven't yet had to deal with it. Also, it is a question which is partially within the jurisdiction of the Public Utilities Board or controlled by the Public Utilities Board, and that hearing is going on, I believe, today; that's my understanding without checking. But certainly this week the Public Utilities Board has been hearing the sets of conditions and tariffs which would apply.

MR. FOX: A final supplementary, Mr. Speaker. In the time it takes to bring all of the exchanges into this program, has the minister considered any ways that we could limit the number of people on any given party line to two?

MR. YOUNG: Mr. Speaker, our current party line application or use is a maximum of four per party line. Where commercial entities are on those party lines, we have tried to make adjustments as they've been brought to the attention of either Alberta Government Telephones or myself. In most areas where party lines are in use, as I understand from our reviews, most jurisdictions, if not all, have allowed for more than four attachments per line. So ours is the lowest, in fact, where party lines are in use.

MR. TAYLOR: Mr. Speaker, supplementary to the minister, back to the original part on tolls. We've abolished tolls for highways because they didn't make sense. We've got toll-free dialing on phones in the metropolitan areas. When is the minister going to abolish tolls for phone calls within the province of Alberta so the rural will be equal to the urban?

MR. YOUNG: Mr. Speaker, there has to be some system of paying for the provision of telephone services. The question being raised focuses on whether or not there should be some element of user pay. With the tremendous advances that have occurred in technology and the significance of communications, it is possible that some subscribers would use the telephone very little, and others in fact could use it for many hours in a day. We have to address that kind of question along with who pays for the system. Telephones and telephone service will not be free, and we'll have to work out a tariff structure which I think is fair to all and which also requires those who use it most to pay the most.

MR. DOWNEY: Mr. Speaker, to the minister. Certainly there's an acknowledgment that the extended flat rate calling is popular on a provincial basis, but it is a basic violation of the user-pay principle. I'm wondering in that regard if the minister is considering requiring full disclosure of all flat rate charges on

AGT billings.

MR. YOUNG: Mr. Speaker, that again relates to the user-pay concept or at least users being aware of what they are being charged for, and it has been a matter of discussion. No decision has yet been completed on it, although it does show on some bills.

MR. SPEAKER: Member for Calgary Buffalo, followed by the Member for Wainwright.

### Gasoline Pricing

MR. CHUMIR: Thank you, Mr. Speaker. This is to the Premier. Yesterday the Minister of Energy indicated that he was satisfied with the current situation in which Albertans pay 5 cents per litre more for gasoline after taking taxes into account than do consumers in Ontario. This week the Nova Scotia public utilities board ordered that their prices be rolled back by 2 cents a litre in light of overpricing there. What explanation can the Premier give to the people of Alberta as to why we should be paying 5 cents per litre more for gasoline in Alberta, in light of the fact that the oil fields are at our doorstep and are thousands of miles from Ontario?

MR. GETTY: Mr. Speaker, first, the lead-up to the question was incorrect again. As mentioned by the hon. Minister of Energy yesterday, Albertans pay the lowest price for gasoline in Canada, and that's been confirmed by reviews, polls, surveys, or anything else you want to take. Also, the hon. member is a great supporter of that wonderful Crown corporation PetroCan. I'm sure they wouldn't do anything terrible like that.

MR. CHUMIR: Well, we saw recently that the Premier thought that drilling was up during the first quarter of this year over last year, and it wasn't so, and the same pertains with respect to the price of the raw product of gasoline, Mr. Speaker.

The question is: what has the government been doing to explore ways of ensuring that gasoline markets in Alberta are competitive at this time?

MR. GETTY: Mr. Speaker, to make sure that we have an enthusiastic and healthy free-enterprise system.

MR. CHUMIR: It appears, Mr. Speaker, that the Premier is totally happy with the situation of paying 5 cents more for gasoline. What explanation does the Premier have as to why gasoline prices seem to come down so slowly when oil prices are falling, yet move up so quickly when the prices rise?

MR. GETTY: Again, Mr. Speaker, the hon. member is incorrect. Sometimes they move up more quickly; sometimes they drop more quickly.

MR. CHUMIR: Mr. Speaker, is the Premier going to totally abdicate the situation of competition in this particular issue, or will he instruct his ministers to take some steps to ensure that Alberta consumers get the benefits of fair competition in the sale of gasoline in this province?

MR. GETTY: Mr. Speaker, we certainly are, and it's by having a healthy free-enterprise system. It works in Alberta. It would not work under any kind of thinking as presented by the hon.

member or his socialist-leaning party or the socialists themselves. And I might point out that it's unique and ironic, Mr. Speaker, that he's raising the question today, when competition is driving the price of gasoline down to all-time lows in Alberta, where farmers are lining up in huge line-ups to get it. If you had some kind of competitive control, that control would be the bottom; it would never go below that. It's obvious they don't understand the marketplace. I understand that, because they only believe in socialism over there, those two parties.

### Farm Fuel Price War

MR. FISCHER: My question is to the Minister of Agriculture, and it's concerning the price war with the oil companies on farm fuels, which has resulted in diesel fuel selling for as low as 3 cents per litre and gasoline as low as 5 cents per litre. Given that the member for the constituency of Westlock-Sturgeon yesterday asked the government to launch a public enquiry into the pricing of gasoline to stop the gouging of the public, has your department had a chance to evaluate the direct financial benefit that has been given to the agriculture industry?

MR. ELZINGA: Mr. Speaker, we have been monitoring the situation, and as our Premier indicated, we are delighted that the farming population can take advantage of the significant savings. Quite frankly, I wouldn't be out of order by sharing with the House that it would be my hope that this tradition would be more widespread throughout the province of Alberta, because we in this party want to do everything we possibly can to help the agricultural sector.

MR. FISCHER: A supplementary then. Is this price war provincewide?

MR. ELZINGA: Mr. Speaker, to date it has been rather spotty, but it's my understanding that an individual farmer from any part of the province can go to another part of the province to order his fuels, and as I indicated earlier, we would be hopeful, too, that it would become a little more widespread within our province.

MR. FISCHER: A supplementary then. Did your department have any interference with this fuel price, or did the oil companies feel sorry for the agriculture industry and give us a little benefit?

MR. ELZINGA: Mr. Speaker, our department didn't have any direct bearing on it whatsoever.

MR. TAYLOR: Mr. Speaker, a supplementary to the Minister of Agriculture. In order that all farmers, not just the rich ones, can benefit from this temporary price war, would the Minister of Agriculture . . . [interjections] I hear rumblings in the cages.

Mr. Speaker, to the Minister of Agriculture. Would he consider, in view of the fact that it costs \$2,000 to \$4,000 to buy the tanks to store the gasoline to take advantage of it before the rate goes up, loaning those farmers that can't afford it right now the money to buy the steel tanks so that they can store the gasoline before it goes up?

MR. ELZINGA: Mr. Speaker, that's the type of ad hockery we hear on a regular basis from the Liberal Party. We bring forward policies and programs that work on a consistent basis for

the entire credit needs of the agricultural sector, such as the farm credit stability program, which all farmers can access, and we're not about to get involved in an ad hockery program such as the Liberal member has suggested.

MR. SPEAKER: Member for Vegreville, supplementary.

MR. FOX: Supplementary, Mr. Speaker. I'm just wondering, recognizing that businesses in the long term don't like to sell at a loss or lose money, has the minister's department decided to do any investigation to determine whether or not fuel prices charged over the last 10 months were unreasonably high in such a way that enables them to sell at a much reduced rate to farmers now?

MR. ELZINGA: Mr. Speaker, our department not only monitors fuel prices but we also monitor fertilizer prices and chemical prices, and we have found that there haven't been any undue distortions in the market. But as the Liberal chap from Calgary enquired earlier, as is the hon. Member for Vegreville, if they are aware of any irregularities, I would think it would be incumbent upon them to make us aware of that and bring it to the appropriate authority so that we could take action in the event that it was required.

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MR. SPEAKER: The time for question period has expired.

The Chair has a request, an unusual request, from the Member for Athabasca-Lac La Biche, requesting unanimous consent of the Assembly to deliver a brief statement to the House. Does the Assembly agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Hon. Member for Athabasca-Lac La Biche.

MR. PIQUETTE: Thank you, Mr. Speaker. I would like to deal with three separate questions: first, the matter of the alleged reflection on the Office of the Speaker; second, the question of the alleged breach of privilege arising from the release of a publication of the House; and third, the procedure involved in . . .

MR. SPEAKER: Hon. member, they were decisions of the Chair. They were points of privilege, and the ruling was made. Please continue but without the word "alleged."

MR. PIQUETTE: First, concerning the reflection on the Office of the Speaker, reference was made to the third paragraph of my letter to you of April 8, which I caused to be delivered to you in response to your request that I follow Standing Order 15(2) and state my question of privilege. In stating what I considered to be the breach of privilege. I did of course have to state what I believed to be an error in your ruling. So I find it very difficult to accept that any breach of *Beauchesne*, citation 52(1), could have occurred. It would have been impossible for me to state my point of privilege without noting where I believed your ruling to be in error. But if I went beyond what was necessary in stating my objection and, with respect, I do not believe I did, nonetheless, I would apologize.

As to the question of publication, here again I must with the greatest respect express the surprise I feel at my letter to you

being considered a publication of the House, as are, for example, *Alberta Hansard*, the Votes and Proceedings, and the *Journals*. *Beauchesne*, citation 41(1) and following, to my mind, makes it very clear that the words "published" and "publications" are words used in *Beauchesne* in their ordinary sense, so that my letter to you setting out the question of privilege was my publication and not a publication of the House. The copy of my letter to you which I kept was mine to do with as I liked. In giving copies to interested reporters, the matters already being in the public eye, I believe I was acting reasonably, and no disrespect of anyone was intended. However, if in any way that may reasonably be construed as disrespectful of the privileges and courtesies of this House, in that event I would apologize.

Finally, as to the matter of the procedures involved in resolving a question of breach of privilege, I once more must respectfully draw to your attention a considerable difficulty. You have yourself decided the question of breach of privilege with regard to the release of an alleged publication of the House. Instead of confining your ruling to the *prima facie* . . .

MR. SPEAKER: Hon. member, the Chair has shown extreme latitude with this statement. Is there to be a conclusion to this? The member is in danger once again of breaching privilege. Is there a conclusion? The member is indeed . . . Please, the conclusion.

MR. PIQUETTE: Further, a remedy was then prescribed by you without any preceding motion. Beyond that . . .

MR. SPEAKER: Thank you, hon. member. Is this the conclusion of the statement, for the second time of asking? Without . . .

MR. PIQUETTE: So you will . . .

MR. SPEAKER: Order please, hon. member. Please. The Chair with great hesitancy and with the greatest of respect is trying to adhere to the proprieties, the customs, and uses of this House. The member is also bound by the same customs of the Chamber. Would the member please act in appropriate fashion.

MR. PIQUETTE: Okay. I hope I have explained this difficulty sufficiently that you will be able now to accept what I have said as sufficient to meet the case. I have been asked by my caucus to say with respect that the position I have outlined is also theirs. Thank you very much.

MR. GETTY: Mr. Speaker, I believe you have given a tremendous amount of latitude to the House today, certainly to the member who has just finished speaking. I want to say on behalf of the government that we are going to review again the comments that were made, particularly in relation to your request yesterday. I would have thought, with courtesy and dignity, both the party and the member would have acceded to your rules and presented the House with the apology that you requested. I might draw to their attention that an apology was not asked for by the government or any members of the House, it was asked for by the Speaker, having considered all the facts. I would have thought, without weaseling around, he could have done that on the other side.

MR. MARTIN: Mr. Speaker, on a point of order. He did not have unanimous consent. We went through; he should have fol-

lowed the proper procedures of the House. The Premier is like anybody else in this House. If the Member for Athabasca-Lac La Biche, trying to come back in a reasoned way, trying to deal with . . . [interjections]

AN HON. MEMBER: Don't be so rude.

MR. MARTIN: Yes, listen. You're disgraceful. Mr. Premier. You're disgraceful.

MR. SPEAKER: Order please, hon. member. Order please in this Chamber, in all quarters. The Premier rose to a point of order. [interjection] It's a point of order. The hon. Leader of the Opposition has risen to a point of order. That also is a point of order, but the remarks must be directed through the Chair and hopefully a little bit more dispassionately.

MR. MARTIN: Thank you. Mr. Speaker. The point is that we were trying to deal with a very difficult matter. We spent a fair amount of time looking at your approach yesterday and your rulings. We tried to analyze it as best we could in our caucus, and we were trying to say in there as a caucus, and the Member for Athabasca-Lac La Biche, in view of the rulings, that if it had caused concern to the Chair, we were apologizing. But certainly we have the right to go through a ruling that affects all the members of the House, and that's all we were attempting to do without the Premier having to jump up, completely out of order, and say what he had to say.

DR. BUCK: Mr. Speaker, speaking on the point of order. As members of this Assembly, it places all of us in a very difficult position when the member, through you, sir, asks for unanimous consent. We were all asked for unanimous consent. We gave that unanimous consent assuming that the member was going to not question the ruling but in fact apologize to the House. And I asked the Leader of the Opposition, I asked the Government House Leader, "Did both caucuses consider giving unanimous consent?" They said, "Yes." Therefore, I gave unanimous consent. Otherwise, I would have seriously considered not giving unanimous consent without knowing what any hon. member's going to say. So when we give unanimous consent, we expect that what has been asked by the Speaker is usually what would be forthcoming.

MS BARRETT: On the point of order, Mr. Speaker. For the last couple of days the Member for Athabasca-Lac La Biche has not been accorded the opportunity to respond to charges leveled against him, nor has he been able to offer the apologies which were . . .

MR. SPEAKER: Pardon, hon. member. I beg your pardon. Would you now speak to the point of order in a little less volatile statement.

MS BARRETT: Mr. Speaker. I didn't realize I was speaking in any volatile fashion whatsoever.

What I was pointing out is the genuine sincerity of the Member for Athabasca-Lac La Biche on this his first opportunity to speak to the matter over which he was given a ruling. The ruling yesterday was that the citations implied a breach of privilege and would he provide an apology. Surely it is reasonable of all members of this Assembly to permit an explanation of his actions inasmuch as he intended no ill will -- and I believe he



made that profoundly clear -- and then provide the requested apology under the conditions required by the Speaker as of yesterday.

MR. SPEAKER: On the point of order. The Member for Athabasca-Lac La Biche, whether the member feels aggrieved or not -- indeed, when a substantive motion comes before the Assembly, as notice was given today by the hon. Government House Leader, that is the proper form in which this type of discussion would take place with respect to the issue of the language; so that indeed is the place where that part of the discussion could indeed take place. So that should be there for clarification.

Member for Edmonton . . .

MS BARRETT: [Inaudible] point of order, please.

MR. SPEAKER: Well, the member had finished. The Member for Edmonton Strathcona.

MR. WRIGHT: On the point of order, Mr. Speaker, with the greatest respect. Standing Order 15, as I read it, Mr. Speaker, requires you to make a prima facie determination of a breach of privilege. That then is referred to the House. Yet, Mr. Speaker, you ruled that the hon. Member for Athabasca-Lac La Biche had breached privilege and prescribed the remedy. And I believe the hon. member was simply trying to make that point, that there was in fact an error on your part, Mr. Speaker, under the rules regarding privilege, which itself might amount to breach of privilege, with the greatest respect, Mr. Speaker.

MR. SPEAKER: That's not what the member stated, hon. member.

## ORDERS OF THE DAY

### head: COMMITTEE OF SUPPLY

[Mr. Gogo in the Chair]

MR. CHAIRMAN: The Committee of Supply will now come to order.

### head: Executive Council

MR. CHAIRMAN: Under these estimates there are nine votes, representing a variety of ministers, to be found on page 179. The estimates will be handled in accordance with the wishes of the President of Executive Council, the Premier. The Premier may, in the conclusion of his opening comments, indicate to the members of the House which ministers will be speaking to which votes. It would be helpful to the Chair.

Hon. Mr. Premier, do you have any opening comments?

MR. GETTY: Just to say, Mr. Chairman, that the responsibilities of the chairman of the Executive Council are of course so broad that I would be pleased to try and answer any questions members might have in terms of broad government policy, and then specifics of my responsibility. But as you noted, I have requested the following members of Executive Council, along with one member who is chairman of the Northern Development

Council, to be available today to answer questions.

Therefore, on questions having to do with the Northern Alberta Development Council, we have the hon. Member for Grande Prairie; for the Energy Resources Conservation Board, the hon. Minister of Energy; and the co-ordination and advice on women's issues, the hon. Minister of Culture. In terms of water resources we also have the hon. Minister of Energy as chairman of the economic planning committee of cabinet, as well as the hon. Minister of the Environment; and in terms of disaster services responsibilities, the hon. Minister of the Environment. In terms of the Public Service Employee Relations Board we have the hon. Minister of Municipal Affairs, the Government House Leader; in terms of professions and occupations the hon. Minister of Labour; and while he is out right now but will be back, the Deputy Premier, the Minister of Advanced Education, with his responsibilities in Public Affairs.

Other than that I would just say that I would try to respond directly and as quickly as possible to any questions raised by members or comments that require a reply.

MR. CHAIRMAN: Mr. Premier, page 181 lists the votes, so the ministers then would be responding in numerical order. Is that accurate? Or whatever's convenient?

MR. GETTY: We're prepared, Mr. Chairman, to have the ministers respond, I guess, all over if they'd like. But members may find that it would be more efficient to go through in numerical order; in other words, after they are concluding any broad comments on Executive Council and administration, then we could have the chairman of the Northern Alberta Development Council and then work our way through. We're prepared to be flexible -- however the members would find most convenient.

MR. CHAIRMAN: Thank you, Premier.

The hon. Leader of the Official Opposition.

MR. MARTIN: Thank you, Mr. Chairman. Recognizing that in most cases you only get one kick at the kitty -- if that's been the response in the other ones -- I guess I'd like to take just a few minutes and make a few general comments to the Premier, and then in par to that tie in some questions that the Premier may have an opportunity to get back to me with.

Mr. Chairman, we appreciate the opportunity here today, because I think we all recognize that to have a serious, in-depth discussion about Alberta and where we're going is difficult in just the terms of the question period, so it is good to have this opportunity.

Mr. Chairman, I want to make something clear, though, about the province. There is no doubt, and I think all hon. members would recognize that in the past this has been a very, very conservative province. And if the government is going to talk about the recession and the hardships, there's really nobody else can be blamed, because the Conservatives, both federally and provincially, have been the ones that have brought us along in this particular case. I would point out to the Premier -- I did some quick figures, Mr. Chairman -- that in the last four provincial elections Albertans have elected 279 Conservative MLAs. That's 88.3 percent. [some applause] Yes, pound; I love that, because I'll come to my point. That is 88.3 percent of the total. Yes, you can be very proud and pound for the \$3.3 billion deficit and all the unemployed; pound away.

In the last four federal elections Albertans have elected 84 Tory MPs, 100 percent of the total. Since 1971 the Tories have

had the government of Alberta, and since 1984 they've had the government of Canada. Mr. Chairman, my point is that clearly they should now be accountable for the use of all that power. It's time that they answered for what they have been doing with the billions and billions of dollars that they have spent of taxpayers' money. That's the accountability that people want from this government. And they can pound all they want, because billions went through this province and we're in the worst recession now that we've had since the '30s, and there have only been wall-to-wall Conservative politicians around.

Now, I'm saying to the government and the Premier here: isn't it time that the Progressive Conservatives paid Albertans back for all the elected representatives and all the political power and all the money that Albertans have sent to governments controlled by the PCs? Isn't it time, Mr. Chairman, that they took responsibility for the economy and stopped making excuses? That's the point that Albertans want to know.

Mr. Chairman, what we find now is interesting. We've sent all these Tories to Ottawa and we've sent them to Edmonton, and now they're pointing fingers at each other. Now we have the Premier finding a new hobbyhorse to jump on. It's the same old political story. When things aren't going at home, when I have to deal with an unpopular budget, when I have to deal with the deficit, when we have to look at the unemployed, when we look at what we're doing in medicare and the people services, let's create a diversion; let's get people talking about Triple E. And I noticed at their convention that they were sitting there bored until all the right-wingers got on the Triple E. Now, it's interesting; he just sort of found this issue right now, Mr. Chairman. The point that I make: it's an interesting tool, but it's not going anywhere, not going anywhere at all.

The point that I want to make, and I would agree with the Premier on this: yes we do have to do something about the regional nature of the country, and I've made that very clear. I think there are better ways than the Triple E. I think our council of the provinces, similar to what Mr. Lougheed used to talk about, without creating another level of government, is perhaps a better way. But I will certainly, Mr. Chairman, as I made it clear . . . [interjection] There's the Minister of Energy again. Do you want to question the Premier? We'd like to have you over there.

My point is, Mr. Chairman, as I've made it clear: if necessary, Triple E. If it's the only choice that we have is the two, but I think the Premier should have an open mind on that. But I think the key thing that we want from this Premier is to concentrate on what we can do in Alberta at this particular time to do something about the economy and the misery that's occurring. That's what people want from the government, not a diversion.

I want to go on and talk and ask some questions, first of all, and then enlarge on them, if I may. Mr. Chairman. First of all. I hear a lot from various ministers about job creation, but I have not seen a target. What is the government prepared to live with? In the budget they have said clearly that growth is going to go down and unemployment will probably go up. It seems to me that this should be an overriding concern -- an overriding concern -- and there should be a target for job creation in the coming year. In other words. I would ask: does the government have a target for new job creation in the coming year, and could the Premier tell us how many thousands of jobs they hope to project to reduce the number of unemployed? Because it's not good enough; it's just not good enough to sit and say, "Well, we'll just have to wait," because the problems skyrocket.

I remember bringing this up four or five years ago when unemployment wasn't as high as it is now. Because it's not just figures, Mr. Chairman. It's not just figures. And I respect that the government doesn't like to see high unemployment any more than I do. But the point that we try to make: what are you doing about it? The social consequences and economic consequences are overwhelming if we just let this go on. I'd like to just again read into the record to the Premier, as I did the last Premier. We all know -- I'm sure that the Premier does; at least I hope he does -- somebody, somewhere that's unemployed. And we know precisely what happens to them: the psychological changes, the pressures. But it's been well documented. Mr. Chairman. This is, for the life of me, why I can't understand the government's saying, "Well, we'll just have to bite the bullet and ride it out," because the consequences are too horrendous.

Mr. Chairman, if I may, this is a quote from "The Real Impact of Unemployment" that was prepared by the Canadian Mental Health Association. Just a few figures -- I want to make it clear what happens.

A police study . . . in 1980 showed that of 100 wife-beaters, 80% were unemployed.

In the U.S., in 1980, a study showed unemployed people had a divorce rate seven times higher than their [employed] counterparts.

In Windsor, in 1980, when unemployment soared to 20%, there was an increase in the caseload of local service agencies of from 25% to 377%.

And the Premier's well aware that's happening in Alberta right now. That's why we've had to go back and add \$105 million, since the time we sat, in social allowance benefits. That's why, in the budget, we're increasing it by \$175 million.

Mr. Chairman, to go on:

According to David Randall, chairperson of the Canadian Mental Health Association, "The single biggest indicator of child abuse is having an unemployed father in the home."

Just a few other statistics.

The Canadian Council for Social Development has summarized U.S. research which shows that for every one percent rise in unemployment . . . whether it goes from 10 to 11, or 8 to 9, or 4 to 5, or whatever, the following things happen:

- 4.3% more men and 2.3% more women are admitted to state mental hospitals for the first time;
- 4.1% more people commit suicide;
- 4.0% more people are put in prison;
- 5.7% more people are murdered; and,
- 1.9% more people die from stress related ailments over a six year period.

Mr. Chairman, the point that I make: it should be this government doing everything they can, having a target -- maybe it can't all be done overnight -- of what you can get it down to in one year. If the government would come back and lay that out, I for one would like to take a look at it and provide suggestions. Because the consequences are just too horrendous when we allow this to go on, and we're seeing that now in our cities. We're seeing that in my riding and we're seeing that throughout the province. We're having a great deal of social disorder because of the unemployment, and it's just not good enough to say: "We'll ride it out; it's not our fault. We'll all have to tighten our belts." Well, those people can't tighten their belts anymore.

I say to this government: is it moral that we, in a rich

society, would allow unemployment this high and somehow clap and pound and say we're doing a good job? That's outrageous. [some applause]

MR. CHAIRMAN: Order, hon. leader. If hon. members wish to participate in some form, will they please resume their seats and not applaud from a standing position. I'm sorry to interrupt you, hon. leader.

MR. MARTIN: Thank you, Mr. Chairman.

To go into, as part of it, the deficit reduction. My question is, flowing from what I've asked about unemployment, a serious question to the Premier: what considerations have led the government, going to the pursuit of deficit reduction ahead of employment creation in terms of dealing with the economy? Mr. Chairman, I point out again that the government admits that by following the budget route they have, being preoccupied with the deficit, they're going to have to put another \$175 million in social allowance benefits. I for the life of me do not understand that. Wouldn't that be much better in job creation to give people dignity and put them back to work? I just say to the government: deficits will look after themselves if we have full employment, but you have to end up paying a lot more in the social breakdown if you get preoccupied with the deficit.

I would remind the government that the reason we have the deficit is precisely because the government followed their own ideology. I know that they get excited when they say things like privatization -- I can see the excitement over there -- and deregulation. They're just like Pavlov's dog; they get excited and more excited. I say to you, Mr. Chairman, that the Western Accord was a triumph of ideology over common sense. As this government goes on longer and longer, they move more and more to the right. Thank God they won't be around after the next election. Thank God for that.

Mr. Chairman, I want to refer back to a discussion we had last year again, because the reason we have the deficit is the price of oil dropping, gas falling. Again, to the Premier: does this Premier really believe that if all of a sudden it turned around and the price started to go up to \$30 or \$40 a barrel U.S., Ontario and Quebec would allow that to happen? I go back to clause 9 and say: why then, recognizing that, are we so stubborn about that particular thing? Why didn't we ask again for the floor price? Because it's not only me asking; it's many Albertans now. That's the reason we have the deficit; that's precisely the reason we have the deficit. What happens if that goes up? I suggest that precisely what will happen is that you would see Ontario and Quebec putting a great deal of pressure on the federal government, and they'll be going into an election and they would come in with a ceiling price anyhow. So we have the worst of all worlds. We have deregulation when the price is low and, I would predict, regulation if the price went up. I ask the Premier again: why are we so stubborn on that particular point?

Mr. Chairman, I know the government will stand up and talk about all the little megaprojects, but the goal of diversification of the economy -- I alluded to this before, the previous Premier talking about the decade, that we had to turn it around. But we took some figures and this will tell you why we're in so much difficulty. This includes the revenue from the operation of the trust fund. The source is a Canadian tax foundation, provincial and municipal finances. In the year 1980-81, when we look at the total gross revenue of the province, we find there was a little more than \$9.9 billion. When we look at what came in from

natural resource revenues, it was a little over \$5.1 billion. In other words, roughly 51.5 percent of the money coming in was coming from one source. So clearly we hadn't diversified; it stayed about the same up to '83-84. Of course it's gone down now, and that's why we have our deficit. So we've made two errors: we didn't diversify the economy and then we went into deregulation.

I would ask the Premier, Mr. Chairman, to take this opportunity to say -- other than the events that have already been announced, are we going to have a new economic blueprint? I remember the previous government at least tried to lay out an economic blueprint about where they were going. It seems to me that we should be seeing from this government an economic blueprint about where they see diversification occurring in the next five or 10 years. To the Premier: I wonder if we're working on that and, if we are, when we might see the results of that sort of approach.

Mr. Chairman, to go on a little bit about free trade. I am concerned about what is occurring, simply because we don't know what's occurring. I wonder why the Premier has put so much unlimited faith in the federal Tories' approach to trade negotiations with the United States. During these negotiations Americans have threatened a tariff on our lumber, which resulted in federal incursion really into provincial jurisdiction over natural resources. The Americans have also slapped a tariff on Alberta natural gas sold in the U.S. market. Does the Premier not see a need for a more broadly based approach to our trade problems?

The other point I want to make: we're worried about the province, and rightfully so, having more balance in the regional nature of the country, but at the same time, Mr. Chairman, we're prepared to say to Mr. Mulroney, "Oh, we'll accept whatever you get; we'll have a consensus." To my knowledge there has not been a ratification process set out. It seems to me that precisely one of the things the Alberta government should want is the right to a veto if it's going to affect some of our areas in Alberta. But all I hear is Tory politicians saying, "Trust us." Well, frankly, Mr. Chairman, when Tory politicians get behind closed doors to discuss the future of Canada, I get very, very nervous. So again I'm asking the Premier to deal with the ratification process, at least what he is aware of it, so that we know what's on the table. Are we going to have a veto? Are we going to discuss it in this Legislature? Just what is the process?

Mr. Chairman, I want to discuss a couple of other areas with the Premier. Another area has to do with agriculture. We get the Minister of Agriculture telling us that everything is really wonderful, that there are no major problems: look at what we've done. Bang, bang, bang -- he's got a set speech. But the reality, according to the Alberta Wheat Pool, is that 25 percent of our farmers are insolvent. That's the reality of rural Alberta, not how we'd like to see it, Mr. Chairman. And I just cannot understand, with the problems they're having, why in the budget at this particular time we would have farm fuel prices rising by 23 cents a gallon. It doesn't make any sense for the government. I know it doesn't come in till June 1 and it doesn't affect the seeding this year, but many of them are on the verge, and I say to the Premier: is there any consideration to abolishing this ill-thought-out attack on the farmers?

Another point, Mr. Chairman. I would like the Premier to perhaps update us on the Zeidler Forest Industries labour dispute. It's my understanding that he met recently. I say to the Premier that I give him some credit in terms of involving himself in the Gainers' situation. I think that was a wise move at

that particular time. I'm wondering, Mr. Chairman, because this strike has been going on longer and hasn't got the publicity, why he wouldn't be prepared to do the same thing; not the Minister of Labour but the Premier, why he will not involve himself in the same way. Because the Premier is well aware that the longer these things go on, the harder the attitudes become. And it's not beneficial for any of us when this goes on. This strike has been going on since the election last year, Mr. Chairman.

The other thing I would like to say to the Premier, and I say this because all of us are affected, is that I wish the Premier would sit down and introduce an effective conflict-of-interest law. This happened federally, and what's happened provincially has offended many Albertans. When I travel the province, Mr. Chairman, when they get beyond the budget and medicare, what inevitably they talk about is morality in government. Now, most of us, regardless of political stripe, come in with honourable intentions and want to do our best. But the reality at this particular time is that there's no doubt that politicians are at the bottom of the totem pole as far as respect in the community. That's dangerous in a democracy, Mr. Chairman. That's very dangerous.

It seems to me that even if we don't believe we need effective conflict-of-interest laws, knowing that perception is out there, I for the life of me cannot understand why we don't do it then and bring in an effective code. We really don't have an effective code in this province. I'd point out the questions we had here with the minister of public works. It lays out all sorts of interesting problems. I say to you that people are questioning this; it's one of the major items in terms of what people are talking about in the streets. Mr. Chairman, I ask the Premier again: will he look at introducing an effective conflict-of-interest law?

Mr. Chairman, let me just conclude and say this to the government. I come back to my original point that this government can no longer blame everybody else but themselves. They have been the government here since 1971. They used to take all the credit when times were good: "Oh, trust us. We're the business government; everything is going well." Then they also have to accept the blame for where we're at right now. I think frankly people are tired of Conservative politicians, both federally and provincially, whining about things. They want some action. They want a concrete policy laid out. And if I may say so, any of the figures I've seen about their budget -- if you're polling the public, you will know that they do not agree with this budget. They understand it's unfair; they understand that you can't take over a billion dollars of purchasing power and not have some impact on the economy. People are demanding a change from this government. The government may sit there smugly and think: "Oh, we're here. We're Conservatives; we'll be here forever," and I get that impression from some people, but I'll tell you that across the province people are taking a good look at this government for the first time, and when they look at the budget and what they're doing in health care and lack of conflict of interest and all the things I'm talking about, even though they want to be Conservative -- there's no doubt in that -- they are changing their minds. For the sake of Albertans, I hope this government changes their mind on their direction, but if they don't, I suggest very clearly, Mr. Chairman, that the people will change this government after the next election.

Thank you.

MR. GETTY: Mr. Chairman, I'm unsure exactly where to start in replying to the hon. member, because he did hit in a lot of

areas. I'm amused by the percentages, though, that he commenced with about the support the government has from the people of Alberta. I've always said, Mr. Chairman, that I've got tremendous respect for the public and voters, and to point out just how clever they are, I noticed that over the period since 1971 -- if you're going to talk about percentages elected -- the Liberals, I think, just slightly under 1 percent elected, so we can see how intelligent, in number of MLAs, and the NDP under 6 percent. So let's be clear about the people of Alberta. They've judged, they've looked, and you know what they've found? Support of less than 1 percent for that party and support for under 6 percent for that party. And they don't . . . [interjections]

Mr. Chairman, it's clear that the people of Alberta know they are getting good government. The hon. member may want to run his party by opinion polls; it's not my desire. What we do is what we believe is needed for the good of the people of Alberta. But if you want to refer to the odd one that comes in -- I don't think it's helpful in any way -- I will, because he's raised it, point out that in the latest, government support has increased dramatically over what was the largest majority government in the country. Since the last election the support has gone even higher. So let's be clear about what the people of Alberta think.

Another question. He was talking about responsibility for what's happened in Alberta, and there's no question that the province is suffering from international events that are damaging our economy dramatically. But we are moving in every way we possibly can. And I make no apologies for the \$3 million deficit, because that was done in order to help the people of Alberta when they were being impacted by international events that were hitting the two major industries in this province.

But if we want to talk briefly about responsibility for things that have happened in Alberta, let's consider the responsibility of what happened when we did have our economies going well. And what happened? Supported by the socialist NDP backing the Liberals, who are virtually socialist as well, they took \$50 billion to \$60 billion out of this province and sent it to eastern Canada. Now, if you want to talk about responsibility, how could Alberta have been able to stand up to the impact of the low agricultural prices and the low energy prices now if that \$50 billion to \$60 billion was left here in Alberta for Albertans to prepare for the future? But that's their type of support, and that's the responsibility they should take, Mr. Chairman.

Now, Mr. Chairman, if we want to talk about Senate reform, I have believed in the need to reform the Senate since I was minister of intergovernmental affairs back in 1971, because there was no question in my mind when I went down to Ottawa to represent the province that consistently I was told by both public servants in Ottawa and elected people in Ottawa that we had to live with the realities of Canada, and that is that the House of Commons is dominated by the huge population centres in Ontario and Quebec. It's dominated by the huge population centres. It doesn't matter about the people that are there. It's the system that does not work, and therefore the system has to be changed. And I used to come home and admit to being frustrated at . . . [interjections] Now look, I've got my estimates up, and if you are going to interrupt all the way, we may not be able to get them through. Are you going to pay attention? [interjections] Well, come on; you asked questions and now you . . .

MR. CHAIRMAN: Order please. Order please. [interjections]

MR. GETTY: Good, I'm glad you are because . . .

MR. CHAIRMAN: Order please. The hon. Premier has the floor.

MR. GETTY: One of the things that's been disappointing in the Alberta Legislature is since this party and this party have started to bring the same things their parties are doing in Ottawa into this Legislature. People all over Canada think House of Commons conduct is a disgrace, and now the same two parties are trying to be responsible for doing it here. I think it's a real shame that schoolchildren and others come and watch; we have television, and they listen. It's been with the advent of these two parties sitting here in this session -- the disgrace that they are starting to try and drag in here from their colleagues in Ottawa. I tell you that you're making a big mistake. I mean, we even had ... [interjection] Well, he interrupted, so he's got to hear about it.

MR. MARTIN: Your guys can interrupt me.

MR. GETTY: There you go again, see. It's right out of Ottawa. I mean, they found it worked down there ...

MR. MARTIN: You don't like the opposition ...

MR. GETTY: See, there they go. And the other thing, Mr. Speaker, which they've dragged in from Ottawa -- and it's interesting that the hon. member raises conflict-of-interest matters. It is true that a lot of Albertans and Canadians are offended by the kind of thing that is going on in Ottawa, but one of the things we should not do here in our House -- again, which is being dragged in from Ottawa -- is the innuendo and phony allegations. I mean, if you bring that here, then you start to detract again from this Chamber. And that is ... [interjections] Are you unable to sit and listen? Here you go again. [interjections]

MR. CHAIRMAN: Order.

MR. GETTY: Mr. Chairman, I'll sit down if you'd like until the ...

MR. CHAIRMAN: Hon. Premier.

MR. GETTY: Okay, Mr. Chairman. It's interesting how thin the skin is, eh? I can't believe how they can get up and rant and rave and talk about all this stuff. Someone gets up and talks from our side; they can't take it. It's unbelievable how thin the skin is over there. I guess it's because they've never really been in a contest in their life before and they don't know how. They don't know how. [interjection] So there he goes again. See, you just have to ...

MR. CHAIRMAN: Order. Order please. Now, come on, let's co-operate in here. When a member has the floor, let's give them the opportunity to be heard.

MR. GETTY: Isn't it beautiful? I mean, they just can't take it. Just a little nip with a pin, boy, and out they come. It's unreal.

As I was saying, Mr. Chairman, I've always believed that there was a need to reform the Senate, and we can't grow enough people here. We can't build our population up fast enough to ever balance off ...

MR. TAYLOR: Speak for yourself.

MR. GETTY: ... the huge population. I must admit, Mr. Chairman, the hon. member outdoes me in one area that I know of.

MR. TAYLOR: You've been doing it in public.

MR. GETTY: Doing what?

Mr. Chairman, in terms of the House of Commons and the system not working -- and therefore I think we have to say that if the system is flawed and doesn't work, we can't just complain about it blindly; we have to try and find a solution. I believe that we are the only federal country in the free world that doesn't use its second Chamber effectively. Our Senate right now is, virtually, functionally useless, and I think it requires, then, us to come up with positive ways to make it work.

The government has sent a committee all over Canada which reported to this House and had a debate and was supported unanimously by the Legislature of Alberta -- the theory of the Triple E Senate. I make no apologies for that. I was advocating reform of the Senate back in 1971-72, as I said, when the people down there said: we have to reflect with our policies first the needs of central Canada, because that's the way we'll get re-elected. And therefore we suffer and the system doesn't work.

I think a Triple E Senate with elected members of the Senate, with effective powers, and with equal numbers from each province will provide the kind of balanced regional representation that we need. We have an example -- I don't say do it exactly the same way -- but we have an example very close to us: our neighbours and friends in the United States. They have two members of a senate from the state of Rhode Island who balance the millions of people in the state of California.

The Premier of Ontario said the other day, and I understand someone else has made the same comment down in Ottawa, that Albertans must decide whether they want the province of Prince Edward Island to have the same representation in the Senate as the province of Alberta. We don't have to decide that; we've already decided that. We've agreed we want that. We believe this country will only be strong if we have 10 equal provinces, so that you could have equal growth, so that you could have strong regions, because that's the real strength of a country: strong regions coming together as Canadians to have a strong country; not having that strength as we've had in this current economic growth period in Canada centred in Ontario and some in Quebec. That kind of growth is unhealthy. And I say this to all members: if you don't try and work positively to change the system, you leave many people frustrated and without hope, and anything can happen under those circumstances.

So I urge members to think of the positive sides of Senate reform and how we might be able to do it in a way that makes Canada a better place. I think that's the argument that may well be the most important one with people in central Canada. It will be: look, here is a chance to have a better Canada, a better system; you're not losing anything; you're gaining a stronger nation. That's the argument I'll try to make with them, and I hope they see the wisdom and need for that.

The hon. Leader of the Opposition talked about people services. Might I draw to his attention that in this budget, which we are currently discussing, Albertans are provided the highest level of expenditure for people services of any province in Canada -- any province in Canada. Yet we're able to do that with the lowest taxes in Canada. Now that's the reason why the

people of Alberta support this government. That's the reason why the people of Alberta support this budget. They're getting the best services, the best programs, the most money expended in those people services, and yet they have the lowest taxes in Canada. I would think that on that broad principle alone we would have unanimous support from the members on the other side. I'm not waiting for it though.

Also, Mr. Chairman, another thing in this budget, since he's raised it in his comments: 500,000 -- half a million -- Albertan taxpayers are either having their taxes reduced or will pay none at all under this budget. That's two point some million people, the low-income earners: 500,000 are removed from the tax rolls or have had their taxes reduced. Now, have you heard any of the members talk about that? It's a significant feature. It's one of the key features of this budget. As taxes were going up on some, they were coming off or down on others who least can afford to pay: 500,000 Albertans.

Another thing about the budget, Mr. Chairman, it is the only government in modern memory -- this government with this budget -- that is actually thinking about the taxpayer and not allowing every year an increase in government spending regardless of whether or not the government has the money. I've said this before. Every government every year increases its expenditures whether they have the money or not. And I think that since Albertans look at the government and say, "Well, we can't do that on our house; we can't do that in our businesses; how can a government do that?" -- governments do it because they can borrow. They have such an easy ability to get credit.

Now, I've wondered if any of the hon. members were ever going to try and suggest ways in which they, too, could help in bringing down the deficit on a planned basis. But I must say, from the NDP -- the socialists -- and the Liberals we're not hearing anything. As a matter of fact, day after day we're hearing a greater and greater pressure to spend: increase the spending. Now, that's irresponsible, and yet you continue to hear it. And yet they know better.

I heard the hon. Member for Edmonton Gold Bar, who has always argued and advocated that local elected people should have greater responsibility to handle the things they are elected for, ask the Minister of Education if she wouldn't actually take away rights of elected school boards. I mean, that's "Yes ma'am," right in this House. I tell you, you can't twist your positions like that. You've got to stand for something. You can't just raise these things because there happens to be a budget you don't like. You've got to pick a line, a belief, a thing. That's the biggest problem and why the people of Alberta reject the Liberal Party out of hand. They have no plan, no program, no policies. We sit here and listen as up and down -- jumping around and no policies at all that we can follow. They're trying to get out from underneath all of the things they've done to this province before, and they get really upset when we remind them about them. We're not going to forget, ever, what that party, backed by this party, has done to this province. And Albertans won't forget, ever. We're going to continue to remind them. So you may as well strap on your seat belts there, because you're going to keep hearing about it.

When we talk about the economy, I think all members should be aware that in this budget we are continuing some of the massive economic stimulants which we put into the budget last year as well. And that is the best support for agriculture in Canada and the best support for the energy industry, to the extent that Alberta is the best place in the world to invest in oil and gas now. Mr. Chairman, we have done it through incentives,

we've done it through royalty reductions, we've done it through royalty holidays, and we've also made sure that we obtained the federal government removal of the PGRT. We made sure we got a federal government change of tax and flow-through share planning, and we now have that program also going to come, in addition to the programs that the Alberta government has. The recent federal announcement I think will provide some 15,000 to 20,000 additional jobs in this province in the energy industry. And then there's quite a spillover, of course, in the service sector. So that's an improvement that I know has Albertans looking with optimism to the future.

In the area of agriculture we have provided the unique program of \$2 billion of long-term money to our farmers and ranchers. It's not matched anywhere in the world that I know of. In that we were able to bring the strength of the government together with our farmers and ranchers, slide the government out of the connection, and allow the funds to flow to our farmers and ranchers. Now, this didn't encourage them to get deeper and deeper in debt. The beauty of the program is that they replaced high-interest debt -- of 16, 18, 21 percent -- with 9 percent debt. That's a dramatic lowering, cutting in half the input cost in the cost of money.

We've also protected our farmers and ranchers in agriculture in the energy costs: the lowest energy costs in Canada. I think it's appropriate; this is the energy province. And I thought it was particularly ironic that the hon. Member for Calgary Buffalo's number happened to get called today by his leader on the price of gasoline, because he has in fact raised the price of gasoline on the very day -- I guess that's where the researchers don't help very much, so maybe we shouldn't have so much money for the researchers or something over there. But the researchers didn't help very much, because there are gas wars going on and they have the lowest price for gasoline almost in history -- at least modern history, since OPEC.

So, Mr. Chairman, I'd just like to point those things out because they're very important to our agriculture producers: the support the government's giving them in the cost of money, the support the government's giving them in the cost of energy. It's extremely important that we lower our input costs even faster than the international selling prices have come down, so that we've been able to actually help our farmers and ranchers to a greater net cash income than they had in 1985. In 1986 they had a greater net cash income. Now, that's helping when it's needed.

Now, Mr. Chairman, I want to just talk a little more about how we're fighting unemployment by diversifying the economy. We've identified numerous ways in which we are diversifying our economy. One way, of course, has been to make sure that a major industry, tourism, now has a minister responsible for tourism. It wasn't here before. We've created a new department: Tourism; a minister responsible for building that industry, and you must try and build it from a \$2 billion industry to a \$10 billion industry before the 1990s end. I think we will be able to do it, because I think we've relied in the past too much on this beautiful province. It is a magnificent province, and people do want to come. But I think we have to make sure that we build on the beauty of the province with efforts by our government and all the people of Alberta. This is a joint operation with the government and the people of Alberta, those in our tourism industry, and I can see the results. We have a tourism industry that's very strong and growing.

Another feature of diversification was in forestry. Mr. Chairman, I think our forestry sector, with the pressure of en-

ergy needs and tied together with an Energy department, really had a problem getting the attention it deserved. So we've created the department of forestry, and you can see the results. We have a very strong forest resource here. Because of our heritage trust fund, we are actually growing forests where they never were before. We don't just force people to replace what they cut; we are actually growing forests where they never were before. We're the only jurisdiction, then, that is actually increasing the size of its forests. That's very important for diversification and the future of this province.

A third area of diversification is in the whole area of research and technology. Alberta has invested a tremendous amount in research and technology in this province, and I must say that now the wisdom of that is paying off, because this is a diversifying factor. It provides Alberta a place on the leading edge of research and technology in the world. Our medical research is just untouched by anybody. The breakthroughs that it's making will benefit all of the world, and yet it is benefiting dramatically Albertans with jobs and investment. The brains come here, and it's a unique combination of industry, the government, and our universities. That's been thinking by the government in the past, and it's paying off now.

In the whole area of diversification, of course, the government's programs through the Alberta Opportunity Company -- I don't hear them mentioned very much, but it's working in the area of the nutritive processing agreement with the federal government. Again, these programs are working and helping diversification.

I just grabbed the last few items that came from the Alberta Opportunity Company here. I know all members would just like to know about the manner in which the Alberta Opportunity Company is helping with diversification. In northern Alberta, an area that we really want to help -- and the key for all members is that this is not in the area of energy or agriculture; this is true diversification. Business loans in Grande Prairie, Peace River, St. Paul, Fox Creek, and Cold Lake were made to businesses such as these: a psychological clinic, portable welding, coffee vending, sports, movie theatres, fast-food outlets; in central Alberta: mobile-home movers, bulk oil agencies, towing services; and in southern Alberta: motorcycle and snow machine sales and services, aerial spraying and fertilizing, mushroom grower/distributor, typesetting and graphics, restaurants, manufacturer of corrugated partitions, greenhouse operation, glass shop, waterbed manufacturer, lawn maintenance, sporting goods, painters, figurine manufacturers -- that's just one. In the area of forestry, a release of March 10, 1987, jobs created by the new stimulated activity in our forests: 9,000 to 10,000 jobs during 1986.

Now, that's diversification, and that's working. It's all over Alberta. It's in Cochrane; it's in Blue Ridge; it's in Whitecourt; it's in Cowley; it's in High Level; it's in Hinton. These are jobs being provided, and again, Mr. Chairman, it is in the area of diversification. So there's a great deal being done, and I find the Leader of the Opposition's comments particularly narrow and uninformed when he talks about the matter of jobs and how the government is working to create jobs and how we are working to diversify.

Also, I just draw the House's attention to the recent announcements by Alberta Gas Ethylene of a huge third petrochemical plant in Joffre. That announcement, along with the huge planned expansion in Hinton and the proposal which the hon. Minister of Economic Development and Trade referred to just the other day, totals in excess of a billion dollars of new

capital investment. That's a quarter of an oil sands plant. So I think it should constantly be in the members' minds that we are not zeroing in just on megaprojects, because megaprojects will be important for Alberta in the future, but we're getting capital investments that are challenging in that they are coming close to being the size of megaprojects, but they're all over this province. That's industrial development and economic development working.

I must say that I believe the Minister of Economic Development and Trade is doing a superb job in this area and is building the foundation for the future of Albertans, the kind of jobs that are necessary because -- what I've just briefly explained. You have the strength; we've been able to build back into energy. We still have problems with agriculture, but we're keeping it strong, stabilizing it in the face of international events. So you have agriculture and energy. We have forestry growing, we have research and technology growing, we have tourism growing, and then we have a huge service sector that's starting to come on in this province.

MR. CHAIRMAN: Would the hon. Premier conclude, please?

MR. GETTY: We have a huge service sector that's starting to come on in this province, Mr. Chairman, and therefore I should leave the members with the feeling for the broadening of the base of the economy in this . . .

MS BARRETT: You're trying to filibuster at your own expense.

MR. GETTY: No, I would never do that.

MS BARRETT: No, Don.

MR. GETTY: I'm trying to answer the questions.

Now, Mr. Chairman, I wanted to touch on a few other matters, but I think I've given the hon. member an answer to almost everything he raised. I will talk about free trade if the House wanted to give me that chance and asked the Chairman to suspend his clock for a minute, but I'm at the mercy of the Chair in that regard. I also could talk about being involved in Gainers; the hon. leader mentioned that. I thought our involvement made something happen. We didn't run around on the picket lines trying to stir people up. We actually got involved and helped solve it.

MR. CHAIRMAN: Order please. There's been a request by the hon. Premier, and it would take unanimous consent for an extension of two minutes. Would hon. members agree?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Any opposed?

MR. TAYLOR: I'm gonna try and cover sideline passes.

MR. CHAIRMAN: Hon. Premier.

MR. GETTY: Break across the middle, Nick; from left into the middle, would you?

MR. GETTY: Free trade. I appreciate, actually, your allowing me to talk about that because it's so important to Albertans.

Alberta produces so much more than it consumes, so it must have markets. If our producers want to plan for the future, it must have not only markets but assured markets, assured access to markets. Now, that we have never had. We have never had assured access to markets. The largest market in the world is our neighbour and friend to the south. If we can strike a trade arrangement with the United States that gives us assured access to that huge market, it will be an historic development for Canada.

Knowing Alberta's position as producing so much more than it uses, it obviously follows that Alberta probably benefits as much or more than any part of Canada. So we went into these free trade discussions wanting to know: how was the government of Canada going to conduct them? And I think the Prime Minister made quite a remarkable accommodation in this area. I think he had to because the provinces are so important in this trade area. We established a system of full provincial input. Now, Alberta thought at first: we're going to watch this on an experimental basis because even more preferable to that perhaps would have been being right in the room and there were some concerns about how Canada was being represented with the United States. Our federal government speaks for us, obviously, in international matters. So we said, "Okay, we'll see about this new accommodation." That new accommodation provides Alberta's trade representative to meet and discuss on a virtually daily basis with Ambassador Reisman all of the input that Alberta can make to his negotiations, and that has really helped not just Alberta; I'm convinced it's helped Ambassador Reisman with his negotiations.

Secondly, we've designated ministers of every government, and these designated ministers meet constantly at the call of the Chair, and that is either the Hon. Joe Clark, Minister of External Affairs, who has broad overall responsibilities, obviously, between Canada and another country, or Minister Carney, who has specific trade responsibilities. Those designated ministers meet, and there again is input, two-way flow.

Now, thirdly -- and this is unprecedented -- the first ministers meet every three months. And I must say that that quarterly meeting of first ministers puts a strain actually on the leaders of government, to be meeting that often, because we have other first ministers' meetings as well: aboriginal rights or the economy, and so on. Nevertheless, it has been a real accomplishment. We now have at those meetings the Prime Minister giving us a report, one of his ministers giving us a report, and Ambassador Reisman giving us a report, and then intense questioning and back and forth participation.

Now, the reason I'm taking the time to go through this process is because I think it directly relates to the question from the Leader of the Opposition as to how you agree to the results of this negotiation. Because there would have been one way, and that would have been: okay, you go ahead and negotiate the best thing you can, show it to us later, and then we'll decide whether we want to ratify it based on an assessment of it. But I contend that the system we're using is much more superior than that. We are part of the negotiations every way, so that when we get to the end of these negotiations, we've been fully involved, so approval or disapproval is almost automatic at the end depending on what you've learned every step of the way, being fully involved.

Now, I'm not saying that this is a simple process. In June we will be meeting -- a first ministers' meeting may stretch out to two days -- because at that time we will have, I think for the first time, an actual document with the principles of agreement in it.

In September we'll meet again, and it will be actually the agreement. At that point, of course, a judgment is made: is this good for Canada and is this good for Alberta? Well, if it proceeds the way it's been going, with us fully involved, I think that judgment can be made then and made intelligently and quickly, because this is the fast-track basis that President Reagan put in place and . . . Is that all on trade?

MR. CHAIRMAN: Indeed it is, Premier.

MR. GETTY: At least I think the Leader of the Opposition got my point about how we would proceed to the process. I only want to make one other comment: that however it's finally agreed, it will eliminate tariffs, countervails that we have known, matters as FERC has put on our natural gas, matters about softwood lumber. It will either eliminate those things or I don't think a trade agreement would really be effective and we would probably say no. Now, Ambassador Reisman has told me that he believes it will and that this will be an historic type of document unmatched in the world. So let's see, Mr. Chairman, whether that happens. There is a long road yet -- or a complex road, although it's moving much faster now. But remember the advantages of assured markets for Albertans, because that by itself could be stimulating huge economic activity in this province.

I might have talked about other things, but I'll probably get up again sometime today.

MR. CHAIRMAN: Members who have questions on vote 2, northern development, would they direct them to the hon. Member for Grande Prairie, Dr. Elliott; any questions in vote 3, energy resources conservation, to the hon. Minister of Energy. Any questions on vote 5, the water resources advisory committee: the hon. Member for Chinook, Mr. Kroeger, the chairman of the commission, is not with us, and they can be directed to the hon. Minister of Energy.

The hon. Member for Lacombe.

MR. R. MOORE: Thank you, Mr. Chairman. I know the responsible reduction of 8.5 percent in the Executive Council's estimates will be a comfort to the Alberta citizens because they know they have responsible people at the helm. I can assure you, when they see that 8.5 percent.

But I must touch a little on this Senate reform, seeing that the Leader of the Official Opposition has concerns in that area. And I can understand the Official Opposition's position on that, because their philosophy believes in a strong central government. They do not believe in the regions having any say. Their whole philosophy hinges on a power at the top and very little settled at the bottom; total state control, in other words. So I can understand their position, because that threatens the future of their political philosophy, and it's very understandable. And I concur with it, that it's a thing that they should stand up for. And I admire that they stand up for total state control, and I give them full credit. They've always given me credit over here. I support them. As you know, Mr. Chairman, I'm their strongest supporter over here at all times.

However, we should just take a little look at this Senate reform and look at why the Official Opposition are so strong against it. Let's just take a look at what would happen under Senate reform in their leading country of socialism, their idol, the one they model themselves after. Just imagine if that country had Senate reform in it, and the Ukraine and Estonia and



Latvia all had some say. Wouldn't it be a different form of government? But I can understand it; I'll give them full credit for it; it's there. They downplay Senate reform, but I can tell you this: that this government realizes the regional inequity that exists in Canada today, and we're willing to stand up and address it and not suppress it.

However, getting back to the Executive Council estimates. I want to just speak for a few moments on vote 1 and especially towards the regulatory reform office. [interjection] Thanks very much, hon. member to my right, for your support. It's a little weak, but I know you'll come on stronger. I want to talk about the regulatory reform office, which comes under vote 1. We're all concerned, Mr. Chairman; on both sides of this House every one of us is concerned about the amount of government in our lives. And I don't think I'll hear one dissenting voice that won't say that we're not overregulated. We are overregulated. And we understand that that is what happens with government. The longer a government exists -- and I'm not talking about political parties but government in general. They build in regulations, and unfortunately there's never been an effort to remove these regulations or bring them in tune with today's situation. But this government recognizes that, and we're addressing it.

I might point out that not only is it a concern to each member in this House; it's a real concern out there in the private sector. Every citizen is concerned every day because our government regulations impact on his life. So we have taken a real step forward in this area, and I'm pleased with the Executive Council's estimates because they recognize this serious problem and provide the funding to move to correct it.

Now, in the estimates book on page 182 it states an important function of the regulatory reform office: "coordinates procedures to facilitate greater public participation in the Government of Alberta's regulation-making process." And that is an important function. It allows the citizen to be able to have a say in how that regulation impacts his life. It allows that citizen to have an avenue to come in and have it addressed and have that feedback on how we have assessed it and know that this government is a government of the people, that he has a direct say in the regulations that impact on his life.

And, Mr. Chairman, it's working. Because I work out of that office, and I can assure you that I've been getting calls every day from citizens on regulations that impact on their lives -- negatively, in a lot of cases. In a lot of cases it may be that they just don't understand the total reason for that regulation, but it gives them a chance to find out why that regulation is there and, if it does impact negatively and it is not necessary, to facilitate the start to eliminate it and change it to bring it in tune with what the average citizen wants.

I mention the average citizen because not only do they have an avenue to go, but the businesses have a place to go, our non-profit organizations. Any time there is a regulation out there that impacts negatively on their lives, they now have that avenue open to them.

I might say, just for the benefit of all our members here today, that my statement to the public at all times is this: if you think there's a government regulation out there that contravenes common sense, let me know, because we sure don't want to have regulations out there that contravene common sense. Unfortunately, I know we have several out there, but the public are helping us identify them, and we're trying to bring back proper regulations that address the needs and desires of people.

Now, that is one area, but we have two other equally important areas in regulatory reform, and I'd just like to touch on

them briefly. One is an ongoing review of all the departments' existing regulations, and that's an immense job when you figure that from 1904 till now we've been piling regulations on the books and a lot of them haven't been changed. It's an immense job, but we are addressing it, and we are doing our effort with the limited amount of money we have at our disposal. We're addressing that ongoing review of existing regulations, and we are finding a lot out there that need to be changed, and change is happening. I can assure every member of this House, Mr. Chairman, that change is happening; we are eliminating. But the task is immense. That's another important function.

There's also a third function that people may not be aware of. It's the other end, where we're making new regulations. We as a government are not content to sit and look at old regulations. We are making certain, through regulatory reform, that we are looking at every regulation that's coming through now, to make sure that we aren't making more regulations and putting them in place and the problem is growing. So those are under continual, ongoing review. It is a big, big job for the regulatory reform office. I can assure the House that it is moving in the right direction. It's doing a job, but the job is big, and hopefully we are going down the road to a better situation where government meets the needs of the people and not hinders the people.

I think that in regulatory reform, in that area of vote 1, we can count on all sides of the House to support it, because it should be a concern of everyone of us and a goal of everyone of us to eliminate regulations. It's very heartening to ... Mr. Chairman, I just got the nod from our Harvard expert, and I know that when we have a Harvard man onside, we're going to succeed, because he told me just the other day that they were the most intelligent people in the world and us backbenchers don't know much. But when we've got the support of Harvard, I know we're going to succeed. [interjections]

MR. CHAIRMAN: Hon. leader of the Liberal Party. [some applause]

MR. TAYLOR: Thank you, thank you, thank you. Mr. Chairman, in speaking on the estimates, it's certainly a broad range and I guess I'd be remiss if I didn't mention that I noticed the hon. Member for Lacombe was very proud of the 8 percent cut, and probably there is a bit of philosophy to be learned here. The Premier spent quite a long time in the beginning there thinking that there were people on the other side of the House now that had the temerity to actually ask a question or maybe now and again not show proper respect for the government, that indeed he longed for the good old days when there were only a couple in opposition and felt that we don't want to degenerate into that awful thing that's going on in Ottawa, where there's an opposition pretty close to the government.

But I couldn't help but think that when the Member for Lacombe praised the Premier for being cut by 8 percent, he didn't mention that the budget for the opposition caucuses has been cut by 18 percent. I think this is a pretty good indication of the philosophy of this government when they think it is wonderful to cut their own budget 8 percent but the opposition has to be cut 18 percent to make sure that they can't do anything. In other words, you pull a hair out of your head and a tooth out of ours, and I'm not so sure that's working that well. Nevertheless, I think the public and the press gallery, just loaded full because they heard I was going to speak, will no doubt spread to the public the fact that this government doesn't like an opposition.

In respect to the Senate, I'd like to pay a compliment here --

few and far between -- because I appreciate the fact that the Premier has leaped on the Triple E Senate with such vim and vigour. I do bemoan the fact a little bit -- we usually gel along fairly well -- that the NDP is sort of equivocating on it, but I think the Premier is on the right track there. One of the advantages of gray hair is to be able to recall that when Prime Minister Trudeau won a big majority and was probably as popular as Mr. Mulroney was when he won his majority, the people that were arguing for an elected Senate in 1971 -- and I think the Premier will remember this -- were Izzy Asper of Manitoba and Gordon Gibson of B.C., provincial Liberal leaders. The Liberals found out that when the Liberals won a big majority in Ottawa, we wanted an elected Senate. Now that the Tories have a big majority in Ottawa, they want an elected Senate. I suppose the only thing that will get the NDP solidly onside for an elected Senate is a big majority in Ottawa, and I don't know whether we want to pay that price.

Nevertheless, it seems to be a fact of history: when your own party takes over in Ottawa, you find out that you really don't have that much clout. I could have told the Premier, and maybe someday we'll sit down. If he thinks he's been through some horror stories up to now, I've got a few more I could tell, when Ottawa decides which way it's going. So I really support the idea of a Triple E Senate, and I hope that we push forward somewhat here and maybe strengthen it. I know we have passed a resolution unanimously that we support the idea, but maybe we should be going for some sort of request for a change in the Alberta Act or something like that to give you even more force to go down. As a matter of fact, Mr. Premier, the last time I asked you for a chance to go down to the Constitution conference, you told me that you were quite well handled anyhow; you didn't need any more strength. But it might be an idea to take along the leaders of the NDP and Liberal parties when you go down to talk Senate next time, just to convince them that we're all together. However, I don't know; that might be an awful price to pay for a ticket to Ottawa.

Nevertheless, Mr. Premier, I do wish you the very best at that, and the only question I have is that I'm a little concerned, especially when I hear the Prime Minister say it -- and I think you've equivocated about it a bit too -- that you're going to let Quebec get it through and settled in the Constitution before we do our elected Senate. I think we're in an ideal position today to negotiate an elected Senate, do it with Quebec, lay them both on the table. I know they're worried that Newfoundlanders and B.C. will come through with the fisheries. Well, what the hell; maybe we'll give them the fish if they'll go for an elected Senate, but I think we've got to have it all on the table.

If I could pass anything on to you, Mr. Premier, it's that at our own national convention, we were able to get the support of the Quebec delegation for a Triple E, elected Senate. It was put forward by New Brunswick and seconded by Alberta, and we were able to get the national Quebec support for that in return for telling Quebec that we would support the idea of a certain amount of linguistic authority and a sort of iffy resolution on their being the homeland but not the exclusive homeland of the French language. Well, as far as I'm concerned, for a Triple E, elected Senate, they can call themselves the nonexclusive homeland of French culture for a long, long time to come. But I'm pointing out that it's quite possible to sit down and talk to them, because they can see that there is an advantage to an elected Senate. I've had talks with Mr. Bourassa too, and there's not much question that an elected Senate is quite possible out of Quebec. Our big problem is Ontario; there's no ques-

tion about that. And although it has a Liberal Premier, it just goes to show you that a family doesn't always get along 100 percent. But that's where our problem will be, and I want you to keep pressing forward. Good luck and Godspeed and all the other things you can do with it.

I'm speaking generally also, Mr. Premier. I can't help, though -- and now I'm going to get a little more not negative so much, but constructively negative. You say that you're holding the line and bringing costs down. One of the things that bothers me here is that we're not really cutting the cost of government. We're not really cutting the cost of medical care, not really cutting all these costs. The provincial government may be taking fewer dollars out of their pocket, but we're pushing over onto the backs of local government and the local school boards, and therefore the ratepayers, a lot of the costs that we were picking up in the past.

I've been to two school board meetings in the last week where they were discussing budget. In each case they had to pass on a certain amount to the taxpayers. So it was rather evident that if you're sitting here as a citizen in Alberta, listening to A saying, "Oh no, they've cut their costs, but B's are going up and C's are going up," it's really not making that much sense. The local taxpayer, in total, when you take Alberta government plus local taxes, is ending up paying as much or more -- probably more -- than he or she did before. If you take the corporation and personal tax and add in the property taxes and whatever the Alberta government is taking out indirectly, I think the taxpayer is paying more.

One of the problems is that at least under your old system, Mr. Premier, where you were dispensing the services, there was a certain equality of receivership, you might say, or equality of receiving goods. In other words, the poor would be very close to the middle or the rich as far as the services they were getting out of medicare, as the services they were getting out of the education system. And what we're moving on in this user-pay concept, which sounds good if you say it fast, is the fact that the rich are going to be able to get a class of service much better than the poor. Now, some people argue that that's okay, but possibly one of the things that distinguishes the Conservative Party from the Liberal Party is that we actually think that government has a function to try to equalize opportunity and basic services for all your population regardless of wealth. And maybe that line we put in there is drawn, I think, much higher than the Conservative Party.

There may admittedly have been problems in the past, where the bureaucrats got over and started dispensing services at a greater clip than was necessary for equality. Nevertheless, I don't think, when you survey -- and I've had a chance to do a lot of business in a lot of countries around the world -- that we're overserved here, that we have too many things too easy. The medicare system that we have here in Canada is the envy of the world. Socialist countries, right-wing countries: it doesn't matter where; it is the envy of the world. If somebody thinks that medicare is left-wing, they should do a little study of history. The first medical care schemes put in in the world -- I think the first one was by Bismarck, the old Iron Duke of Germany back in the later 1800s. Consequently, it's not right or left. Good medical care is something that people have, I believe, a right to once society has progressed up to a certain level.

I'm very concerned that the Alberta government, in the guise of appearing to cut costs, is doing nothing more than passing on to the taxpayer, to pay either indirectly through increases in his own property taxes or out of his pocket, the extra billing and

everything else that goes with it, and we are in effect ending up with a more inefficient system. I think this is the important thing: the efficiency. If you can prove that it's going to cost the taxpayer in total a lot less in the long run by transferring costs to local government and transferring costs of services to his own pocket, then you're doing a good deal. But from what I see, and I think most economists will back me up on this, what you're doing is getting out of your share and actually running up the total cost. By asking local government to pay more and the taxpayer to pay more in extra billing out of his pocket, the total cost to the body politic, or as the Latin says, *vox populi*, is still higher than it would be if you stayed in there to render these basic services.

[Mr. Musgreave in the Chair]

Now I'll try to get more explicit. I'm very worried by the philosophy of this government on water and industry. It's been said over and over again that 80 percent of our water lies in the Athabasca and Peace River drainages, 20 percent in the south. However, the population is the other way around: 80 percent of the population is on Saskatchewan River drainages, and only 20 percent in the north. Yet we see time and time again the industry and the populations that are water consumptive encouraged to go into the Saskatchewan River drainage. There's not enough encouragement given for industry and population to locate on the Athabasca River drainages or the Peace River drainages. Most people don't realize that you can get into the Athabasca River drainages within an hour-and-a-half drive from Edmonton. So it's not a case of putting it way up in Buffalo park or something like that. An hour-and-a-half drive out of Edmonton will put you into the northern drainages, where there's lots of water, where there's lots of land, and will not in turn rob the south, that's already short of water, from water that they could use for better benefits in either irrigation or keeping their present population going without huge, expensive dams.

I feel, Mr. Premier, that the whole policy on water and industry in the north is backward. Just as we can see how Ottawa can make policies that are restrictive against Alberta, we don't seem to see that our own population centre, of Edmonton and Canada, can maybe by accident make policies that are restrictive against the development of the north. I feel that with that high water content, that's where population growth should be directed. Because we're heading for the path of Denver, southern California, and areas of west Texas that have now found themselves in a population growth that they cannot support with the water they've got. This is what's happening in the south, and whether we like it or not, we'll be forced into basin transfer, which I think is both inefficient and environmentally dangerous. We have to husband our water in the south, if you'll pardon the expression, in the old best sense of the Saxon term "husband," and that is the privilege and duty to look after water for the generations to come.

One of the things that I might also throw in here is that -- and this touches on the Energy Resources Conservation Board -- I have also a feeling, Mr. Premier, that not enough control has been given to watching oil companies that are using water as secondary and tertiary recovery. Admittedly there's some done, but there's no reason why we can't talk to many of these corporations when they suggest tertiary and secondary recovery, that the water that they should use should be fossil water, water which we have a lot of. As a matter of fact, I was famous; I think I found more fossil water than anybody in Alberta for a

long time, and what it does is cost a fair amount of . . . [interjections]

MRS. HEWES: A lot of fossils over there.

MR. TAYLOR: I guess some other people want the tide too.

As you know, if you drill dry holes -- you don't drill a dry hole; you drill a saltwater hole, and there's a lot of saltwater down there. Saskatchewan has done some pretty good work on this, and west Texas has, and I still have operations in the Middle East where you can take fossil water and clean it up so it is used. It costs more, I'll agree, than using surface water, but I think a great deal of pressure could be used, maybe incentives or some other way, so that the water that now lies deep in the ground and is not used for anything -- use that for tertiary recovery. I don't think most people realize that when you're producing about a million barrels a day from secondary and tertiary recovery, you're putting a million barrels a day of water in the ground. And usually at the beginning, you're putting up to 2 million barrels a day in the ground. So our water consumption by the oil industry is fantastic, and they've been getting away with sneaking a little here, sneaking a little there, putting some there, so that's something we could tighten up, Mr. Premier.

Here's another thought. Instead of dumping these sewage overflow ponds into the creeks occasionally, as often happens by our small towns around Alberta, maybe we should be saying -- and this already occurs, because I remember being a partner a while back where we were taking sewage from a small town in eastern Alberta and cleaning it up and using the water from that to go into tertiary and steam, what they call huff and puff recovery. So it is possible to put a little heat and a little change in the regulations and royalties to get the oil business to use not only fossil water but possibly recycled sewage so that the water they're using is taken out of that. In fact, who knows, they might even make some money selling the fertilizer.

There's one other area I'd like to touch on which bothers me a bit, and this goes into the environmental area and the Energy Resources Conservation Board. I don't really feel that the co-ordination the Department of the Environment and the ERCB have is as good as it should be. The Energy Resources Conservation Board is really a misnomer. It should be called energy resources exploitation board. And it's no fault; I'm not criticizing them for that. It originally started out with the idea of conservation, and the idea of the ERCB comes from the old idea of starting out in the 1920s and 30s, when people, if they were allowed to produce a well, as fast as it would go, would cone in and cut off a lot of the reserves that still lie in the formation. Consequently, if you controlled the withdrawal rates of an oil well, you would get over the course of the lifetime of an oil well, 10 to 20 years, two, three, or four times as much oil as you would if you tried to take it all out in a hurry. And naturally, with the banker breathing down the neck of some small operators and the government not watching it, the tendency was to open it up and take a lot of oil out in a hurry and, consequently, leave a lot of oil in the ground when the well was ruined, and that meant that the government would get a lot less oil.

So the word "conservation" crept in at that time, but that's really not what they're there for. They're out there really to try to get as much oil and gas out of the ground as cheaply as possible to give as high a revenue as possible to the Alberta government. Now, you can't fault them for that. But what that does mean, when that same board sits there and listens to hearings on sulphur emissions and noise and so on, is that we have a board

that's really got two agendas in front of them. That's not quite the same as the fox watching the chicken house, but it's very, very close to it. So the board has orders to try to get resources out from underneath the ground as fast and as cheaply as possible to return maximum income to the citizens of Alberta. Yet the citizens of Alberta are not being given the proper chance.

I've been involved with two hearings now in the last year, and of course I suppose I've been involved in maybe dozens all through my life. I've been on both sides of that fence: as a politician trying to cut down the development that would allow emissions to go into the air or into the streams and as an exploiter trying to keep the costs down as much as possible. And the government, unfortunately, is on the side of the exploiter just by the very nature of the thing, because the higher the cost of bringing a resource out of the ground, the lower the royalty that's paid. Nearly all our royalties and our taxes take into consideration the amount of money spent cleaning up, whether it's taking sulphur out of the gas or vanadium out of the gas or saltwater out of the oil or whatever it is. Those are legitimate deductions from the production of oil and gas. Consequently, it's not the big corporations -- I have trouble with many of my NDP friends, convincing them of this -- it's the government itself that is the worst polluter, because at a stroke of a pen they can decide that society should take less royalty and have a cleaner atmosphere than that corporation. A corporation just responds to what the regulations are, and whether you're producing oil in the western desert of Egypt or in the North Sea or in Alberta, you follow those regulations and you pay royalties on what it costs you to clean up. It's up to government; it's up to ourselves.

This is why I'm very concerned that the Department of the Environment and the ERCB are not working close enough together. The regulations now are on a plant by plant. Around Edmonton, for instance, there's a real collection of plants coming in -- small plants -- all under the regulation that they can put a certain amount of sulphur in the air. Well, that's not the air. It should be an area; it should be, as I mentioned the other night, an air shed. Air moves the same way as water does. We don't get movements of air, for instance, from Medicine Hat to Dawson Creek, but we get all kinds of movements of air from Calgary to Medicine Hat. In other words, these are air sheds. Yet we have done nothing in our whole pollution, I think, to work out whether some of these areas have a great deal of population in the centre of these areas or in these so-called air sheds and are much more subject to being polluted and in a bad atmosphere than other areas that will not get it.

The Department of the Environment, although it has made some progress, is still way out to lunch when it comes to planning by area and the densities of population. In addition, Mr. Premier, the Department of the Environment I think has to be brought in line and this whole government has to come in line and start looking at some of the lessons learned from the Love Canal and that people cannot contract out a liability. We have a case in Calgary where an entrepreneur -- that people on the other side admire most; and I of course admire him very much too because I've known for many years he's taken a lot of risk and a lot of chances -- bought a piece of land from the city of Calgary and the thing was polluted by the Imperial refinery years ago. And what's he getting? A dance around. Now that person was willing to put his money -- I doubt if he even had an Alberta government grant; if it was, it was a very small one. He was the type of entrepreneur that we say we are trying to encourage, that this government says they're trying to encourage.

And what do you get? Caveat emptor if the soil is polluted or if there is pollution coming in. Now that's no way, that's no message to send out to the free-enterprise community, that if your land or your water or something by your development, whether it was in refineries or whether it was in extracting resources, falls upon your neck, that's your tough luck. I think that's a reprehensible policy and not one that is going to encourage a type of free enterprise you want.

I can imagine that if the government had built something down there, had put some experimental greenhouses in there and suddenly found that everything was dying because of poison, they wouldn't wait back very much; they would go after the original polluters fast. I think one of the things that is evident around the world now is that you go after the original polluter; don't hide behind the idea that it's been sold five times and the last guy that had it should be the one that worries. I think pollution is something that should be tagged back whenever possible to the original polluter, and I don't give a dam if it's a thousand years back. If they're not around, of course the taxpayer has to do it himself. But I think it is a government charge, not a private-enterprise charge and not a caveat emptor -- let the buyer beware -- charge that has to go out in the community.

On vote 6 -- I'm sorry; I can't even read my writing here -- hazardous goods transmission. I'm a little concerned here too with the Minister of the Environment. Right now we have restricted dangerous goods in the cities to specific roads, but as soon as they leave the margin of the cities the Minister of the Environment seems to take the attitude, "Well, let it filter through somehow to the disposal plants, and let it filter through to where it's sold." I believe that dangerous goods routes should be marked in the country as well as in the city. To allow dangerous goods and hazardous waste to be hauled down some of our municipal roads, like for instance in my own constituency, 794, that are run by the municipal government -- and I know truckload after truckload of hazardous wastes are going down a municipal highway without a shoulder, without improvement. It should be very clear that hazardous waste should only be hauled on a certain quality of highway. At least go that far. We have them cutting down anything from country lanes to municipal roads now with hazardous wastes, all because this government doesn't want to run into the problem you will get with the local people in designating a hazardous goods route.

I am also concerned when I look at vote 7, public service employees. I'm talking philosophically again. There's nothing that puts a right-winger on a jag more than to get a court decision to say that he's right. And this last court decision saying that labour hasn't got the right to strike -- what I'm afraid of is that you just might, if you'll pardon the expression, become drunk with power in the next month or so. [interjection] No? Okay. This is what I'm worried about. Are the public service, are we going to get . . . This is what I voice a caution on. I'm worried that the government is going to move out to their liquor store employees and conservation board employees, areas that are now allowed to strike, and say they're not allowed to. I'm worried about your extending, because you obviously have the authority under the Supreme Court behind you now to in effect rule out all public employees from having the right to strike, whereas in the past you've tried to restrict it anyhow to those that are giving very valuable and necessary services.

So if the Premier's answering, I would like some assurance, and I'm sure many of the people working for the government would like some assurance, that because of this recent Supreme Court ruling, they're suddenly not going to find themselves

without the right to strike. I know that even the Premier's been guilty. I think I saw where he made the statement where he crossed a picket line to get something to entertain the guests, and I'm sure the Premier would rather continue to do that than to try to stop them from striking.

Now with respect to the other estimates, the Executive Council itself is a little puzzling. I want them to share something with me. Because of the 18 percent cut in our caucus allowance, I am having trouble stretching my budget. I noticed that he has a reduction of 10 percent in his vote 1 to \$3.4 million but he still will retain full-time positions at 43. In other words, you've reduced your budget but you've kept your positions at the same amount. This would probably help me out a little bit in my budgeting, because it would do some good in that area.

I've mentioned the question of Public Affairs, if I may move on here to the Public Affairs vote. I'm going to come in within your time limit, Mr. Chairman, just to show the Premier it can be done. Public Affairs, vote 9: the budget was cut 28.4 percent but still stands at \$9.5 million with 218 full-time employees. It just seems such a horrendous amount. It's just hard to cut it.

Lastly, if I may talk just a second on the Energy Resources Conservation Board again, and whoever is reporting on that, I guess it's the hon. Minister of Energy. The budget is cut 13.3 percent, yet the Auditor General had concerns about the accuracy of the ERCB reporting. I believe he remembers that report. The annual report of the Auditor General points out that they think the ERCB has not had the accurate reporting it's had in the past. I would be very interested to know if that cut of -- what was the amount? -- 13.3 percent is going to interfere with implementing what the Auditor General wanted done, which is an improvement in the reporting.

Thank you very much, Mr. Chairman. I think I have 30 seconds left, but I'll donate it to the cause of debate.

MR. GETTY: Mr. Chairman, I want to just briefly try and respond to a couple of comments and make a few of my own to the hon. Member for Westlock-Sturgeon.

First, I do appreciate his comments, and I gather his unqualified support, in the matter of the Triple E Senate. I was unaware that there was such unqualified support at your federal party level. I would like if perhaps in a casual moment we could confirm that for sure, because I would like to count on it coming from that direction at the federal level. They would be very supportive of views I and people of Alberta have. The reason I'm uncertain about that support is that I think I've heard from the Official Leader of the Opposition in the House of Commons that he is not moving in quite that way. But perhaps we can track him down and tie him down.

I also want to say just a word about water, because I think it's a very important matter, industrial use of water. The reason I have some new information here is that a matter has been brought to my attention, that I wasn't fully familiar with, by the Minister of the Environment. He is now conducting a survey of all industrial water users in this province, a detailed survey asking them to provide him with complete information for the calendar year 1986. It is the fifth survey which his department has taken since 1967 -- the government, obviously, since it wasn't his department -- and the previous government before 1971. This is every industrial establishment that uses water over a million gallons a year. I think we've caught all of the people you were referring to in terms of industrial use of water, and I think that information base is very important because that water use is

so important in the coming years.

I want to just say one other thing that I didn't get to touch on earlier and I found in my notes. There was a comment from the Leader of the Opposition about controlling the price of oil, and I wanted also to touch on the price of gas. I think you would agree, and most members would agree, that the price of natural gas the way it's currently developing in Canada right now is a concern for this province, particularly if certain quarters only pay attention to temporary, short-term low prices, because they do that at their peril. The key for any purchaser of a natural resource that is nonrenewable is to give consideration to price, obviously -- and Alberta feels that we should get fair market value for our price; that's one of the bases of our energy policy -- but they must give consideration for the security of supply.

That's the argument I made with the Premier of Ontario, and I must say that the Premier of Ontario understands that. I believe that hopefully but perhaps not, since I found him to be an individual who has some understanding of the needs of far more of Canada than just Ontario, we will see policies develop in Ontario that will ensure that that province, along with some other provinces, is paying attention to security of supply for natural gas. And if you meld together security of supply and price and the long-term contracts that are needed for that security of supply, then we believe we will be able to get fair market value. I only say that if it appears to us we are not getting fair market value, the government will be reviewing a whole list of options to make sure we do.

In terms of the price of oil -- and the leader of the Liberal Party didn't mention it. The Leader of the Opposition did, where he says: one thing you can be sure about, there will be a lid on the price of oil in the future. I must say that the only way we can be sure about that at this point would be by supporting the NDP. Then of course we know they've already passed a resolution at their convention in which they endorsed a lid on the price of oil, and I think they may have tried to slide that out of sight of Albertans. But I think Albertans should be very clear that the NDP have now endorsed a lid on the price of oil, and when the Leader of the Opposition says, "Sure, you have to; someone's going to want to put a lid on the price of oil," let's be clear who that someone is. It's the ND Party. They've passed a resolution to that effect.

Oh yes, a comment I want to make because I just commented about the Liberal Party earlier and I don't want to go on too long here. I don't often get a chance to debate back and forth in an informal way with the Leader of the Liberal Party, and I just want to say this -- he and I disagree on a lot of things and we do agree on some things, as we've agreed on the importance of water and the Triple E Senate and other things -- to say to him that back in the 1970s when I was first in public life, I always found it quite a remarkable contribution to Alberta that the hon. member made. I would sit somewhere on the front bench here and find him, as a representative of his party, sitting somewhere in this House -- often for long hours; not in the Chamber. I always felt that he was making an exceptional contribution, obviously to his party to do that, but secondly to the people of Alberta. I mean, that is not a very pleasant way to represent your party, to be sitting somewhere in the balconies in the Legislature hour after hour after hour. And he carried on his back in those days -- as he said, perhaps turning his hair white -- the problems of the Trudeau government. So I just want to say to him that I respect and congratulate him for those efforts he made in those days.

But I must say that having got elected and having put in all

those hours and years, I find the actions -- and this is one leader of a party talking to another -- the actions of his party almost unbelievable. When they lose the crushing weight of Trudeau and perhaps are hoping they have some hope in the future -- which I don't think they do -- and the hon. leader of the Liberal Party gets elected, that his party would scurry around behind him now trying to remove him and replace him I find, just as one leader to another, really disappointing. I just wanted to comment publicly about that, because the machinations that are going on there I think are not in any way reflecting the service this member has given to the people of Alberta over the years.

Mr. Chairman, I guess I should conclude at this point. I just want to say that I've appreciated the participation from the hon. members. I'm not sure if all of them would support the vote, but I hope they do in the long run.

Thank you.

SOME HON. MEMBERS: Question.

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

[Motion carried]

[Mr. Deputy Speaker in the Chair]

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

MR. DEPUTY SPEAKER: Having heard the report and request for leave to sit again, all those in favour please say aye.

HON. MEMBERS: Aye.

MR. DEPUTY SPEAKER: Opposed if any? Carried.

MR. CRAWFORD: Mr. Speaker, on Monday the Assembly will sit in the evening and will consider in Committee of Supply the estimates of the Department of Community and Occupational Health. In the afternoon we will read some Bills for a second time; the second readings of Bills on the Order Paper. It is not proposed that the Assembly sit on Tuesday night. On Monday we'll also move the adjournment motion and, who knows, maybe a motion that I referred to earlier under notices today. That motion is to be filed today.

[At 1:01 p.m. the House adjourned to Monday at 2:30 p.m.]