

## LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Thursday, May 7, 1987 2:30 p.m.**  
Date: 87/05/07

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

[Mr. Speaker in the Chair]

## PRAYERS

MR. SPEAKER: Let us pray.

From our forests and parkland to our prairies and mountains comes the call of our land.

From our farmsteads, towns, and cities comes the call of our people that as legislators of this province we act with responsibility and sensitivity.

Lord, grant us the wisdom to meet such challenges.

Amen.

head: **INTRODUCTION OF BILLS**

## Bill 35

**Business Corporations Amendment Act, 1987**

MR. STEWART: Mr. Speaker. I beg leave to introduce Bill 35, the Business Corporations Amendment Act, 1987.

Mr. Speaker, the purpose of this Bill is to provide for certain amendments to the Business Corporations Act in the light of actual experience with the Act since its inception in 1981.

[Leave granted; Bill 35 read a first time]

## Bill 37

**Wild Rose Foundation Amendment Act, 1987**

MR. OLDRING: Mr. Speaker. I beg leave to introduce Bill 37, the Wild Rose Foundation Amendment Act, 1987.

Mr. Speaker, this amendment will change the Wild Rose Foundation Act to more adequately represent its original intent.

[Leave granted; Bill 37 read a first time]

MR. YOUNG: Mr. Speaker, I move that Bills 35 and 37 be placed on the Order Paper under Government Bills and Orders.

[Motion carried]

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. SPEAKER: Member for Calgary Glenmore, followed by the Member for Cardston.

MRS. MIROSH: Thank you, Mr. Speaker. You've already had the opportunity of meeting this fine young group of students from Calgary Glenmore, but through you I'd like to introduce them to members of this Assembly: 111 students, grades 5 and 6 from the Eugene Coste school. They're currently studying government at all levels. Accompanying them are five teachers and eight parents. The teachers are Mrs. Dunfield; Mrs. Han-

sen; Mrs. Hoffmann; assistant principal, Mr. Clapson; and Mr. Prinz. The parents are Mrs. Barrer, Mrs. Boyd, Mrs. Daw, Mrs. Fowkes, Mrs. Findlay, Mrs. Cowles, Mr. Braunwarth, and Mrs. Foster. They're seated in the members' and public galleries. Could they please rise to receive the warm welcome from this Assembly.

MR. ADY: Mr. Speaker, it's my privilege to introduce to you and to the Assembly today, 28 students, grades 7 through 9, from the Mountain View school, which is about 350 miles from here and located not far from Waterton park. They're accompanied by three teachers, Mr. Noel Pilling, Mr. George Toone, and Miss Lana Cook, and one parent, Mrs. Karen Toone. I'd like to have them stand and receive the warm welcome of the Legislative Assembly.

head: **ORAL QUESTION PERIOD**

**Workers' Compensation Board**

MR. MARTIN: Mr. Speaker, I'd like to direct the first question to the Minister of Community and Occupational Health. Yesterday the minister made some gratuitous comments to the effect that workers receive what they are entitled to, not more and certainly no less, from the Workers' Compensation Board. If this were the truth, why would the minister write to the board ordering them to reduce their cost per claim and average compensation claims per day? The minister can't have it both ways.

MR. DINNING: Well, Mr. Speaker, what concerned this government was the fact that claims costs were rising in one year at a rate of 20 percent when in fact the numbers of claims were not rising at all. And that struck us as very unusual and struck us with some concern, and we asked the board to take action on it.

MR. MARTIN: Well, my supplementary question to the minister is: when he goes back, will he explain what he means then, that they are entitled to not more and certainly not less? Is the minister saying then that clearly he as the minister, in all his wisdom, understood that people were getting too much in the years before? Is that what he's saying?

MR. DINNING: Mr. Speaker, what I'm saying is that it does not make sense that claims costs would be rising by 20 percent, numbers of claims would not be rising at all, and that the severity of the injuries that were happening in the workplace were not in any way related to a 20 percent increase in their cost of claims.

MR. MARTIN: The minister has great wisdom. He comes to these conclusions and says, "I know what to do: cut them off." But my question is -- it is interesting that the minister does not deny that the WCB was ordered to pull every file in January to meet the minister's directive, and hundreds of people were cut off with virtually no notice. How can the minister claim that the WCB is being administered fairly when people are cut off arbitrarily following a political decision by this minister?

MR. DINNING: Well, Mr. Speaker, I certainly appreciate the hon. member's comments on wisdom. I'll take that and store it away for those low days. What I can say is that I have a responsibility. Just as the hon. member has the right and the responsibility to ask me questions in this Assembly, I then also have

the responsibility as the minister responsible for the Workers' Compensation Board to provide them with policy direction on behalf of all of my government colleagues. We were concerned, Mr. Speaker, about the dollar volume related to claims, the low rise in the number of claims, and we asked the board to look at it very seriously and take appropriate action.

MR. MARTIN: Well, Mr. Speaker, maybe the minister should have been more concerned about the injured workers. That would have been his responsibility. But we notice that the number of appeal cases have been doubling every month since January as a result of this reign of terror by the minister. And clearly, one way to save money is to cut everybody off and then tell them to get reinstated through appeal. But my question to the minister is: what action has he taken to reduce the incredible amount of appeal cases that have been generated? It keeps going up longer and longer and longer. What is the minister doing about that?

MR. DINNING: Well, Mr. Speaker, I would suggest that, as my colleague the Minister of Social Services has said so many times, it's wrong for the hon. member and his colleagues to suggest that they have the corner on caring in this Assembly, because this government cares very deeply about workers in Alberta. To that end, Mr. Speaker, we have been very diligent in our attempts in the occupational health and safety division to undertake a major blitz in the oil patch; a major inspection approach in auto body shops, where we're concerned about isocyanates and their disastrous affect on workers if they're not properly protected; our efforts in the hydrogen sulphide area; and in many other areas of safety and inspection to make sure that safety is number one in the workplace.

MR. TAYLOR: A supplementary, Mr. Speaker, to the minister of community health. Before the minister gave his order to this independent board, supposedly, did he think at all or did he consider the possibility that the 20 percent increase in claims was due to the poor monitoring of his department of the workplace and the resultant increase in severity of the accidents?

MR. DINNING: Absolutely not, Mr. Speaker.

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

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

MR. SIGURDSON: Thank you, Mr. Speaker. I, too, today would like to direct my questions to the minister responsible for the autonomous insurance corporation with a heart. Yesterday in response to the Leader of the Official Opposition's question on a contract between the Workers' Compensation Board and the consulting firm of Stevenson Kellogg Ernst & Whinney, the minister did not provide the Assembly with the amount of the management's costs or who would be paying for it. Can the minister today advise the Assembly what that amount will be, and who in fact will be paying for the cost of the consultant's report?

MR. DINNING: Well, Mr. Speaker, in our efforts to bring some better, improved management systems and approach to this \$1.5 billion insurance corporation -- yes, one with a heart

and one that cares but not a social service agency -- we feel that it would be appropriate within the administration area of the Workers' Compensation Board for them, for that administration, to pay in the order of an estimated \$150,000 for a comprehensive consultant's report to help us improve the management and operation of the board.

MR. SIGURDSON: Well, Mr. Speaker, that's somewhat higher than what I thought it would be. In fact, I'd like to file for the information of the Assembly three copies of a letter from the consultant, Stevenson Kellogg Ernst & Whinney, to the chairman . . .

MR. SPEAKER: Order please, hon. member. We have another place for tablings and so forth. But if you're going to table it, table it, and let's go on to the supplementary please.

MR. SIGURDSON: Anyhow, in this it indicates that there is a \$25,000 amount, which I expect could grow. However, can the minister advise the Assembly why the terms of the reference in the consultant's input is limited to directing the Workers' Compensation Board only to do a directional plan? Thus, the large bulk of the work is being done by the board, and all that's happening is that the consultants are going to put it on their letterhead.

MR. DINNING: Well, Mr. Speaker, I'm not quite clear as to what problem the hon. member has. Does he agree that the Workers' Compensation Board is operating in an adequate fashion today? If he does, let him stand up and say so.

I have said in the letter -- that is not a private document, never has been; a happy thank you to the Leader of the Opposition for making it public in this Assembly -- that I am not satisfied with the operation of the board. I have called in some experts. We, the board, have called in some experts to help us come to grips with the problems there and to turn the situation around and make it a better operating place.

MR. SPEAKER: Supplementary question.

MR. SIGURDSON: Thank you, Mr. Speaker. Can the minister confirm that a Mr. Ken Coull, the executive director of finance; Doug Clough, the executive assistant to the board; Milt Webster, the director of personnel; and a Mr. Bill McDonald, manager of claims information and counseling have been seconded to this management review and that up to an additional 50 other board employees will be working on this project so that the real cost isn't the \$150,000 that the minister indicated but closer to perhaps a full \$0.5 million for this report?

MR. DINNING: No, Mr. Speaker.

MR. SIGURDSON: My final supplementary then, Mr. Speaker. Will the minister today, in light of the fact that board employees will be clearly doing most of the required work, dismiss the consulting firm in favour of establishing a select committee of MLAs to conduct public hearings so that employers, workers, and especially injured workers, would have the opportunity to let us know just what needs to be done by the board?

MR. DINNING: Mr. Speaker, the hon. member still hasn't answered my question to him, because he doesn't have the courage to stand up and say how he feels about the board.

I am concerned. I have said to all hon. members, Mr. Speaker, that I am concerned about the board and the way it is operating; I want to improve it. If the member is against efficiency and an improved system, let him stand up and say so. What I can confirm is that a number of individuals, including the ones that the hon. member listed, have met with and will in the days ahead be able to meet with representatives of the likes of the Alberta Federation of Labour, the Canadian Petroleum Association, and other other representative groups so all of those who are affected by the board have their say in how it's going to be run.

MR. SPEAKER: Calgary Fish Creek.

MR. PAYNE: Thank you, Mr. Speaker. Given the fact that the Workers' Compensation Board's total funding comes from assessments levied against Alberta employers, both large and small, across the province, I wonder if the minister could advise the Assembly what representations, if any, he has had from these employers, both large and small, as to the need for this kind of third party, objective review of the board's operations?

MR. DINNING: Well, Mr. Speaker, those employers share my concern, share this government's concern about the way the board has been operating in the last number of years. They have encouraged me and encouraged this government to find a better way. Through this approach, we believe we will do just that.

MR. SPEAKER: Westlock Sturgeon.

MR. TAYLOR: Thank you, Mr. Speaker, a supplementary. This is to the Premier. In view of the fact that this report has been commissioned, apparently with a combination of taxpayers' and employers' dollars, and in view of the fact that we don't exactly know what the commission will report, would he take it under advisement to make sure that the report is to him and not to the minister, just in case the consultants advise that the minister should be fired?

MR. GETTY: No, Mr. Speaker.

### **Senate Reform**

MR. TAYLOR: I don't know how many mistakes, Mr. Speaker, a minister has to make. This is to the Premier. The Premier has the power now to indirectly appoint the Senators, six Senators in fact. He has now a golden opportunity to start the ball rolling at least towards one of these, an elected Senate. Right now the Premier has the power to ensure that from this day forward every new Senator in Alberta could be elected. Will the Premier undertake to implement the system whereby Alberta Senators will be elected by the people of Alberta rather than patronage appointments from the Premier's office?

MR. GETTY: Mr. Speaker, the temporary situation that we have established to put additional pressure on moving quickly to Senate reform and the type of Senate reform that we want, I hope will be for a short period of time and would not lend itself to the kind of proposal the hon. leader of the Liberal Party suggests.

MR. TAYLOR: Mr. Speaker, aboriginal rights were supposed to be a short period of time too. But would the Premier, for

instance, direct his minister of intergovernmental affairs, when he stays home in Edmonton, to look into the history of how the United States Senate evolved from an appointed Senate into an elected Senate, the principle of elected senators? Maybe we could adopt that here.

MR. GETTY: Mr. Speaker, that kind of research has been done.

MR. TAYLOR: Possibly then, if he's asked intergovernmental affairs to check into how it should be done, could he go a step further, because the Premiers' Conference -- later this month there'll be a conference of the four western provincial Premiers. Would he take this idea of electing Senators to that conference and sound out the effect from the other Premiers?

MR. GETTY: No, Mr. Speaker.

MR. TAYLOR: Well, Mr. Speaker, he's not very talkative today. I usually keep quiet when my wife is around too. The Premier has stated ...

MR. SPEAKER: Would the member mind if I issued an invitation to your wife to come here?

MR. TAYLOR: Mr. Speaker, I was afraid of that.

The Premier has stated that he'd like to see Triple E advocates appointed to the Senate from Alberta. Would it not be even better to have Triple E advocates elected from Alberta?

MR. GETTY: Obviously, Mr. Speaker, those people who the government of Alberta would suggest would be people who we would expect would support our views regarding the Triple E Senate and then would be able to work for a Triple E Senate within the Senate in Senate reform.

I must say, Mr. Speaker, the hon. leader of the Liberal Party may be quiet when he's near his wife, but he's sure busy.

MR. SPEAKER: A succinct supplementary from St. Albert.

MR. STRONG: Succinct, Mr. Speaker, to the Premier. When he gets this temporary interim appointment right from his colleagues in Ottawa, could he perhaps tell the Assembly whether he will consider for appointment Mr. Koziak and Mr. King, who apparently are the only Tory cabinet ministers and MLAs that were defeated in the last election that haven't obtained government employment?

### **Tax Reform**

MR. R. SPEAKER: Mr. Speaker, I dare to tread on the Premier's ground, but my question is also to the Premier today. Michael Wilson has announced that on June 18, he will present his paper with regards to tax reform. In that paper he outlines three objectives: first of all, a possible sales tax with the co-operation of the provinces; secondly, a federal sales tax; and thirdly, the possibility of a value-added tax, that comes under other names as well. Could the Premier indicate at this point in time that Alberta will strongly oppose those three initiatives being announced in a preliminary way by the federal government?

MR. GETTY: Well, Mr. Speaker, these are very much options, and it's a hypothetical situation. The hon. Provincial Treasurer has attended a variety of meetings with the federal Finance min-

ister on these matters and might well wish to add some additional response for the leader of the Representative Party.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Premier. Could he indicate whether this would be one of the items on the agenda of the Western Premiers' Conference because of its potential impact on the economy, not only generally but specifically in terms of agriculture and the oil and gas industry?

MR. JOHNSTON: Mr. Speaker, if my timing is accurate, I believe the Western Premiers' Conference will take place towards the end of May. I think it's May 28 or 29. And as the press release properly notes, Mr. Speaker, the release of the white paper proposed by Mr. Wilson and the federal government will take place towards June 18. So until we see the full impact and full discussion of the tax implications, both for the personal and corporate income tax side, together with the so-called business transfer tax side, then in fact it would be inappropriate for us to carry that discussion much further.

Now, what the Premier has indicated is in fact right, Mr. Speaker. There have been a variety of discussions already between ministers and between officials. I think, moreover -- I made my point at other times in response to these questions -- that at this point, Alberta is seriously considering the business transfer tax, weighing the implications on all the sectors of our economy. At this point we have not changed our view with respect to the need for a sales tax in this province.

MR. R. SPEAKER: Mr. Speaker, a final supplementary to the Premier. Could he indicate in terms of the Meech Lake provisions in the accord that we have agreed upon at this time -- and I'm thinking in terms of the opting out provision allowing Alberta to overrule proposed federal changes to the tax system if they're found to be severe and have severe implications on our economy. Is there anything in that accord which could allow Alberta to opt out of a proposed federal sales tax that would have severe implications in terms of Alberta's economy?

MR. GETTY: Mr. Speaker, there's no question that the discussions that went on in Meech Lake did not deal with limiting the federal government's ability to level federal taxes. A federal sales tax is certainly within their jurisdiction. For our part we do not believe a sales tax is appropriate in Alberta, and therefore we will resist one at every opportunity.

MR. SPEAKER: Edmonton Kingsway.

MR. McEACHERN: Thank you, Mr. Speaker. To the Treasurer. In anticipation of these federal changes to the taxes of this country, has the Treasurer prepared -- and I think he said that his department was working on -- papers outlining the taxes, fees, tax expenditures, guarantees, and so on that this government has in place now so that we'll really have at our fingertips all the details we need to launch into a reanalysis, if you like, of what our tax structure is and hence make an enlightened response to the federal initiatives?

MR. JOHNSTON: First, Mr. Speaker, of course this government always works on a principle of enlightenment, and that is the game plan which we always have followed. I appreciate the fact that the member recognizes that, and I appreciate the fact that we will do that.

Let me say, Mr. Speaker, that we are analyzing, as I've indicated, all the tax changes which have been suggested. To some extent there is some confidential information involved, and therefore it's not proper to reveal all the suggested tax changes which are coming. That's why I will wait until the federal minister makes his paper available to see what is in fact included for public discussion.

Secondly, Mr. Speaker, the second part of the question -- which was a two-part question, by the way -- deals with other information which is provided by the government of Alberta in the normal course of business. It is clear that we are in fact providing the information the member talked about, whether it's the guarantees, whether it's the tax expenditures, whether it's any other information which is needed to assess the current tax policies of this government. They are in fact available through a variety of sources. It is not proper for me to list them all, but all the information that was suggested by the member has in fact been provided and will continue to be provided. If it is at all possible for us to be helpful in terms of a broader debate with respect to the question of tax changes as suggested by the Member for Little Bow, then of course we'll look for that opportunity as well.

MR. TAYLOR: Mr. Speaker, a supplemental to the Treasurer. Has there been any input to the federal powers that be to think about the new tax in the way of a shared tax the same way that income tax is shared, which could blunt the effect quite considerably.

MR. JOHNSTON: First of all, Mr. Speaker, I've talked on a number of occasions, just this morning for example, to Mr. Wilson on that very point. We have over the past three or four months talked about what would happen if all provinces did not agree to the so-called multistage tax arrangement on the federal sales tax side. Right now the only province that has reluctance to consider that is Alberta.

We've had an opportunity here to talk about the advantages of Alberta being sales tax free, the impact on a variety of economic initiatives which we're pursuing, and the impact on disposable income of all Albertans. As the Premier has just said, we intend to maintain that clear objective. We do not need a sales tax. Obviously, the pressure upon Alberta, Mr. Speaker, comes about when in fact all other provinces want to participate in some kind of a shared federal/provincial tax arrangement on the extended sales tax, bringing together the federal sales tax and the provincial sales tax into one tax combination.

There are a variety of problems on that side. There are a variety of administrative changes which have to be considered, and we're in the process of doing that. The commitment which Mr. Wilson has given us -- and I should say, Mr. Speaker, that he's been most co-operative over the past three or four months in providing information both to ministers and to officials and has assured us that there will be an ample opportunity to discuss in a full way the impact of these tax changes on all Albertans and on all Canadians.

We are, Mr. Speaker, pursuing very carefully, internally within Treasury, the implications of all these tax changes. In fact, at some appropriate time we'll be able to make some report as to what our decisions are. Until we have Mr. Wilson's full paper, it's impossible for us to fully reply except in a very general way in a policy context.

MR. HYLAND: Mr. Speaker, to either the Minister of Agricul-

ture or the Provincial Treasurer. I wonder if either minister has said anything to the federal minister responsible for finance, talking about the possibilities of an extra tax on food, especially junk food, and how that would affect the potato chip industry of southern Alberta, which is very important to us.

MR. ELZINGA: Mr. Speaker, I'm happy to report to the hon. member that we have made representations to the federal Minister of Finance requesting an alteration to that taxation, because it does have an impact not only on our processors but on our value-added sector.

MR. SPEAKER: The Member for Red Deer South, followed by the Member for Edmonton Beverly.

### **Cultural Heritage Programs**

MR. OLDRING: Thank you, Mr. Speaker. My question is to the Minister of Culture. In light of recent moves to change the name of the Department of Culture and the establishment of the institute of multicultural resource development and the multicultural commission, can the minister briefly indicate the purposes and intent of these changes, or is this just another example of government window dressing?

MR. ANDERSON: Mr. Speaker, to answer the last question first, no, it's not a matter of government window dressing. The commitment of the government to our multicultural community and to the whole cultural heritage of the province is underlined by these significant moves, which are in fact the first in the country. We hope by taking these innovative actions to underline for all Albertans the importance of our heritage to the province and to utilize in our way of life that information and background and the arts and history that we all bring to this country from wherever we come.

MR. OLDRING: Supplementary, Mr. Speaker. Can the minister indicate to this Assembly what opportunity there will be for input from the ethnocultural organizations of this province before these new initiatives are finalized?

MR. ANDERSON: Mr. Speaker, in terms of the changes that are taking place, the Cultural Heritage Foundation has been consulted, and we have discussed the new directions with them as well as with the executive of the Cultural Heritage Council, which represents all of the ethnocultural organizations in the province. We do intend over the next few months to involve as many people as possible in the discussions, and after the formation of the commission, which I assume will take place in the fall, we hope to have meetings with ethnocultural organizations throughout the province and possibly other Albertans who are interested in furthering our cultural heritage.

MR. OLDRING: Supplementary, Mr. Speaker, again to the Minister of Culture. The Cultural Heritage Council has provided yeoman's service to this province over the years. Can the minister advise this Assembly of the status of the council as a result of these new initiatives?

MR. ANDERSON: Yes, Mr. Speaker, the council will maintain its very important position in terms of advising the government as to ways in which we can enhance our cultural heritage. In

fact, its position will be enhanced considerably through the establishment of the commission proposed in legislation for this House, which will have the chairperson of that council sit as a commissioner and govern the direction that we'll take province-wide with our cultural heritage programs in the province.

MR. SPEAKER: Final supplementary, Red Deer South, followed by Edmonton Gold Bar.

MR. OLDRING: Final supplementary, Mr. Speaker. In light of the current budget restraints could the minister advise this Assembly where the dollars are going to come from for these new initiatives? How much will it cost Albertans today?

MR. ANDERSON: Mr. Speaker, in terms of the institute of multicultural resource development, that consists of dollars which are in this year's budget from Alberta Culture as well as money we've been able to have committed from the federal government. In terms of the establishment of the commission, which will bring together the Cultural Heritage Foundation and the cultural heritage division of the department, we will depend on the moneys allocated in this budget year to the Department of Culture as well as the lottery moneys which have traditionally gone to the Cultural Heritage Foundation. There are not new allocations in that respect, but we believe that the combination of the two will lead both to efficiency and to the enhanced ability to bring the cultural heritage programs and cultural heritage directions to the people of Alberta.

MR. SPEAKER: Edmonton Gold Bar.

MRS. HEWES: Thank you, Mr. Speaker. Just following on that same point to the minister. By making this commission dependent on the Treasurer's budget for funds as well as through lottery funds, the arrangement for the current foundation, the commission becomes even less of an arm's-length organization. If the minister wants to make multiculturalism a priority in this government, why is the multicultural commission given less status than the culture side of his portfolio?

MR. ANDERSON: Mr. Speaker, contrary to the suggestion by the hon. member, the commission elevates the issue of multiculturalism, the concerns about cultural heritage, to a level unprecedented in Canada. The chairman of that commission will be a member of this Legislature who will be able to bring concerns, ideas, and new directions directly to the Assembly for discussion purposes. Indeed, there's no other government in the nation that has taken such a dramatic step for the cultural heritage of this nation, in particular for Alberta.

MS BARRETT: Supplementary question, Mr. Speaker. I see the minister has no difficulty in finding reallocated money for his pet projects. Therefore, I wonder if he will outline what steps he's taken since I spoke to him privately last week to ensure that the very few jobs needed to keep the discovering multiculturalism program, that is for immigrant children, alive and perpetuated through this summer.

MR. ANDERSON: Mr. Speaker, with respect to that particular project, the hon. member spoke to me regarding the STEP positions which might be utilized for that. As the Minister of Career Development and Employment indicated previously, discussions are under way regarding whether or not further funds can be

allocated to the STEP program.

MR. SPEAKER: The Member for Edmonton Beverly, followed by Lethbridge West.

### Minimum Wage

MR. EWASIUK: Thank you, Mr. Speaker. My questions this afternoon are to the Minister of Labour and are regarding the minimum wage. At \$3.80 an hour, Alberta has the lowest minimum wage in Canada and is in fact 20 cents lower than the lowest minimum and \$1.20 below the highest rate in Canada. As well, Alberta has the oldest unchanged minimum wage; it hasn't been changed since 1981. It's been six years since we've had an adjustment upwards in the minimum wage.

To the minister: is the minister aware that a single person living in the province of Alberta earning the minimum wage would actually be living on \$2,000 a year less than the poverty line figure in Alberta?

DR. REID: Mr. Speaker, if the hon. member would read the copy of the final report of the Labour Legislation Review Committee, he would see some recommendations there regarding review of the minimum wage. He will have to wait until the legislation is tabled in the Legislature for some follow-up to that.

I think that to refer to the Alberta minimum wage at this time, one has to remember that as well as the fact that it has not been adjusted during the last six years, there have been many other people in Alberta who have not had much increase in their incomes during that period of time. That is not the result of the attitudes of this government but of a government in Ottawa that was supported by the party to which the hon. member belongs.

The situation about the minimum wage: it is true that it is less than the so-called poverty line. I won't get into that discussion in spite of the temptation to get into a debate instigated by the hon. member.

MR. EWASIUK: Well, Mr. Speaker, while the minister may suggest that we have to wait till the labour laws are changed, I suggest to him that that amendment can be made very quickly. Indeed, I suspect he could do it tomorrow. Certainly, while it's been six years since there's been a change, other people have indeed received some adjustments in their wages upwards, including the members of this Assembly.

Further to the minister. He will probably respond in the same way, but another actual horror story is that a family . . .

MR. SPEAKER: Hon. member, we're now into the third sentence on the supplementary. Please continue, but with a question.

MR. EWASIUK: Is the minister aware that an average family of two parents and two children trying to survive on one minimum wage income would be \$12,000 below the poverty line in this province?

DR. REID: Mr. Speaker, I'm sure we could all find individual examples like that. As I've said before, a large percentage of those who are earning the minimum wage are young people starting in the work force, indeed obtaining their first experience of being in the work force. Others are second or third incomes for the family, and many are indeed part-time workers. On that

basis, I don't think that one can base the minimum wage upon people's requirements but upon what the work is worth and upon its economic value. If one was to place the minimum wage at a certain level that might well give everybody the chance of buying a house or a Cadillac, that might price the work right out of the workplace. As a result, Mr. Speaker, one has to bear in mind economic realities, something that the particular party to which the member belongs is prone to ignore.

MR. EWASIUK: Mr. Speaker, supplementary to the minister. Is the minister not concerned that the fastest growing sector in Alberta's economy, sales and services, is an area that's characterized by minimum wage jobs, which of course explains in part the fact that two-thirds of Alberta's minimum wage earners are women, many of whom head single-parent families? Is the minister not concerned?

DR. REID: Mr. Speaker, the hon. member continues to invite debate, and I shall resist it. On the other hand, to make the extrapolations he just made, I'm sure he doesn't have statistics to indicate that everyone in the service sector in Alberta is working at the minimum wage.

MR. EWASIUK: Mr. Speaker, my final supplementary. Will the minister today offer this pledge to the Assembly that Alberta's minimum wage will be adjusted upward, at least to the national average -- not the highest, just to the national average -- roughly \$4.25 an hour, before Canada Day of this year?

DR. REID: Mr. Speaker, I will not give the hon. member that assurance. I will give him the assurance that the minimum wage will be thoroughly reviewed. It will be discussed thoroughly in relation to the economic status of those who work at the minimum wage but also will bear in mind the type of work that is done and the ability of the employers to pay wages. This government is sympathetic to those who are indeed low wage earners, but on the other hand . . . [interjections] Once more they don't like to hear the truth, Mr. Speaker. The situation is that that review will be a thorough one, and the hon. member will have to await the results of that review.

MR. TAYLOR: Mr. Speaker, I think the House is well aware that time means nothing to the minister. This could go on and on for years. Would the minister care to inform the House what deadline he has imposed on the preview, when he will be telling the House the results of his study?

DR. REID: I just answered that question.

MR. NELSON: Mr. Speaker, to the Minister of Labour. Considering the economic times in Alberta, would the minister agree that now is not the time to initiate higher minimum wages which could have a further negative impact on small business and jobs in the province, as well as the start of another inflation spiral?

DR. REID: Mr. Speaker, I won't give the hon. member that assurance either. As I said, the review will be thorough and will be based on a thorough assessment. It may well indicate that an increase in the minimum wage is indicated. If so, it will be implemented.

MR. R. SPEAKER: I read in the press that there are people striking that could receive \$15 an hour in terms of wages.

Could the minister indicate whether there is any reason why a person receiving minimum wage can't leave that job and go to another wage at their own free will?

DR. REID: Mr. Speaker, the hon. member brings up an interesting point. It is true that there are highly skilled tradesmen who are currently on strike to resist the wage that has been offered by the employers. Those are extremely highly skilled . . .

MR. SPEAKER: Order please, hon. minister. Enough back chat is going on in the Chamber that the Chair, in spite of my advancing years, is having difficulty to listen. Perhaps the hon. minister could continue.

DR. REID: Those on strike are, as I said, highly skilled tradesmen, and it may well be that their demand is justified. It's up to them to negotiate with the employers, who may feel that their ability to pay is somewhat restricted. Certainly most of those on the minimum wage would be completely incapable of performing that work.

MR. SPEAKER: The Member for Lethbridge West, followed by the Member for Edmonton Meadowlark.

#### **Alberta Capital Bonds**

MR. GOGO: Thank you, Mr. Speaker. I have a question to the hon. Provincial Treasurer, and it relates to the Alberta capital bonds, which the minister announced yesterday. Could the Provincial Treasurer indicate to the House the amount that the Alberta government would hope to raise by this issue of the Alberta capital bond?

MR. JOHNSTON: Mr. Speaker, we have not assigned any dollar amount to the amount of money which will be raised under this new bond issue. I should say, however, that it's unlikely we would cut off any unsubscribed requests for the bond issue, and I would imagine that in a general sense we'll be looking at the order of at least \$50 million.

MR. GOGO: Supplementary, Mr. Speaker. I'm very confident Albertans will want to invest in Alberta capital bonds. With regard to the interest rates, which I understand will be announced a week tomorrow, can the minister indicate to the Assembly if those rates will be determined based on such factors as the Canada savings bond current rate, treasury bills, and guaranteed income certificates, or is there some unique formula that the Provincial Treasurer is looking at? [interjections]

MR. JOHNSTON: Ouija board. Mr. Speaker, we don't intend to be competing with any other investment instruments which now are popularly used in the province of Alberta, including the ones mentioned: Canada savings bonds or guaranteed investment certificates. We believe that this is unique enough to be attractive on its own merits.

Nonetheless, one must be price conscious when you set the interest rates for these investments, and we will attempt to price it as close to certain instruments as possible. Likely, we will look at the price of Dominion of Canada treasury bills, moving a two- to three-year period, or perhaps even the guaranteed investment certificates that the member talked about. But nonetheless, because of the uncertainty in the interest rates right now in all markets, we will watch it very carefully as we move through to

the period May 15.

But, no, Mr. Speaker, I don't have any particular format I will use; it'll simply be driven by the marketplace.

MR. GOGO: Supplementary, Mr. Speaker. As the Treasurer indicates in the material, the money is to be used for long-term projects such as universities, colleges, and so on, which by implication means long-term use by the citizens. Could the Treasurer indicate if it's the intent of this government to offer these capital bonds on an annual basis to the people of Alberta?

MR. JOHNSTON: Mr. Speaker, we haven't come to that conclusion yet. Obviously, we will sense and measure the response we have on this particular issue, and should it be a popular vehicle, we will then consider bringing it forward next year as well.

MR. GOGO: A final supplementary, Mr. Speaker. In as much as these bonds being offered to Alberta are unique in Canada in that corporations and societies may purchase them -- it's a real first for Canada -- could the Treasurer advise the Assembly whether or not the government is giving consideration to using the Alberta portion of the income tax system in the form of a rebate in such a manner as to increase the effective yield to the citizens of Alberta who purchase these bonds?

MR. JOHNSTON: Mr. Speaker, it has been recommended to me on several occasions that we could use the tax system to provide some kind of tax credit or tax exempt status. Presently under the tax legislation, I'm sure all members are aware, the first \$1,000 of income in any event is not taxable or at least it's deducted from the calculation of taxable income. So in that sense, obviously under the current rates, approximately \$12,000 could be acquired without really attracting any additional or marginal tax.

But, Mr. Speaker, I don't think we should move in the direction of making any promises that these would be tax exempt or tax deductible, except for the current provisions, because of course, as we talked of earlier in this Assembly, we are in the process now of reviewing tax reform itself. The current intentions are to broaden that tax base as wide as possible, eliminating as many deductions as possible, and reducing the marginal rates.

So I think it would be somewhat improper for us to suggest that we would use the tax system to encourage investment. We believe the strength of this issue will be found both in the need and the objectives of betting on the future of this province and the fact that they're guaranteed by the province itself and the interest rate. Those seem to be the elements. I think all Albertans will be called upon to invest in the future of this province, and I hope that that happens.

MR. SPEAKER: Supplementary, Edmonton Highlands.

MS BARRETT: Thank you, Mr. Speaker. To the Provincial Treasurer. Having read the literature he distributed in the House yesterday with interest, I note that the new bonds will be cashable on a six-month basis but that the interest offered through this program is simple interest as opposed to compounded interest. I'm sure that there's going to be public money invested in launching this program. To ensure its success -- that is, to ensure that people will take out these bonds -- will the Provincial Treasurer now reconsider the entire package and offer com-

pounded interest to guarantee that people in fact will choose this over some other investment which wouldn't be coming into Alberta?

MR. JOHNSTON: I'm just trying to sort out what she said, but I'm not too sure, Mr. Speaker, the member knows the difference between compound and simple interest in any event.

Let me say that there will be no need to compound the interest, because on an annual basis it will be paid out. Therefore, the owner of the bond obviously will receive a cheque from the province of Alberta at the end of each year, and they will have the money to invest. So by their own investment process it will be compounded by their own choice. Therefore, it will be simple.

What should be noted, however, Mr. Speaker, is if it's necessary to redeem the bonds at the end of a six-month period, par value or the full face value of the bond will be repaid, plus any interest which has been accrued on a simple basis since the date of issue to the six-month period. Mr. Speaker, that's probably one of the best deals in Canada right now in terms of that investment vehicle.

MR. SPEAKER: The time for question period has expired. Is the House willing to give unanimous consent to recognize the next speaker, Edmonton Meadowlark.

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? This set of questions, Edmonton Meadowlark.

AN HON. MEMBER: On this issue.

MR. MITCHELL: It is on this issue. Thank you very much, Mr. Speaker, and thank you to the House. In fact, it's very fortunate that the Legislature or the government allowed me to continue because I'm actually going to congratulate the Treasurer on this enlightened savings bond issue. It is a very positive way for Albertans to be encouraged to invest in this province. Having said that, however, I would like to question certain concerns we have about the way the money might be directed. Why is it that the Treasurer has pegged this money for more capital construction, which only creates long-term operating obligations?

MR. JOHNSTON: Mr. Speaker, before the Assembly right now we have a very elaborate capital projects division and the Capital Fund as well. Over the course of the next few days we'll be debating that Capital Fund. But in the proposal which we put forward in this Assembly in the budget speech itself, we provided clearly for a construction program in the Capital Fund, and that Capital Fund includes universities, hospitals, and a water storage project in southern Alberta. Therefore, we have made the commitment already to go ahead with those projects.

The problem we face, of course, is raising money to fund them. Now, it seems appropriate to me that we give the citizens of Alberta an opportunity to invest in those long-term projects, which are a significant public works for this province, and to allow the benefits of the investment on those projects both to accrue to the second and third generations who will come behind us but also to receive the income benefit from those bonds as well. So it's not a question of deriving the decision on the source of funds; it's a question of the decision having been made and now indeed to find the source of funds.

MR. MITCHELL: The fear is of course that this is going to be some kind of a special pool. Could the Treasurer please confirm that this will not be a special pool of funds for excess or extra expenditure or a slush fund that is . . .

MR. SPEAKER: Order, hon. member. There's confusion in the House, and it's been caused in part by the Chair. The Chair reads the consent of the House as being to allow the continuation and completion of that series of questions which had been raised, and therefore the Chair recognizes that Edmonton Meadowlark was only entitled to the one question today.

#### ORDERS OF THE DAY

MR. CRAWFORD: Mr. Speaker, I move that Question 205 and motions for returns 176, 199, 200, and 206 stand.

[Motion carried]

#### head: WRITTEN QUESTIONS

203. Mr. Mitchell asked the government the following question:

In respect of N.A. Properties, the corporation which will purchase and manage the real estate assets of North West Trust and Heritage trust, what are the names and positions of all management personnel, and what is the remuneration paid to each director and all management personnel?

MR. JOHNSTON: Mr. Speaker, this question has returned in not much different form from the way in which it was presented previously, and consistent with our response earlier, we will not accept this question. Perhaps if the member wants to pursue this with respect to the real estate assets of North West Trust corporation, then perhaps we should maybe be in communication on a personal basis so we can get the question so that I can at least answer it. What has happened is that in fact again the question is in error on fact, and it would be impossible for me to answer the question.

#### head: MOTIONS FOR RETURNS

175. Mr. Sigurdson moved that an order of the Assembly do issue for a return showing copies of those studies, reports, and other documents on the basis of which the hon. Minister of Career Development and Employment stated on March 6, 1987, *Alberta Hansard*, page 16, "the job creation program that the Premier talked about just a minute ago created 60,000 full-time jobs in this province in 1986."

[Debate adjourned April 30: Ms Barrett speaking]

MS BARRETT: I had the opportunity to discuss this matter briefly with the minister, and he seems convinced that his figures are correct. He assumes, however, that a multiplier factor of approximately three or greater than three obtains in the statement that he made in the Assembly, which we cannot verify and which the minister will not be supplying through this motion unless he decides to interrupt me and agree to supply the information. He's such an honourable gentleman that I don't think he'd interrupt, though, to do that.

I can't believe that an ongoing capital budget in the first place -- that is, one that appears on an annual basis, sometimes



great, sometimes lesser -- should be referred to in a way that talks about the government having created 60,000 jobs. I'm sure the minister recognizes that a multiplier factor of greater than three is a very high multiplier factor. It assumes an awful lot of local purchasing. It would have to assume a very high level of indirect employment being caused by the initial expenditures and in fact a suspiciously high amount of induced employment by those expenditures, Mr. Speaker.

The fact of the matter is, though, that, you see, the unemployment statistics don't really bear all of that out; that is, those assumptions. At \$1.8 billion, that would come to on average, say, \$30,000 per job, and we know that that's not the case. Capital costs are much higher than that. Much of the equipment involved in capital projects is not built in the province, so some of the indirect expenditure in those capital projects would not in fact be occurring right here within the province. Local sourcing, it is true, would have the result of bringing a greater number of jobs than that which would be originally called for or directly contracted by the department through the capital projects budget.

[Mr. Deputy Speaker in the Chair]

We also note that in the last several years in Alberta, people have left the province in record numbers. We know that. As a matter of fact, we've had reference publicly that, you know, it's not a bad idea to go to Ontario if you want to look for work or in fact Manitoba, which I believe has the lowest rate of unemployment, because there's not too much here in Alberta. [interjection] Do you still think that, Mr. Minister?

MR. ORMAN: I know it.

MS BARRETT: He knows it. The minister has just said that he knows that there's not too much hope here in Alberta for jobs and that Albertans who are looking for work should go to Manitoba or Ontario. Thank you, Mr. Speaker. I think that that makes the case ironclad that this government really doesn't have as its new -- new, repeated -- priority the same one that they talked about a year ago: creating jobs. They'd rather have that done by other provinces. So perhaps the unemployed Albertans who can't look forward to 60,000 new jobs having been created through the capital projects budget will take his advice and leave the province. [interjection] They won't do it with my endorsement, Mr. Speaker. I don't think that's a proper attitude.

If a government minister would like to say that this government has created 60,000 jobs when in fact it's probable that the real figure of the actual creation would be more like 18,000 to 20,000 jobs, from a budget that is submitted and adopted annually in a greater or lesser degree, I think that this is not merely a matter of semantics, Mr. Speaker. I think it's a matter of integrity. We need to talk about the truth. What does the government create by its natural spending? We have a government right now that is prepared to lay off or shut down approximately 3,000 public service jobs in this province. We don't know how high the tally is going to go when we talk about the related agencies; that is, those agencies which are funded by government departments, such as Municipal Affairs, Hospitals and Medical Care, Advanced Education, and Education. It'll be thousands and thousands more. Do we think that this government's going stand up? Will the minister stand up and say in the House, "We'll compare the 60,000 jobs that we just talked about, wrongly in my view, and then we'll talk about, let's say,

the 10,000 new jobless rate that we just contributed to"? Will they do that? Well, if they won't do that, Mr. Speaker, then certainly I think it's the responsibility of government ministers to not exaggerate the truth. I believe what's happened is that the minister exaggerated the truth. He has no factual information, and by the way, the library couldn't find it either, to indicate that a full 60,000 -- he said full-time, I note, not permanent -- jobs were created by that capital funds project. I don't think he has the information to indicate how many jobs were directly created, let alone indirectly created, let alone induced thereafter.

I think the minister would solve this whole problem by standing up and saying "I guessed." If he said "I guessed," at least there would be a little bit of room to manoeuvre and he could backpedal and get right out of this statement. But he won't say that. What he'll say is, "I'm not providing the report; it's in the library." Well, I checked the library, the library checked the library, research checked the library, and we don't find it, Mr. Speaker.

So I think it's incumbent upon this minister to take back those words and to be a bit more cautious about trumping up the efforts of this government about its so-called job-creation efforts when it's doing exactly the opposite, engaging in direct unemployment increases, induced unemployment increases, and indirect unemployment increases. I challenge the minister. I think that eight months from now or 10 months from now we can compare the unemployment figures and we'll see that they went up, just like they did just after the election. I don't think those 60,000 jobs were created, and in the second place, I don't think it's fair and it's not just a semantical issue for the minister to talk that way when we're talking about an ongoing commitment; that is, a feature of this government that comes back every year during estimates for approval in this Assembly.

So I invite the minister to retreat from that statement or cough up the precise studies or at least cough up what he believes to be an accurate series of econometric models which would prove, even by inference, that 60,000 jobs were created. I think the minister should say: "I guessed and I guessed wrong. In fact the jobs created were more like 20,000. No, they weren't permanent, and no, they didn't create an additional 40,000 in indirect or induced employment."

MS LAING: Mr. Speaker, I rise to speak in support of this motion.

This motion asks that the minister be accountable to the people of Alberta. We live in a democracy, and that is why we have a right to ask these questions and why we have a right to expect that they be answered. In a democracy we have government of the people, by the people, for the people. In a democracy the government is accountable to the people. This minister seems to feel that somehow he stands above the democratic process upon which this province is founded. We could say then: why does he not answer these questions we have asked? If in fact he has nothing to hide, if in fact he feels that he is accountable to the people of this province, if in fact he believes he lives in a democracy and is part of a democratic government, then he will feel compelled to answer these questions.

As an opposition party, a party that speaks for many of the people of this province, we have a right to ask those questions and we have a right to demand the answers. As an elected representative of the people of this province, the minister should answer these questions. He is mandated by these people to answer the questions we have asked him.

We ask not difficult questions; we only ask that he be ac-

countable for his words in this very Assembly. We asked what was the impact of his job-creation program. He says it is 60,000 jobs. When our constituents ask us how we know, we cannot answer because he will not answer our questions. Therefore we as elected representatives cannot be accountable to our constituents, and that is what we are to be in a democratic society.

We do not know who got these jobs. Were they men? Were they women? Were they young people? Were they professional people? Were they untrained people? What kinds of jobs were created? Were they short term? Were they long term? Were they PEP programs? STEP? I've heard of training programs for people, that they've tried to monitor the kinds of jobs people have, and they just count out people if they don't know where they've gone. Is that part of his accounting procedure? And what is the rate of pay that these people are earning in these full-time jobs? Is it a rate of pay on which they can live, on which they can support families? For how long? What kinds of skills were required for those that are unemployed at this time, so that they can know what to do at this time to prepare themselves for future jobs that are going to be created.

And what are the tracking procedures? How does he know that these 60,000 jobs have been created? What has been the impact on our economy? One hundred and forty-five thousand are unemployed at this time -- 70,000 cases on social assistance, maybe 150,000 people living off social assistance; 17,000 visiting our food banks. Surely if he has created these 60,000 jobs and they have been full-time and long term, we would not be facing those kinds of statistics at this point in time.

Again, I say the people of this province -- all of the people, not only the unemployed, not only those on social assistance, not only those that are going to the food bank -- have a right to know what this government is doing about the difficulties they face. And this minister has a responsibility to answer to the opposition and, through us, to the people of Alberta. We need to know who are eligible for these jobs. Who were eligible? How were they chosen? What futures do they have?

If we say that 60,000 jobs have been created, that should have had a significant impact on our society, but ordinary Albertans haven't felt the impact of the creation of those 60,000 jobs. We know that in times of high unemployment there is increasing distress, depression, suicide, family violence, violence in the streets. We know that these things increase in times of high unemployment. They should also decrease in times of high employment, but we have not seen any decrease in these kinds of problems. In fact, they continue to increase so that suicide is a problem we talk about repeatedly in this Assembly.

It seems to me that if we are going to address these problems, one of the ways we do it is by creating jobs, and these 60,000 jobs should have helped alleviate this situation. Instead we see an acceleration of the problems that happen. It is difficult then to accept this escalation in distress in view of the minister's statement, so we have to say: what is his evidence that he has in fact created 60,000 jobs? It's certainly not in the lives of ordinary Albertans. They haven't felt that impact, and it is therefore beholden upon the minister to answer to the people of this province and to the members of this opposition exactly how those jobs have been created and how long term they have been, how much they have paid, and what the impact of his programs has been on the citizens of this province. I therefore say to the minister that he as a responsible, elected member of this Assembly must give the answer.

MR. DEPUTY SPEAKER: Hon. Member for Red Deer North.

MR. DAY: Thank you, Mr. Speaker. I'd like to make a few comments on the motion. Then I would like to give the formula to the members opposite so that they can figure out exactly how many jobs have been created. It's a formula based on their very own calculations.

My comments on the motion itself. We're looking at a broader picture here of being asked to substantiate in detail every time a minister stands up and gives out a figure. Now, I would like to present to this House that we often hear from the members opposite that they don't have time. We don't give them time or they are not given time to discuss the important issues they want to get out and discuss. We hear that time and time and time again. Mr. Speaker, I would like to suggest that they have taken much valuable time from this Assembly in chasing after these figures. They have even already suggested the minister should be out working on job-creation programs when in fact they try to bind him by forcing these studies upon him, when in fact he would be and wants to be out there working on these various programs.

Just as an example, if we were to respond, Mr. Speaker, in like manner, in the same vein, then when their leader gets up and says "We have the support of Albertans," how ridiculous it would be for us to demand the studies, to say, "Where is it in the library that you have support from Albertans?" We don't waste time chasing down those nebulous figures. Sometimes the figures are made readily available to us; for instance, at a recent labour meeting which I understand they had in the southern part of the province, to which nobody showed up. Now, we do have some figures available to us there, but we still won't shout and scream and take valuable time saying, "Where is your support?" every time you make a statement, "Where is the documented evidence; where is it in the library?" And on and on we go.

Mr. Speaker, I would suggest that we are seeing a real inconsistency in their continual insistence on having more time to discuss issues. In fact, Mr. Speaker, they like to take the time chasing down things like this, ringing bells, and getting involved in other such activities.

And now the formula which I said I would give to them, based on their own projections on how they can determine for themselves how many jobs have been created. It is based very simply. I think as members analyze the formula they'll see that, if anything, I'm giving a great degree of latitude to underscore how many jobs are being created here. I think we can safely say in this Assembly that of all the excellent programs this government brings out, we don't see one time in 10, one in 10, where they give credit to there being any truthfulness there. If we talk about dollars saved, if we talk about jobs created or whatever, they usually wouldn't acknowledge one-tenth of what we're doing.

Based on that formula, that it would be extreme to see them give us even one-tenth of what we bring out in figures of good things happening, the member opposite in her remarks just a moment ago said that she believed these programs the minister talked about have created 20,000 jobs. Now, given their tendency to grossly underestimate and to barely even allow us one-tenth of the truth, I would suggest by their own extrapolation that they should be saying we've created 200,000 jobs and not 60,000, based on that simple formula.

Mr. Speaker, I would suggest that we get on with the business and the programs that are affecting the people of Alberta, and I would hope that the members opposite could see their own inconsistency here and get down to the real business of this House.

MR. DEPUTY SPEAKER: Athabasca-Lac La Biche.

MR. PIQUETTE: Yes, Mr. Speaker. Simply stated, we're not wasting government time here, because I think the whole question the minister should realize is that the whole focus here is unemployment and creating jobs for Albertans. For the member from Red Deer to say we're wasting time -- we're basically focusing their attention on claims they made, which they as well as Albertans know are not correct. Now, if we were going to have these returns tabled -- and I'm sure the minister is able to do that if he's got the statistics to back him up -- we would not be continuing this discussion.

One of the things he just accused our party of was that we failed to attend a labour meeting. Now, I'm just wondering what happened here in Lethbridge last night, where Brian Mulroney spoke to one-half full of people; the other half didn't bother to show up. That's maybe . . .

AN HON. MEMBER: Ex-Tories.

MR. PIQUETTE: Ex-Tories showed up.

The whole question of 60,000 jobs by the minister is really not reflected by the economic activity here in the city of Edmonton or northern Alberta. Every day we hear of farmers having to declare an auction sale. We are still not getting any response from the Department of Agriculture about what the initiatives by this government are to make sure that farmers remain on the farm. We still are awaiting a report from ADC, for example, about farm foreclosure. We have basically a government inactive in terms of responding to the unemployment crisis in Alberta. One is driven by the agricultural crisis, the other by the energy sector. We take a look at both of those sectors and jobs are not being created in the energy sector. For example . . .

MR. DEPUTY SPEAKER: Order please, hon. member. The Chair is having some difficulty. The operative words of Motion 175 are to provide "studies, reports, and other documents." Under Standing Order 23 a member must speak to that point. Would the hon. member then address the motion before the House.

MR. PIQUETTE: Well, I'm just trying to prove here: how can the government come up with the statistics whether 60,000 jobs have been created? We're asking the minister -- I mean, we will stop wasting time if he finally admits that his information is not correct. [interjections] Why doesn't the minister finally stand up and be a man and admit that the statements he made in the House are not accurate, if we are incorrect in our argument here?

But going back to Mr. Mulroney. Yesterday he was trying to find a drilling rig here in Alberta, and there are only 47 active right now in the oil-drilling business these days. Where is the job creation in that sector? In terms of this government's policies of deregulating the oil and gas industry which have led to this dramatic downturn, why don't we have the Minister of Energy reversing his decision about deregulating the price? He's coming out bit by bit by saying, "We'll have to put a border price." Really what we need is a floor price, and let's start talking not just rhetoric but the truth of what we're after here. Just like the minister here, I think it's time that we hear the truth as opposed to figments of people's imagination about what's really happening out here in Alberta.

So the energy sector has not created 60,000 jobs. The gov-

ernment is maybe talking about its work for welfare program. I would say probably he's trying to pull rabbits out of a cage here, really putting people temporarily from welfare or unemployment insurance into a minimum wage category for a few months so that the federal government then puts them back on unemployment insurance. Is that the 60,000 jobs he's purporting? The minister is really carrying on a game here with the Alberta public. He is not prepared to admit that, and basically what the Official Opposition is trying to bring him to task for is that if he's going to be making public statements about the great job the government is doing in terms of job creation, then simply produce the facts. That's what we're saying. I'm sure that if he had the facts, he would be the first one to be bragging about those figures and those statistics. But we have not heard the minister respond one time to the claim that we've been saying. Those figures are not available in the library. We went out there to check those figures, and they're not available according to what the minister has said.

So I think the 60,000 jobs by this government is probably . . .

MR. ORMAN: Point of order, Mr. Speaker. He's on the wrong motion, if I may submit.

MR. PIQUETTE: At least I got the minister to respond. For once he got up out of this whole debate.

AN HON. MEMBER: He woke up.

MR. PIQUETTE: He woke up. And at least he's not turned around like the last number of days of debate when he was facing the opposite side.

I'd like to again address the whole question of unemployment in this province, because one of the things happening here is that we do have a very active small business sector that is trying to create jobs. Today I got three phone calls in my office about trying to access some government grants which they feel should be made available because they're unemployed and not able to get any type of money from the banks because they have lost a lot of their collateral in the last few years. They are tired of welfare, they are no longer on the unemployment insurance funding or program, and they're looking for some meaningful program so they can get themselves back to work. This government here last year, when they introduced their 9 percent business loan, did not really create jobs with this program. If they would have segmented this 9 percent money in terms of small businesses who are trying to get started in this province, where they would have a pool of money to draw from, then, yes, I would believe that the minister has helped to create 60,000 jobs. But no, we simply used this money to recycle old debts. There was no creativity, no imagination used in this program, and all it really did was use taxpayers' money to recycle, perhaps to a few percent lower, some business loan.

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

MR. PIQUETTE: So 60,000 . . .

MR. DEPUTY SPEAKER: Order please. Order. The hon. Minister of Technology, Research and Telecommunications.

MR. YOUNG: Mr. Speaker, there are clear rules that the hon. members should speak in a relevant manner to the motion. This last several minutes has not been in any way related to Motion

175 before the House. Mr. Speaker, I would ask that the hon. member address the motion specifically.

MR. DEPUTY SPEAKER: The hon. minister is quite accurate, as was raised earlier on section 23 of Standing Orders. Would the hon. member please from time to time relate to the operative words in 175, and that is to provide copies, studies, et cetera, related to statements made by certain ministers of this House.

MR. PIQUETTE: Well, it's hard to repeat the same question every three seconds, but I will again repeat to the minster: is the minister prepared to table the documents and the facts that back up his argument that he has created 60,000 jobs in the province of Alberta? That is a very simple question. Why isn't the minister getting up right now and saying, "Yes, I will table this information tomorrow"? Friday would be a great time to finally get this information, I'm sure he's got staff that are twiddling their thumbs once in a while, that could be putting this document together for the Official Opposition. It would also allow the minister to finally assess as well whether his efforts in terms of creating jobs have been effective.

I think it's very important that this government, when they say something or plan something, set priorities and also investigate impacts. Are the impacts there of the programs that they have put in place? If the impact studies show that we're not developing those jobs as they claim, then we should be trying to use more creativity in our economic diversification, in the way this government is addressing the economic problems of this province. And this is not happening. It seems that this government, by not being willing to back up their statement with facts and studies and impact studies, is really kind of governing by panic, by reaction, as opposed to having clear economic goals, areas that were not using a lot of taxpayers' money for a short-term kind of solution. And I would say the minister's work for welfare program is really a short-term solution to a problem we have in this province. What we should be putting in place, for example, is a clear sense of direction where if the engine of growth in this province is the small business sector, then pools of money should be out there . . .

MR. DEPUTY SPEAKER: Hon. member, the Chair is having continuing difficulty. Debate on 175 is not what policy should be in place; it is why the government should provide copies of those studies, reports, and other documents. Now, will the hon. member keep his arguments within debate to those very points, as to the reasons the government should do a certain action.

MR. PIQUETTE: What I'm trying to do to the minister here is to make sure he's listening to some of the ideas coming from the opposition to help him create those 60,000 jobs -- meaningful, long-term 60,000 jobs as opposed to the rabbit-in-the-cage kinds of programs that have been pulled off by this minister.

In conclusion, I'm asking this minister: will he table these documents, these studies that he says are available? And will he produce them for tomorrow morning, the 10 o'clock session, so that we can have for the Official Opposition a clearer understanding -- and that the public also has a clearer understanding -- that this government really knows how to govern and is not just a make-believe government, which it appears to be to many Albertans?

MR. DEPUTY SPEAKER: Hon. Member for Calgary North West.

DR. CASSIN: Yes, Mr. Speaker, I'd like to just make a couple of comments, I do believe the member for Lac La Biche made a couple of very valid points: number one, that he was carrying on; number two, that he was wasting our time, I think we've spent at least two sessions dealing with this particular motion. I have to ask the relevance of the business of the House, and I would like to suggest that perhaps we deal with it and carry on with some of the motions that are before us here today.

Thank you.

MR. DEPUTY SPEAKER: Hon. Member for Edmonton Glengarry.

MR. YOUNIE: Thank you. It's interesting, Mr. Speaker, to note that we are told twice now that it is not an important issue to hold members of the cabinet responsible for the statistics, the facts, and the comments they make in the Legislature; that we are wasting the time of Albertans and wasting the time of the Legislature when we get up and say, "Give us those facts." You told us there were the 60,000 jobs. We want the proof. We want to know where the jobs were. We want you to prove that that statement was factually correct. It is not too much to ask a minister. I think it is a very, very important point of democracy that we should, as our duty as the Official Opposition, keep cabinet ministers and the government in general accountable.

After making that statement, the minister has flatly refused to back it up with the documentation. He has proven to every Albertan that democratic accountability is not important to him. He said: "They're there. Go find them yourself. It's not my job to back up what I said." Now, I would point out one occasion recently when the Minister of the Environment said to me after I quoted his speech, "I don't know what it is the Member for Glengarry is yapping about." The very next day I tabled a copy of his speech in the Legislature so he and everyone else would know what it was I was talking about. I backed up my statement that he made these comments with a transcript of the speech he had made, because I believe in being accountable. I believe in backing up what I say. I hope we're going to see this.

I think there's the other issue of why we should demand this. Some might think it's to embarrass the minister. Politically, I would say, that's a valid goal. He should be careful what he says and make sure it is accurate, and it's politically valid to do that. That, however, would not be my goal. My goal would be to go to my constituents and say it's this kind of job or that kind of job when they phone up and ask: "Where are these 60,000 jobs; how do I get one; what kind of jobs are they; do I qualify?" Sixty thousand jobs -- there must be many kinds of jobs that I can tell them about and that they can go find. If there are 60,000 jobs, if you consider normal turnover, some of them must be coming open again. Maybe some of my constituents could find those jobs.

There are in my constituency, as in every other constituency in this province, a number of unemployed people. They want to know where the 60,000 jobs are. Until I get the documentation to explain it to them, how can I say, "No, the minister didn't lie"? Ministers don't lie; MLAs don't lie. We know that. But I want the facts so I can say categorically: "It was a true statement, and here is the documentation to back it up. We now know that." I think it's very important to be able to go back to constituents and say that.

I'd like to take a look at three constituents that I think would like to know this information very much. One constituent who came in was injured on the job. His kneecap was broken. He

cannot work. He was told by WCB to find light construction work. I don't know how many of you know of any light construction work he can find. His doctor wrote a letter to WCB saying he can't work. It's a compensable injury, and he will wait until next September to get in for the surgery I've scheduled him. Next September. This man would like to find some light work. Maybe one of those 60,000 jobs that were created would provide him with the light construction work he would like to find. I need the documentation so that I can direct that constituent to the job he needs.

I would present another one, a 63-year-old person who on the instructions of his employer was stripping wax from a floor in a Safeway store during business hours. An elderly lady slipped and he jumped to catch her, fell, and broke his hip. At 63 it did not heal. After a short while on WCB, he was told to find light work. This is a 63-year-old with no training who was mopping floors in a Safeway store, and someone tells him to find light work. He could barely walk when he came into my office: one, because the injury hadn't healed; two, because he had been down to the WCB office to be examined by their doctor and the person practically pulled his leg off. I don't know if it was part of the required treatment or if it was revenge for daring to question them, but whichever it was, he could barely walk, and he was supposed to find light work. Maybe if we get the documentation on these 60,000 jobs, I can help that constituent find light work.

Another constituent, a boilermaker -- I don't know if any of you have dealt with any lightweight boilers lately -- slipped on ice carrying about a hundred pounds of cable and wrenched his back, strained it severely; there is visible injury on an X-ray. Again, he has been told that he is fit to go back to work. He can do his regular job for about two hours. He has been told by his doctor that in fact a reinjury could cause permanent and complete disability. He has been told to find light work . . .

MR. DEPUTY SPEAKER: Order please. The Chair hesitates to interrupt the hon. member. Would the member whose pacemaker is fluctuating in this House please put it in order so as to not interrupt the hon. Member for Edmonton Glengarry?

MR. YOUNIE: I believe one member has an electronic game on his stopwatch. I'm not sure. The only watch I had with one of those was so complicated I never figured out how to use it. I just used it to tell time; I had more important things to do. Two of my students knew how to use it.

In any case, this boilermaker was told to find light duty boilermakers' work. Now, again I don't where you find many light duty boilers, but he was told to go back to his welding job and do light duty work. I'd like to point out all three were given the same instruction by WCB: find light duty work in a job field where there is no light duty work, and in job fields where for every job opening there is, there are hundreds of applicants who are not saying, "I've got an injured back," "I've got an injured hip," or "I've got a broken kneecap and I can't do anything heavy." So when 500 able-bodied people show up at a construction site and say, "I want to work," and one says, "I want to work, but I've got to carry gravel in a one-gallon pail because my back won't take the strain of pushing a wheelbarrow," who gets the job? There is no chance of these people finding it.

MR. STEVENS: Mr. Speaker [inaudible].

MR. DEPUTY SPEAKER: Banff-Cochrane, would you quote

your standing order.

MR. STEVENS: Yes, Mr. Speaker. I would like to quote from *Erskine May*. If you'd like to obtain a copy, I'll sit for a moment. Page 433.

MR. DEPUTY SPEAKER: Proceed with your point of order while the Chair checks 433.

MR. STEVENS: Mr. Speaker, what we are finding today from comments made by members of the Opposition is, first, that there is a question in their minds that they would like to have the information, and they've used this motion, 175, to seek that information. Clearly, in *Erskine May*, which is one of the traditions of our Legislature, as is *Beauchesne* or our Standing Orders, there is reference on page 433 to the citing of documents not before the House. Clearly, in the rules of Parliament, the rule for the laying of cited documents -- and in fact in the motion and in the minister's comments there were no cited documents -- but clearly: "The rule for the laying of cited documents does not apply to private letters or memoranda."

The minister has time after time been referred to as having referred to documents and so on. He made a statement that's referred to in *Hansard*, that's before us in the motion, but he did not refer to documents or studies, and even if he did, the rules of Parliament are such that these do not have to be tabled. And I ask, Mr. Speaker, that we get to the question immediately.

SOME HON. MEMBERS: Question.

MR. DEPUTY SPEAKER: Order please.

With reference to the point of order raised by the Member for Banff-Cochrane, the Chair would certainly consider the reference to page 433 of *Erskine May*. However, very clearly a motion for a return in this House is a debatable matter, and that's the process we're in now to determine, hopefully, an outcome at some point as to whether or not the Assembly will order that return.

Hon. Member for Edmonton Glengarry.

MR. YOUNIE: Thank you. I do hope my passionate appeals to the minister will in fact convince him that we have just cause for needing this information, that it will be for the benefit of not only our constituents but the constituents of every government member, and that they do have good use for that information. We're asking the minister to provide documents. If the Member for Banff-Cochrane is hinting that this minister would stand up and tell us 60,000 jobs were created, without having some kind of documentation to prove it other than a couple of internal memos from somewhere, that certainly there must have been some kind of documented study to say categorically there were 60,000 jobs created, the only other alternative is to assume that either he pulled a figure out of a hat or that some senior level bureaucrat in his department pulled a figure out of a hat and sent him a memo on it, and that's what he's not willing to table, in which case I agree. I wouldn't want to table it either, and I can understand the predicament he's in.

What I'm trying to clearly outline is that I have justifiable cause within my constituency to demand that information on behalf of my constituents whom I represent, that they need that information. They've been told by another department of government -- or, we are told, actually an autonomous insurance body with a heart has told them -- to find light duty work, which

there is absolutely no hope they could ever find. I can hear the minister's words about 60,000 jobs and grasp at straws and say, well, maybe somewhere in all of this thorough documentation, once we get it, maybe in the pages that would be provided to us of facts and figures, I could find three light duty jobs: a light duty construction job, a light duty boilermaking job and, I guess, a light duty floor-mopping job for these three constituents. And there are many others.

I expect the minister to prove to me, to all of my constituents, that this is a reliable figure and to assist me in giving my constituents -- and to assist all of his government colleagues in giving their constituents -- constructive advice on where they can find some of these 60,000 jobs. So I eagerly await the information that I'm sure will be forthcoming.

MR. GIBEAULT: Mr. Speaker, we have this allegation the minister has made that there's been 60,000 jobs created, and until the minister is willing to put forward and put on the table just exactly where these jobs are, how they have been accounted for, that's all we can call it: an allegation.

I have in my constituency some 1,300 families who do not have anyone in the family who's bringing in an earned income, despite the fact that there are people in those families who are trained, who are educated, who are skilled, who want to be productive in this province and there are no opportunities. I would like to let the minister know that in that constituency of Mill Woods there are engineers, construction workers, teachers, clerks, and just about every occupation now in this province -- as I said, skilled and educated -- who want to work. And the minister alleges that there have been 60,000 jobs created.

Mr. Speaker, the people in my constituency and I as their representative simply want to know: where are they? Where can I refer them to those jobs? It's not at Manpower. My constituents are going there every single day trying to find productive work, and it gets more frustrating every time they go there. And the students in my constituency that have gotten out of school have gone down to hire-a-student every single day. It's another exercise in frustration. So where are these 60,000 jobs that the minister likes to talk about? Are they a reference to this government's efforts, such as they have been so far for job creation: basically a lot of minimum-wage, make-work, band-aid programs? Is that what he's talking about? Well, how many of those were there?

Instead of doing that, I would like to get some evidence, Mr. Speaker, that this government really has an intention and has had some intentions of creating some honest, meaningful work. I can show my constituents what the government hasn't done. They haven't built schools in my constituency where there are population bases that need them. There are whole neighbourhoods. Daly Grove has no elementary school. There's no junior high school east of 66th Street to serve a population base of 40,000 people. Those are what has not been done by this government, Mr. Speaker. But he alleges that 60,000 jobs have been created, so just put it on the table, Mr. Minister. I want to show my constituents these great jobs that you and your government have created, because it seems to be escaping their attention and mine.

Now, he said 60,000 jobs. If we simply take a look, Mr. Speaker, at the cuts that this government has introduced in the current year, it's a cut in the overall budget of some \$400 million. Now, let's just assume for discussion that those average expenditures in government services paid people at the range of about \$25,000 a year. That is 17,000 jobs in one single year in

one blow with the tabling of this government's budget that have disappeared. And he has the gall to say he's created 60,000 jobs. My constituents want to know where they are, Mr. Minister. It's simply not acceptable to give us this kind of unsubstantiated allegation. My constituents don't buy it, Mr. Minister. Neither do I.

I want to say as well very brief examples of what my constituents are in fact seeing from this government. One of my constituents, a clerk in the Social Services department, got a letter from the assistant deputy minister saying, "We thank you for your work over the years, but unfortunately with budget cuts your job is being terminated." And out she goes. Another constituent of mine, a caretaker at one of the schools in the public school board in Edmonton, got a similar letter from a supervisor: "Due to budget constraints in the province, your job has to be terminated."

The story goes on and on, Mr. Speaker. This government alleges to have created 60,000 jobs, and the facts that are coming to me in my constituency office every single day -- I'm getting tired of hearing them and I want the minister to give me some ammunition to deal with them, if he would -- where are these jobs? I don't like it if people come into my office saying: "Where are the jobs? We have no jobs. We've got these skills and training; we're graduating from NAIT and the colleges and AVCs with all these programs and papers. I want to be productive. Where are the jobs?" I'm getting tired of hearing it, Mr. Speaker. I want the minister to help me deal with these. I'd like to help him explain his government's success if there is some to explain. Because as I said, my constituents have not seen the evidence of those 60,000 jobs.

Mr. Speaker, in short, I don't believe it, because I haven't seen the evidence. My constituents don't believe it; they haven't seen the evidence. Mr. Minister, where's the beef? Where is the beef?

MR. DEPUTY SPEAKER: Are you ready for the question on Motion for a Return 175?

The hon. Member for Edmonton Belmont will close the debate on Motion for a Return 175.

MR. SIGURDSON: Thank you, Mr. Speaker. So here we are. This is the point where the debate is ended, debate that, quite frankly, has gone on for a long period of time.

Mr. Speaker, one might ask just why the debate has been so protracted. Normally the experience we have in the Assembly is that when a motion for a return is discussed, it's handled within a few minutes. The minister would get up and respond to a particular question or to a particular motion, propose an amendment or two, and then we would be satisfied with the answer, on most occasions. Yet with Motion 175 that just has not been the case. It has occupied the Assembly for days, days that have stretched into weeks.

Indeed, it was April 2 when the Minister of Career Development and Employment stood in this Assembly to reject Motion for a Return 175, and he rejected it, Mr. Speaker, for what are some rather nebulous reasons. So finally, here we are today at a point where we're about to close debate, debate that at any time could have been pre-empted, it could have ended, had the minister stood in this Assembly and advised members that he would simply provide the information I had requested in my motion for a return. But he didn't. He didn't provide the information because there isn't any information available that would back up the minister's claim that a collection of particular job programs

"created 60,000 full-time jobs in [Alberta] in 1986".

Mr. Speaker, I think it's important to go back to the time when the minister made that statement, to the time when the minister stood in the Assembly to provide us with that number, the number that started the debate. We on March 5 opened the Assembly with a speech from Her Honour the Lieutenant Governor and a number of motions that came forward from the government. I, too, moved a motion because I have a real concern about the unemployed in our province. I moved a motion asking that a particular committee be struck to examine the problems of unemployment and the problems of the unemployed. Unfortunately, that motion was defeated.

On March 6, the first day of debate in our Legislature, I stood and asked a question, again relating to unemployment. I asked the Premier a question to which he responded, and I'll quote, because it's quite brief. I asked the question about unemployment, and the Premier said:

The dollars that have been provided in public works, construction, highways, parks, dams, irrigation systems to municipalities throughout this province have all been working to provide jobs for Albertans.

Well, that's good. It's very good. The Member for Westlock-Sturgeon stood and asked a supplementary of the Premier, again about unemployment, and the Premier responded to that member by saying, "There are efforts being made by the government that are working to maintain jobs in this province . . ." And that too, Mr. Speaker, is good.

Then the trouble began. The Member for Red Deer North stood up, wanting to get some additional information, maybe a little coverage in the Red Deer *Advocate*, maybe something to send back to his constituents, maybe something that the minister or the Premier would be able to stand up and boast about. So the Member for Red Deer North stood up and asked one of those wonderful supplementaries that we've become accustomed to, and it's worth repealing in its entirety:

At the risk of confusing members opposite with more facts, to the minister of career development, what have his job creation programs actually meant in terms of reducing unemployment in this province?"

Well, what did our minister of career development and unemployment say? Did he stand up and say, "Well, you know, there are a number of studies that I'd be happy to provide the members of this Assembly with that show the kind of job-creation programs that we've been able to come out with." No, he didn't do that. Did he stand up in this Legislative Assembly and say, "I want you to be able to go back to your constituencies, so I'll prepare a fact sheet that shows what kind of work we've been able to do." No, he didn't say that. What did he say?

ANHON. MEMBER: We're not sure.

MR. SIGURDSON: What did he say? You're not sure? Perhaps you'd like to pull out your *Hansard* . . .

ANHON. MEMBER: I don't want to know.

MR. SIGURDSON: I don't blame you, hon. member. You shouldn't want to know, because this answer is really bad.

MR. OLDRING: That whole speech is really bad.

MR. SIGURDSON: I've enjoyed some of yours, hon. Member

for Red Deer South. I truly have.

But, Mr. Speaker, the minister of career development stood up, and this is what he said. You'll find it on page 16, for those who want to join along.

I think it's important, going back to the original question by the Member for Edmonton Belmont, that not only is 11.5 percent unacceptable, any level is unacceptable, and we certainly believe that on this side.

That's very good. That's very good, coming from the minister and all those members on that side. They believe that, and you know what? He went on further, Mr. Speaker, and he said:

I should also let members opposite know that the job creation program . . .

I thought the Premier had spoken of a number of job-creation programs, but this minister only saw one.

. . . that the Premier talked about just a minute ago created 60,000 full-time jobs in this province in 1986.

That's what this minister said. The minister said that the "program that the Premier talked about [only a moment] ago created 60,000 . . . jobs in this province in 1986."

Now, what on earth would possess a minister of the Crown to say something like that? I would suggest that the minister wanted to share some honest information with this Assembly, Mr. Speaker. And that's good. That's good; but we didn't quite buy the figure of 60,000 jobs. Now, why didn't we buy the figure of 60,000 jobs? The minister is an honourable gentleman, and surely to goodness, as all hon. members know, he would only bring factual information to this House. The minister had gone on to say in his same answer that as a matter of fact, Mr. Speaker, there are over 22,000 more people working in '86 than in 1985.

Well, that kind of triggered something over here. That kind of response prompted some of us to go and do a little checking. In fact, I looked up and I looked at my calendar; it said March of '87. All of a sudden we were going back in time. According to the minister, we had to look at 1986 over 1985, when there were figures available for 1987 to measure over 1986. But the minister wasn't doing that. No, the minister wasn't doing that. The truth is that in January and February of '87, there were 20,000 fewer people working in those months in 1987 than in 1986. The minister could have said that we'd lost those jobs in '86. But he didn't. He chose to be rather selective in providing us with certain information.

So that's why this motion for a return went on the Order Paper. Because surely if there's something inconsistent in one part of the answer, there probably is something inconsistent in the second part of the answer. So Motion for a Return 175 went onto the Order Paper.

ANHON. MEMBER: You said that.

MR. SIGURDSON: Yes, I did say that. I'll say it again for your benefit. Motion 175 only asked for

copies of those studies, reports, [or] other documents on the basis of which the hon. Minister of Career Development and Employment stated on March 6 . . . [that] "the job creation program that the Premier talked about just a minute ago created 60,000 full-time jobs in this province in 1986."

A rather simple motion. Surely to goodness, if there are bureaucrats running around in the minister's office saying, "Mr. Minister, look at all these job-creation programs that we've got, look at all of the people that are being employed, and look at all

of the people that are working," surely to goodness the minister could come into the Assembly and say, "Well, here are those programs." "I'm proud of those programs," he should say, "and here they are. Let's brag about them. Let's have a celebration that we're doing such a wonderful, fine job."

MR. STRONG: A golden opportunity.

MR. SIGURDSON: A golden opportunity -- that's right, hon. Member for St. Albert -- a golden opportunity for that minister to stand up in the Assembly and brag.

MR. NELSON: Don't you wish you were doing a fine job?

MR. SIGURDSON: Don't you wish you were doing a fine job, hon. Member for Calgary McCall?

MR. NELSON: I am.

MR. SIGURDSON: Good. Anyway, onto the Order Paper it went. [interjection] That's another smokescreen, that's right.

Onto the Order Paper it went, and on April 2, a little less than a month after the original question had been put to the minister, he stood up in the Assembly -- and I must go back, because he stood up with regard to Motion 161 -- and said, "With regard to Motion 161, I would like to reject that motion."

MR. YOUNG: A point of order, Mr. Speaker. It is quite clear under rule 23 that repetition such as we're hearing is quite needless. And for the edification of the hon. member, the tryouts for the Jimmy Bakker position are south of this country.

MR. DEPUTY SPEAKER: Edmonton Belmont.

MR. SIGURDSON: Thank you very much, Mr. Speaker. I wasn't aware that I was repeating myself, and I wouldn't qualify for that job because my wife doesn't wear that much makeup.

Anyway, I do want to get back to how the Minister of Career Development and Employment rejected one motion because it relates to how my motion was rejected. He said, with regard to Motion 161:

I would like to reject that motion. It's internal memoranda provided to me in the course of my duties of minister of the Crown, and I believe that my position is consistent with *Beauchesne*, section 390(2).

Well, we had a little bit of debate on Motion 161, and that was soundly defeated. What did we expect?

We then went to Motion 173. Again, that was a motion I had put to the hon. Minister of Career Development and Employment, and that one was rejected. We had some fun; we had chatted about that a bit and we had a good exchange in the Legislature, and that one was defeated. And then he came back and wanted to talk about Motion 175. Well, he'd rejected Motion 161. He'd rejected Motion 173. And now we're on 175, and we assumed -- correctly, I might add -- that he was probably going to reject that one. He did. He stood up, and what did he say? He said -- I want the hon. minister of technology and telecommunications to listen to this -- he said, and I'll quote:

Mr. Speaker, at the risk of being repetitious, I would suggest that we reject Motion 175 for the exact same reasons as delineated in our discussion and debate on Motion 161.

Now, just to refresh everybody's memory, let's turn our

pages back to 538 and look at why he rejected Motion 161. "It's internal memoranda . . .

MR. DEPUTY SPEAKER: Order please, hon. member. The Chair hesitates to interrupt, but under Standing Order 8 the time for this item of business has expired.

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

**Bill 215**

**An Act to Amend the Employment Standards Act**

MR. EWASIUK: Mr. Speaker, it's a pleasure for me to get up and address Bill 215, An Act to Amend the Employment Standards Act.

We touched on this issue briefly today in the question period, and I want to expound on it further this afternoon. Again, the last time that the government adjusted the province's minimum wage was back in May 1, 1981, some six years ago. There has been a 30 percent increase in the cost of living since that time. Alberta now, of course, has the lowest minimum wage in the country. Provinces like Newfoundland and Nova Scotia and Yukon had adjusted their minimum wages in January of 1985, thereby giving us the distinction of being the last of the provinces to have a low minimum wage. The minimum wage of \$3.80 an hour at May of 1981 is only worth some \$2.92 an hour at the present time, which is really not a great deal of money when you consider the inflation over the period of time.

Mr. Speaker, if we as legislators are concerned about the basic human dignity and the need to eliminate social injustice and to give all people pride of purpose and an adequate standard of living, then we have the responsibility to act for the working poor and to eliminate the frustration of those who have to work for a minimum wage. Unfortunately, workers for whom the minimum wage was designed find in the majority of cases that the minimum wage is both a minimum and a maximum. When the individual is hired, he's hired at the minimum wage, and that's generally where he stays. There's no possibility that he's going to be increased, and consequently his minimum becomes a maximum.

Our extremely low minimum wage levels are ensuring poverty for many average Albertans, and that, in this province, I think is a poor documentary. According to the Edmonton Social Planning Council, an average family of two children on a minimum wage income would in fact be receiving \$12,000 below the minimum wage. I know the minister earlier today -- I said I didn't have statistics to back that information up, but the information is quite readily available at the Social Planning Council. For example, in 1985 some 79,000 Alberta families lived below the poverty line -- again, I say, a poor documentation for this province and for this government. There were some 76,700 singles living below the poverty line in this province in 1985, nothing to really particularly be proud of.

I submit, Mr. Speaker, that the serious social services costs that accompany low minimum wages are not even justifiable for economic grounds. During periods of recession, as we are experiencing at the current time, the maintenance of a low minimum wage keeps the growth in total spending and services as a strong disincentive for new investment and growth. What that really means is, in other words, when there's no buying power,



the people don't have the buying power, the ability to purchase goods and services, this reflects on the economy, and as a result we see businesses shutting their doors, going bankrupt, and creating continual havoc within the economy of the province.

Of course, at the same time, the demand for social programs increases, and the ability for the government to provide those programs becomes a problem and is questioned, as no doubt the Minister of Social Services can attest to, as well as the Provincial Treasurer. What's really happened in this province is that the government is reducing, in fact, social services programs as a means of public spending restraint. So what is really developing in this province is a vicious circle of slower growth, higher unemployment, and a decline in tax revenue, and the government has responded by higher taxes and more restraint.

Since May of 1981 the Alberta minimum wage has remained at \$3.80 per hour. Again, I'm probably repeating, but I think that needs to be underlined. In the same five years the number of Alberta families living below the poverty line has more than doubled. Meanwhile, the cost of living has jumped up by more than a third, and I will be able to provide specific figures later. So based on these considerations, it is difficult to accept the current level of the minimum wage. To protect the real wage of low-paid workers against declining purchasing power, the government has to increase the minimum wage in this province.

There are provisions under the Alberta employment standards regulations, and it goes with something discussed earlier today, that certainly employers have the opportunity to hire people at the lower rate than minimum wage for those that are inexperienced, those that are simply coming out of school. There are exceptions for farm workers, there are exceptions for domestic workers and, unfortunately, there are even exceptions for handicapped people. But there are exceptions so that employers do have the opportunity to hire people at less than a minimum wage if in fact that is a requirement for their business.

I would then like to provide some statistics and to show the Assembly really just where Alberta sits relative to the rest of Canada when it comes to the minimum wage. And ours, again, if I may repeat -- our minimum wage for an experienced adult worker is \$3.80 per hour, and this is effective since May 1 of 1981. The other jurisdictions in Canada -- for example, the federal government is \$4 an hour, and it's been in effect since May of 1986. British Columbia is \$4 an hour, effective February of this year -- just a recent adjustment there. Manitoba: \$4.50, an adjustment just last month, April of 1987. The maritime provinces, the so-called poorer provinces of this country: their minimum rates are \$4 an hour. Most of them have been in effect since '85 and '86. And P.E.I.: \$4 an hour, effective October '85.

So you can see, Mr. Speaker, that all the provinces have made some effort to adjust their minimum wage at least to provide something above the poverty line. Certainly this government over six years has sat on \$3.80 with no adjustment, of course causing a great deal of problems for our citizens and creating more poverty in the province.

Now, there is an argument, and I'm sure it'll be made today as well, that increasing the minimum wage is somehow going to have an impact on unemployment and, in fact, is going to create unemployment. Well, let me give you a couple of statistics on our two sister provinces, Saskatchewan and Manitoba. Both of these provinces are paying a minimum wage now of \$4.50 an hour. In Saskatchewan the unemployment rate is 7.1 percent, and in Manitoba the unemployment rate is 7.4 percent. We of course are paying a \$3.80 minimum wage. Our unemployment

rate at the present time is 10.2 percent. It certainly doesn't verify the fact that somehow your higher minimum wage is going to create higher unemployment.

Now, what's happened to the consumer price index since 1981, and how has it impacted on the workers who are earning a minimum wage? Using 1981 as the base year where 100 percent is applied, today, 1987 -- and these are figures that I've averaged from the monthly catalogue from the consumer price index figures -- is 130.1 percent. What in fact this says is that the consumer price index has risen 30.1 percent between 1981 and 1987. Our minimum wage remains at \$3.80 an hour. We wonder why we have poverty, why we have social service problems in this province.

Mr. Speaker, this Bill would amend the Act to provide an annual adjustment in the province's minimum wage for the purpose of guarding the wage against inflation. That is, it'll be attached to the CPI so that if there is an increase in the consumer price index, the minimum wage would then follow along with that increase. Inflation-adjusted minimum wage would take effect July 1 of each year if an inflation adjustment was warranted, and 1981 would be the base year from which future inflation adjustments would be calculated. As well, if for any reason at any time a minimum wage was set that was higher than it would otherwise be if it were based solely on an inflation scale, then that new higher minimum wage would become the new base from which future inflation adjustments would be calculated, replacing the May 1, 1981, date.

As of July 1 of this year it is reasonable to predict that the minimum wage in Alberta under the proposal of this Bill would rise to \$4.94 an hour for those 18 years and over. The minimum wage would be \$4.75 for those 17 years or younger and out of school. The average minimum wage would be \$4.29 for those that are still going to school.

Mr. Speaker, I think an adjustment in our minimum wage is long overdue. I think the government has been extremely callous in its response to this very need. The fact that the minister suggests they're going to study it and it's subject to review is really not sufficient. I think if there's a serious review and a will to adjust this particular rate to stay in tune with what is required in this province, the government should have well adjusted that rate a long time ago. However, I would urge that the members support this Bill. I think it will go a long way in dealing not only with the poor, but it will also deal with the social service problems that are a result of the low minimum wage, I think it'll have a long-term benefit for both the workers and society in this province as a whole.

Thank you, Mr. Speaker,

MR. ACTING DEPUTY SPEAKER: The Member for Stettler.

MR. DOWNEY: Thank you, Mr. Speaker. I want to say at the outset that in having problems in supporting this Bill, it's not that we're not sympathetic with the goal of reducing poverty. But there is ample evidence to suggest that minimum wage legislation setting rates higher than market kills some legitimate employment opportunities and ample evidence to suggest from a number of sources -- from the Economic Council of Canada, from Alberta Labour, and extensive studies -- that a high minimum wage and low employment are simply not compatible. Unskilled workers are replaced with fewer skilled workers, with casual and part-time employees, and by automation, leading to a perfectly rational loss of employment. All firms who could would increase prices and pass on to the next user, ultimately to

the consumer. The member sponsoring the Bill was talking about a vicious circle, about how raising the minimum wage added wealth to the economy, but that's really funny money he's talking about, because the vicious circle that's created is a dislocation of business assets in labour-intensive industries and, in fact, inflation.

Mr. Speaker, low and minimum wage earners frequently are not the poor and downtrodden. Again, there is ample evidence to suggest that low wage earners have a very low level of dependant responsibility. They tend to be either secondary wage earners in family units or the young. In neither case is it likely that the fact that a worker is earning a low wage causes the income of his family unit to fall below the poverty level income for that unit. An estimate of the proportion of low wage earners in subpoverty families, based on survey results, might be in the area of 15 to 20 percent of the number of low wage earners. The tendency for low wage earners to be young and reasonably well educated would indicate that low wages are to a large extent the result of lack of work experience. Thus, it is not likely that a large portion of the low wage earners will remain in this position permanently. Let us not hinder experience for these people, so that they may become more qualified, more employable, and move into the mainstream.

Perhaps the main effect of rising minimum wages on employment, apart from encouraging capital/labour substitution and the greater productivity this allows, has been the increase in the use of part-time labour. A second result perhaps has been to discourage the use of the least productive and handicapped and taking away their opportunities, Mr. Speaker.

I would like to quote from an econometric . . .

AN HON. MEMBER: You can't even pronounce the word.

MR. DOWNEY: I got it out, sir. . . . monographed by Welch in 1978, who said:

The establishment of a minimum wage was one of our earliest forays into a national welfare program. It was a misguided idea even in 1938, and the world of welfare has changed since then. After 40 years of evidence of adverse effects, it would seem that the time for mandated minimum wage has passed.

The Federal Reserve Bank concluded, also in 1978:

The federal minimum wage law raises the income of millions of marginally productive workers. But the benefits of the minimum wage are not without social costs. Among these costs are higher rates of youth joblessness and greater inflation. The price of ignoring these negative influences is high, both in the economy and to society.

Mr. Speaker, the rest of that document bears out those statements to a reasonable thinking person's satisfaction, I would suggest.

Mr. Speaker, an hour or so ago here, the Member for Edmonton Mill Woods told us that there are no jobs for young people in his constituency. I ask you: is that consistency or clear thinking? Now, on the same day in the same house we have a member of the same party with a proposal to eliminate more jobs. A year ago I would have found this unbelievable. Now I find it typical of the fuzzy, faulty thinking of the members occupying the opposition benches.

I would say, Mr. Speaker: let us show the socialists that whatever this government can do, the market can do better. Let us not impose draconian measures on employers which will

drive some of them from the market and make all of society poorer as a result.

Thank you, Mr. Speaker.

MR. ACTING DEPUTY SPEAKER: The hon. Member for St. Albert.

MR. STRONG: Thank you, Mr. Speaker. It certainly gives me a pleasure today to rise and speak in support of Bill 215, an Act to Amend the Employment Standards Act, put before this Assembly by the hon. Member for Edmonton Beverly.

Mr. Speaker, I sat here in amazement listening to the previous speaker; you know, this truly fuzzy, faulty thinker, this shortsighted Conservative from, incidentally, the constituency of Stettler. This member -- I've heard him stand in the Legislature before and speak of farm aid to the agriculture sector, which I support and my party supports wholeheartedly. The farmers out there are asking that they receive a fair return for the commodities that they produce: cereal grains, hogs -- but cereal grains specifically. I hear them every day. I read about it every day in the paper, and I certainly see the hon. members representing the farming communities here in Alberta stand and support those farmers in getting a fair price for the commodity that they produce.

Certainly I am sympathetic. Many Canadians are sympathetic, and my party is sympathetic. But when I see the hon. Member for Stettler get up and cite some economic studies that he couldn't even pronounce the names, I am ashamed. I am ashamed for that hon. member, because while he thinks it's fair that the farmers do indeed get a fair price for the commodities that they produce, he can stand in the Legislative Assembly of the province of Alberta and say to working Albertans, "We can't pay you any more; starve."

AN HON. MEMBER: The market will decide.

MR. STRONG: The market is deciding. To the hon. member, Mr. Speaker. The market has decided low commodity prices for our agricultural community, and we indeed in this party on this side of the House support those increases in those commodity prices.

But again, Mr. Speaker, how this member can stand in this Assembly and cite economic studies that are at best questionable as to the increase in the minimum wage going to cause a loss of jobs and lost investment dollars to the province of Alberta is just beyond me. It makes no economic sense at all. How this hon. member can stand up and say that indeed he is sympathetic but we will kill economic opportunities again is beyond the realm of positive economic thinking. No, Mr. Speaker; I expected these comments from organizations like the chamber of commerce, the Canadian Federation of Independent Business, but I certainly didn't expect it from a member of the not so progressive Conservative government.

Fairness, Mr. Speaker? Is fairness keeping a minimum wage? If we in this province don't think the minimum wage should be increased, perhaps this government should take a look at decreasing it. Maybe if people work for nothing, it would add to some of the economic ills that we're faced with in this province. The hon. Member for Edmonton Beverly got up and said that we indeed do have the lowest minimum wage in this province of any province in Canada, and I think that is certainly disgusting, distasteful, and unnecessary.

Mr. Speaker, this did come up in question period previous to

today, and I could not, again, believe a cabinet minister getting up and citing all those chamber of commerce views on the increase of the minimum wage. Now, we know that this minister dealt with this subject in the final report of the Labour Legislation Review Committee, and in that report, on page 94, recommendation 17, the minister and his committee -- this is the Minister of Labour and his committee -- recommended "that the minimum wage rate be reviewed on a regular basis and adjusted when necessary." And it's obvious to me that the hon. Member for Stettler wasn't listening when a cabinet minister of this government got up and said that we are going to review it, because this individual member felt that it shouldn't be reviewed. So I can see that our Minister of Labour is going to have some trouble in his caucus getting through not only things in his final report on labour legislation but also convincing his colleagues in his caucus that, sure, Albertans do deserve some fairness.

Further, Mr. Speaker, we have a Minister of Career Development and Employment coming out and saying those same things that we heard in the '30s, the '20s, from the chamber of commerce, that if we increase the minimum wage, we will create more unemployment, lost investment dollars, all those lost opportunities. There won't be any jobs created by those employers; they have to pay their employees too much. How can the Minister of Labour in this government stand before the press, the TV yesterday, and say that indeed we are going to examine and review the minimum wage rate, when one of his own cabinet colleagues is saying, "No, we're not"? What's the answer? And unfortunately, Mr. Speaker, this same minister, the Minister of Career Development and Employment, has again refused to table studies, economic documents, any information substantiating his statement in the Assembly on Motion for a Return 178. He doesn't want to answer that one either.

We'll deal with illusion. It works better; reality doesn't matter to these people.

ANHON. MEMBER: Sleight of hand, right?

MR. STRONG: Illusion, there's no substitution for it.

I'm surprised, Mr. Speaker, that the hon. Member for Calgary McCall never jumped to his feet, I had some conversation with him the other day, and it was with respect to the minimum wage, I said . . .

ANHON. MEMBER: I hope he listens.

MR. STRONG: You know, I hope he does listen, because the conversation went something like this.

MR. ACTING DEPUTY SPEAKER: Order please. I hope the hon. member is going to stick with Bill 215.

MR. STRONG: I certainly am, Mr. Speaker, It's certainly germane to the debate. The conversation went like this: why don't the wholesale/retail trade grocery stores pay their employees a decent wage, something a little more, a lot more, than the minimum wage? Do you have trouble with shoplifting? Do you have trouble with employee theft? The answer was yes, I said: well, wouldn't you think it would be a little smarter to pay somebody a little bit more so that he wouldn't steal from you?

Well, Mr. Speaker, I guess we are at cross-purposes philosophically, because it was easier for him to prosecute than it was to pay decent wages. Unfortunately, this very same member has not had an employee with a little more brains, who

would back up a tractor-trailer unit to his store and take everything in it, not just a few chocolate bars, because he was starving to death.

MR. NELSON: The guy is sick.

MR. STRONG: No, I think you've got the roles reversed, Stan; you are.

It's interesting to note, Mr. Speaker, that this government right here, these hon. colleagues across the way, granted themselves a 10 percent pay increase that I spoke very vehemently and vociferously opposed to. But did they stop? No, they didn't; they pushed that right through in the last week of the Assembly. You know, what about all the top bureaucrats? Did they get pay increases? Sure they did. Some of them got patronage appointments. The executives in this province are doing very well, and again this government continues to ignore the plight of Alberta's working poor.

Colleagues, let me tell you: even if you increased that minimum wage a nickel a year, a dollar over the next 20 years, you would put some of the progressive back into your party. That's not happening. You won't even consider a nickel, and I'll tell you what's going to get you, fellas and ladies: your greed. That's what's going to do it to you. It's going to happen here. I talk to people . . .

DR. WEST: A point of order, Mr. Speaker. I find it difficult that the member from the loyal opposition is addressing directly to me rather than through the Chair, and I make a point of order in that.

MR. STRONG: Mr. Speaker, what a feeble point of order. You know, if that's the best this Tory government can do on a point of order because they don't like listening, it's unbelievable. And you people better get your act together, or you're really in trouble three years down the road.

[Mr. Gogo in the Chair]

Fairness, Mr. Speaker? Where is fairness? We on this side of the House believe that the minimum wage in this province is so low that it's an obstacle to achieving real social reform, specifically reform of this province's social programs, and the government should recognize this.

Increasing the minimum wage is a way to combat poverty and would in fact save this government many, many tax dollars that they're currently spending on social services. Taxpayers are paying this cost. Taxpayers are paying the cost of social assistance because this government will not increase the minimum wage that would offer an incentive to work. And again, it's the same old argument, same old argument. I can't believe it from this government. I can believe it from the chamber.

MRS. MIROSH: Well, that's because you can't believe anything.

MR. STRONG: There's another one, Mr. Speaker.

Who trembles the most -- is it the Chamber of Commerce or is it this government -- at the pronouncement of increasing the minimum wage? I haven't been able to figure that out today, whether the government trembles more than the business community at even the thought and the mention of increasing the minimum wage in this province; again, the lowest in Canada.

Doesn't this government want Albertans to live in a little dignity? Doesn't this government want to put money back into the hands of the consumer so that the business community in this province can prosper, so that this government won't have to increase, always, taxes to those that are still fortunate enough to have a job? Doesn't this government want to spread the cost of supporting this government out over many, many more Albertans?

You know, I listened to the Provincial Treasurer get up the other day. He indicated that there were 500,000 Albertans in this province that they had to stay away from: be fair; we didn't want to have them paying any more tax. Well, I would suggest to you, Mr. Speaker, that perhaps those 500,000 Albertans -- they're not making too much, so they just can't afford to pay anything. And that's a direct result of having a minimum wage, the lowest in Canada, that doesn't allow those people to take part in our society here in a productive, thoughtful process. That's what's happening. That's why the Provincial Treasurer can't squeeze any more money out of them, because they don't have any money. And I guess there's 145,000 of those that are unemployed that they can't squeeze any money out of. There's another 70,000 on welfare. That's 225,000. And I guess the rest of them are working for \$3.80 an hour, or perhaps with some of the more benevolent employers out there, for perhaps \$4.50.

MR. R. MOORE: Oh no; the union man gets \$70,000.

MR. STRONG: Well, you know, Ron, at least I earn it. It's better than listening to some of you [inaudible] talk a bunch of nonsense about nothing.

MR. DEPUTY SPEAKER: Order please. Order please. The hon. member will direct all his comments through the Chair.

MR. STRONG: I was just commenting on the comments from the peanut gallery on my left.

Mr. Speaker, where is the incentive for welfare recipients when they're single parents? When they can't make enough money at \$3.80 an hour to support their dependants, to support their children, where is the incentive for them? Where's the work ethic for them? That has to happen. It has to happen. It cannot be more attractive to the individual to remain on welfare rather than go out to work. Because they are better off, their children are better off, on welfare. Not the individual so much -- their children are better off. And any parent is going to put their children's needs ahead of their own. They're going to do that.

But no, this government still refuses to look at and increase the minimum wage in the province of Alberta. Why? Why is that? Do they want us to live in poverty? They want the majority of the people in this province to live in poverty? Well, they're halfway there, Mr. Speaker, because there are many of them in this province living in poverty. They don't have a job. Not only a job for \$3.80 an hour, which many of them refuse to take -- they refuse to take wage subsidy programs. Why should we the taxpayers be paying wage subsidies to employers, to the business community? Nobody pays me. I've got to go out and work for it; I don't get subsidized. I earn every nickel of it, and I'm proud to stand here and relate that to our audience, who are chuckling to themselves -- and probably a lot harder than they do, because I'm part of the Official Opposition and you have to be a little bit better than the norm to get here. It's not quite so

easy as putting your name on a ballot list and putting PC behind it. Mind you, Mr. Speaker . . .

MR. DEPUTY SPEAKER: Hon. member, with respect. Now, the line of debate is somewhat at variance to Bill 215 before the House. Please. Edmonton Strathcona, I'm sure you agree. Would the hon. Member for St. Albert come back to the principle of the Bill.

MR. STRONG: Mr. Speaker, I will conclude my remarks and let one of my hon. colleagues speak.

MR. DEPUTY SPEAKER: Calgary Fish Creek.

MR. PAYNE: Thank you, Mr. Speaker. Before getting into the principles of the Bill, which certainly merit discussion today, I would like, if I could, to make a couple of remarks with respect to the remarks just made by the hon. Member for St. Albert.

In the course of making his interesting comments, he used a phrase, "I can believe it from the chamber," and earlier in his speech cast somewhat of an aspersion to the groups, the chamber of commerce and the Canadian Federation of Independent Business, implying that they held predictable and perhaps unfortunate right-wing views and attitudes. May I remind the hon. member, Mr. Speaker, that it is these organizations and their members, most of whom are small businessmen, that it is their creativity, their hard work, their courage to take investment risk and, yes, their attitudes, that have created and will continue to create the jobs he's so passionately interested in.

Now, I'm reluctant to give the hon. Member for St. Albert any more attention than is his due, but I was intrigued with his reference to the minimum wage level in Alberta as "disgusting, distasteful, and unnecessary." Now, I wouldn't want to imply that his speech was disgusting; it wasn't. But I am tempted to suggest that it was both distasteful and certainly unnecessary.

Finally, Mr. Speaker -- and I do appreciate your forbearance today with this extended digression -- but as I boarded the Airbus this morning in Calgary, I noted with great interest that the passengers included the hon. Leader of the Opposition and, I believe, the Member for St. Albert. I did seek confirmation from one of his colleagues if that were case; I wasn't able to obtain that confirmation. But assuming it were so, could I thank the member for making that foray to Calgary, which was characterized by one of his colleagues as gorilla country.

MR. STRONG: It wasn't me.

MR. PAYNE: Oh, it wasn't you.

MR. STRONG: No.

MR. PAYNE: Well, then I will withdraw the expression . . .

MR. STRONG: I wouldn't want you to mislead the House.

MR. PAYNE: . . . of gratitude, but could I suggest that should the hon. member wish to make such a trip and, ideally, even make a public speech, I would welcome that electoral support.

On a more serious note, Mr. Speaker, I must admit that I haven't given the subject of the minimum wage much thought in this current legislative sitting; that is, until a couple of weeks ago when I read in a very responsible United States publication reports of a speech in which a minimum wage of zero dollars

and zero cents was advocated, ironically, in support of improved employment standards. My eye was caught by the headline, and my mind was caught by the logic developed in that article. Since then I have been reading the research materials available to us on the subject, and although I am still some considerable distance from supporting the notion of doing away with the minimum wage, I am not today in a position to support the private member's Bill before us today.

Mr. Speaker, when one is in a third legislative term, as is the case with this member, it's amazing how frequently the *déjà vu* element reappears and reappears. We of course in this Assembly debated the principles of a minimum wage, its indexation to cost of living and other indices, and I'm reluctant to yet again parade the traditional and predictable arguments against the acceleration of the increase of the minimum wage or tying it to an index like the consumer price index.

There are, however, a couple of those that are so valid they bear repetition. I will do these succinctly and briefly, however, because I do have a more substantive area to cover. It goes without saying, I believe, that tying the minimum wage rate to an index of any kind has the potential pitfall of locking a government into a scheme where increases are too high or happen too soon in relation to the total economy. And secondly, indexing of any kind is inflationary and builds another source of automatic wage increases into the economy. I would prefer that members on all sides of the House -- rather than focus on some automatic mechanism to address the wage level, why not address some automatic aspect or factors associated with productivity and earning capacity? I will return to that in a moment.

Members will recall during the last federal Liberal administration the creation of the so-called Macdonald commission. Its proper title, as I recall, was the Royal Commission on the Economic Union and Development Prospects for Canada. I would think that most members in the House would agree that although it was a federal Liberal-appointed commission, its membership was reasonably balanced. In fact, I suppose the case could be made that the pro-union or pro-worker or pro-employer point of view would be well espoused and be well articulated by a number of members of that commission. For that reason, I would like to introduce to the debate today volume 2, part 5, on human resources and social support from that royal commission's very worthwhile and I think balanced report.

There was a section in volume 2, Mr. Speaker, entitled "Minimum Wages." That section began with this sentence:

Another factor which might have contributed to the rise of unemployment rates in the 1960s and [in the] 1970s was [increases] in the minimum wage.

I was struck by that sentence, Mr. Speaker, and it impelled me to read on in volume 2. Later in that document I found this following comment:

Increases in minimum wages will benefit some low-wage earners: those whose employment opportunities are not reduced.

And that point has been effectively made by members of the opposition and the sponsoring member today.

Others, however, will suffer from the reduced employment opportunities. The ones who suffer may well be those with the least skills and the fewest opportunities.

And yet members on both sides, in this and other debates, have expressed an interest and a concern for precisely those members of the work force.

I wished I'd taken the time or had the time, Mr. Speaker, to review a number of empirical studies that have been done on

this issue. There was one, however, that I would refer the members of the House to, conducted in 1982-83 and reproduced in the *Canadian Journal of Economics*. Time forbids an exhaustive review of that particular study, but let me try to crystalize or summarize the bottom line, if I can use such a free-enterprise phrase in this debate, in which the report concluded:

[After examining] the effects of changes in the minimum wage on six [different work age] groups ... the employment and labour force effects of the minimum wage are neither sufficiently small nor sufficiently offsetting to prevent significant increases in unemployment in face of higher minimum wages. It is important to emphasize that the minimum wage adversely affects not only the unemployment rates ... of teenagers, but also those of adult workers. Thus, the analysis here indicates that the effect of the minimum wage on employment and unemployment is stronger and more pervasive than heretofore appreciated.

And could I add: than is appreciated by the opposition members who have participated in the debate on Bill 215 so far.

One last comment, if I may be permitted, Mr. Speaker, from the Macdonald commission report. It concludes with these interesting and challenging thoughts:

Canadian governments should be careful in the future not to allow minimum wages to rise too quickly. Because increases in the minimum wage can be expected to have several adverse consequences, Commissioners prefer other approaches to reducing poverty among low-wage earners.

It goes on to express its priorities or its support for some of these other options, and I might return to one of those in a moment.

AN HON. MEMBER: Okay, what are they?

MR. PAYNE: I would be happy to elaborate on one momentarily, Mr. Speaker.

I think it would be a serious omission if I or if other participating members today neglected to mention that while we admit freely that Alberta has the lowest minimum wage rate, we need to make the point concurrently that our province compares well in other traditional employment criteria or areas. Currently Alberta has the fourth lowest unemployment rate in the country: 11.1 percent for March. We're not proud of that, but I think a comparative judgment needs to be made. Alberta's participation rate is 71.8 percent, better than 6 percent above Canada's participation rate, and Alberta's average weekly earnings -- January '87 -- are \$448. That compares to the Canadian average of \$436.

Now, Mr. Speaker, while I might agree with the humanitarian objective of the sponsoring member's Bill, I disagree strongly with the method he proposes in his private member's Bill. An indexed minimum wage is not the answer. I am far more supportive of other options, notably "improving opportunities for employment training in order to raise productivity and earnings." I might add that the Minister of Career Development and Employment has developed and brought forward to this House a number of programs that have that very objective, and I would call on the sponsoring member today to reconsider his ideological resistance and criticism of the minister's laudable initiatives in this area.

In short, Mr. Speaker, the objectives of the proposed Bill before us today are obviously very worth while. The mecha-

nism to achieve those objectives simply won't work.

MR. GIBEAULT: Mr. Speaker, I have to stand this afternoon to encourage members of this House to support Bill 215 which is before us, because while I'm proud of many things in our province and proud of being an Albertan, I am totally ashamed of the fact that this province has the lowest minimum wage in this country. I have seen -- I've been fortunate in being able to travel to various places in our world and noticed in many countries the desperation, the misery, the squalor that exists in countries that have low or no minimum wage. Because we've heard other members talk about the marketplace -- and I guess it would probably make them happy if we had a little shrine up here so that we could bow to that idol, the marketplace, that they refer to so eloquently and frequently. But in those countries and jurisdictions where that operates, the misery of human beings is totally, totally appalling.

Bill 215 is trying to make in this province the kind of environment that allows people to live with a little bit of decency and dignity. And I can tell you, Mr. Speaker, from my own experience. When I was a student a few years ago, I got a job with one of the local convenience stores, and the manager said, "Well, I've got to pay you the minimum wage, \$1.80 an hour, but the only reason I'm doing that is because I have to." I guess maybe it was a burden on him because he was making such generous contributions to the Conservative Party in this province, and he couldn't afford to pay me a lousy \$1.80 an hour.

But I didn't forget that, Mr. Speaker. That left a very important impression on a young person like myself, and I want to tell the members opposite that they really ought to keep that in mind, because there's a lot of new and young people growing up in our province -- those that haven't had to go down to Ontario or to the United States or somewhere else to try and find a job -- who are simply getting tired of comments from this government saying, "In six years we simply can't afford a minimum wage increase."

I think members opposite really ought to pay attention to the makeup of this Chamber. You know, there was a change last May 8, and that change -- you might recognize that the Member for Mill Woods, my predecessor, isn't here. He was an advocate of all the arguments that the Member for Calgary Fish Creek and the Member for Stettler and those were making. And where is he now, eh? I can tell you that the young people in my constituency didn't see eye to eye with that hon. member.

I want to tell the members in the Assembly that they really ought to listen to a very basic economic principle. The fact is that people need to have income if they're going to spend money in businesses, which in turn hire people, which in turn will sell products, and which in turn will make profits. I don't have any problem with that, Mr. Speaker. I want to see a healthy business climate out there. An essential principle of that is that people have got to be making an income, a wage, that allows them to have money to spend in the stores, in our economy, in our society. As long as we have slave labour wages so that people are only surviving on a subsistence basis, they're not going to go out and they're not going to be spending money on new furniture, new things for their yard, building a fence, getting a new house, all the rest of it that goes with jobs and economic activity.

I really have to say that it surprises me that those people who speak most eloquently against increasing the minimum wage are always those who are the wealthiest people in our society. I really have to wonder why it is that those people, some of whom

have been very well educated -- but they're not smart enough to realize that basic economic principle that people have got to have incomes in order to spend money and get that economic activity and those jobs going.

Now, we've had the Labour Minister's labour law review committee report, Mr. Speaker, and he said in there that the minimum wage ought to be reviewed. Well, the career development minister tells us he reviews it regularly, and he hasn't done a damn thing about it. We don't need more reviews; we need an increase in the minimum wage.

I think that if the members of this government opposite cannot be swayed by the arguments of logic, by the arguments of compassion, by basic economic common sense, then maybe they ought to consider the crass politics of this issue. Because I just mentioned there was a change last May 8, and if this government continues to whine and snivel about why they can't increase the minimum wage when they pushed through a 10 percent increase for MLAs last year -- and cabinet ministers in this province make the better part of \$100,000 -- then there is going to be a very major shake-up after the next election. I can assure you of that.

[Mr. Speaker in the Chair]

The Member for Calgary Fish Creek I have to come back to. He indicated that he was concerned that we were talking about indexing the minimum wage. Well, Mr. Speaker, I'm going to tell his constituents in Calgary Fish Creek the next time I go down there that that is his position. Because this is the member that when he retires is going to have an indexed pension, and yet he can't stand up for his young people and the people in his riding and allow for a minor indexing in the minimum wage. That is so hypocritical that I can hardly stand it.

Then we have members like the Member for Calgary Glenmore who went to Toronto -- at public expense, of course -- for a fashion show. It's really interesting, because you go to any of the retail stores here that sell a lot of these fashions, and those people are making the minimum wage. You take a look at those fashions in the stores. They're fairly costly if they're made here by Albertans, by Canadians, and we want to be able to buy those products. Most Albertans who are earning the minimum wage simply can't do it. And when they can't buy those products, they can't support the industries here in Alberta that are making them, and how are we going to have that kind of economic activity and diversification that this government repeatedly says they are in favour of?

So I say, Mr. Speaker, that some of the arguments that have been made here today would be funny if they weren't so tragic. I want the government members to seriously think about Bill 215, because if they, as I say, are not swayed by the integrity of these arguments, the compassion, the economic sense of it, then they do so at their political peril in the next election.

MR. SPEAKER: Member for Edmonton Highlands, adjourning debate.

MS BARRETT: Thank you, Mr. Speaker. Yeah, I'd like to point out the fallacy of the arguments presented by the government members today. First of all, if the Member for Calgary Fish Creek is so concerned about indexing causing inflation, he might want to consult with his federal counterparts, who didn't concern themselves with inflation when they tried to deindex the old age pensions a few years ago.

Also, it's been presented on a couple of occasions this afternoon that if we increase the minimum wage, it will dampen the economy. I think my friend and colleague from Edmonton Mill Woods has just pointed out part of the fallacy that goes with that argument, but the other part is that in Alberta, for example, on a CPI basis -- that is, consumer price index basis -- you'll find that from 1983 to 1986 in Calgary and Edmonton on a composite, the consumer price index rose by 10.2 percent. If we look at the highest paid sector average that I can aggregate for earnings on average weekly earnings basis -- and this, by the way, is some of that empirical study stuff that the member said he would like to refer to; I have it, the *Alberta Statistical Review* -- we'll find that the average pay changes in the industrial aggregate between 1983 and 1986 only increased by 4.4 percent.

I recall that when the current Minister of Technology, Research and Telecommunications was the Minister of Labour, he finally at one point did get to agree that his Bill 110, which would have the effect of deunionizing the construction industry -- he did get to a point of acknowledging, finally, that by driving wages down, we might save jobs. However, I must point out that the next most important part of the fallacy that I need to refer to to deflate the arguments presented to us is that while wages went down -- and I've just demonstrated that they did, and I can demonstrate it a number of other ways -- unemployment didn't go down; in fact, it increased.

The point is that there is not a positive or necessary causal relationship between minimum wage and the number of jobs in a society. Investors are attracted by a lot more than that. They're attracted particularly to a stable economic environment in which the participants can also afford to purchase the goods and services that are created by those entrepreneurs that go about hiring all those people, a general principle which I endorse. But I also know that they're not going to come to a place

which is chronically promoting what I call a "Third World syndrome," which is: make people very poor. That is, 107,000 poor families recognized by 1984; 89,000 poor individuals in Alberta. The numbers doubled between 1981 and 1984. Those kinds of statistics, which I'm sure are understated compared to current reality, tell me that this is not the way to get investment. Keeping the minimum wage low is not the way to do it.

Finally, I refer members to comments made in 1981 when they did last raise the minimum wage and the sort of excuses they used in that pre-election period. You might learn something.

MR. YOUNG: Mr. Speaker, on my view of the clock I have about 40 seconds in which to enunciate tomorrow's business.

MR. SPEAKER: Well, first, the Chair hasn't heard whether the Member for Edmonton Highlands was adjourning debate.

MS BARRETT: Yes, please.

MR. SPEAKER: All those in favour of the motion, please say aye. Opposed, please say no. Motion carries.

Deputy Government House Leader.

MR. YOUNG: Mr. Speaker, the intent of the House business tomorrow morning will be to deal in Orders of the Day with Motion 11 and Motion 12, followed by supply, supply being the Department of Municipal Affairs, and to then provide a few minutes to deal with Motion 14 prior to adjournment, probably 15 or 20 minutes for Motion 14 prior to adjournment.

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

