

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Monday, May 4, 1987 2:30 p.m.**

Date: 87/05/04

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

[Mr. Speaker in the Chair]

PRAYERS

MR. SPEAKER: Let us pray.

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

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

Amen.

head: **TABLING RETURNS AND REPORTS**

MR. GETTY: Mr. Speaker, I'd like to table with the House today four copies of the Meech Lake communiqué. This is the communiqué released by the first ministers on Thursday evening regarding the historic constitutional agreement we were able to reach there.

MR. SHABEN: Mr. Speaker, I wish to file with the Legislature Library four copies of a 20-page document entitled Alberta Economic Diversification Policies and Programs. I'll be making copies available to all members of the Legislature.

MR. RUSSELL: Mr. Speaker, I beg leave to table the annual report of the Northern Alberta Institute of Technology.

MR. CRAWFORD: Mr. Speaker, I'm tabling the annual report for 1985-86 for the Municipal Affairs department.

MR. DINNING: Mr. Speaker, I wish to file with the Assembly a release this morning commenting on this being Mental Health Week. Reach Out -- Show You Care, the theme of Mental Health Week, is very fitting and very much in keeping with the efforts of our government and important agencies throughout the province such as the Canadian Mental Health Association.

head: **INTRODUCTION OF SPECIAL GUESTS**

MS BARRETT: Mr. Speaker, it gives me pleasure to introduce to you and through to members of the Assembly, 33 students from grades 5 and 6 at the Montrose school, seated in the public gallery. I met with these students just a few weeks ago at their school and again today, and I can assure you that they are bright and politically astute. Seated in the public gallery, they're accompanied today by their teachers, Mr. Raman and Mr. Knudsen. I ask all members to give the traditional welcome of the Assembly.

MR. JONSON: Mr. Speaker, today I'm pleased to be able to introduce to you and through you to members of the Assembly, 82 grade 6 students from Ponoka elementary school. They are

accompanied by teachers and parents Mrs. Schayes, Mrs. Watson, Mr. Rawji, Mr. Hickey, Mrs. Secker, and Mrs. Humphries. They are seated in the public and members' galleries, and I would now ask them to stand and receive the warm welcome of the Assembly.

MR. RUSSELL: Mr. Speaker, I'd like to introduce this year's summer student guides to the Legislative Assembly. They're employed by visitor services of the Public Affairs Bureau in this building and provide tours of the Legislative Assembly, Government House, and the exhibition areas in the pedway system. Summer tours will commence May 16 this year, Monday to Friday 9 a.m. to 9 p.m. and Saturday and Sunday 9 a.m. to 5 p.m. Each one of these young people speaks languages other than English, including French, German, and Italian, and they'll be in training this week.

Seated in the members' gallery with Mary Anne Gibson, manager of visitor services, are Christine Graup, Karin Hanefeld, Sonya Contessa, and Krista Platzer. David Wright, another new recruit, will start with them on Wednesday. I wonder if they'd rise and receive the welcome of the Assembly.

MR. DINNING: Mr. Speaker, this being Mental Health Week, it's fitting that we would have representatives of an important partner of ours in the delivery of mental health services and care throughout the province, representatives of the Canadian Mental Health Association. In the members' gallery are two such representatives: Miss Dixie Watson, first vice-president of the CMHA Alberta division, and Mr. Ron. Lajennesse, the executive director of the Alberta division. I'd ask them to rise and receive the warm welcome of our members.

head: **ORAL QUESTION PERIOD****Job Creation for Social Assistance Recipients**

MS BARRETT: Mr. Speaker, the Official Opposition has received a copy of draft guidelines of the government's planned work for welfare scheme. According to the guidelines that we've received, the government will pay three-quarters of the wages of any welfare recipient who happens to have the special social allowance chit. I wonder if the Minister of Career Development and Employment will explain to the Assembly and to Albertans how this particular type of program is fair to the dozens of thousands of Albertans who are unemployed but who are not on social allowance.

MR. ORMAN: Mr. Speaker, we have a number of economic initiatives that address the issue of the unemployed over and above the employment alternatives program. Certainly, if the hon. member wishes, I'm sure my colleague the Minister of Economic Development and Trade would be pleased to go through those with her. I should say that in our department's budget when it comes to job-creation programs and training programs, substantially all of that funding, some \$216 million, goes towards individuals who are making the transition from school to work or from unemployment to work. I think this is just a natural extension of those initiatives within the department.

MS BARRETT: A supplementary question, Mr. Speaker. Perhaps the minister would care to answer this question. We note in the draft guidelines that it is further stipulated that only for-

profit companies will be eligible to hire people under this new work for welfare program. Will the minister explain to the Assembly, if he won't tell us how it is that this program is fair to the other unemployed people, will he at least tell us how it's fair that nonprofit associations, including a food bank, would be excluded from a program like this?

MR. ORMAN: Mr. Speaker, the hon. member has a distinct advantage over me, and that is that I have not seen the final draft, because we have not made a final decision. It has not come to my desk for a final decision.

I should say that we have a number of initiatives within the department: the priority employment program, the summer temporary employment program, the youth work experience program. There's a litany of programs that deal with the unemployed, dealing with the transition, dealing with giving people skills to make themselves marketable in the labour force. This particular program deals with a specific segment of the unemployed; that is, employables on social assistance, who we felt deserved a specific initiative. It does not mean to say that all of the other programs are notwithstanding; they're very important programs and in many cases have very positive effects.

MS BARRETT: I notice the minister didn't answer that question either. Perhaps the minister would be more interested in explaining some of the budgetary implications of this draft policy, prior to its final implementation, which I'm sure won't happen while we're in session. Mr. Speaker, would the minister confirm that the government has in the most cynical way cut legitimate job-training programs from the minister's own department in order to fund this work for welfare program which could give employers up to \$100,000 worth of free labour a year?

MR. ORMAN: Mr. Speaker, we as a government have not decided one way or another how the funding is going to come together. We have had a number of discussions. The discussions have been at the cabinet level, at the priority committee level, and at the caucus level. How the final numbers come together has not been discerned at this point.

To respond more fully to the hon. member's question prior to the last one, I should say that in my view it is important that individuals are allowed to find meaningful work experience in the side of the economy that produces wealth, Mr. Speaker, where there are meaningful, long-term jobs. I do not want to see this employment alternatives program targeted at nonprofit organizations or organizations that cannot commit long-term employment to individuals. In many cases nonprofit organizations are looking for three- to six-month job-creation programs. For me that is not a satisfactory approach to dealing with employables on social assistance.

MS BARRETT: Well, Mr. Speaker, what's important to the minister may not be what's important to the other hundreds of thousands of Albertans who would like a fair chance at work.

Final supplementary question: will the minister assure the Assembly that all details of his fancy new work for welfare program, including the budgetary implications, will be dealt with in this Assembly before it concludes for the summer? Will he assure us of that?

MR. ORMAN: Well, Mr. Speaker, we are dealing with a very important program, I believe one of the most important pro-

grams within the Department of Career Development and Employment, and it's going to be a very significant initiative of this government. I'm not going to be rushed into making decisions or judgments on budget based on inquiries by the opposition. We will spend a great deal of time studying the program. We will make sure that all levels of government are involved, for truly unemployment is everybody's responsibility, and we plan to approach it in a very thoughtful manner.

MR. TAYLOR: Mr. Speaker, supplementary to the minister. I can understand why he's having trouble deciding on this rather Charles Dickens type of scheme. But could the minister enlighten the House as to who decides who will be on this scheme? Will it be permissive or otherwise?

MR. ORMAN: Well, finally we've got a good question on the topic, Mr. Speaker. It's a co-operative initiative by the Department of Social Services, the federal department of health and welfare, and the Department of Career Development and Employment. The three areas of government have worked together on this program, and we want to be sure that it's meaningful and that it's effective. Any decisions about the makeup of the program will be made at that level in terms of structure.

The hon. Member for Westlock-Sturgeon identifies a very important point: counseling is one of the primary keys to people finding successful employment and being able to make meaningful choices in their life. A very large component of this program will be to provide appropriate counseling at the point of entry by the employable on social assistance. It's something that we'll spend a great deal of attention on. It's one of the areas that is obviously going to be a very difficult one to overcome, because we all have to change our thinking about these individuals. We all have to support this program, because unlike what the hon. Member for Westlock-Sturgeon may suggest, there's nothing wrong with going to work. We're just trying to meet the objectives of the individuals who are on social assistance and who truly want to work. We'll certainly be the facilitator of that, Mr. Speaker.

DR. BUCK: Mr. Speaker, to the hon. minister. In light of the fact that this is one of the earliest springs we've seen in northern Alberta for decades, is the minister in the position to indicate if he's trying to get that department of his cranked up? Many people are out there looking for employees at this time, but some of the subsidy programs are not quite ready to go, Mr. Minister.

MR. ORMAN: Another good point, Mr. Speaker, and I have addressed that issue. I discussed it just as late as last week with some of my stakeholder colleagues in that particular area, and I hope to be discussing the means in which we can address the very issue the hon. member brings up.

MR. SPEAKER: Second main question, Edmonton Highlands.

MS BARRETT: Mr. Speaker, I'll be designating my second question to the Member for Edmonton Centre.

Hospital Utilization

REV. ROBERTS: Mr. Speaker, last week the Minister of Hospitals and Medical Care, in an answer to the Leader of the Official Opposition, said that hospitals are managing their 7 percent cutback "in a way that doesn't affect patient care..." Two

weeks ago Mrs. Tracy Strilchuk from Athabasca brought her 22-month-old son to the University of Alberta hospital, where he was diagnosed with spinal meningitis, but was told that there was no ICU bed available and that he would have to take an air ambulance to Calgary, where they were fortunate to get a bed at the Calgary children's hospital. Does the minister still claim that his cutbacks are not affecting the quality of care, when parents cannot even get access to the \$400 million University of Alberta hospital for necessary ICU beds for their children?

MR. M. MOORE: Mr. Speaker, two comments in reply to that question. Firstly, the Alberta children's hospital, not the Calgary children's hospital, happens to be located in Calgary and does provide services to the entire province. There is nothing whatever unusual about children from any hospital in Alberta or, for that matter, from other hospitals in western Canada being transferred to the Alberta children's hospital in Calgary, where they have the finest care that's available in western Canada.

Secondly, Mr. Speaker, the number of pediatric beds in the city of Edmonton far exceeds the number in Calgary, while the number of intensive care beds is fewer and they are located only at the University of Alberta hospital and at the Royal Alex hospital. The hon. member should be aware that the number of intensive care pediatric beds in the University hospital, contrary to what he might suspect, has actually doubled over the course of the last year. On January 1, 1986, there were only two intensive care beds at the University hospital. They've increased that to four since that time, and there's been no reduction in intensive care beds at the University hospital. So anything that had to do with the transfer of this particular child to Calgary had nothing whatever to do with any reduction in funding at the U of A.

REV. ROBERTS: Well, that's very interesting, Mr. Speaker, because on Saturday, as I heard, Dr. Richard Kennedy, president of the Alberta Medical Association, spoke of three other cases where children from the north could not get the proper hospital care as they came to Edmonton. Does the minister share Dr. Kennedy's concerns, and if so, will he announce today what he will do about that situation?

MR. M. MOORE: Mr. Speaker, surely the hon. member is aware that, as I just said, the Alberta children's hospital, located in Calgary, does have the facilities to provide a lot of pediatric care that's just not possible to provide in other parts of the province. They do a very good job at several hospitals in Edmonton. It's for that very reason that we have considered -- and our Premier did in fact make a policy statement on behalf of our government relative to the construction of a new children's hospital to serve northern Alberta. That has not yet occurred, and until it does, lots of cases may well be transferred from Edmonton and from other parts of the province to the Alberta children's hospital in Calgary.

MR. SPEAKER: Supplementary question.

REV. ROBERTS: Thank you, Mr. Speaker. What is the minister attempting to do for Mrs. Jody Adams, whose two-year-old son could not even get surgery when needed at the University of Alberta hospital because there was no staff to cover the post-operative care unit? Does the minister in fact know how many staff positions have been terminated and what effect this is hav-

ing on needed patient care and needed patient surgery?

MR. M. MOORE: Well, as far as I'm concerned, Mr. Speaker, the last accusation of the hon. member is completely untrue. According to the information I have, the University hospital did not advise the family of the patient that there were no staff available. As I understand it, the facts of the matter were that the only isolation beds that were available in Edmonton, which are two at the University of Alberta hospital and two at the Royal Alex hospital, were in fact full. It was deemed by those medical doctors responsible, who were treating the patient, that the most expeditious thing to do was to transfer that person to Calgary. Had that person lived in Saskatchewan or Manitoba, they would have had to be transferred to either Calgary or Toronto.

REV. ROBERTS: Mr. Speaker, the minister has completely misunderstood, misheard the question. This was a woman in Edmonton who finally had the surgery in Edmonton -- not anybody who went to Calgary -- who had the surgery after the staff time was finally put in by the hospital. There have, in fact, been 879 positions terminated . . .

MR. SPEAKER: Order, hon. member. The question please.

REV. ROBERTS: Yes. The question is about staff cuts to cover these. When is the minister going to stop the assault on hospital workers and their being cut back, and does he know, in fact, what effect that's going to have on average Albertan families needing particular care when the staff isn't available?

MR. M. MOORE: Mr. Speaker, I don't really regard a reduction in budgetary funding of 3 percent as being an assault on hospitals. Quite the contrary, medical staff at the University of Alberta hospital, the nurses and doctors and the administration who work there, have been doing an excellent job. For the hon. member to suggest that they aren't able to provide patient care because they don't have staff available is certainly not something that is supported by the administration of the hospital.

If the hon. member has some other case in mind that he's not yet raised where staff were not able to provide care, I'd be happy if he would provide it to me, along with the supporting evidence from the hospital. Perhaps it might be useful as well if the hon. member took the opportunity to check with the hospital. It's frequently the case that they have much greater detail about medical problems than does the *Edmonton Journal*.

MR. SPEAKER: Edmonton Gold Bar.

MRS. HEWES: Thank you, Mr. Speaker. This government is responsible for the cuts, and if the cuts are going to continue, when on earth will this minister take hold of the situation, get those hospital boards and administrators together so that we've got some kind of collaborative arrangement so that Alberta citizens who paid for the service are not placed at risk?

MR. M. MOORE: Mr. Speaker, I fail to understand the outburst from the hon. member. Surely when you have a doubling of the number of intensive care isolation beds and intensive care beds in the University hospital over a course of a year, that's not a cut. And surely when you are fortunate enough in this province to have an Alberta children's hospital with the expertise they have at that hospital located in Calgary to serve residents of this

province, it ought to be appropriate that from time to time patients are transferred from other hospitals to that hospital. I find absolutely nothing unusual about that. Quite the contrary. I think it's a very responsible medical thing to do to provide medical services in the best facilities that are available.

DR. BUCK: Mr. Speaker, supplementary question, either to the minister of health or the Minister of Advanced Education. Are either one of the ministers in a position to indicate if the government cutbacks had a significant increase in the number of RNs or number of nurses that are leaving the province? Are there any statistics to indicate if that has happened?

MR. M. MOORE: Mr. Speaker, I could not comment on the number that might be leaving the province, but I can comment with respect to those who might have been laid off, at least on a temporary basis. Our understanding from an overview of the entire hospital system is that very few nurses have, in fact, been laid off, and of those who were, many of them have already been recalled as a result of other people leaving the hospital or moving out of the province or something of that nature that wasn't necessarily connected with their work. So by and large, the nursing staff is pretty well fully employed.

MR. SPEAKER: Member for Westlock-Sturgeon.

Constitutional Talks

MR. TAYLOR: Thank you, Mr. Speaker. My first question is to the Premier regarding the conference he has just returned from last week. While we appear to have made an advance, Mr. Speaker, in bringing Quebec into the Constitution, the question is: at what price? I'm very concerned that in bringing Quebec into the Constitution in return for an agreement to discuss the Senate, we have accomplished only a promise to talk, Mr. Premier, not a promise to reform, and our best opportunity to reform the Senate may have been passed by. To the Premier. I recognize that a conference on Senate reform will occur by the end of 1988, but has the Premier received any indication from the Prime Minister or Premiers whether we can call the target date 1988, or would it be 1998, or 2008 before we get the Senate reformed?

MR. GETTY: Mr. Speaker, the hon. Member for Westlock-Sturgeon started out on a relatively responsible tack and then veered off into the ditch somewhere in his question.

But, Mr. Speaker, in responding to the early part of his question, the province of Alberta went to that conference with three principles in mind that we wished to obtain. The first was to establish equal provinces, that Canada would be a federation of all provinces being treated equally. That principle was established. Second was that we would try to bring Quebec fully into the Constitution. We obtained that one -- on the basis of equality of provinces. Thirdly, we've had a Senate for 120 years. We've been unable to get meaningful discussion on reform. At this conference the province of Alberta was able to establish not just a political accord, not just something, an agreement, to have a discussion and future on Senate reform -- we've established in the Constitution that we will have Senate reform.

We did not agree, as we were pressured to do, to have it based by some political accord. We did not agree, as we were pressured to do, to have a time frame on it; in other words, that

we would discuss it for two years. No, we have it in the Constitution. And it will not end. We will either have meaningful Senate reform, or we will be able, on an annual basis, to insist that the first ministers of this nation deal with the matter of Senate reform. I believe, Mr. Speaker, we are going to be able to obtain it. I might also say, in this conference we established in the Constitution, not a political accord as agreed on previously, that there be first ministers' meetings as well on the economy, so that we can have the balance necessary in this nation.

Thirdly, Mr. Speaker, while and until we have meaningful Senate reform, new appointees to the Senate will only come from a list from the provinces. That, I guess, bodes ill for some of the members opposite, but we will ensure that we have on our list those who we feel are the absolutely best qualified.

MR. TAYLOR: Mr. Speaker, I don't share the Premier's aspirations or goodwill at the idea that it'll be in each Premier's Conference, sort of like a prayer at the beginning of every meeting, for the next 50 years.

What I was wondering, Mr. Premier, is why couldn't you see through to the way that any other province would be able to scuttle Senate reform the same way you have scuttled aboriginal rights when we've had constitutional [inaudible].

MR. GETTY: Well, Mr. Speaker, there's nothing in the Alberta government's position to scuttle aboriginal rights. As hon. members know, the Alberta government asked that before we amend the Constitution and enshrine aboriginal rights, we have a definition of what they are. So I think there's certainly nothing in there that scuttled it.

However, coming back to the important matter of Senate reform, Mr. Speaker. Finally, at Alberta's initiative, we have it in our Constitution. My discussion and the feeling within the room is that all of the first ministers are committed to Senate reform, and we will obtain it. Now, there will be quite a debate on the form it will take, obviously, and there will be options we will look at, but the province of Alberta has the only option that's on the table. It's the one that this Legislature endorsed: the Triple E option. We think by starting that way in a strong manner and making that presentation, that we will be able to bring to all of the other first ministers and all other governments, the people of Alberta, the importance of Senate reform and secondly, that it will take the form that we believe is so important.

MR. TAYLOR: Mr. Speaker, a supplementary to the Premier. I agree with you that that's very near and dear to our hearts, the Triple E Senate. So could the Premier by any chance give us a reading as to how he feels the Triple E Senate would stand amongst the first Premiers? Can you give us a 6-4 count, 7-1, 2 doubtful, or whatever it is?

MR. GETTY: As I've said before in the House, Mr. Speaker, I speak here for the government of Alberta at first ministers' meetings, but I do not speak for other first ministers. I'll leave that up to them.

MR. TAYLOR: Final supplementary, Mr. Speaker. The Premier alluded to it in his earlier answers. Now that the province will be proposing Senate appointments, will the Premier establish an all-party committee to recommend Alberta's appointees to the Senate, or are we merely trading provincial patronage for federal patronage?

MR. GETTY: I'd certainly, Mr. Speaker, welcome any suggestions, when the time comes, from anywhere in the province, including any of the members in the Legislature. But let's be aware of this, that with our drive and the commitment that I find around the table for Senate reform, any appointments, I hope, will be for a short period of time and that we will reform the Senate and we will be electing members to the Senate.

DR. BUCK: Mr. Speaker, a supplementary question to the Premier. There seems to be a concern by Yukon and the Territories that it may be very, very difficult for them to apply for and receive provincial status. Is the Premier in a position to indicate if now, in light of the fact that we have to have 10 provinces agreeing rather than seven of the 10, this possibility does exist, that it would be more difficult for the Territories and Yukon to receive provincial status?

MR. GETTY: Mr. Speaker, no, I don't think so. I think in the important matter of actually changing the shape of our nation by adding provinces, that when it is clear that that is the right thing to do, the first ministers will do it, and it won't be because we have some magic numbers but rather because we will know it's the right thing to do.

MR. SPEAKER: Calgary Mountain View.

MR. HAWKESWORTH: Thank you, Mr. Speaker. To the Premier. In view of this agreement last week for an enhanced role for the provinces, does it now mean that it'll take all 10 provinces to ratify a free trade agreement with the United States?

MR. GETTY: Mr. Speaker, free trade is not a constitutional issue. But I must say that there has been recognized at the meeting, which we had at Meech Lake, the reality of Canada that there has to be a greater decentralization and a greater input from the provinces, and of course that is being reflected in the way we are dealing with free trade. And as I said earlier, in the matter of equality of provinces, where Alberta now has as equal say on such matters as immigration -- and a strongly held position of the Alberta government long before the Quebec government raised it, the matter of restricting federal spending powers. The federal government will no longer be able to come in to an area of provincial jurisdiction and, by its tax dollars, be able to impose programs on the people of Alberta. That's another matter which we have been able to establish.

And, Mr. Speaker, I might say, all kinds of people have always thought that it was proper that Ontario or Quebec could stop certain things by the weight of their dominance of the House of Commons and their dominance of the Senate. Alberta insisted that we be equal, and if they wanted a veto, Alberta has one, and they're going to have to deal with us any time they want to do something in Canada, just as we will deal with them. And I think, Mr. Speaker, it was a very good day for Canada and a very good day for Alberta.

MR. STEVENS: Mr. Speaker, to the Premier. Given the Premier's last response, does he feel now that Canada appears to be weaker in our Confederation?

MR. GETTY: Mr. Speaker, I know that has been a position taken by some observers from eastern Canada. I would like to make it very clear from the government of Alberta's position

that all provinces being equal builds a stronger Canada, not a weaker Canada, and we were able to get Quebec in, I might say, based on the principle of equality and that stronger Canada. We were not prepared to sell out Alberta in order to get Quebec in, nor was it necessary, nor should it have been necessary, and Quebec understood that. We did not have to do it as the ND Party did or as the Liberal Party suggested. We did it based on equality, because in that way you have the provinces and the regions of Canada strong, making a stronger Canada, not just strength at the centre.

Proposed Methanol Plant

DR. BUCK: Mr. Speaker, my question is to the hon. Minister of Agriculture, and this has to do with the proposed methanol plant in the Peace River block. The application, first of all, was that the plant -- they wanted to have it in Alberta, but the Agricultural Development Corporation wouldn't advance them any funds. Is the minister in a position to indicate if the provincial government is reconsidering getting involved in that ethanol plant in the Peace River block?

MR. ELZINGA: Mr. Speaker, let me indicate to the hon. Member for Clover Bar that I met this morning with two principals of Abax Fuels to further discuss their involvement in the province of Alberta, and maybe I should for the sake of the record indicate to the hon. member, too, that they had submitted an application to ADC. They did not follow through with the application when we did request additional information. They had already had discussions with Dawson Creek and the British Columbia government, and they found that the terms there looked very favourable, so they decided to withdraw their application for a loan guarantee for \$50 million from ADC and proceeded with their involvement in British Columbia.

DR. BUCK: Mr. Speaker, to the minister. In light of the fact that agriculture needs all the help that it can get, can the minister indicate what value this will be to the farmers in the Peace River block when this plant goes ahead?

MR. ELZINGA: Mr. Speaker, we believe it will be of big value to the farmers in the Peace River block, and that is why we were so forthcoming in our support for that group. I should mention to the hon. member, too, that our department did offer them technical advice and assistance in attempting to establish this plant. They have indicated to me their desire to have further expansion in our province, and that was the basis of our discussions this morning.

DR. BUCK: Mr. Speaker, a supplementary question to the Provincial Treasurer. In light of the fact that the British Columbia government has given a 2-cent per litre incentive, lowering the taxes for the ethanol-enhanced fuel, is the provincial government of Alberta looking at that same type of an incentive program?

MR. JOHNSTON: Mr. Speaker, with respect to that question, I could give some direction, but I think it is more particularly a question for the Minister of Energy, who is absent from the House this afternoon because of other duties, and I'm sure I will give him notice and have him report back to the member.

MR. TAYLOR: Supplementary to the Minister of Agriculture.

I certainly will be waiting for the other answer, because that methanol will not fly without rebating the tax on it. Could the minister tell me whether the size of the plant contemplated will be of the proportions that they will be exporting methanol from the province, or will they try to use it entirely within the province?

MR. ELZINGA: My understanding, Mr. Speaker, and I stand to be corrected, is that 50 percent of the production from the plant in Dawson Creek will be exported to Yukon, and the remainder is to be used within British Columbia itself. It should be pointed out too -- and again I will refer to the provincial Minister of Energy. But in our recent budget that the Provincial Treasurer just brought down, the 5-cent tax on gasoline is not applicable to ethanol, so they already receive a substantial benefit within this province.

MR. FOX: Mr. Speaker, to the minister. Does the economic viability of this plant hinge on being able to purchase wheat and barley at rock-bottom prices, or is there some flexibility in there?

MR. ELZINGA: Again, Mr. Speaker, I stand to be corrected, but my understanding is that it is going to be of direct benefit to the farming population in that they will receive some type of a premium for their grain products. It's my understanding that the government of British Columbia advanced the consortium some \$8 million so that the farmers themselves would have a direct benefit for sales for their grain products.

MR. SPEAKER: Redwater-Andrew, followed by the Member for Edmonton Calder.

Cancer Rate In County of Strathcona

MR. ZARUSKY: Thank you, Mr. Speaker. To the Minister of Community and Occupational Health, Last week the minister announced the creation of an advisory committee on health concerns in the county of Strathcona. Since part of the county of Strathcona is in my constituency and I've had some calls in regards to this committee, could the minister advise the House of what action this committee is taking?

MR. DINNING: Yes, Mr. Speaker. That five-point plan of action announced last week by myself and the M.L.A. for Sherwood Park focuses on a number of areas, and that joint advisory committee has gone to work. They had their first meeting on Thursday afternoon, confirmed their work plan over the next number of weeks, and are now awaiting reports.

MR. ZARUSKY: A supplementary, Mr. Speaker. Could the minister explain what this committee's responsibilities will be?

MR. DINNING: Well, Mr. Speaker, as was announced last week in our press conference, we announced that this committee was going to look at the report of the Alberta Cancer Board with respect to concerns in Strathcona county, and this committee would work with that board in the review of the individual cases of cancer in the Strathcona county area. As well, it was going to work with the University of Alberta occupational health program and receive advice from that program as to any further action that needs to be taken. As well, it was not going to await

only these reports but go to work and prepare a plan of action in the event that any concerns are confirmed. The committee will also assist the government in communicating the findings of the Cancer Board, of the University of Alberta program, as well as the committee itself.

MR. ZARUSKY: A final supplementary, Mr. Speaker. Could the minister give an indication to the House when he expects this committee to give a report to him?

MR. DINNING: Well, Mr. Speaker, the University of Alberta occupational health program should have a report in our hands by the end of this month as to any further action, any further work that should be done. Certain census data that will allow us to do a more comprehensive and up-to-date review of these health concerns will be available in the summer, and we expect the analysis of that census data should be completed by the fall. And as well, depending upon what other recommendations are made by the University of Alberta occupational health program, the time line, the time frame, will depend upon those recommendations.

DR. BUCK: Mr. Speaker, to the hon. minister. This is one time that I don't want to see the government get in too big a hurry. I want to ask the minister: will he allow sufficient time, without putting arbitrary deadlines, to make sure that the report is absolutely as complete as he can get it? Will the minister assure this Assembly and the people of this province that that report will be absolutely complete regardless of how long it will take?

MR. DINNING: Well, Mr. Speaker, the hon. member's point is very well taken, and we're trying to take responsible action in response to concerns regarding health. There is a very major and important industrial complex in Strathcona county, and we are not going to play games with that or raise any undue alarming concerns with respect to health.

While I'm on my feet, Mr. Speaker, I think it's important to underscore one more time that there is no link between the reported cancer rates and any one particular factor. I want to underscore that the factors -- there are a variety of them. There is a large array of factors that can relate to this concern. One is family history; another is geography and where individuals have lived. Others would include life-style, including diet or smoking -- that dreadful habit -- or possibly environmental or occupational hazards. But I want to underscore that there is not one directly related factor.

MR. SPEAKER: Edmonton Glengarry.

MR. YOUNIE: Thank you. Considering that the cancers under investigation are the types most consistent with environmental pollution, will the minister guarantee that that will be one of the prime considerations in the study, rather than totally left out as much as possible, as was done with the Pincher Creek health study?

MR. DINNING: Mr. Speaker, I'm advised by the medical physicians involved here that the cancer about which we have the greatest concern is in fact historically not related to environmental or occupational hazards. In fact, it is more linked to family history and to life-style, and I want the hon. member to make sure that he's aware of that fact.

MR. SPEAKER: Member for Edmonton Calder. If there is time, Edmonton Gold Bar.

Suicide Prevention

MS MJOLSNESS: Thank you, Mr. Speaker. This week has been designated Suicide Awareness Week. Albertans are concerned that the rate of farm suicide in this province has tripled since 1981, native people experience suicide at a rate five times the national average, and the economic instability which we've been experiencing leads to an increase in the suicide rates. To the Minister of Community and Occupational Health: in the face of these facts, how does the minister justify the continued freeze in the funding for the Edmonton Distress Line at the 1983 levels?

MR. DINNING: Well, Mr. Speaker, we are indeed very concerned about any increase or any ongoing incidence, any rates of suicide in this province, and it is a major concern to this government. In keeping with that, we have done our very best to maintain funding to those who provide service on a one-to-one basis, direct service to the general public. I'm very grateful and very thankful that my colleagues in the government have supported our continued commitment to agencies such as AID Service in Edmonton and to a variety of other community agencies throughout the province so that that one-to-one contact to prevent suicide is one that we can continue.

MS MJOLSNESS: A supplementary to the minister, Mr. Speaker. The fact is that the funding has been frozen at 1983 levels. Given that two out of three people phoning the Edmonton Distress Line receive only a busy signal, would the minister re-evaluate his position on the funding freeze to ensure that all callers will receive the required help to prevent potential suicides?

MR. DINNING: Mr. Speaker, the work that AID Services does in this city is very good work, is very positive work, as all of the agencies around the province do very good work in this area, but it's not just AID Services that we want to support. There are a variety of other agencies that do this work, and we want to do our best to support them.

I'd ask the hon. member to lend her support and hopefully the support of her caucus to a presentation the provincial suicidologist is going to make tomorrow night to the Edmonton public school board to encourage them to take on a pilot study on providing suicide information, awareness, and prevention material, to put that in a pilot study in two or three or four Edmonton public schools. The same kind of approach will be made to the Calgary Separate School Board in the weeks ahead. But I believe this is just one other initiative that we are taking to prevent suicide in the communities throughout the province.

MS MJOLSNESS: Supplementary to the minister, Mr. Speaker. It's news to me that support means a funding freeze. To the minister: given the high incidence of suicide in rural Alberta, will the minister take the initiative to put in place distress lines in the rural areas and fund those organizations which are committed to providing this needy service?

MR. DINNING: Mr. Speaker, this is one other important area that we are looking at, and in fact we are looking at the results of a distress line that the suicide prevention committee in the

province is supporting in the constituency of my hon. colleague for Redwater-Andrew. I had the good fortune to open that distress line in Smoky Lake in December of last year, and it is doing important work that other communities throughout the province I hope will continue to do as well. They are working with AID Services, and I appreciate the ongoing support of AID Services in providing this kind of support so that communities outside of Edmonton and Calgary can have access to these kinds of services.

MR. SPEAKER: Final supplementary.

MS MJOLSNESS: Thank you, Mr. Speaker. To the Premier. In view of the recent government cutbacks in shelter and food allowance to single employables and the resulting increase in distress levels, is the Premier not concerned that this move will increase the suicide rate?

MR. GETTY: Mr. Speaker, I suppose every single member of this Assembly is distressed by anything that would increase suicide rates, and it is far more deeply a part of our society than any of the questions I've heard raised today. I would suggest that while we would all want to work in every way possible to reduce the incidence of suicide, we should do it in a much more thoughtful way than merely isolating in on a narrow matter in a particular budget year.

Constitutional Talks *(continued)*

MR. SPEAKER: Member for Edmonton Gold Bar.

MRS. HEWES: Thank you, Mr. Speaker. Although the final wording hasn't yet been fleshed out, the first ministers' agreement on federal spending power is somewhat troubling. People are asking, "What does this mean?" While I'm not unhappy about the ability provinces will have to develop programs that reflect our own priorities, it also seems to have the potential to open the door to an ideologically-based attack on people programs -- health care, for instance -- by provincial governments.

I'd like to ask the Premier, Mr. Speaker: in the discussions on the use of federal spending power, did the Premier or any other Premier raise any concerns with respect to the possibility that national programs could be eroded by such a move?

MR. GETTY: Mr. Speaker, there is nothing retroactive with regard to any of the matters discussed in Meech Lake. But I should say this, though. The key thing is that you've called them national policies or programs. What they were were federal programs, and that is what we did not want to continue and will not continue. There is a tyranny of the majority in our House of Commons, and that can be used to dominate other provinces. That is one of the significant things about the constitutional change, that tyranny of the majority will not be allowed to continue in the future. And that is good for all parts of this country.

MR. SPEAKER: The time for question period has expired. Might we have unanimous consent to complete this series of questions?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Hon. Member for Edmonton Gold Bar.

MRS. HEWES: Thank you, Mr. Speaker. Again to the Premier, then. Was the notion of "programs compatible with national objectives" explained in more detail? That's a quote: "Programs compatible with national objectives." If so, could the Premier elaborate on his understanding of just what "national objectives" will mean?

MR. GETTY: It's very difficult, Mr. Speaker. I can remember when there was a national program of support for housing -- I'll just use that and move it away from any particular item we're looking at right now -- when with the federal spending power they were able to say: "We have a national program for assistance for housing; they all have to look like this; they all have to be built like this; there have to be sidewalks here, hedges here, a certain kind of insulation" -- often dictated by conditions in Ontario and Quebec, with absolutely no relation to what was needed in Alberta.

That type of national objective we will not allow in the future. We will say that the conditions and the needs and the circumstances in the provinces must be built into national programs, and if the provinces want to opt out of that national program, they have that right as long as they deal with the issue or the needs in their province within the general context of the program.

MR. SPEAKER: Supplementary.

MRS. HEWES: Yes, Mr. Speaker. Just to follow that point, I'm just as concerned about overly stringent national standards as I am about the provinces shirking their responsibilities. Did the ministers discuss the possibility of allowing provincial input into the establishment of these so-called national objectives in the future, or are they still going to be set just by the provincial government, as you have described, Mr. Premier?

MR. GETTY: Well, they would be proposed, I would assume, by the federal government, but the federal government would have to discuss them with the provinces in far greater detail than in the past. We would also ensure that there would be no longer any of this establishing of a program, establishing a desire and some kind of free-looking program and then pulling out of it and leaving the financing of it on the shoulders of a province. So it is those types of things that we will not allow in the future.

MRS. HEWES: A final supplementary, Mr. Speaker. To the Premier: when will the details of the agreement be available, and will we see them before a final one is signed?

MR. GETTY: If that's at all possible, yes, Mr. Speaker. As I've circulated the principles, now the minister of inter-governmental affairs and the Attorney General will have their departments working on this matter. The desire is to have it in constitutional text language before the end of May, and if we can, we will certainly have it circulated to members of the Legislature. However, it's possible that it will have to be in what we call, as close as possible, a late draft, I guess, before we finally deal with it and sign it.

MR. SPEAKER: Edmonton Highlands.

MS BARRETT: Thank you, Mr. Speaker. For a change I note that I actually have a point of agreement with the hon. Premier. He referred to the "tyranny of the majority" in Ottawa. I've been calling it the revenge of the hidden agenda, but I guess we agree.

My question, however, is: will the Premier indicate what mechanisms he will be promoting on behalf of Albertans to ensure that under national programs such as the Canada Health Act or its provincial provisions Canadians will continue to have equal and fair access in the provincial jurisdictions that administer those programs?

MR. GETTY: Mr. Speaker, it would be difficult to say in other provinces, but perhaps just to point to Alberta, where we not only fit well within national programs but we are the best in Canada and have been able to provide to the people of Alberta the best standards, the best quality in the programs of health of anywhere in Canada. It's interesting that when I meet with my colleagues the other first ministers they shake their heads in dismay when they understand that Alberta has the lowest taxes in Canada and provides the greatest level of services. They shake their heads in dismay as to why there can be the kind of concerns expressed when we are trying to get control of the spending in our province. They just say, "Surely the people of Alberta really have it well."

MR. STEVENS: Supplementary, Mr. Speaker, to the Premier. Speaking about Canadians, does the Premier see an opportunity for more involvement in the area of immigration to this province and involvement by this government in, possibly, an agreement with the Canadian government?

MR. GETTY: Yes, Mr. Speaker, I certainly do, because . . .

MR. SPEAKER: Hon. Premier, it is a long way from federal spending power.

The time for question period has expired. The Chair has received notice with respect to questions of privilege, recognizes the Provincial Treasurer, followed by the Minister of Career Development and Employment.

Points of Privilege

MR. JOHNSTON: Thank you, Mr. Speaker. I'm rising today to pursue a question of privilege, notice of which was given to you on Friday as recorded in Hansard. The notice is between my colleague the Minister of Career Development and Employment and myself, and I will attempt here to provide reasons for a prima facie case of breach of privilege by the Member for Calgary Buffalo and by all members of the Liberal caucus: Calgary Buffalo, Edmonton Gold Bar, Edmonton Meadowlark, and Westlock-Sturgeon.

Mr. Speaker, you directed us, with respect to proceeding, that we would proceed today, and you further directed us to send to you notice of that. We have done that, a copy of which has been placed in your office this afternoon at 12:20, setting out the elements of the arguments and the elements of the breaches of privilege, which I will deal with in a moment and provide reasons for the in fact breach of privileges.

Mr. Speaker, as a matter of record we should know that on April 30 my colleague and myself were served with a statement of claim in the Legislative Assembly by the Member for Calgary Buffalo. The plaintiffs in this case I will list as Sheldon

Chumir, Bettie Hewes, Grant Mitchell, and Nick Taylor, and the defendants in this case are Her Majesty the Queen and the right of the province of Alberta, as represented by the Minister of Career Development and Employment and the Provincial Treasurer of the province of Alberta.

In this statement of claim, Mr. Speaker, there are several elements which are germane to this argument, and in fact I will develop for you later reasons why in fact a breach of privilege did occur. First of all, without my reading into the record, I should note just three points. First of all, the statement of claim clearly spells out that the plaintiffs at all material times were members of the Legislative Assembly of the province of Alberta, and therefore, as I've indicated, they are fully aware of both the legislation, the precedent, the history, and the way in which this Assembly operates. At the same time, they make a claim with respect to the use of lottery funds.

I should read the specifics of the claim, Mr. Speaker, because it is important to know why this breach of privilege is so important not just to the two ministers, as I've outlined, but in fact to all members of this Assembly. The plaintiffs claim, and I quote:

A declaration that monies held by the Western Canada Lottery Corporation for the account of the Government of Alberta are public money within the meaning of the Financial Administration Act and that the Treasurer and the Minister are acting contrary to the law in failing to cause the monies to be placed in the General Revenue Fund.

A full stop, Mr. Speaker. And in doing so, I draw clearly your attention to point 9 in the statement of claim, wherein the [plaintiffs] suggest clearly that they have asked the defendants -- that is, the two ministers -- to have the money placed in the General Revenue Fund, and I will come back to that point.

Mr. Speaker, in our letter to you, signed by the minister for career development and myself, we argued that clearly, as I've indicated, three points of prima facie breach of privilege have occurred over the past few days, and I think it's for this Assembly to decide, after your decision, as to how we should act upon them. I think it's important that the record should show just what those breaches of privileges are, and then I'll go on to argue why in fact breaches of privileges did occur.

First of all, Mr. Speaker, as I've indicated, both the minister of career development and myself were served with notice of statement of claim by the Member for Calgary Buffalo within the precincts of the Legislative Assembly. To serve us a motion within the precincts of the Assembly is a serious breach of the privileges of Her Majesty, of the Members of the Legislative Assembly, and of the two members involved. Secondly, and the Minister for Career Development and Employment will speak to this more specifically, service was given to the Minister of Career Development and Employment as he was entering the Legislative Assembly on May 1, 1987. Again, as I will argue in a few minutes, this is a clear breach of the minister's privilege of unimpeded access to the Legislative Assembly. Finally, the third point of breach of privilege for your consideration deals with the Liberal caucus itself. As plaintiffs to the action against the two ministers, they have pleaded in their own statement that discussions within the Assembly on the issue of lottery funding led to their initiation of the claim.

What this means is that a breach of privileges has occurred clearly not just to the ministers but of the Assembly itself, wherein the decisions of this high court, the Legislative Assembly of Alberta, has been held in contempt. In fact, the action has been taken to a lower court of Alberta, contrary to precedent,

contrary to the legislation of this province, Mr. Speaker, and contrary to the operations of most Assemblies across the province and, historically, going back to the parliamentary system of England itself.

So those are the three reasons why in fact a breach of privilege has occurred, and I will now go on to cite for your consideration the precedent and the law which I think guides us in determining whether or not that breach of privilege has occurred.

First of all, Mr. Speaker, I'm working from the Legislative Assembly Act, which I will now formally read into the record as the Legislative Assembly Act, chapter L-10.1, *Statutes of Alberta 1983*. At the same time, I will be quoting from, or at least citing specific citations from, *Beauchesne's Parliamentary Rules and Forms*, the fifth edition. Moreover, in looking backwards or into the history of the way in which this parliament operates, it will be found that some guidance -- significant guidance and compelling arguments -- is given to us in *Erskine May: Parliamentary Practice*, and specific note being given to the 19th edition. Now, my office doesn't have the same resources as the leader of the House, but I am using the 19th edition, so if there's any error with respect to the pages, I would beg forgiveness both of yourself and the members of the Assembly, because there is in fact a 20th edition.

Moreover, Mr. Speaker, I will also cite various citations from *Hansard*, and those citations are in the context of the reasoning of the question of lottery funds in the Assembly. I will speak to the April 1 question period, to the April 6 Committee of Supply, Department of Career Development and Employment, where in fact the question was first raised.

Now, Mr. Speaker, with respect to the question of privilege itself, we should not take it slightly that in fact those questions of privilege which we all experience in this Legislative Assembly are significant questions which need to be dealt with in this matter. They not only reflect on the history that we've accepted in this Assembly, but they do in fact, as I will show, challenge the fundamental principles of these privileges. Privileges of speech, privileges of freedom from arrest, are in fact the clear privileges which we cherish. To take these lightly is in my view a serious breach of the privileges of members of this Assembly, not just the ministers involved but in fact all members, because these are the fundamental principles that we seek to preserve and to cherish as we conduct our business on behalf of the people of Alberta.

Mr. Speaker, the Legislative Assembly Act, at section 13 in particular, provides the immunity of a member of the Alberta Legislative Assembly from arrest or from detention under a civil action. This fact should be well known to all members, and certainly the members of the Liberal caucus should be no exception, for it was only one year less four days that in fact they were elected to this Assembly, and therefore that is the guidance under which we should operate. I won't take the time to read into the record those particular sections, because they are well known to us, except that clearly within our own Legislative Assembly [Act] under which we operate, the specific law -- in fact, recent law passed by my colleague the current minister, led by the current House [leader] -- is in fact fairly representative legislation. Well, we must look behind that legislation to see the real precedent for why in fact this freedom of speech is so important.

Again, *Beauchesne*, long quoted in this Assembly, in citation 59 speaks to this long tradition of the British parliamentary and the Canadian parliamentary section. And the freedom from arrest in all civil actions is a clear principle which we have ac-

cepted in the Canadian parliamentary system and in this parliamentary system. I should note for the record here, Mr. Speaker, that interpretation of the word "arrest" is used in the widest sense of indicating jurisdiction to a court action, so whether or not we are actually manacled or not is another question. But in fact we are subject to another lower court's jurisdiction, and therefore the question of arrest should be used in its widest application.

Similarly, Mr. Speaker, I will quote now from *Erskine May*, or at least draw your attention to *Erskine May*. I am using the 19th edition. In that 19th edition, chapter 7, that learned book is rampant with the history, very cogent arguments and compelling reasons why in fact that history on the origin and scope of the term "privilege" exists in this province. I think all members should devote some time to that section, fundamental to our sense of freedom and fundamental to the way in which we operate in this House. And it is my contention that that fundamental right has been abridged by the actions of the members across the way and in fact not just the action of the Member for Calgary Buffalo.

Mr. Speaker, I won't go on to cite all the various kinds of escapes from arrests which are provided for, going back well into the early history of the English parliamentary system. I simply refer you to that section, and your analysis and conclusions, I'm sure, will be the same as those I have come to. Nonetheless, it is that freedom from arrest, the freedom from moving action against a member of this Assembly, that is clear and is in fact a breach of privilege.

Now, Mr. Speaker, the causing of the service of notice within the Legislative Assembly itself, and we I think have on clear record -- certainly the press has on clear record -- the photograph of my colleague the Minister of Career Development and Employment being challenged as he entered this Assembly, with a fair display -- I don't think it's a matter of fact that that did not happen; I think it is a matter of our word that it did in fact happen.

I also was served in my own office by the Member for Calgary Buffalo, and that was within the definition, within the precincts of the Legislative Assembly of Alberta. Now, Mr. Speaker, here again I direct your attention to that history. In looking at *Erskine May*, the 19th edition, on page 147 in particular, there are some significant arguments which suggest that the service of notice within the Assembly itself is in fact clearly contrary to the principles under which we operate. Moreover, *Erskine May* uses a very catchy term, I think, when he talks about "other indignities offered to either House." Those are his exact words, Mr. Speaker, and in doing that, he cites specifically:

serving or executing civil or criminal process within the precincts of either House [while] the House is sitting without obtaining the leave of the House.

He cites several cases which in fact reinforce that that is not at all an acceptable process. I think it is a matter of record, first of all, that this would be a matter of civil action -- and we've clearly indicated that -- not a matter of criminal action. Moreover, I think it is also a matter of record that in fact the House was sitting when in fact notice was given. That I don't think is in any challenge here at all. But there is in fact some disagreement between the references and the histories cited in *Erskine May*, and to some extent there is a bit of a silence with respect to *Beauchesne*, who argues not quite as specifically about that particular breach. Nonetheless, Mr. Speaker, it is clearly found in the traditions of the parliamentary system and in

the traditions of this House as well that the service of notice of any civil action when the House is sitting within the precincts of the Legislative Assembly of Alberta would clearly be a breach of the privileges not only of the ministers but of this Assembly itself and I think should suffer severe sanction for that reason.

Turning now, Mr. Speaker, to the third question which we raised, that is to say that -- forgive me for a second while I search for my notes here -- the members of the Liberal caucus as plaintiffs in the action against the ministers pleaded in their own statement that discussion within the Assembly on the issue of lottery funding led to the initiation of that claim. Let us now turn our attention to what in fact has happened here, and I hope I'll be able to give you some citations which would reinforce the law and the practice and the precedent.

I indicated that I would raise with the members of the Assembly the questions raised regarding lottery funds on April 1, 1987, by Mr. Chumir, the Member for Calgary Buffalo, wherein he did ask at page 511 the following question of the Minister of Career Development and Employment:

Why has the government not responded to the advice in the Auditor General's report, a report repeated three times, that the government is acting illegally by not paying the \$110 million in the General Revenue Fund and charging the expense to an appropriation of the Legislature?

Mr. Speaker, this is the first point that I could find that in fact this was raised by the Member for Calgary Buffalo, and in doing so, of course, my colleague the minister of career development replied that in fact it was government policy, a decision of the Legislature, and he was considering his action.

Moreover, Mr. Speaker, on April 6, in consideration of the estimates of my colleague the Minister of Career Development and Employment, it was also raised with respect to the so-called legality of the actions of the government in dealing with these \$110 million reported to be in the lottery funds. The point I'm making here is that this question was raised at the level of the Legislative Assembly. It was raised in committee and was raised clearly on the floor of this Assembly, and we gave our response in dealing with what was government policy.

Now, it's well known that the Legislative Assembly is one of the highest courts, if not the highest court, under the jurisprudence of the province of Alberta dealing with those specific areas of our own separation of powers. What is it that has happened? What it is, Mr. Speaker, is cited for us, and some direction is given to us, in our own Legislative Assembly [Act], section 10.1, sections 10.2(k) and 10.2(l). In doing so, there is clear direction there to us under the Legislative Assembly Act that if in fact a question has been brought to this Assembly, this court, that it is not in fact permissible for this to be appealed to a lower court. I can give you other precedents which -- in fact I can argue will show that clearly the history has been that a member cannot bring into a lower court a decision made in this court. The question is clear that it has been raised here, that it has been dealt with here, and as our own Legislative Assembly [Act] indicates, taking civil action preceeding or causing arrest would in fact be a clear breach of the privileges of this Assembly. Moreover, Mr. Speaker, there are other precedents with respect to those fundamental privileges which I can cite with respect to those breaches of privileges.

Mr. Speaker, let me conclude by saying that what has happened here clearly is that there may well have been an attempt to focus this debate in a different place. But we know that that is not the way in which we operate in this province, that this is

the highest place for determination of these kinds of issues, that the issue was raised here, the government's policy position was presented, and in fact there was ample opportunity for that debate to take place. Moreover, it's a clear principle that freedom from arrest shall exist for Members of the Legislative Assembly, specifically in those matters of civil action. That clearly has been breached with respect to the action taken, both by the Member for Calgary Buffalo and by the entire Liberal caucus itself.

In considering these things, Mr. Speaker, we should not take lightly this action. This is a very serious action and one which in fact impedes the ready access to this Assembly by Members of the Legislative Assembly. We have all well seen that the privileges enjoyed by individual members must at all times ensure that they can provide their first function, their first job, to the Legislative Assembly that elects them. Failure to have clear freedom from arrest, from imprisonment, under civil action would in fact take away that fundamental right.

Moreover, Mr. Speaker, we cannot allow the serving of civil action within the Legislative Assembly within the precincts of this Assembly, because of course as the *Erskine May* well cites on page 147, this would bring "into odium, contempt, or ridicule" the operation of this Legislative Assembly. I'm afraid that that's exactly what has happened in this case.

So, Mr. Speaker, I find that we have no choice on these very serious issues but to raise this question of privilege, to suggest to you that we have made -- I think in a fairly cursory manner because of the time involved -- significant arguments which show that in fact in the three cases which I raised in my memo to you, a breach of privilege in fact has occurred. Moreover, with not having a full opportunity of understanding all the history here, there may well be other breaches of privileges which we could argue, but I think it is these three significant points which are at the essence of our appeal today.

I should say, Mr. Speaker, that should you in your wisdom, upon due consideration of the arguments which I have made and which will be supplemented by my colleague the Minister of Career Development and Employment, find that in fact there is a prima facie case, then of course we would bring forward a motion at some period, likely this week, to provide for further debate on the motion and to seek the direction of the Legislative Assembly.

Mr. Speaker, I leave you with those notes. I do apologize for the rather extensive time that I have taken. My colleague the Minister of Career Development and Employment, with your permission, would like to supplement my points simply because there is a major difference as to the way in which service was presented to him, which is significant as well in terms of these questions of privileges.

Thank you, Mr. Speaker.

MR. SPEAKER: Minister of Career Development and Employment.

MR. ORMAN: Thank you, Mr. Speaker. I, too, rise to express my view that there is a prima facie case for breach of privilege, not only of my privilege but a breach of all members' privilege of this Assembly.

The hon. Provincial Treasurer has made the case very well, and I wish to adopt his remarks to my own, except to add that in my case, Mr. Speaker, the hon. Member for Calgary Buffalo interrupted my progress to the Legislative Assembly by orchestrating a media event in the anteroom to this Chamber,

namely room 312. There's no jurisdiction in the land that would support this interruption of duties as an M L A or as a minister of the Crown, and it's sufficiently cited in *Erskine May*, as my hon. colleague the Provincial Treasurer has indicated. It is an insult to all members of this Assembly, Mr. Speaker, and coincidentally it is an insult to her Majesty the Queen and is compounded by the fact that this interruption was effected by another member of this Assembly.

Mr. Speaker, I believe it was an unconscionable act. In my view, the Member for Calgary Buffalo sought to manipulate these sacred privileges to achieve mischievous ends. Acts such as these serve only to erode due respect for the very time-honoured rules that govern all Legislatures and Parliaments, Mr. Speaker.

Thank you.

MR. SPEAKER: Member for Calgary Buffalo.

MR. CHUMIR: Thank you, Mr. Speaker. I would be much happier if the hon. members were in a position of wishing to deal with the primary issues of the legality of the government's actions in dealing with the \$110 million of . . .

MR. SPEAKER: Hon. member, this is dealing with the matter of privilege alone. Alone.

MR. CHUMIR: I understand that, and I think this House has better activities to spend its time on, Mr. Speaker.

The issue at this stage is whether or not there is a prima facie case before you, Mr. Speaker, with respect to a breach of privilege, and the letter which has been delivered to you and of which I received a copy sets out in three paragraphs the alleged breaches of privilege. These fall into two categories, the first category relating to the service of the statement of claim, firstly within the precincts of the Legislative Assembly and, secondly, the issue of the impeding of access to the Legislative Assembly of the hon. minister of career development. That's the first issue, that of location of service.

The second issue relates to the simple fact of the bringing of this action by the members of the Liberal caucus against the government.

Now, Mr. Speaker, perhaps I might ask: has a copy of the offending document, the statement of claim, been formally filed with the House as opposed to being made available for your perusal?

MR. SPEAKER: The Chair has a copy [inaudible].

MR. CHUMIR: Perhaps I might file a copy for the record.

Mr. Speaker, I have looked in vain for anything in the primary authorities governing the rules of this House which suggests that the manner of service of process in this issue and the filing of the statement of claim against the government are breaches of the privilege of this House or of any of its members, and indeed the strongest authority which deals with the matter directly, that of *Beauchesne*, indicates that it probably is not a breach of privilege of this House.

Now, in terms of precedent, the Provincial Treasurer very kindly provided to the Member for Edmonton Meadowlark a reference to certain sections upon which he would be relying. These sections were *Beauchesne* 59 and 56, a reference to pages 99 and 100 of *Erskine May*, and references to section 10(2)(b) of the Legislative Assembly Act, now expanded to references to

10(2)(k) and 10(2)(1).

I would like to deal with these references and other references, Mr. Speaker. Firstly, addressing the first issue, that of the location and manner of service. Now, insofar as the Legislative Assembly Act is concerned, I would note that there are a number of sections which might arguably be applied. There is section 10(2)(b), that of

obstructing, threatening or attempting to force or intimidate a Member in any manner relating to his office;

I don't understand there's any suggestion of any intimidation in this instance. The minister was handed a piece of paper, and there was no greater obstruction than that which takes place on a daily basis in terms of messages being handed by pages and other Members of the Legislative Assembly. So the context of that section certainly implies something far more menacing; otherwise, we would all be at risk every time we stop to pass a message to another member.

Section 10(2)(1) refers to

causing or effecting the arrest, detention or molestation of a Member of the Assembly for any cause of a civil nature.

I assume that there is no arrest or detention, and the minister himself has just hollered across the floor that there was no molestation. I certainly don't recall molesting or assaulting or threatening the minister, and if one looks at page 164 of *Erskine May* -- and I'm sorry I'm not sure whether it's the 19th or the 20th edition -- it's quite clear that in order to fall within the definition of molestation something along the lines of assault or threatening language is required. So there's no evidence, I would suggest, of any molestation in that respect, Mr. Speaker.

If we move on to look at the other sections, I find nothing in the Legislative Assembly Act which provides any assistance or guidance to this House with respect to the issue of the manner or the place of service. If we're not dealing with a molestation, an obstructing or a threatening or attempting to force or intimidate, then what are we dealing with under the sections of the Legislative Assembly Act?

Moving on to *Erskine* and *May*, the hon. . . .

MR. SPEAKER: *Erskine May* is one person, hon. member.

MR. CHUMIR: Moving on to *Erskine May*, Mr. Speaker, the hon. Provincial Treasurer referred to it as rampant with history, and in fact when one looks at it, one will note the vestiges of very old and arcane rules. I have searched *Erskine May* for an indication that legal process may not be served on Members of Parliament in that country. As the hon. Provincial Treasurer noted, there is a great deal in *Erskine May* on the subject of freedom from arrest for civil process. On pages 106 and 107 there's a reference to an original privilege of not being sued while Parliament is sitting. That's no longer the case. I've been unable to find any precedent for the matters brought before you here, and if they're there, they're certainly well hidden and not strongly highlighted as major principles of modern parliamentary life. And the reality is, from what I've been able to determine, Mr. Speaker, they conflict, or any suggestion that *Erskine May* supports that conclusion conflicts with my reading -- and I believe it's a fair reading -- of *Beauchesne*.

The section of *Beauchesne* to which I would like to refer as the primary support, Mr. Speaker, is section 66, but perhaps for thoroughness I might also note section 59, which focuses on arrest, because that has been the tendency and the primary focus of the privilege in the authorities to which I have referred. Sec-

tion 59 reads:

The freedom from arrest of Members is more apparent than real. The wide freedom from arrest which historically existed at one time in England, and extended even to a Member's servants, has never existed in Canada. Freedom from arrest today extends only to civil actions and cannot be claimed for treason, felony, breach of the peace or any indictable offence. The House has always claimed its prior right to the attendance of its Members, but has never placed its claim above those of the community as a whole.

I might note that this falls under the heading "Freedom from Arrest," and the implication there relates to the importance of the prior right of attendance of the members, which I would submit, Mr. Speaker, is a primary issue of privilege with respect to this House: the right of its members to be in attendance.

However, when we move on to section 66, under the heading "Freedom from Attendance at Court" -- and I suggest that this should be the heartland section which would govern our proceedings -- it states:

Neither the House nor its Members have ever made any specific claims to freedom from service of process within the precincts. Sir Richard Cartwright noted in 1877 that an attempt had been made to serve a subpoena on him in the corridors of the House, but he did not pursue the question. *Debates*, April 16, 1877, p. 1540. In 1965, Mr. G. Grégoire also mentioned in passing that he had been served with one summons in his office and that he had been called out of the House for the service of a second. The Standing Committee on Privileges and Elections looking into his allegations in that year did not even consider the question.

Well, I would suggest, Mr. Speaker, that that is the rule that should guide this House. It's a rule of common sense, something that perhaps is a short ingredient in this House from time to time. So I would submit, Mr. Speaker, that *Beauchesne* is the precedent which should prevail.

If we move on to consider other provincial Legislatures -- and I would submit that we are dealing not with other Legislatures but what the rules of this House are -- I understand that in recent times several of the provincial Legislatures in the country have dealt with this issue, notably the Legislatures in British Columbia and Ontario. I have nothing more with respect to the positions of those Legislatures, other than newspaper clippings, but to the extent that those are precedents in those provinces -- and I emphasize "in those provinces" -- I would note that these clippings refer to, firstly, issue of service of civil actions against members themselves. And this is clearly -- as one will see from reading the statement of claim, the defendant is

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF ALBERTA AS REPRESENTED BY THE MINISTER OF CAREER DEVELOPMENT AND EMPLOYMENT AND THE PROVINCIAL TREASURER OF THE PROVINCE OF ALBERTA

The action is against the government, against the Crown itself, and service is being made in a representative capacity and not personally, as in the provincial precedents, the details of which I am aware.

Secondly, the service in those instances to all appearances was by outsiders. Here the service was made by myself as a member of this Assembly and intent on pursuing my duties as a member of this Assembly as I saw those duties.

Finally, insofar as those provincial precedents are concerned.

I would note that in the Ontario case -- of which there is a clipping in the May 2, last Friday's edition, in any event, of the *Globe and Mail*, page A4 -- dealing with a service directly on a member in respect of a private lawsuit for libel, there was disagreement in the committee of the House which dealt with that issue, and several Tory members of the committee issued a dissenting opinion arguing that no one should be blamed in the particular incident.

Now, insofar as Alberta is concerned -- and that is the heart of the issue, Mr. Speaker -- what are the rules of this House -- I am unaware of any precedent, have not heard any precedent cited, to indicate that this form of conduct would constitute a breach of the privileges of this House. Accordingly, presumably the matter is up for determination anew, and I would suggest that in this age and under these circumstances we should follow the practice of the federal Parliament as set out in *Beauchesne* and find that this is not a matter under these circumstances for privilege.

The philosophy behind the issue of privilege is that of enabling members of the Legislature to proceed unimpeded to carry out their duties. Far from serving as a precedent or an incident in which the members were prevented from carrying out their duties, the whole purpose of this action is to force the hon. members, in fact, to do their duty in upholding the law of this province in dealing with \$110 million of lottery funds.

Insofar as the second issue is concerned, Mr. Speaker, that of whether or not the lawsuit can be brought or should be brought when a matter has been discussed within the Legislative Assembly, I'm surprised that the hon. Provincial Treasurer is able to keep a straight face in making this argument. The section he cites in the Legislative Assembly Act is section 10(2)(k), and that provides:

(2) Without restricting the generality of subsection (1), the following acts constitute breaches of privilege or contempts to which that subsection applies:

(k) taking any civil proceedings against, or causing or effecting the arrest or imprisonment of a Member in any civil proceeding, for or by ... of any matter or thing brought by him by petition, bill, resolution, motion or otherwise, or anything said by him, before the Assembly or a committee of the Assembly.

Note that it refers to the taking of any civil proceedings against a member in respect of anything that that member has done in this House.

The purpose of this section is very clear, and that is to protect them from their activities in respect of things that they're saying in this Legislature to preserve their independence of action. The classic example of its application would be that of a libel action, and it's quite clear that members of this House enjoy an absolute privilege in respect of any statements that they make in this House, the purpose being to encourage robust debate.

I might note that in the letter providing notice to you, Mr. Speaker, that there were several errors in detail. Paragraph 3 states that:

The members of the Liberal Caucus ... pleaded in their ... statement [of claim] that discussions within the Assembly on the issue of lottery funding led to their initiation of the claim.

In fact, the statement of claim very clearly does not refer to any actions in the Assembly. It merely states that

The Plaintiffs ... have raised with the Defendant

the issue of the monies being held contrary to law and have demanded that the Defendant take steps to have the monies placed in the General Revenue Fund but the Defendant has failed to or refused to respond to such demand.

There is no reference whatsoever to the actions of the members in this Legislative Assembly, and it would be academic, I would submit, even if there were any such references.

Secondly, Mr. Speaker, it was not the discussions or actions or statements of the ministers or anyone else in this Legislature that led to this action. What has led to this action is the failure of the government to obey the law, their defalcation and dereliction of duty to the people of this province.

So as we look at 10(2)(k) of the Legislative Assembly Act, we find that here we have a proceeding which is not against a member, is against the government or the Crown as a whole, but most importantly it relates not to their actions in the House but to three years of flouting the law by the government, three years in which this has been pointed out very clearly by the Auditor General in his reports to this House. The acts of the members in bringing this matter before the House, Mr. Speaker, remind me of the definition of "chutzpah," if I might quote a foreign language. The definition of "chutzpah" is when a person is charged with killing his parents and appears before the court and pleads for mercy because he's an orphan. Here we have a situation in which the government is in breach of the law and then wants to use our complaints to this House which were ignored by the government as the excuse to deny this caucus access to the courts. This is in fact an abuse of the claim of privilege, and if it prevailed, it would be impossible for any litigation to proceed if a matter had previously been or were currently being discussed in the House. It would obviously be a perfect stratagem for members of the Assembly to avoid lawsuit in any matter by raising an issue in the House. If any money were owed or any potential litigation were impending, raise the matter in the House and section 10(2)(k) would prevail.

Mr. Speaker, I believe the true issue of breach of privilege is the breach of privilege by the ministers in issue, and the privilege is that of the citizens of this province to have the government obey the law and have the expenditures dealt with by the Legislature. This is the true issue, and we should be going on to deal with the \$110 million ...

MR. SPEAKER: Order, hon. member, for a moment Order please. Is the member now raising an issue of privilege separate and distinct from the one that has been raised by the two ministers of the Crown, just for clarification to the Assembly?

MR. CHUMIR: That's something we will consider, Mr. Speaker. I'm now in the process of concluding my comments to this House, and I'm speaking not of the privileges of this House but of the privileges of the people of this province to have the government obey the law and bring matters of expenditure before this Legislature. That is the true issue, and it's my submission that this House should not ...

MR. SPEAKER: With respect, hon. member, this is not a debate about this and that. It's a question of this particular item of privilege, so if the member would confine the remarks to that please.

MR. CHUMIR: I think I've made my point, Mr. Speaker, and I would suggest in conclusion that on the basis of the precedents

which I have referred to and on the basis of common sense, there is no prima facie case established here of a breach of privilege and there should be a finding to that effect.

MR. STEWART: Mr. Speaker, I'd just to like to make a few general observations with respect to the matter under debate. The first point I would like to make: I would like to stress the importance that all members of this Assembly attach to the rights and immunities and privileges which are an essential part of our parliamentary system. That process in which those rights, immunities, and privileges have evolved has been described very thoroughly by the hon. Provincial Treasurer.

The rights, immunities, and privileges which all of us enjoy as members of this House, Mr. Speaker, are critical to the functioning of this Assembly and any other Assembly in a parliamentary system. They have been developed over hundreds of years, and they now find themselves being represented in three different ways: firstly, by statute in division 2 of the Legislative Assembly Act; secondly, through the *Standing Orders* of this Assembly; and thirdly, the precedents and traditions of the parliamentary system over those many, many years dating back basically to our Mother Parliament. Those precedents and traditions are incorporated and made a very part of this Assembly and the rules of procedure that regulate this Assembly by virtue of section 9 of the Legislative Assembly Act.

We do not and we should not, Mr. Speaker, take the matter of those privileges lightly. I would suggest to all members that it is the duty of the House to deal with alleged breaches of privilege for a couple of reasons. Firstly, if we do not deal with them, then the basis of the privileges themselves which are established through precedent will be eroded by virtue of the fact that nothing is done in order to take a stand either one way or another on a given breach of privilege that may be alleged. Secondly, as I said, one of our bases of determining our rules and procedures as we go through is the very precedents that are established from time to time on such matters.

When there is an allegation of a breach of privilege, the onus is certainly upon the member or members who have raised the matter, and they have to demonstrate that there is in fact a prima facie case for alleged breach of privilege. I would suggest that in determining a prima facie case, Mr. Speaker, it is important to recognize that all that is required is grounds to establish simply that: a prima facie case. It's not necessary to show that a breach has actually occurred, and as I listened to the hon. Member for Calgary Buffalo, I felt that his debate was basically in respect to whether or not a breach had actually occurred.

However, I would suggest that the conduct of the members against whom the breach has been alleged has in fact given sufficient to you, Mr. Speaker, to constitute a prima facie case. I am not saying, nor is any member of the Assembly, that a breach has occurred. That is a matter to be determined at a later date in the appropriate manner. Nor do I intend to review the many points that have been raised by the hon. ministers as well as the hon. Member for Calgary Buffalo concerning the authorities and how they look at the various points, simply to raise perhaps two. One is the reference by the hon. Member for Calgary Buffalo to section 66 of *Beauchesne*, and in that regard I would state that it is my understanding that the cases that were cited and gave rise to *Beauchesne*, section 66, were civil actions against the members themselves concerning their personal affairs. Secondly, I might suggest that they're not pursuing those particular breaches maybe because the defendants themselves, because of perhaps fears of publicity that might be related to it,

chose not to pursue their own right of privilege.

So, Mr. Speaker, I would merely suggest that once a prima facie case has been established to your satisfaction, then the route is clear and the matter should come back to the Assembly for the appropriate motion -- and that is provided for in our *Standing Orders* -- either a motion to refer the matter to a committee or a motion of the House as a whole which directs itself to the matter of the privilege itself and the merits of the case. Either motion is fully debatable at that time when that motion is made. Debate on the substance of the alleged breach, I would suggest, is not in order at this time. I would merely suggest that a prima facie case is apparent. I would further suggest that in any case of doubt regarding whether a prima facie case has been made, surely that doubt must be cast in favour of the member who has raised the alleged breach.

Thank you, Mr. Speaker.

MR. TAYLOR: This is a very short comment, Mr. Speaker, on privileges. As you have often pointed out and I think the members are well aware, and it was even in the case by the Provincial Treasurer, there is a very serious charge, and of course it cannot be taken lightly. But also, "prima facie" is Latin: the first face or the first look. It also means that after having entertained that part, that is in the minds of the public or in the minds of many people a first stage towards conviction. Like the hon. Member for Calgary North Hill, I feel that in a case like this it's very, very important to realize that a prima facie case decision in favour would be, in effect, a partial conviction because it throws it on the House, and I think the Speaker at all times has to be very careful that cases of privileges aren't brought up with the idea of a political motive behind it or with some form of squelching discussion or some form of censorship.

That leads to the argument that discussions that were taking place . . . It says, Mr. Speaker, while a matter is under discussion in the Legislative Assembly. Well, there is no question there was no Bill on the Order Paper, there was no motion; there was nothing except a question was asked and turned down, and I think another supplemental was actually asked twice. It was very clearly a dead issue as far as the minister of manpower was concerned. Very clearly it had been dispensed with. No way could we interpret *Hansard* as to say that it was under discussion or under thought -- not at all.

As far as being served within the premises, Mr. Speaker, I don't know how much weight you give to that. I hesitate; I don't know. As you probably know, Mr. Speaker, I'm speaking personally here. I've led a very exciting -- some people might say stormy -- business and political career, and I have been served in this House with a statement of claim. I was served, as a matter of fact, in my own office. It had nothing to do with the Legislature. Never at any time did I think it was a way of hiding out, and I could not contemplate bringing my sleeping bag and a lunch and staying here forever. So the question of whether or not it could be served in the House I don't think is an appropriate one either.

If I may finish with those three arguments, Mr. Speaker, one is a very, very serious charge. I think it goes a long way towards affecting a person's image if a prima facie case is made. Secondly, the discussion was definitely dead, as dead as it can possibly be when a cabinet minister says no, nyet, and no two or three times. Lastly, there is a history and a record of services being done in the Legislature, and I don't think the Legislature can be used to hide for that reason.

Thank you.

MR. SPEAKER: Any additional comments on privilege?

The Chair is appreciative of the comments as raised from all quarters of the House and, in addition, appreciates the fact that the Member for Calgary Buffalo did indeed table the copy of the claim as served upon the two ministers of the Crown.

A number of comments would be made by the Chair. First, I would deal with one comment that was made that the strongest authority is *Beauchesne*. One really needs to keep in perspective that the strongest authority really should be the *Standing Orders* of this House or the Legislative Assembly Act as it deals with this particular Assembly. So while some reference has indeed been made to *Beauchesne*, that should be kept in a certain perspective. The perspective certainly would be along this line to a section of the Legislative Assembly Act which has not been quoted this afternoon. It's section (9)(1), privileges, immunities, and powers generally, and I quote:

In addition to the privileges, immunities and powers respectively conferred on them by this Act, the Assembly and its Members, and the committees of the Assembly and their members, have the same privileges, immunities and powers as those held respectively by the House of Commons of the Parliament of the United Kingdom, the members of that House, the committees of that House and the members of committees of that House at the time of the passing of the Constitution Act, 1867.

Now, the Chair reads that into the record because additional references have been made throughout the course of the afternoon with respect to the whole tradition of parliamentary practice and in particular *Erskine May*. *Erskine May*, 20th edition, chapter 7 in particular, is one which forms most of the parameters for the discussion, with some references perhaps occurring in chapter 8.

The Chair would also read into the record a passage which occurs in chapter 7 of *Erskine May* under the heading "Origin and Scope of the Privilege." I'll proceed this way in quoting it:

It has been stated . . . that parliamentary privilege originated in the King's protection of his servants but is now claimed as an independent right. The privilege of freedom from arrest or molestation of Members of Parliament, which is of great antiquity, was of proved indispensability, first to the service of the Crown, and subsequently to the functioning of each House.

I pause here because the word "molestation" indeed may well be necessary of further definition with respect to the matter of privileges raised today.

I also go on to quote further, "The principal reason for the privilege has also been well expressed in a passage by Hatsell," so this takes us to yet another parliamentary source. The quote follows, and this is page 97 of *Erskine May*, 20th edition.

As it is an essential part of the constitution of every court of judicature, and absolutely necessary for the due execution of its powers, that persons resorting to such courts, whether as judges or as parties, should be entitled to certain privileges to secure them from molestation during their attendance; it is more peculiarly essential to the Court of Parliament, the first and highest court in the Kingdom, that the Members, who compose it, should not be prevented by trifling interruptions from their attendance on this important duty, but should, for a certain time, be excused from obeying any other call, not so immediately necessary for the great services of the nation; it has been therefore, upon these principles, always claimed and allowed, that the Members of both

Houses should be, during their attendance in Parliament, exempted from several duties, and not considered as liable to some legal processes, to which other citizens, not intrusted with this most valuable franchise, are by law obliged to pay obedience.

Now, the Chair underlines the line "and not considered as liable to some legal processes." The difficulty, of course, that has been raised is with respect to the serving of notice and then whether or not the place of notice came into effect and whether or not molestation means a physical assault upon a person's person or whether impeding of progress is indeed a form of molestation.

Another matter was raised, that I would quote no precedent in this House, and the Chair agrees. There has indeed been no precedent of this nature in this House and perhaps because of the seriousness of the actions which have taken place.

With respect to the matter at issue, the disbursement or the discussion of lottery funds, indeed, with regard to the statement of claim as served, there obviously is indeed another way of access to the courts, which the Chair is quite certain the Member for Calgary Buffalo is entirely familiar with, so that the statement of claim could indeed be processed but indeed via another route rather than the one that was taken.

So it is that having listened carefully, the Chair decides that indeed there is a prima facie case of privilege involved here, as raised.

The Chair also, with reference as to the letter and as raised by the Provincial Treasurer and also the minister of career development and employment -- that it's a valid case of privilege, and the Chair also takes note that the Provincial Treasurer gave notice that a motion would be forthcoming in the very near future under -- that makes it under our own Standing Order 15(6).

Hon. member.

MR. CHUMIR: Point of order, Mr. Speaker. As my comments noted, the complaints fall into two categories: one, place and maimer of service; secondly, with respect to the bringing of the action to begin with. I may have missed the trend of the Speaker's comments, but I thought the citations that were referred to in the comments alluded to the issue of service, and paragraph 3 of their letter is a totally different issue. So I would appreciate if perhaps the hon. Speaker might clarify that issue and the basis upon which there is an issue of privilege arising under paragraph 3, because they are very, very distinct.

MR. SPEAKER: The Chair believed and will give the further clarification that it's the Chair's opinion that a prima facie case of privilege has occurred with respect to item 1, item 2, and item 3 as elucidated by the Provincial Treasurer and the minister of career development and employment. And with respect to section 3, the reference is made to the Legislative Assembly Act, section 10(1), and also with respect to 10, subsection (2)(k) and (l) indeed seem to be in need of examination by an additional meeting of the Committee on Privileges and Elections of this House.

ORDERS OF THE DAY

head: COMMITTEE OF SUPPLY

[Mr. Gogo in the Chair]

MR. CHAIRMAN: Will the Committee of Supply please come

to order.

Department of Economic Development and Trade

MR. CHAIRMAN: This is the 19th day of supply. The department before the committee today is Economic Development and Trade. There are six votes before the committee, found on page 111 of the government estimates booklet, the authority for those programs on page 116.

The minister of the department, the hon. Larry Shaben. Mr. Minister, it's customary for the minister to make opening comments related to his votes. Would you care to address the committee?

MR. SHABEN: Thank you, Mr. Chairman. Yes, I'd appreciate the opportunity to make some comments with respect to the Department of Economic Development and Trade prior to getting into the detailed discussion on the votes that are under consideration today.

I believe it would be appropriate to discuss with the members of the Assembly and provide an overview of the Alberta economy, with an opportunity to look at what exists in terms of current circumstances and conditions as well as looking forward to the current fiscal year, as well as looking ahead beyond the current year in terms of where we in the Department of Economic Development and Trade believe the opportunities lie for growth and expansion of our economy, as well as the kinds of initiatives that are appropriate for this time in the 1980s. I did file earlier a copy of a document entitled Alberta's Economic Diversification Policies and Programs, and I will, Mr. Chairman, with your permission have copies distributed to all members of the Assembly so that they might have an opportunity to review that document.

Mr. Chairman, first let me go back to 1982 in order that we can move into the present and on into an examination of what is happening in Alberta, the actions that are being taken, the priorities that are being pursued in relation to the appropriations that we're dealing with. In 1982 the nation, but especially Alberta, experienced a triple shock. The consequences of the national energy program, very high interest rates, and a worldwide recession had a significant impact upon the total Canadian economy and particularly on the Alberta economy because of the key importance of the energy industry to our economy in terms of investment and activity and manufacturing and all of the spin-offs that occurred as a result of that important industry.

Subsequent to that triple impact we have experienced a very difficult situation in commodity and grain prices for our agricultural sector as well as a dramatic drop in oil prices in the early part of 1986. So layered on the difficulties that arose in 1982 are the additional difficulties that have impacted on the Alberta economy in 1986 and, yes, in 1987. In addition to that, worldwide there are changes taking place that are quite dramatic in terms of trading patterns, in terms of structural changes, in terms of a variety of factors that are having an impact on economies all over the world. In Alberta, with those factors layered upon our economy, what is happening? What is happening right now in our province?

First of all, let me provide the hon. members with some statistical information that they might use as a backdrop to this discussion. We have relatively high unemployment in Alberta. It's an unacceptable level of unemployment, but we have 1.1 million people who are employed in Alberta. The 1.1 million people represent a percentage of the working-age population

that is the highest in Canada. The average weekly wage in Alberta is the second highest in Canada. The per capita consumer spending is the highest in Canada. Members of the committee, I believe that these three sets of statistics demonstrate that a great deal of diversification has taken place in Alberta in the last 12 to 15 years, and the economy has responded in a phenomenal way in spite of the hammering it has taken as a result of those factors I've described.

What is the nature of this diversification? What is it all about? When your two key industries have been attacked the way they have and we have the situation that exists worldwide in terms of these structural changes that are taking place, what is it that causes the Alberta economy to be relatively buoyant in spite of this triple hammering we're receiving? Let me give you some examples of what has happened, and I'd like to do it by way of example, Mr. Chairman, to let you know and let the members of the Assembly know what Albertans are doing.

Pelican Spruce Mills, headed up by a hardworking, innovative Albertan. This company employs 750 people in Alberta. Mr. Al Owen, who heads the company, is the world leader in technology utilizing Alberta hardwoods for the production of a product that is now being marketed in many countries of the world. He has developed a product, built the plants, and is harvesting a renewable resource, providing 750 jobs to Albertans as a result of his entrepreneurship and ingenuity. This is an example of diversification. It's a very important example.

There are many others in the forest industry that have occurred. Millar Western: an Alberta family that has made a decision to build a \$300 million pulp mill, utilizing aspen and spruce from waste wood, from chips, and also from their own woodlands in order to upgrade a resource in Alberta. There are many other examples in the forest industry of diversification.

Let me provide you with another example of diversification: Willowglen Systems Ltd. It's a company that has major activities involved in the manufacture of hardware and software for supervisory control and data acquisition. The systems are beginning to be used around the world for monitoring of loads, velocity, et cetera, in the oil and gas, water, electrical, communications, and transportation industries. This is a native Alberta company that has developed technology from within Alberta and is exporting it and creating opportunities and jobs here in Alberta. They have secured contracts around the world in joint ventures with other companies, and this is a real example of diversification that is taking place.

A recent example that the members are aware of -- another recent example -- is in the food industry, where McCain Foods have made a decision to locate in Alberta and to establish a processing plant to value-add and create opportunities for a variety of reasons: because of the environment in Alberta and the opportunities for marketing in western Canada and in the western United States. So it's an example of a company seeing the opportunities, investing, creating jobs, and value-adding in our province.

Another example of diversification is a recent company that opened in the Nisku Industrial Park. It's called Hughes-Alta Oilfield Service, and let me give you the elements. It's an example of a joint venture involving foreign investment of an American company, Hughes, involved with two Alberta partners. One is a Calgary company, Altex Energy Services, and the other is the Churchill SBEC group. So you have the elements of a diversification initiative that involves foreign investment by way of a joint venture, the SBEC program which was created to provide equity funds for Alberta companies to

create jobs and activities, and also directly by an Alberta company bringing together all of these elements, responding to opportunities and creating jobs and investment in Alberta.

These are just a couple of examples. There are literally thousands of examples of entrepreneurs who have been tested by the economic circumstances, have examined where the opportunities exist, and have risked their money, their time, and their effort and are creating jobs and growth in this province. And members of the Assembly, I believe that Albertans are to be congratulated. They're to be congratulated for the way they have responded and created this activity.

Some of the sectors where there is activity that is very significant -- I had mentioned the forest industry. But the petrochemical industry: we now have a world-scale petrochemical presence in Alberta. And this was no accident; it occurred as a result of policies of the government that were developed some 12 years ago that led to major investments being made that now total in excess of \$4 billion in that industry. With recently two major announcements for projects -- one near Lacombe, at Joffre, that will involve the investment of \$400 million, another near Edmonton that will involve the investment of \$270 million in that industry. Now, we were aware when we developed the policy to encourage the petrochemical industry that the major job-creation aspects of it would occur at the secondary and tertiary stage. Members of the Assembly, there are now 300 plastics and rubber manufacturing companies in Alberta that are providing and manufacturing products that are being marketed in many parts of the world from Alberta because of the decisions that were made to diversify the economy in the mid-70s. That expansion, in terms of opportunities in that industry in plastics and the downstream manufacturing, is a key part of the future of this province, and there is a great deal of interest and investment that is being planned right now in that industry.

Who would believe that the equine industry is a major force in the diversification of this province, the horse industry? That industry represents to the Alberta economy \$1.7 billion a year in activity. Even the oats that the winner of the Kentucky Derby won the race on are Alberta oats. The significance of that industry in terms of all the factors that work -- the feeding, the breeding of the fine breeds, whether it's the Arabian horses that are becoming well known or the quarter horses or the thoroughbreds or a variety of other breeds, the activity at Spruce Meadows in terms of the focusing of the world on Alberta at the time of the Masters, the manufacture of tack: that all has an impact on the economy of Alberta. That industry has grown to \$1.7 billion a year, exclusive of the sale of horse meat, because the folks in the equine industry don't like the sale of horse meat sort of grouped together with the equine industry.

[Mr. Musgreave in the Chair]

Another example, and we had talked about it earlier in the House, of diversification that has taken place over the years is in the fashion industry. There are now 80 companies in Alberta that are involved in the manufacture of fashion products -- makeup, clothing, high fashion, a variety of products -- and some of them are becoming more and more successful in marketing their products around the world. How does this happen? It happens because of the skill and entrepreneurship of Albertans who believe that they can do things, and they bend every effort in searching out economic opportunities and build upon that. That industry represents, in all of its facets, a \$1.2 billion contribution to our economy.

Another area that I'll just touch on briefly, and it remains an important part of our activity, is our resources. Even though the level of exploration in oil and gas is not at a high level, it remains an important part of our entire economic package because Alberta has a fantastic storehouse of resources -- oil, natural gas, forests, coal -- a variety of natural strengths that we can build upon. Coal, for example: we're working very hard with other departments, with the Department of Energy, and with other provinces in order to improve access for our coal into Ontario markets.

One of the initiatives that we have taken, Mr. Chairman, is to examine ways that we can reduce the transportation costs. Through our transportation planning division we retain the services of a consultant and are working with some of the manufacturers of rolling stock to try not to develop a new car but to develop a new train. Trains generally are about one mile in length, and instead of dealing with the problem from the point of view of a railcar, we asked and decided that the best way to approach this was to determine how you can better utilize a train. So the preliminary indications are that by redesigning a train, in terms of all of the components -- the railcars, the shape of the railcars, and the way the axles are placed -- it's possible to increase the amount of coal that a standard-length train, a one-mile train, can haul by 38 to 40 percent. What a significant development in terms of the opportunity of reducing freight costs to move our products to market.

Another aspect of transportation that our transportation planning division is involved in is working with shippers to help them plan their transportation needs, to work out their logistics, because being landlocked and being far from tidewater, it's tremendously important that we're able to provide the kind of support and assistance that's necessary in order that our goods and services can move to market. That's why a great deal of attention is given to matters such as the National Transportation Act, Bill C-18, the federal legislation, and Bill C-19, the Western Grain Transportation Act, and a variety of other measures that we've undertaken such as Alberta Intermodal Services, a Crown corporation that's been established to help reduce the cost of moving Alberta products to market. We just recently looked at the first year of operations for AIS, and AIS was successful in moving 19,000 TEUs in its first year when we had projected a total movement of 14,000 container units -- 19,000 versus 14,000 -- with a saving to Alberta shippers of \$3.55 million in freight costs, a tremendous example of using the skills and ingenuity of Albertans in order to provide better opportunities to market our goods and services.

The key to the future of this province is our small business sector. As we all are aware in this Assembly, 70 percent of all new jobs are created by the small business sector, and that is why our emphasis has been on programs such as the small business term assistance program, the small business equity corporation program, the changing of the role of Alberta Opportunity Company to provide greater venture financing, our consulting services that are provided to small businesses. During 1986 the small business branch of the department of economic development worked with more than 20,000 businesses by providing them consultative advice and working with them in order to help their business. We conducted a large number of management assistance program seminars where now more than 5,000 businesses have had the benefit of the management assistance program, all of these programs, members of the Assembly, designed to support the entrepreneurship and the ingenuity of Albertans in order to create jobs in Alberta for Albertans.

Trade: a key aspect of our initiatives. In 1971 Alberta's exports totaled \$1.7 billion. In 1985, the last year that I have complete statistics for, our exports from Alberta to outside of Canada, totaled nearly \$14 billion, an average increase per year of 16 percent, which far outstripped any other part of Canada in terms of the performance of Albertans in accessing world markets. Nearly one-fifth of our gross domestic product depends upon our capacity to move goods and services. That's why it is so important that we work with our exporters and our potential exporters to build upon the strengths that have been developed in the '70s and '80s and expand that capability. More than 800 companies are now successfully active in the export market. We believe that we can triple that number in Alberta, that there are companies that have the capability, the products, and the service to seek out and compete with anyone in the world.

We provide support through our trade missions, through our trade seminars, to assist companies and help them on how to plan their missions, our product development program, our market development assistance program, assistance for companies in bidding around the world in terms of expanding this opportunity to trade. Just think about it, members of the Assembly: for each \$1 billion of exports, we create in Alberta between 15,000 and 20,000 jobs -- vitally important, particularly for a province that has a small population, some 2.4 million, absolutely important that we work and develop that capability and cause it to grow.

Mr. Chairman, I don't want to take up too much more time, but I'd like to make two more comments. One of the keys to securing long-term growth is the capability of the people in our province, the entrepreneurship, the ability to access capital, the ability to access technology. That's why one of the very important parts of our economic strategy is to work very closely with the universities and the postsecondary institutions. That has been achieved over a period of years in terms of where the academia and the business community are able to work very closely, whether it's in the new ventures program at the University of Calgary or whether it's at NAIT at the Centre for Entrepreneurship or whether it's through the Alberta Research Council or a number of other aspects.

But one of the important things that we must do in this competitive age when these structural changes are taking place is that Albertans must be on top of technological changes, and Albertans are. They're applying technology to day-to-day products and services and doing things in a way that all of us can be really proud of Alberta entrepreneurs, and we'll continue to work to provide that liaison between our postsecondary institutions, our business community, and the government in order that that process continues.

Finally, Mr. Chairman, the last comment that I would make is that so much of what happens in a community or in a province or in a nation depends upon the attitude and the outlook of its people. It is tremendously important that we in this Assembly are aware of what Albertans are doing and are aware of what their capabilities are and what their achievements are. It's tremendously important. There has been a tendency in some quarters, Mr. Chairman, for people to denigrate the achievements of Albertans or to belittle them, and frankly one of the things that frustrates me more than any other is the tendency of some people not to recognize what Albertans are doing in 1987 and what they've been doing for the past number of years. The achievements of Albertans in spite of the changes that are taking place -- the economic circumstances, the price of energy, the

price of grain -- are in my view really remarkable, and I would urge all members of the Assembly and some members of the media who tend to only see the negatives in what's happening to recognize what Albertans are doing for all of us in terms of creating jobs, which is vitally important, causing economic activity to occur, and making Alberta a better place in which to live.

I'd be pleased to respond to any questions that any members might have.

MR. DEPUTY CHAIRMAN: The Member for Calgary Mountain View.

MR. HAWKESWORTH: Thank you, Mr. Chairman. In preparing for the estimates of this department, I went about reviewing some speeches from the throne, and I went through a number of files that have been brought to my attention the last several months, and, I couldn't help but be reminded of the Brothers Grimm. So with that as a theme, I'd like to begin my remarks this afternoon with "once upon a time."

Once upon a time, not very long ago and in a place not very far away, there was a man who had a dream, and his dream was to build and own his own hotel. Now, this gentleman didn't believe in the tooth fairy, in Santa Claus, or in fairy tales, but, Mr. Chairman, unfortunately, he did believe in the Alberta Opportunity Company and the Conservative government, which was his undoing.

AN HON. MEMBER: The toothless fairy.

MR. HAWKESWORTH: The toothless fairy.

Seven years ago, based on assurances that this gentleman received from the Alberta Opportunity Company, he began construction of that hotel. Indeed, he went so far as to pledge the original homestead of his grandfather, which he owned. He pledged that to the bank for some interim financing. Now, there's much I could say about what's happened to this gentleman over the past seven years, but let me say that, in short, due to some long delays in AOC approvals, it created some problems for him and lots of them, to the point that what started out as a dream that he wanted to create for himself, his family, and his province turned out to be a nightmare.

In those seven years he has lost the family homestead and last summer was placed in receivership by the Alberta Opportunity Company after attempts on his part to renegotiate that loan failed. Now, Mr. Chairman, here's his concern. All that's left of his life savings are tied up as his equity in this particular business. How does he get it out? While he waits, this asset is being managed by the receiver. At what fee? And his suspicion is -- and the minister is well aware of this situation -- that his equity is being drained away from that over time to the point that he is going, he believes, to lose everything that he has put into that and spent his life saving for.

So what has he done? He's asked AOC and the minister for a copy of the business appraisal done last year on that hotel, and he's asked for a detailed accounting of the hotel operations and the ongoing costs of the receivership. It seems quite justified, it would seem to me, to ask for that kind of information. But AOC and the receiver have simply told him that they see him as being simply another member of the public and not at all in any way an interested or entitled party to receive such information. Well, Mr. Chairman, I find that attitude quite absolutely unbelievable.

So I've had to write to the minister and to the Premier on this

gentleman's behalf to ask that that information be provided to him. Well, they've not yet dealt with this request, leaving me to conclude that they have decided to support AOC's policy of concealing this information from the gentleman in question. So my question to the minister this afternoon -- he knows the situation I'm speaking about: when is that information going to be provided to that gentleman? This person may lose everything, including his faith in the ability of the Conservative government to act in the best interests of small business in this province. Is the minister going to act before he loses that faith in the government?

And this is not an isolated incident, Mr. Chairman. Businesspeople all over Alberta are losing their confidence in this government and in AOC. The high-handed manner that this corporation uses in dealing with small business is creating a lot of needless hardship for them.

Here's another case. A gentleman applied to AOC. It took 20 weeks from the time he submitted his loan application to the time that the loan was disbursed to him, a loan of, I believe, \$70,000 -- 20 weeks. However, last May when he made a business decision which a lot of other businesspeople in this province would applaud, business slowed down, work was not coming in. Rather than keep this thing going as a continually losing proposition, he decided to wind it up. But he made one mistake. He went in and told AOC that that's what he wanted to do, so that within a matter of less than 10 days a receiver was appointed and all the assets of that business were disposed of in less than seven working days. The receiver realized \$28,000 from the sale of assets whose replacement value was \$240,000.

This gentleman now is in the position of having to make up the difference because of personal guarantees he gave to AOC. This is creating supreme hardship, and the question this gentleman wants answered, and I do too: why the haste in acting on this particular case? There are many others I could have chosen to speak to this afternoon, but it's another example of another way in which the assets of the businessman have been depleted by the actions of AOC and the receivers which they have appointed to look after these foreclosures. And there are lots of other examples I could use on that particular kind of problem.

But here's another case, another kind of problem, a whole other category, and that is the sale of the Hi Standard Tire Service in Brooks. Again the minister is well aware of this particular problem. Here is another Alberta entrepreneur. We hear a lot about entrepreneurs from the other side of the House -- how much they support and work for Alberta entrepreneurs, especially the small businessman. Here is another one who had another dream; another man with another dream of running his own business in this province. And he was doing okay to the point that he was not losing very much money, only a little bit; to the point that if AOC were willing to renegotiate the interest rate and the term of his loan, instead of having a loss he would have had a small surplus in his business operations.

But AOC would not refinance and in the fall of this past year foreclosed on his business. Now, what did AOC get? Well, this gentleman owed \$200,000. In the sale AOC realized \$160,000. But what did they do with that? They turned around and refinanced it for the company that bought that business. So they refinanced it anyway, but instead of refinancing it for the local businessman, they ended up financing it for an Edmonton company with a chain of 13 stores throughout Alberta, and they had \$30 million in sales last year.

So one has to raise the question: for whom is AOC now operating in this province? There was a local man in the Brooks

area, when he heard that this business was for sale -- you know, it wasn't advertised in the Brooks area; he found out about it through the grapevine -- he offered \$165,000. It was \$5,000 more than the offer accepted, but it arrived a few days late because he didn't know ahead of time that it was for sale. In addition to that, he was prepared to finance it privately without having to use the resources of AOC. So here we have AOC closing down a local businessman because they refused to finance him but ended up refinancing for a big business located in Edmonton.

Now, I want to know: does the minister condone this? Is this a new role for AOC? Instead of being the lender of last resort they're only going to finance safe loans exclusively? How many other transactions has AOC had with this particular company? And is this what's going on across the province?

But you notice, Mr. Chairman, these cases which I draw to the attention of the minister and the Assembly all have something in common -- and there are lots more I could refer to, but in the interests of time I've picked these three or four -- and that is that AOC refused to renegotiate loans with small business. Now, why is that? What other options does AOC look at before entering into receivership? And has the minister given direction to AOC to look at those other options? How many of these cases -- and there are lots of them across the province -- were avoidable, particularly in light of a Supreme Court of Ontario judgment in the Wilford case against the Royal Bank, in which the debt he owed to the bank was cut in half? And this refers to high interest rates in that period from 1980 through to 1984-85. That case has a lot of implications, and I wonder to what extent AOC is responsible for the same kind of hardship on its people with its loans as the Royal Bank and all the other banks have had as well and to what extent this case in Ontario is applicable in Alberta. I suspect that it's very applicable.

Mr. Chairman, I say it's time for a real close look at the AOC operations. Now, the minister can choose to reject this suggestion or this recommendation if he wishes to, but I'll tell him, and he knows, that there are lots of businesspeople all over this province who are losing faith in this government, and he would be well advised to do whatever he can to stop that hemorrhage in support from what has traditionally been a base of strong support for the government.

Another example raised in this Assembly last year: Bob Lyon. He was another man with a dream. His dream was to build a ski resort west of Calgary. But what did he have to do? He had to finance the infrastructure for that ski hill. In his case he missed a couple of payments to AOC, and it was all over. But meanwhile, 30 miles to the west interesting things are happening at the Nakiska resort at Mount Allen. There the province finances \$25.3 million in infrastructure and in the lease to the operator of that ski hill. There's no minimum payment required that in any way, shape, or form reflects the fact that the province is financing that infrastructure. So here we have a case, Mr. Chairman, where we have the same type of business, but it's being operated in a double standard by the provincial government. They're using two different standards to deal with two different kinds of businesses and two different kinds of operators. So they're only compounding the problem.

Well, now that we're onto the matter of ski resorts and developments in our foothills and mountains in this province, here we have the minister's new idea for Conservative playgrounds. Here he is proposing that the Alberta government should take over the national parks. Why is that?

AN HON. MEMBER: Just Jasper.

MR. HAWKESWORTH: Just Jasper. Okay, just Jasper. Waterton was suggested by another minister. Well, there wouldn't be as strong development restrictions if the provincial government took them over. Mr. Chairman, with these ideas being broadcast by ministers of the government, it really makes one wonder about the quality of the thought process, the thinking process that's going into their economic development plans, and in concert with all these examples I've outlined this afternoon and how poorly they've been handled, it gives us cause for real concern and worry. It raises a key question of whether this government actually has an economic development strategy and how well it is working.

Well, I'm interested, and I'm pleased to see that the minister tabled today Alberta's Economic Diversification Policies and Programs. There's some interesting material in it, the few minutes I've had to look through it. It talks about diversification, but I wonder, without having a chance to go through it in any detail, is there any reference made to a magnesium plant in High River? Whatever happened to that one that Alcoa apparently walked away from? This was all part of a Speech from the Throne that was mentioned in this Assembly a year ago.

[Mr. Gogo in the Chair]

It comes to tourism. There are 12 points of policies related to tourism. But it's interesting; I don't see any reference made to a hotel tax. Now, Mr. Chairman, the matter of a hotel tax was introduced here a few weeks ago with the budget speech and was introduced at the worst possible time in the business year for that particular industry. They couldn't have picked a worse time to introduce a hotel tax. Now, it raises a question for me: how well does this government understand the tourism industry that they understood it so poorly that when they brought in a new tax, they did it at the worst possible time and hit it with the worst possible impact they could possibly have hit it with? So I ask myself: if they've got a strategy for tourism, how is it they understand so poorly the tourism industry?

They mention film, video, and other cultural industries; I don't see any reference here to the Tri-Media Studios. Whatever happened to Tri-Media Studios? It was going to be Hollywood of the north, but the province didn't even lift a finger to help them when they needed it.

Overseas investment: this is another one, I think, bringing investment into Alberta that the government is big on. So we ask: to what extent are these offices overseas that the Alberta government runs helping us bring and attract not only foreign investment but real jobs, real industries into this province? So we put a question on the Order Paper earlier this session, and the reply we got: "We can't tell you. We don't know. It's impossible to answer a question as to what extent these offices overseas have helped us with our economic development." That, I think, pretty well summarizes what is this government's strategy, particularly with regard to those offices overseas. They have no idea to what extent they help the economy of this province.

But I think one thing is clear to everyone. This government relies on a lot of giveaways, tax cuts, so-called tax incentives, and loopholes. Well, what has it done? Again we have high unemployment. It doesn't seem that any of this spending has had any major impact when you compare it to a different strategy such as the one adopted over the years and the last several years in Manitoba to target spending. But the minister last week

set up a committee or a task force. To look at what? Was it to look at unemployment? No. Was it to look at how we could bring new investment or new jobs or new industries to Alberta? No. We're going to look at the municipal property tax; municipal taxes are too high. Well, here we have a strategy to divert attention to the poor old municipalities and school boards in Alberta. On the one hand, they're reducing grants, and now it looks like the government is going to go out and force these municipalities and school boards to cut revenues from the property tax as well.

When is the government really going to realize what it is that they're doing and that they cannot continue to manage the way they have in the past? The problem in this province, Mr. Chairman, is that the fiscal regime adopted by the provincial government last year was totally different from the one that they adopted this year. And this year we have a billion dollars in additional taxes -- 90 percent of that increase coming from individuals -- taking that money out of the economy, and they wonder why it is that . . .

MR. CHAIRMAN: Order. Order please. We're straying somewhat from the votes in front of us when we deal with the matter of fiscal policy. That surely should either be in the budget debate or directed to the Treasurer.

Hon. Member for Calgary Mountain View.

MR. HAWKESWORTH: Thank you, Mr. Chairman. Well, this is a government that's big on investment from the private sector, and my point is that if you want investment from the private sector, you don't send out the signal of two dramatically different fiscal plans in the course of nine months in length. It just underscores that when times were good, the government didn't think ahead, and now that times are bad, they're not thinking ahead either. Their fiscal, their taxation plans are as shortsighted as they were during the boom. It led to the mismanagement of our economy, it created unnecessary hardship for Albertans, and it's putting a barrier in the way of private-sector investment in this province.

Now, this government is pinning a lot of hopes on the free trade negotiations with the Americans. Well, it's a shame that Canada has allowed itself to be enlisted to the American side in what may turn out to be, in my view, a fearful, disastrous international trade war. Any international forum can lose its effectiveness if the commitment to it falls away. Let's not take GATT for granted simply because it's been there and worked effectively for the last 30 or 40 years. A bilateral free trade agreement that would allow the United States to operate freely outside of GATT may well lead to a disintegration of our international trading arrangements, and that better be something that is of deep concern to all of us, whether it be in this province or throughout our country.

But just being a little closer to home on this particular matter of free trade and what it might do to the economy of Alberta, why has the government not released all the studies it has conducted on the impact which free trade would have on the Alberta economy? And I'd like to ask about the ratification process. We had tabled today in the Legislature the Meech Lake communiqué from the Premier, in which this solidifies a trend in which each province can veto or opt out, as the case may be, of constitutional changes or programs which intrude on provincial jurisdiction. Now, the question is: will the federal government be able to intrude into provincial jurisdiction through a bilateral free trade agreement without having every

province allowed to veto, potentially, that ratification of that free trade agreement? I think it's a very important question and one that has not been fully considered yet.

I'd like to briefly, if I can, Mr. Chairman, turn to the Agency for International Development, an area where we have felt this government is to be highly commended. Here they have shown some good leadership, and I think they have done admirably for this province throughout the country. But I and I know all my colleagues are deeply concerned about the cutback of 48.5 per cent that's contained in these votes. Now, I could try and convince the government to change this policy by appealing to their humanitarian sentiments, but I don't know that those have been particularly strong lately, at least when it comes to Alberta, so it's not too promising to me that that would have much effect if I appealed to it on the basis of people in other countries. I could try on the basis of public support for this particular program, and I have a file that's a couple of inches thick of letters that have been copied to me about these cutbacks. But lots of Albertans have written to this government about lots of cutbacks in their spending and their fiscal policies, and that didn't have much effect either.

But maybe they could be moved by the economic arguments. Mr. Chairman, this program helped support 350 projects in 80 countries, and behind these projects are people for whom the stresses and strains of poverty have been lightened because this government and the people of this province cared. Whether a water well in Sierra Leone or an eye hospital in Bangladesh constructed by Operation Eyesight, vocational training, or whatever it might be, thousands and thousands and thousands of people all over the world have been provided with new hope by the work of our Alberta citizens and the support they received from this government through the Alberta Agency for International Development. So I think the government should be proud of its record. But the other thing that's really important is: since the downturn in our economy you'd expect Albertans to perhaps be less generous with their giving as they have suffered financially and economically in the downturn. But you know, Albertans giving to nongovernment agencies has increased since 1982, which I think . . .

MR. CHAIRMAN: Order please. The Chair hesitates to interrupt the hon. member, but the committee must rise and report, and perhaps the Government House Leader may have a comment.

MR. MITCHELL: A point of order, Mr. Chairman.

MR. CHAIRMAN: I'm sorry; you've run out of time. Government House Leader.

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

[Motion carried]

[Mr. Speaker in the Chair]

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

MR. SPEAKER: Do you all agree with the report and the request for leave to sit again?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed. So ordered.

MR. CRAWFORD: Mr. Speaker, the Assembly will not sit this evening, so I move the Assembly now adjourn until tomorrow at 2:30 p.m.

MS BARRETT: Mr. Speaker, on motion . . .

MR. SPEAKER: There's no debate on a motion to adjourn, hon. member.

MS BARRETT: There is under Standing Order 18(1).

MR. SPEAKER: Could one of us sit down first? Eighteen one seven?

MS BARRETT: Yes, there is provision under the *Standing Orders* for arguing against the adjournment of debate "when made for the purpose of discussing a matter of urgent public importance." That's subsection (f).

I believe that under the circumstances, Mr. Speaker, there was less than one hour given over to consideration of the estimates of the department of economic development today. There is automatic closure at the end of 25 days by virtue of the *Standing Orders*, and when those conditions prevail, particularly considering a \$10.5 billion budget, I think the case can be made for defeating this motion and staying in Committee of Supply for at least another hour, which is what this Assembly would ordinarily be allowed to do.

MR. SPEAKER: This is a matter of *Standing Orders* and so far the Chair is not convinced of the applicability of the standing order as cited. In fact, it's a matter of another standing order that takes precedence. So hon. member, succinctly.

MR. MITCHELL: I would just like to endorse the sentiment of the comments of my colleague from Edmonton Highlands [interjections] -- if I could finish please -- because as I read the standing order, it does underline the matter of urgent public importance, and this is a matter of urgent public importance. There's \$52 million at stake, down from \$66 million last year, and we have had less than one hour to debate it. We need more time, and I would like to see a commitment from this government to give us more time to debate it, either now or at some time prior to closure on the estimates debate. It's too important to leave it now. This is too important an area for this government and for the people of . . .

MR. SPEAKER: Order, hon. member. Order. The Chair would point out that the two members who have spoken, Edmonton Highlands and Edmonton Meadowlark, have used the term "closure," and the Chair admonishes both members that that is inappropriate use of the word, that when one complies to *Standing Orders*, that is not closure. [interjection] I'm sorry, this is not a discussion, Edmonton Strathcona.

With respect to the purported point of order, the Chair rules that that's not in effect. In fact, the Chair rules that 18(2) is the appropriate standing order.

The Chair calls for the question. All those in favour, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: The motion carries.

MR. SPEAKER: Opposed, please say no.

[At 5:33 p.m. the House adjourned to Tuesday at 2:30 p.m.]

HON. MEMBERS: No.