

LEGISLATIVE ASSEMBLY OF ALBERTA

head: INTRODUCTION OF SPECIAL GUESTS

Title: **Wednesday, May 13, 1987 2:30 p.m.**

Date: 87/05/13

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

[Mr. Speaker in the Chair]

PRAYERS

MR. SPEAKER: Let us pray.

We give thanks to God for the rich heritage of this province as found in our people.

We pray that native-born Albertans and those who have come from other places may continue to work together to preserve and enlarge the precious heritage called Alberta.

Amen.

head: **PRESENTING REPORTS BY
STANDING AND SPECIAL COMMITTEES**

MR. SCHUMACHER: Mr. Speaker, the Private Bills Committee has had the following Bills under consideration and recommends that they be proceeded with: Bill Pr. 2, The Alpine Club of Canada Amendment Act, 1987; Bill Pr. 4, The King's College Amendment Act, 1987; Bill Pr. 5, United Farmers of Alberta Co-operative Limited Amendment Act, 1987; Bill Pr. 10, The Calgary Hebrew School Amendment Act, 1987; Bill Pr. 11, Scott J. Hammel Legal Articles Act.

Also, Mr. Speaker, the Private Bills Committee has further had the following Bills under consideration and recommends that they be proceeded with with certain amendments: Bill Pr. 1, First Canadian Insurance Corporation Act and Bill Pr. 22, Rhea-Lee Williamson Adoption Act. I request the concurrence of the Assembly in these recommendations.

MR. SPEAKER: Does the Assembly agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Concurrence given.

head: **INTRODUCTION OF BILLS**

**Bill Pr. 13
Central Western Railway Corporation
Amendment Act, 1987**

MR. DOWNEY: Mr. Speaker, I request leave to introduce Bill Pr. 13, the Central Western Railway Corporation Amendment Act, 1987.

The purpose of this Bill is to reduce the amount of accident insurance that the railway is required to carry.

[Leave granted; Bill Pr. 13 read a first time]

MR. ELZINGA: Mr. Speaker, I have the pleasure today of introducing three guests separately.

May I begin, sir, by introducing to you and through you to Members of the Legislative Assembly, Mr. Roger Clinch, the Member of Parliament for Bathurst, New Brunswick, who is Parliamentary Secretary to the Minister of External Affairs. He is accompanied by Peggy Hutchison. I would ask them to rise, sir. They are in your gallery, and I would ask the Assembly to extend a very warm, cordial welcome to them.

Mr. Speaker, I also have the pleasure to introduce, sir, to you and through you to members of the Assembly, a visitor in the members' gallery from England. This gentleman is in Canada on a Nuffield Farming Scholarship. He maintains a mixed farm in England and is here to study the production and marketing of potatoes as well as the management of the mixed farming business. I would ask Mr. Roger Mercer, who is in the members' gallery, to rise to receive the warm welcome of the Assembly.

MR. SPEAKER: The third and last [inaudible].

MR. ELZINGA: Thank you very kindly, sir, for your indulgence. It's a real pleasure to introduce this next individual to you, Mr. Speaker, and to members of the Assembly. She is from the Westlock area, has served on town council, and her husband served as a Member of Parliament for a good many years. I can't think of a finer way to explain her than to use a quotation from an unknown Canadian who indicated that "we make a living by what we get, but we make a life by what we give," as this individual exemplifies that so well. I would ask Mrs. Gladys Bigg, who's in the public gallery, to stand to receive the warm and cordial welcome of the House.

MR. CHUMIR: Mr. Speaker, I would like to introduce to you and through you to the House, a group that I will remember and treasure, my very first group of visitors from Alberta's finest constituency, Calgary Buffalo. We have here 43 grade 10 students from Ernest Manning school, accompanied by three teachers, Mr. Jim Cottrell, Mr. Matt Christison, and Miss Linda Dimond, all of whom seem to be having a very fine time, I might note. They are seated in the members' and public galleries. I would ask them to stand and be acknowledged by the House.

MR. SPEAKER: Lethbridge West.

MR. GOGO: Thank you, Mr. Speaker. I would like to introduce to you, Mr. Speaker, today and to colleagues in the House, a young man from southern Alberta who has played a very meaningful role in the postsecondary educational system in Alberta. I know in the past year he's met with the hon. Premier and the Minister of Advanced Education on several occasions to see that this government adopts policies that in fact are not only fair and equitable but will be meaningful to the future young people of Alberta.

He is off to Ottawa to work in the federal scene for the summer and then to pursue his education at Laurier University. He's seated in your gallery, Mr. Speaker: Mr. Ed Petting of southern Alberta, Lethbridge in particular. I'd ask that he rise and receive the welcome of the members of this House.

DR. CASSIN: Mr. Speaker, I would like to introduce to you—

and through you to members of this Assembly, a bright group of grade 6 students, 30 in number, and an additional group of 15 select junior high school students from the St. Vincent DePaul school in Varsity Acres, a school that three of my children attended. I would ask that the students, along with their teachers, Mr. Ross and Mr. Nicolet, and two parents, Mrs. Peibiak and Mrs. Satore, all rise and receive the warm and customary welcome of the Assembly.

head: **ORAL QUESTION PERIOD**

Social Allowance Cuts

MS BARRETT: Mr. Speaker, I'd like to ask my first question of the Minister of Social Services. As she is doubtless aware and as are those who are trying to live on social allowance, the income support to the unemployed in this province falls well short of the poverty line. In fact, the range we have calculated is some 40 to 57 percent short of the poverty line. Knowing that, will the minister now agree to undertake a real needs test, by whatever means she determines appropriate, so that she can repair the imbalance of income support going to Alberta's poorest people?

MRS. OSTERMAN: Mr. Speaker, I think the hon. member has hit the point precisely when she talks about a "real needs test." I might say that the poverty line is a relative indicator and is the average of Canadians across the country. Therefore, there will always be a high percentage below that poverty line simply because it is an average.

MS BARRETT: A supplementary question, Mr. Speaker. Then I take it the minister does not accept the federal guidelines which called for low-income cutoffs at 58 percent of income for food, shelter, clothing, and basic needs. Is she disputing the federal government on this?

MRS. OSTERMAN: Mr. Speaker, we have identified in the province of Alberta the relative cost of shelter, food, and clothing, and on that basis that's how we have evolved the figures for social allowance.

MS BARRETT: A supplementary question, Mr. Speaker. Following the 37 percent cut that she has recently implemented on the shelter allowances for social allowance recipients who are single, which puts them at 57 percent, below the nationally recognized poverty line, will she at least reverse that horrendous cut to their living allowances?

MRS. OSTERMAN: Mr. Speaker, I don't think there would be anybody in this Legislature who would minimize the impact of the amount that is allowed for a shelter allowance in this province to single employables. However, as I have often stated in the Legislature, in providing for the longer term assistance after three months of an amount that is half of what a couple receives, we believe that to be a manageable figure.

MS BARRETT: Well, a final supplementary question, Mr. Speaker. It seems to me there are some real double standards in this province. There are millions of dollars for advertising a bad budget but no money to fix the bad budget.

My final supplementary question to the minister is: what will it take? Will it take the demand at the food bank to more

than double again before this minister will change the income-support package to the very people that have been impoverished by this government's mismanagement?

MRS. OSTERMAN: Mr. Speaker, at no time has this government or this minister ever indicated that an income was being provided to Albertans who are on social allowance. It is a safety net, and it provides for only basic necessities.

MRS. HEWES: Mr. Speaker, a supplementary question to the Premier. The Premier indicates that Edmonton's single employables can't be going to the food bank yet because the cuts won't occur until June 1. So I'd like to ask the Premier: will he then undertake to restore the food and shelter allowance for single employables so they won't have to go after June 1?

MR. GETTY: Mr. Speaker, my comments were in an effort to correct an obvious confusion in the mind of Edmonton's Mayor Decore, who was commenting about slashed social services payments resulting in a run on the food bank, when we know that in fact the Social Services budget has increased by some 18 percent and that the ones that the hon. Member for Edmonton Gold Bar is referring to do not occur until June 1.

MR. SPEAKER: Second main question, Edmonton Highlands.

MS BARRETT: Mr. Speaker, I'd like to designate the second question to the Member for Edmonton Calder.

MS MJOLSNES: Thank you, Mr. Speaker. My questions are to the Minister of Social Services as well. The minister has been questioned on several occasions on the inadequate levels of social assistance in this province. It is a fact that our social assistance rates are far below the poverty line, thereby forcing people on social assistance to rely on the food banks. The minister continues to blame recipients by implying that they do not know how to budget or shop properly. Will the minister please table a list of the criteria on the basis of which the current rates of social assistance are set?

MRS. OSTERMAN: Mr. Speaker, the hon. member uses an interesting word in associating the word "blame" with comments that I have made. If the hon. member is saying that every single citizen of this province, regardless of income, is an expert in good budgeting, then that's wonderful, because there are a few of us who in the course of our lifetime that have not been an expert and have sought outside assistance with that budgeting. But I have made it very clear that social allowance is a basic safety net, and it does not go beyond that in terms of being an income for people.

MS MJOLSNES: A supplementary to the minister. It's difficult to budget when your allowances are so low. Last month nearly 17,000 Edmontonians utilized the Edmonton Food Bank, over half of whom were social allowance recipients. Does the minister not consider it the responsibility of her department that people have adequate food?

MRS. OSTERMAN: Mr. Speaker, it is the responsibility of the government to provide that safety net that I have mentioned. It is very interesting to note that in Calgary -- who I believe you would say have a comparable size city and also in terms of unemployment statistics and people on welfare -- they have a far

lower utilization of the food bank. But I think it's important to note for the hon. member that there is a difference in the two metropolitan areas, and she may well go to work at looking at why.

MS MJOLSNESS: A supplementary to the minister. I'm sure the minister is aware that the two food banks are different in their roles.

In view of the fact that over 6,000 children relied on the Edmonton Food Bank last month, does the minister not believe that it is her responsibility to ensure that these families have an adequate income so that children do not experience malnutrition?

MRS. OSTERMAN: Mr. Speaker, the last figures that I am aware of showed, in terms of an overall social allowance caseload, that about 3 percent of those people that are on social allowance in fact use the food bank. I think it is true, in looking at the specifics of the food bank, that obviously it will show that a fair number of those people are social allowance recipients. But I might remind the hon. member that if 97 percent of the people who are receiving social allowance -- and a number of those people have communicated with me, and I've noted letters to the editor that say to me that they are managing. It is tough managing, but yes, they are managing.

MS MJOLSNESS: A final supplementary to the minister. We're talking about a lot of children. Does the minister have in place and ready to go an emergency plan which will kick in if it becomes obvious that this province's food banks are simply unable to meet the demand for food? If so, will she table an outline of that emergency plan?

MRS. OSTERMAN: Mr. Speaker, the emergency plan is an ongoing plan; that is, that this government will continue to provide a safety net for those in need. And if the hon. member is going about suggesting to single employables that they don't adjust to meet the shelter allowance that they will have as of June 1, then she indeed is being a prophet and making it come true.

MR. R. SPEAKER: A supplementary question to the minister. Historically the food, clothing, and shelter rates were established by certain reviews by the home economists of the province of Alberta, and then the rates were set. Could the minister indicate whether that same procedure is in place now, or are the rates established by some other means?

MRS. OSTERMAN: Basically, Mr. Speaker, particularly in the food area, there is a Canada Food Guide, and that's one of the basic tools in establishing the food rate.

MR. SPEAKER: Edmonton Gold Bar.

MRS. HEWES: Thank you, Mr. Speaker. My supplementary is again to the Premier about his somewhat troubling remarks on this subject. The Premier stated that a housing allowance of \$180 a month is enough. Does the Premier have personal information that this is the case? If so, what are the examples of good lodging that one can get at that price?

MR. GETTY: Mr. Speaker, again I was responding to the mayor of Edmonton and his confusion over the social services programs that the government provides. I was thinking that per-

haps the reason for the confusion is that he's trying to do too many jobs at once. [interjections]

Government Appointments

MR. TAYLOR: Mr. Speaker, I'm glad at the great joy and anticipation with which they greet my standing here.

My question, Mr. Speaker, is also to the Premier. Last week we learned that former M L A Stephen Stiles has been appointed to the Land Compensation Board by the cabinet, the same Stephen Stiles who had made some derogatory comments about the holocaust. These comments were . . .

MR. SPEAKER: Hon. member, order. The comments are out of order. An apology was made to this Assembly. The Assembly accepted the statement the day it was issued a number of years back. But please proceed with the question.

MR. TAYLOR: Okay. These comments were felt by Albertans to be offensive and insufficient, and as you say, an apology was . . .

MR. SPEAKER: Order.

MR. TAYLOR: The question to the Premier: as stated, his government does not condone the comments made at that time, but doesn't he agree that his government has done just that by appointing him now?

MR. GETTY: No, Mr. Speaker.

MR. TAYLOR: Well, Mr. Speaker, actions would speak much louder than words. Would the Premier consider revoking that appointment at this time?

MR. GETTY: No, Mr. Speaker.

MR. TAYLOR: Well, Mr. Speaker, last week the Premier said he had received no criticisms or complaints about the appointment. Is he now willing to admit, in light of the recent comments by the head of the Simon Wiesenthal institute and others, and B'nai B'rith amongst others here in Edmonton, that he has received some significant amount of criticism?

MR. GETTY: I haven't, Mr. Speaker. It's possible, I guess, for a reporter who wants to carry on in this way to find people who respond to certain things.

MR. TAYLOR: Well, is the Premier, Mr. Speaker, at all concerned that by appointing such people, this government is leaving Alberta open to criticism that they are willing to accommodate racism? If he will have read the Ghitler report, which he said he hadn't read last year when I asked him -- has he now had time to read it? Would he not consider that such an appointment leaves us open to accusations that we're racists?

MR. GETTY: No, Mr. Speaker, it doesn't. It does leave you open at times to, I think, some pretty cheap political comments. I might say that a member of this Legislature over four years ago made a tragic mistake, apologized to the Legislature, lost his seat, and now the opposition has tried in some way to continue to persecute him. Now, what I wonder is, should -- all of us have been at times brought to mind that we should apologize

to the House for something. We have. We would hardly expect that any member, having apologized, would for all time then be chased around after his apology.

MR. SPEAKER: The Member for Edmonton Highlands on the point of the appointment.

MS BARRETT: Yes, Mr. Speaker. I don't think anybody is trying to be unfair to the Premier or to the government. In order to convince the public that there is no tacit approval by this government of any statements that were made by that member or by the Aryan Nations, will the Premier assure the Assembly that the first task assigned to the new multiculturalism ministry will be to tackle head-on the issue of questioning over whether the holocaust existed or other forms of questioning of historical events?

MR. SPEAKER: No. It is clearly out of order with respect to what transpired last Friday, let alone all the admonitions which were hardly adhered to today.

The Chair recognizes the leader of the Representative Party, followed by the Member for Highwood.

Business Transfer Tax

MR. R. SPEAKER: Mr. Speaker, my question is to the Provincial Treasurer, and it's with regards to the business transfer tax that we've discussed earlier in question period. The minister has indicated that he is reviewing it and looking at the implications for Alberta. If we look at it in terms of the Alberta energy resource sector, which in 1985 produced a gross wealth of \$25.4 billion, and applied a 7 percent business transfer tax to that, we would find that Albertans would pay through that industry some \$1.8 billion of tax to the federal government.

Could the Provincial Treasurer confirm that ballpark figure -- or somewhat concise figure, I would say -- at this point in time in terms of his calculations? Is that going to be the future for Albertans in terms of more tax?

MR. JOHNSTON: Mr. Speaker, there is no question that the member has put his finger on one of the very significant issues that will be considered by this government over the course of the next few months as we consider the impacts of the business transfer tax, the proposed federal legislation to replace by way of a federal sales tax the current manufacturers' tax which will apply to a wide range of products being sold in this province.

We are always mindful, Mr. Speaker, of the importance to protect our natural resources. We've seen the devastation left in this province by the national energy program, promoted by the federal Liberal Party and supported here by the current Liberal Party, and we know that we want to be on guard at all times to ensure that that does not happen again. Therefore, any tax by the federal government which would move into our own resource area, controlled by the people of this province, would in fact be an infringement of that fundamental principle and one which we object to very strenuously, very strongly, with the most aggression we could.

MR. R. SPEAKER: Mr. Speaker, a supplementary question to the Provincial Treasurer in terms of agriculture. We produced in 1986 some \$3.8 billion, in applying the somewhat same tax formula. That could mean that at the stage of production, never mind the other stage of processing and so on, Albertans and,

specifically, farmers, that are under terrible stress at the moment, could have an additional \$266 million of federal tax imposed on them. Could the minister indicate, in his review, whether that figure is somewhat accurate, or has the government through their review, come up with other figures, maybe some even higher?

MR. JOHNSTON: Mr. Speaker, again I should advise the House that the agreement which this province has with the federal government in terms of exchange in information is that very soon, early in this month, we should receive a report from the federal government which will spell out for us the impact the proposed changes, suggested both on personal and corporate income tax and on this so-called or referred to business transfer tax.

I am not aware that we've received that information at this point but of course what the member does point to is the significant impact that the federal tax would have on those two fundamental industries, one which I spoke about already. That is, the intrusion into our jurisdiction with respect to a federal tax on our oil and gas resources. But more particularly, Mr. Speaker, the intention of the federal government now, as I understand it -- and I am not I don't think, giving away any privileged information -- is that they want to maintain as broad a base as possible for the federal tax. In doing so, there would be very few exemptions to the business transfer tax.

One of the problems, of course, from Alberta's perspective is that not only do we want to protect the resource industry, which is one of the key sectors in our economy, but obviously we're very concerned about the agricultural sector, being the second sector which is a priority to us. What is being suggested, Mr. Speaker, is that if there is a problem, the federal government may consider so-called zero rating certain areas or certain sectors to protect them from the impact of that tax. But in doing so, obviously you're drawn into immediate conflict with other sectors or with other groups who are attempting to secure the same kind of exemption from that tax.

If it is the intention, Mr. Speaker, of the federal government to tax as widely as possible, as the member has referred to, both the income implications for the federal government are significant but obviously the dislocation to our own sectors must be considered by our government and that in fact is what we will be doing.

MR. R. SPEAKER: Mr. Speaker, a supplementary. In the area of tourism, where we hope to have some diversification in the province of Alberta, in 1986 it was a \$2.3 billion industry. Applying the business transfer tax to that would be some \$161 million. Could the minister indicate whether there's any intention in terms of that industry being taken out of the business transfer tax area, or is it the information of the minister that the business transfer tax will apply there as well and hurt the industry significantly?

MR. JOHNSTON: Essentially, Mr. Speaker, the comments I made about the federal government intention to maintain as broad a base as possible is clearly applicable to this area as well. Moreover, the intention of the business transfer tax, as I now understand it is to apply to those other sectors which are not now taxed, such as the finance sector, for example. Even professional building, for example, will be affected by this tax.

So, Mr. Speaker, I'm sure the member and I could go all afternoon mentioning various sectors. I can only say now that the

information we have so far is that it will be a very widely based tax. We are determining, to the limits of our information and availability of data, the impact on certain sectors and attempting to determine whether or not it will affect consumption, investment, or whether it will affect the savings side of the economy. Once we have that, I'd be glad to bring forward as much information as is available so that my colleague who has a particular interest in this, the Member for Little Bow, would be able to evaluate and perhaps even provide some advice to the government as to how to respond.

MR. R. SPEAKER: Mr. Speaker, a final supplementary to the Provincial Treasurer. Following the June 18 presentation of material would the minister consider and would the government consider a major debate on this issue in the Assembly so that the full Legislature is able to give their opinions on the effect on various sectors and as well on Alberta as a whole?

MR. JOHNSTON: Again, Mr. Speaker, I know that the member isn't asking for an opinion, but it is up to others to set the time and speed of this House. I'm not too sure if I can suggest whether or not we'll be here in that period. I'd be glad to at least make available to all members the documentation and whatever complementary information we have. But to make a commitment that we would debate that particular white paper, which I understand will be released through the week of June 18, may well not be within my range of opportunities at this time.

MR. TAYLOR: A supplementary, Mr. Speaker, to the minister. In spite of his statement about the evil old federal government putting in taxes without considering, I'm sure he knows that the Conservative government has put in excise taxes on gasoline and on building supplies that greatly affect both the farming and construction industries here in Alberta. Could he inform the House whether in the imposition of this business transfer tax the idea would be to withdraw all forms of federal excise tax?

MR. JOHNSTON: Mr. Speaker, of course, we do not attempt to dictate to the federal government what in fact they can do within their own constitutional taxing area. Clearly, this business transfer tax is a federal tax. It is also within the objectives of the federal government, as I now understand it, to in fact apply this tax to a wide range of commodity sales within our province. But it would in fact replace the so-called manufacturers' sales tax, which to some extent is an unfair tax and is not applied proportionally or even equitably against all sectors competing within the economy. Therefore, it is replacing that tax.

Mr. Speaker, what I do fear, however, is that with the Conservative government in Ottawa, we do have some justification as to a limit on spending and a reasonable tax policy but that with any other government, driven by social dogma, we could never count on how high that tax may in fact increase.

Representations by Member for Highwood

MR. ALGER: Mr. Speaker, my question is to the Minister of Public Works, Supply and Services. I've been negotiating with his department for a long time for new and larger and better quarters for the retired and semiretired organizations of Edmonton, and I wondered if the minister would describe to me the consequences of his efforts in trying to accommodate these fine citizens.

MR. ISLEY: Mr. Speaker, as a result of the convincing lobby of the hon. Member for Highwood and support from the hon. Member for Edmonton Jasper Place, we have concluded negotiations with the society, and they will be relocated in the Land Titles building. Discussions are going on currently as to just how much space they will be allotted and the leasehold improvements that will be required.

MR. ALGER: Thank you. A supplemental to the minister, Mr. Speaker, would be: will you also describe to the House the result of your department's negotiation for the property upon which the Big Rock is situated?

MR. ISLEY: Mr. Speaker, I'm also pleased to confirm to the House that the hon. member's lobbying has again succeeded. Public Works, Supply and Services has, on behalf of Alberta Culture, successfully concluded negotiations, and we now own your Big Rock site.

MR. ALGER: This may be a little tougher, Mr. Speaker. Will the Member for Highwood be able to lean on you, the minister of supply of services, and your department for moral, physical, and financial support as he portrays to the members of the Legislature the goodness of building a Turner Valley interpretive centre?

MR. ISLEY: Mr. Speaker, I think the hon. member will have to start his leaning in other quarters. We provide a backup service to the lead departments. But I'm also looking for a way to keep the hon. member from leaning.

MR. TAYLOR: Supplementary.

MR. SPEAKER: Are you making a representation on behalf of Highwood as well? Westlock-Sturgeon, Edmonton Centre.

MR. TAYLOR: Yes, Mr. Speaker. I was wondering if the minister would consider helping out the Highwood project by advising that the Member for Highwood retain Les Mabbott of Olympia & York to look after negotiating the deal.

MR. SPEAKER: Oh, give me a break.

REV. ROBERTS: Mr. Speaker, I thought the question began with a reference to the Society for the Retired and Semi-Retired's new quarters further downtown. And as that is in my constituency, I was wondering if I could ask a question of the Solicitor General in terms of what plans he has to beef up support for the Edmonton City Police and other security measures for the elderly who are downtown and now in the further downtown area.

MR. ROSTAD: That's reaching, Mr. Speaker, but the authority of policing the city of Edmonton lies with the city of Edmonton Police Department. I understand they have a budget of \$78 million, and I'm sure if the member approached the Police Commission, they could accommodate his wishes.

MR. SPEAKER: The Chair admits to having been afflicted with spring fever today, because how on earth there was a thread between all that line of questions, God alone knows. Nevertheless, Calgary Mountain View, followed by Edmonton Avonmore, then Calgary Buffalo.

Autistic Youth Treatment Facilities

MR. HAWKESWORTH: Thank you, Mr. Speaker. My questions this afternoon are to the Minister of Social Services. In early February 1986 four autistic young people were removed by the public guardian from a residential treatment centre called Delvee Ranches near Claresholm. They were then placed in a program offered by the Department of Social Services in north-east Calgary. However, I understand that full funding for those four young people continued to be paid to Delvee Ranches. Would the minister please tell the House: why did the department continue to pay, since early 1986, to a program from which those four young people had been removed and for spaces which they did not occupy?

MRS. OSTERMAN: Mr. Speaker, the area that the hon. member raises was one that certainly caused us a great deal of concern when both the experts, the professionals in the field who deal with a number of handicaps that individuals may have, particularly young people that either have their parents representing them or guardians, and there is a difference of opinion in where those people should be served -- as was the case, I understand, over a year ago -- it meant that some of the people were housed and treated in different circumstances. The hon. member is quite accurate in saying that the Delvee program continued to be funded in terms of the empty spaces, because it was our view that if the program hadn't been funded, those who were receiving treatment there would have been at risk in terms of being able to continue to receive that treatment, as the program would not have had the economy of scale that was necessary.

MR. SPEAKER: Supplementary question.

MR. HAWKESWORTH: Thank you, Mr. Speaker. Three fully furnished homes were purchased in the Abbeydale community in Calgary to provide, apparently, a program for between 18 and 24 autistic young people, including the hiring of 22 staff. Why was it that despite these very high costs, the four young people removed from the Delvee Ranch program were the only participants in the Abbeydale program?

MRS. OSTERMAN: As I recall, Mr. Speaker, last year there were more than four participants in that program. I certainly will undertake to get the details of that particular program. As obviously the hon. member will know, there are hundreds and hundreds of people in the province of Alberta in various kinds of programs that relate to this area. I did visit one of the Abbeydale homes last year, and I was given to understand, if my memory is correct, that there were more people participating.

MR. HAWKESWORTH: Mr. Speaker, 14 months and nearly. I guess, \$1 million later, two of the four young people who were in Delvee are now back in that program. Would the minister admit that officials in the highest levels of her department made errors of judgment in allowing this situation to arise and to continue for such a period of time?

MRS. OSTERMAN: Well, Mr. Speaker, again this is an area that professionals certainly had a disagreement about. The hon. member has obviously come down in the particular place of one group or an individual professional whose judgment was exercised and in the end accepted in the two particular cases. But I think that with all due respect to the professionals operating in

the field, those officials who must ultimately make judgments based on that professional advice do just exactly that: make judgments. And I wouldn't cast any aspersions on them for that judgment at some times varying with one of the groups of professionals.

MR. SPEAKER: Final supplementary.

MR. HAWKESWORTH: Mr. Speaker, thank you. Final supplementary to the minister. At a time when there is allegedly very little money for Social Services, were officials in her department able to mobilize such massive resources because the minister directed them or approved of them to do so?

MRS. OSTERMAN: Mr. Speaker, there is always a projection of the number of people in a program area such as this and other program areas that we believe will be required to be served. Obviously, there are many more people in the city of Calgary and surrounding areas that need to be served in this area, and I believe that the program is being utilized in that respect. The funding, I hope, will continue to be available and in place.

The judgment, of course, is with respect to many parents who believed that their young people's only hope was in the particular program at Delvee. A very emotional situation, Mr. Speaker. I believe that if, for instance, Delvee had been closed because the economy of scale had not been there, I would have been hearing from the opposition that money should have never come into the picture and that in any event the program should have stayed open.

MRS. HEWES: Mr. Speaker, a supplementary to the minister. Can the minister then tell us why the Abbeydale program was developed at a time when other private, nonprofit child care organizations with facilities are being shut down?

MRS. OSTERMAN: Mr. Speaker, because a particular type of expertise is needed in that area and there were no other organizations offering that service.

Social Services in Schools

MS LAING: To the Minister of Social Services. A recent update of a study by the University of Alberta and the Edmonton public school board indicates that core city children are generally from large families who have low incomes or who are on social assistance and who have had two or more address changes in the last two years. Many other studies show that children who live in chronic poverty fail in schools at rates far beyond what we expect or should accept and that this city core schools study offered realistic . . .

SOME HON. MEMBERS: Question.

MR. SPEAKER: Order, hon. member, and order in the government benches. The member is indeed on the main question and does have the right for three short statements, hopefully done rapid fire, before we get to the question on this. But this is on the main question. Having admonished, we look forward -- also from the Chair -- for succinct supplementaries to follow. Thank you.

MS LAING: Thank you. To the minister. Is she willing to follow the Winnipeg example of providing public health support

specifically for these schools, and will she consider assigning a social worker from her department to every inner city school?

MRS. OSTERMAN: Mr. Speaker, there certainly is at times a difference in how school systems deliver services. I am cognizant of the fact that some of the systems in our province have their own social services and will have special people working in that regard, particularly in the counseling area, where they may view that there are more than the average number of kids that require that type of service.

But, Mr. Speaker, it would certainly be my opinion that in any particular region -- and it certainly wouldn't be a blanket policy, because the regions have a fair degree of autonomy, and I believe that the communities like that autonomy. It would be my view that if a need is identified, it should be communicated to the Edmonton region and a working out done on that regard.

MS LAING: Mr. Speaker, I was not referring to counseling programs; I was referring to social assistance, because one of the most disturbing problems which affects these children's ability to learn is that they are simply hungry. What action will the minister take to address this problem other than simply relying on charity or blaming parents for mismanaging their inadequate food budgets?

MRS. OSTERMAN: Mr. Speaker, I suppose I can look forward to my being quoted as blaming parents in this regard. I hope everyone has taken notice in this House that they were the hon. member's words, not mine.

Certainly I realize that the parents in those situations will have to be very diligent in order to feed their family. But, Mr. Speaker, it's my very firm opinion that the social allowance available and the food budget available to those families is adequate to do the job.

MS LAING: To the Minister of Education. Many studies demonstrate that early intervention through preschool programs have lasting beneficial effects and are therefore cost-effective. Will the Minister of Education commit herself to funding quality preschool and kindergarten programs not just in inner city schools but in all schools in our province?

MRS. BETKOWSKI: Mr. Speaker, we do fund early education programs for students across this province in both the public and the private environment.

MS LAING: I think they only touch the tip of the iceberg. One important study of preschool programs showed a large drop in the incidence of teen pregnancies amongst former students. Will the minister look into this as part of an effective strategy to reduce teenage pregnancies? That is, a full quality preschool education.

MRS. BETKOWSKI: Mr. Speaker, I'm not sure I fully understand the member's question in terms of the linkage between teenage pregnancy and the program specifically supplied in the early childhood level.

But with respect to the teenage pregnancy problem, which is a big problem in this province, the development of our curriculum for career and life management in the secondary curriculum review and the health and personal life skills programs for kids from grades 7 to 12 are very much addressing the issue and attempting to work into young people a sense of their own respon-

sibilities in all issues and an attempt to build positive self-images in which they can then go forth and be positive and productive members of the community.

MR. SPEAKER: Supplementary information, Minister of Social Services.

MRS. OSTERMAN: Mr. Speaker, I think I've realized that I have neglected one additional comment that should be made. It is important for all hon. members of the House that when they believe there are special circumstances that affect certain families -- because we do hear about the families who are unable to manage. If in those circumstances it is raised with the family and enforced that they have a right to appeal -- we do have appeal committees. They are committees of community citizens who very much understand the community and the ordinary circumstances that all of us find ourselves in, some extraordinary circumstances. I would just remind hon. members that that's a very important aspect of the social allowance program.

MR. CHUMIR: Mr. Speaker, I have a supplementary with respect to the preceding question as well, and it's a supplementary to the Minister of Community and Occupational Health. I was wondering whether he might advise the House as to an update on his progress in equalizing the grants between the Calgary and Edmonton boards of health, in light of the \$1 million shortfall that he concurred in some while ago. [interjection] It certainly is, because it impacts on nursing care in the public schools in Calgary.

MR. SPEAKER: But hon. member, the question gets asked; you don't then go on to rationalize the question.

MR. DINNING: Mr. Speaker, I'm not quite familiar with the funding shortfall that the hon. member is speaking of, but as I mentioned in the Assembly in response to a previous question by the hon. member, I said that I had instructed my officials to prepare such a funding formula that would hopefully begin to move in the direction of eliminating those inequities as amongst the 27 health units in the province.

MR. SPEAKER: Further supplementaries. Main question, Calgary Buffalo, followed by Edmonton Centre.

Lottery Funds

MR. CHUMIR: Main question to the Premier, Mr. Speaker. It's clear from comments of the Minister of Career Development and Employment outside of the Legislature that the government doesn't have any authority for the millions of dollars of lottery expenditures being made . . .

MR. SPEAKER: Hon. member, you are ruled out of order, in violation of Standing Order 23(g), matters before the courts. This matter will be dealt with in a point of order at the end of question period.

MR. TAYLOR: He cannot rephrase the question?

MR. SPEAKER: Sorry. The matter is with respect to the lottery funds. This has already been discussed in the House. If the member wishes to ask a question which does not mention lottery funds, perhaps we'll get a question out.

MR. CHUMIR: Mr. Speaker, I'm going to ask a question that does not refer to the lawsuit, but it certainly relates to lottery funds. I assume that the Speaker is not telling this House that one cannot ask a question about lottery funds.

SOME HON. MEMBERS: Bring up a point of order.

MR. CHUMIR: Point of order. Certainly.

MR. SPEAKER: Hon. member, the Chair is prepared to give the statement to the House. It was not the Chair that served the civil action, and because civil action within the context . . . The member needs to be directed to the words, which the member himself probably drafted, with respect to asking the amount of funds and the delineation thereof.

MR. CHUMIR: I have no intention of asking about the lawsuit, Mr. Speaker, but I certainly have every intention of exercising my right to ask about the lotteries, and I would like to do so if the Speaker would allow me to proceed.

MR. SPEAKER: The Chair recognizes . . .

MR. CHUMIR: I certainly must protest . . .

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

MR. SPEAKER: Duly noted.

Health Care Utilization Related to Low Income

REV. ROBERTS: Well, I'll take a gamble on these questions, Mr. Speaker.

The World Health Organization, together with the federal minister of health and welfare, Jake Epp, has stated that the three greatest concerns for health care are, firstly, chronic diseases, secondly, mental ill-health and, thirdly, poverty. The question to the Minister of Hospitals and Medical Care: what studies has he done to assess the impact that low-income people on social assistance, people in poverty generally, have on the rates of utilization both of the services of Alberta physicians and utilization rates in hospitals?

MR. M. MOORE: Mr. Speaker, I believe there have been studies along those lines that have been done by others. I don't know that our government has carried out any directly, but certainly the relationship between life-styles, incomes, male, female, et cetera, in terms of the use of the medical system is one of the matters that's presently under discussion. Relative to whether or not the utilization committee between the Alberta Medical Association and my department would undertake to study, one has to view with a fair bit of skepticism at times whether or not that information is of a great deal of use.

REV. ROBERTS: On the contrary, Mr. Speaker, I think if we could get poverty and unemployment under control, you'd certainly get health care costs under control in this province.

I don't know if the minister on his tours of facilities throughout the province has had time to visit the Boyle McCauley Health Centre or the Queen Alexandra Community Health Centre, in Edmonton and Calgary respectively, who deal in a unique way with the people on low income and in poverty.

Will the minister agree to study the benefits of these two par-

ticular health care centres to determine how efficacious their work is, how they've helped to reduce utilization at neighbouring hospitals, and that in fact their role should be expanded in the system?

MR. M. MOORE: No, Mr. Speaker.

REV. ROBERTS: Agree to study it, Mr. Speaker?

Perhaps I could indicate to the hon. minister that board members at the Boyle McCauley Health Centre have raised concerns continually that young, pregnant women who live in poverty do not have the nutritional food value to carry their pregnancy to term healthfully. What additional funding will the minister provide to enable the particular Boyle McCauley health care clinic to meet these nutritional needs in and through the clinic?

MR. M. MOORE: Well, the hon. member, Mr. Speaker, is dealing with matters that touch upon both the responsibilities of the Minister of Community and Occupational Health and the Minister of Social Services and perhaps my department as well. I'm not familiar with the particular issue that the hon. member raised. If he would like to provide me with some details, I'd certainly be prepared to look into the matter.

REV. ROBERTS: As the minister has agreed to look into the matter, would he please come with me on a visit to the Boyle McCauley health care centre next week?

MR. M. MOORE: Mr. Speaker, I visit health care facilities in this province on a very frequent basis. In fact, I visited one at 7:30 this morning in Edmonton, and I'll be visiting others over the course of the next few weeks. The hon. member, I hope, keeps as busy a schedule as I do.

MR. SPEAKER: The time for question period has expired. Might we have unanimous consent to finish this series of questions and also to have the Minister of the Environment supply supplementary information as raised by questions from Edmonton Glengarry, perhaps on a previous day?

HON. MEMBERS: Agreed.

MR. SPEAKER: On this particular matter, the medical issue . . . Supplementary question, Westlock-Sturgeon?

MR. TAYLOR: The supplementary is to the minister. From the point of view of the lack of use of many of the rural hospitals that his government is so proud of building, has there been any work progressing about turning many of these into medical centres rather than treatment hospitals which are very poorly used or not used to the extent that was originally planned?

MR. M. MOORE: Mr. Speaker, I don't know where the hon. member continues to get all of the information, which seems to be totally incorrect, with respect to the utilization of rural hospitals. It's not presently our intention to close any rural hospitals in the constituency of Westlock-Sturgeon, but we'd certainly be prepared to look at it if the hon. member insists.

MR. SPEAKER: Minister of the Environment.

MR. KOWALSKI: Thank you very much, Mr. Speaker. On May 11, 1987, the Member for Edmonton Glengarry raised sev-

eral questions with respect to a private enterprise firm in Medicine Hat. *Hansard* on page 1135 lists two questions. The first question was: was there "a contravention of section 11 of the Hazardous Chemicals Act regulations"? The answer to that question is no.

And further on that same page a question was raised with respect to testing that had gone on on the site. Testing takes place on a regular basis and took place on March 11, June 10, and November 13, 1986, and on April 22, 1987, and a site inspection is also scheduled for today as well, Mr. Speaker.

MR. DINNING: Mr. Speaker, if I may supplement the same questions put by the hon. Member for Edmonton Glengarry on May 11 on page 1135 of *Hansard*, I'd like to report that the only contract that Al-Tec Sanitation has in Medicine Hat with the Department of National Defence is the daily dumping of about 50 johnny-on-the-spot type of portable toilets.

MR. SPEAKER: That's interesting.

MR. SPEAKER: The time for question period has expired. The Chair recognizes the Member for Westlock-Sturgeon on a point of order. The Chair also intends to continue and to conclude with the point of order as raised yesterday by the Member for Calgary Buffalo, and the Chair would request with great respect that the House leader for the Liberal Party be good enough to invite the member to return to the Chamber.

MR. TAYLOR: Mr. Speaker, on today's point of order, where the member of our caucus, the Member for Calgary Buffalo, was not allowed to continue as soon as he mentioned that the question would be about lotteries, if you found *Beauchesne* at 358 and 359, I think it is quite clear that as long as the question did not involve a legal opinion or, on the other hand, was to seek information . . . In all due respect, Mr. Speaker, I know the word "lottery" over there has become sort of a trigger word, and as soon as the word is used people leap to the defence of the government. The point is that our member was not allowed to enlarge upon what type of question. The question could easily have been on how the lottery is constructed, how it was going, what were the plans.

If you'll pardon me, Mr. Speaker, I feel that you were very hasty to rule out of order as soon as the word "lottery" was mentioned. I think that although there are questions of order about the lottery and a question about our lawsuit to try to get the government to at least put the funds under public debate and to get at their little kitty, it should not be the fact that we cannot make other questions about the lottery.

I can agree with the point of order about whether or not the ministers were interfered with and whether or not the lawsuit will proceed is all right, but we should be allowed to bring up the lottery. This in fact is over \$100 million; that's a lot of money. That's a lot of money; \$100 million would get a lot of things done over there. And this is lying off in one spot, and we're not being allowed to ask a question about it. It's not being allowed to come before the committee debates. It's absolutely out there in limbo.

MR. SPEAKER: Member for Westlock-Sturgeon, the Chair listens very carefully to your comments in that regard with respect to the exchange of today. During the Chair's intervention

with respect to the Member for Calgary Buffalo, a standing order was indeed cited. Standing Orders do take precedent over *Beauchesne* or *Erskine May* in this House. The citation was given. Perhaps overnight the hon. leader of the Liberal Party, together with caucus members of that political party, would indeed see fit to examine Standing Order 23(g) and perhaps frame appropriate questions, which might then be regarded to conform to whatever direction is given to the Chair by that standing order. No matter how deeply any individual member may feel about any issue, let us have a gentle reminder. It's not the Chair that writes Standing Orders, nor *Beauchesne*, nor *Erskine May*, and no matter what, the Chair must indeed have the House adhere to what the House's own procedures and guidelines are.

With regard to the issue, no matter how framed or not framed, there is indeed a procedural difficulty which is before the House and on which the Chair had intended to rule today. The Chair can be just as much upset internally on a matter as any individual member. Since the Member for Calgary Buffalo has not returned to his place in the Chamber, the Chair will not rule on the point of order until tomorrow, but be well advised about any kind of questioning with respect to the subject until the point of order has indeed been settled by the House.

ORDERS OF THE DAY

MR. SPEAKER: Might we revert briefly to the Introduction of Special Guests?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Edmonton Highlands, please.

head: INTRODUCTION OF SPECIAL GUESTS (reversion)

MS BARRETT: Thank you, Mr. Speaker. It gives me pleasure to introduce to members of the Assembly and to you, Mr. Speaker, 14 grade 6 students from the Sacred Heart school in the centre of town in the riding of Edmonton Highlands. They're seated today in the public gallery with teacher Mary Anne MacDonald and community school co-ordinator Bonnie Austen. I'd ask the students and the teacher and the co-ordinator to please rise and receive the traditional welcome of the Assembly.

head: COMMITTEE OF SUPPLY

[Mr. Gogo in the Chair]

MR. CHAIRMAN: Will the Committee of Supply please come to order. Hon. members, the department before the committee today, this being the 25th day of estimates, is Federal and Intergovernmental Affairs, the Hon. James Horsman minister, page 210 in the government estimates books. The authority for the programs is on page 202.

Department of Federal and Intergovernmental Affairs

MR. CHAIRMAN: It is customary for the minister to make opening comments to the committee. Hon. Mr. Horsman, would you care to make comments to the committee?

MR. HORSMAN: Yes, thank you, Mr. Chairman. At the outset, let me say that the previous fiscal year was extremely busy both for the department and for me. I have every reason to believe that we will face equally as many challenges this fiscal year, because these are in many ways difficult times. Nonetheless, if we believe that our successes have outnumbered our frustrations, we can do the same in the future. As you are aware, the Department of Federal and Intergovernmental Affairs, while relatively small in numbers of staff, is extremely involved in virtually all aspects of this government's activities with other governments, provincial, federal, and foreign. Paramount among the department's activities are those which relate to the Constitution and Alberta's partnership in the Canadian federal system. During the past year the Premier has been chairman of the Premiers' Conference, and that has added a new dimension to the role of the department in our work within the government and with other governments in Canada.

A vital concern to our government and to all Albertans has been two very important unresolved constitutional issues: Quebec assuming its rightful place in the Canadian Constitution and reform of the Senate. The fact that Quebec was not a signatory to the Constitution Act, 1982, was of concern to all Canadians. We as a government believed that the Constitution remained incomplete without Quebec's participation. As you know, the Prime Minister called a special meeting on April 30 of this year to discuss this particular issue. As it turned out, the meeting of first ministers at Meech Lake, Quebec -- expected by many to end without firm commitment or resolution -- was an historic occasion. Quebec will resume its place as a full participant in Canada's constitutional development, and our nation will be whole again.

As a government we are pleased with the agreement accomplished at Meech Lake. We are of the view that Quebec's formal recognition of the Constitution is clearly in the national interest. Nevertheless, while Alberta was prepared to enter into discussions to resolve outstanding issues relating to the Constitution, we were strongly of the view that any future amendments would have to be consistent with the fundamental principle of Canadian federalism. We entered into those constitutional discussions with two fundamental objectives. The first objective was to maintain the principle of constitutional equality. That objective was fully achieved. Under the Meech Lake agreement all provinces truly become constitutional equals. No single province received particular benefits or special status. We believe this was a significant achievement because it was proposed that Quebec should have a general veto under the amending formula of the Constitution. We did not believe, however, that any one province should be granted a general veto over all amendments. At Meech Lake it was agreed that there should be no change in the general amending formula, a formula authored by Alberta.

It was also agreed that in the future certain amendments to Canada's federal institutions should require the unanimous consent of Parliament and of all the provinces, and Alberta agreed to the requirement of unanimity for amendments to our federal institutions because such a formula clearly and irrevocably maintains the principle of provincial equality. Moreover, we believe that amendments to these institutions are of such fundamental importance that they must have the prior agreement of all partners of Confederation. Otherwise one province, including Alberta, could have, for example, Senate reform rammed down its throat and how could that be considered equal status?

Alberta's second major objective at Meech Lake was to

achieve agreement to pursue meaningful reform of the Senate. As a result of the Meech Lake agreement the Constitution will be amended to constitutionally require annual first ministers' conferences until we have major reform of the Senate. A constitutional commitment that all governments must meet and pursue Senate reform is a significant and far-reaching achievement. It is the first time that all governments have committed themselves to Senate reform. Don't forget by the way, that the federal government must also agree to any changes to the Constitution, and they do have and have always had a general veto.

Reform of the Senate must continue to be a priority for all Albertans and indeed all Canadians in our quest for a just and equitable national government. Because the majority of the population of Canada resides in central Canada, that region controls the majority of the seats in the House of Commons. As a result there is a feeling that the decisions made in our national Parliament have been made in favour of central Canada. Unquestionably there is a very real feeling that our national institutions do not adequately represent the needs and the interests of all the regions and provinces of this country.

Our government has taken a lead role in pursuing Senate reform. In 1983 we established a special select committee of the Legislature to examine and report on the appropriate role, functions, and structures of an upper House in the Canadian federal system. That committee called for what is known as the Triple E Senate -- elected, equal, and effective. The recommendations of the committee were supported by two unanimous resolutions of this House on May 27, 1985, and again on March 10, 1987. This concept of the Triple E Senate is gaining momentum in other provinces and with the media -- eastern and western. I might add. But most gratifying is the grass-roots interest in Senate reform. Thousands of Canadian citizens have taken up the cause, and they're calling for a review and reform. As the government, Mr. Chairman, we shall continue to take a lead role in the pursuit of Senate reform, confident that we have the support of the people, confident that we, for the first time, have the sincere interest of the other provinces and Ottawa, and confident that when provinces have an equal, elected, and effective voice in Ottawa, we will have a federal Parliament sensitive to our needs and to those of all Canadians.

Mr. Chairman, during the next few weeks the federal and provincial governments will work towards transforming the principles agreed to at Meech Lake into the appropriate constitutional text. Federal and Intergovernmental Affairs will be intimately involved in that review and the development of the text which will then be presented to first ministers for approval at a formal constitutional conference to be convened within the first week of June.

When transformed into a constitutional text the agreement will firstly provide for annual first ministers' conferences on the Senate, entrenching an annual first ministers' conference on the economy, enhancing the role of the provinces over immigration, provide the provinces a role in the appointment of Supreme Court justices and entrench the requirement that at least three justices be appointed from Quebec -- which, by the way, is part of the Supreme Court of Canada Act at the present time -- provide reasonable compensation to any province that does not participate in future national cost-shared programs if such provinces establish compatible programs, and ensure that future amendments to the Constitution relating to Canada's federal institutions will require unanimous consent. As well, the Constitution will guarantee reasonable compensation to any province which opts out of an amendment transferring jurisdiction from

the province to Parliament and will recognize the reality of the distinct nature of Quebec in Canada and the distinctiveness that Quebec in Canada provides to this nation.

Mr. Chairman, the other major constitutional matter that involved the department during the past fiscal year was aboriginal rights. In late March the Premier, the Solicitor General, and I attended the First Ministers' Conference on Aboriginal Constitutional Matters, the final conference called for in the Constitution Act of 1982 on this topic. Although the 17 participants were not able to achieve sufficient consensus for a constitutional amendment on aboriginal self-government, there was a genuine commitment expressed around the table by governments to address in practical and meaningful ways the aspirations of native people for self-government.

This has always been Alberta's position and view on aboriginal self-government. Mr. Chairman. Given the significant diversity and the geographic, social, cultural, political, and economic circumstances of aboriginal peoples in Canada, it stands to reason that the aspirations of aboriginal peoples regarding self-government also vary significantly, and the most logical and meaningful way to address these widely divergent aspirations is on a local basis. For our part, the Alberta government remains committed to provide aboriginal people with the opportunity to have a major role in controlling their own affairs.

[Mr. Musgreave in the Chair]

There are a number of practical measures that we have taken in Alberta to ensure self-government at the community level. For example, some of you will recall the Solicitor General's ministerial statement to this Assembly on March 20, 1987. We are currently working together with the settlement Metis to formally transfer 1.28 million acres of land to the Metis in Alberta. This will involve introducing a revised Metis Betterment Act during this current session, granting existing settlement land to the Metis and finally guaranteeing this land grant in the Constitution of Canada.

Mr. Chairman, in addition to this particular self-government initiative, which is unique in Canada, this government will continue to enhance opportunities for aboriginal people in Alberta to control their own affairs in a variety of other ways. As well, hon. members will recall that immediately prior to Christmas 1986 we were successful, together with the federal government and the Fort Chipewyan Cree Indian Band, in finalizing the largest outstanding treaty band land entitlement claim in our province and possibly in Canada. It's worth noting that Alberta went far beyond its legal obligations to finalize the settlement, and frankly I am proud of that fact. This unique settlement provides band members with economic and social development opportunities in the areas of hunting, fishing, trapping, agriculture, mineral development, and tourism. The Cree Band at Fort Chipewyan was very patient and reasonable and sought the settlement through negotiations rather than through confrontation. Chief Rita Marten and her band council are to be commended in this regard.

In the last fiscal year the department worked closely with line departments to promote this government's priorities in the agriculture and energy sectors. Let me assure you, Mr. Chairman, that we shall continue our efforts to ensure nationwide awareness of the severe problems these vital industries are facing, and understanding their importance to the whole of Canada for all of us is significant. These cannot and must not be viewed as Albertan or western concerns. The well-being and

recovery of the agriculture and energy sectors are truly national concerns.

Albertans were encouraged by mention in the federal Speech from the Throne of special emphasis on diversifying the economic base of western Canada. The Department of Federal and Intergovernmental Affairs, working with other departments, prepared and presented this government's priorities for further diversification of the Alberta economy to the Deputy Prime Minister, and we look forward to co-operating in the implementation of these priorities during the coming years.

I intend to direct the balance of my remarks to Alberta and its role in the international arena. Given dramatic declines in world prices for both oil and gas and grains, a matter over which Alberta has no control, how well we perform and compete in trade has become even more important. Albertans have always possessed the free-enterprising spirit and have aggressively pursued markets outside their borders. This province took an early lead in the promotion of a comprehensive free trade agreement with the United States.

Before filling in the hon. members on the latest developments on the negotiations, I believe it would be useful if I review the mechanisms that have been put in place in Canada to ensure full provincial participation in the process. Premier Getty assumed an early role in presenting his province's views. Under his chairmanship the provinces arrived at an agreement with the federal government last June to hold quarterly meetings of first ministers to set the mandate for the federal trade negotiator, Simon Reisman, and to discuss Canada's negotiating position. Four successful meetings have been held so far. These are specific and in addition to regular first ministers' annual conferences. As well, the continuing committee on trade negotiations involving provincial and federal officials and the Reisman team meets monthly to exchange ideas and formulate strategy. Designated ministers, including myself for Alberta, responsible for bilateral and multilateral trade negotiations meet as needed to determine policy and set procedural guidelines. To date, premiers have expressed their satisfaction with the progress of the talks, and we now have to finalize the process for ratification of the terms of the agreement within Canada, a process that must and will involve the provinces.

Mr. Chairman, we can expect that the next five months will involve complex and intense meetings at all levels within Canada and delicate negotiations between the two countries. Of necessity, at least two more first ministers' conferences have been set for June and September so that we can jointly refine Canada's position on the final package. But I should alert you to the fact that we are facing some critical dates and some potential difficulties before conclusion of an agreement through the so-called fast track congressional process in the United States. October 3 of this year is the last day that President Reagan can notify Congress of his intention to sign the Canada/U.S. trade agreement. Negotiations must be concluded by that time. During the 90-day period from October 3, 1987, to January 2, 1988, the U.S. Congress may review the agreement. On January 2, 1988, the last day, the President can formally sign a Canada/U.S. trade agreement before submitting the document to Congress. After January 2, 1988, Congress has 60 days to consider agreement and to approve or disapprove it in its entirety. During this time they cannot amend it in any way.

While we remain optimistic about a successful conclusion, Mr. Chairman, we recognize that other factors could influence the outcome of these long, difficult negotiations. Specifically, we are most concerned with the protectionist pressures that have

built up in Congress in response to the growing U.S. trade deficit, and particularly with the likelihood that a trade Bill raising barriers against imports will be passed this year. As well, the ability of the U.S. administration to implement commitments it might make, given the separation of powers in the U.S., is a concern.

In addition, we must be aware that events in the international economy could worsen, fueling protectionist pressures worldwide. Perhaps the most critical example of U.S. protectionism affecting Canada during the past year was the softwood lumber dispute with the United States. As members will recall, the dispute with the U.S. was resolved when Canada reluctantly imposed a 15 percent export charge on softwood lumber. Although Alberta supported resolution of the dispute, having recognized it as the better of various alternatives, Premier Getty noted Alberta's particular concern regarding the application of a federal export charge on the provincial resource product. He indicated that Alberta would not be a party to the arrangement if the export charge was a unilateral federal measure enacted without the agreement of the province. I can now verify that in close co-operation with my colleague the Minister of Forestry, Lands and Wildlife, a federal/provincial agreement on the application of the export charge has been concluded. This was effected by an exchange of letters with the federal Minister for International Trade. The federal minister previously acknowledged that she was acting on behalf of the provinces in imposing the export charge. The terms outlined in the letters clearly indicate that Alberta's constitutional responsibilities have been fully recognized and protected. The export charge is in place with all of Alberta's resource management prerogatives fully maintained. Alberta will work with the federal government in the ongoing implementation of the softwood lumber arrangement within the terms of our written understanding.

It is obvious that we need a free trade agreement so that we can prevent similar harassment in the future. Equally important is the signal that a bilateral agreement between the world's largest two-way trading partners would give to other trading nations. A failure by Canada and the U.S. to liberalize trade . . .

MR. TAYLOR: Watch those words.

MR. HORSMAN: . . . would have a negative impact on the new Uruguay round of multilateral trade negotiations. Any potential positive influence on world trade liberalization would be lost -- and I emphasize the words "trade liberalization" -- that is supported by this government.

These bilateral negotiations cannot be separated from the multilateral process. Many of our priorities are and will remain the same, but failure in either arena could cause unprecedented protectionist measures, trade wars, and further economic hardships. Having spoken on free trade all over North America, in Asia and Europe; having participated as a member of the Canadian delegation in the discussions at Punta del Este, Uruguay; and having held follow-up meetings with 15 national ambassadors to the General Agreement on Tariffs and Trade in Geneva, Switzerland, I can assure the Assembly, Mr. Chairman, that the world is watching North America. Our trade agreement will be a clear signal for other trading nations, large and small, as to how a liberalization of world trade might be achieved.

An aspect of world trade of vital concern to Alberta is agriculture and the current U.S./European community trade war in grains. I know that this will not be an easy problem to solve, but Canada is taking some very useful initiatives. I note that the

Cairns group -- named after Cairns, Australia -- 14 smaller nations with major agricultural exports, will meet in Canada in May, this month, to discuss the problem of smaller nations caught in the crossfire between the two enormous treasuries of Brussels and the European Economic Community and Washington, D.C. in the U.S. We're all familiar with the U.S. farm Bill. We can expect that the Prime Minister will take a strong message from that meeting to the seven-member western economic summit in Venice in June.

Returning to more Alberta-specific activities of this government internationally, I am pleased to table two reports in this Legislature for the information of hon. members. The first report, entitled Alberta's Special Relationships in Asia: A Review, deals with our extremely successful sister province arrangements with Heilongjiang in the People's Republic of China, Hokkaido in Japan, and Kangwon in the Republic of Korea. Based on similarities of climate, geography, and resources, all these relationships have helped create important economic, educational, scientific, sports, and cultural opportunities that would not otherwise have existed for Albertans. This province was a forerunner in this area, and others have followed our example. These relationships are viewed by the national governments involved as important and valuable in the development of bilateral relations.

A second report, Alberta's Foreign Offices: An Overview, explains the role, function, mandate, and importance of permanent international offices. Their existence is often questioned and criticized by the opposition, who seem not to understand their purpose. Admittedly, the operation of these six offices in London, New York, Tokyo, Hong Kong, Los Angeles, and Houston is not inexpensive. Nonetheless, this government remains committed to their maintenance because the benefits clearly outweigh the costs.

In these difficult economic times we would be wrong to hunker down and turn inward. We simply cannot afford to do that. Now more than ever Alberta's businesses need help in pursuing opportunities in the international marketplace. I quote from the document:

The province's foreign offices have one major commodity to sell -- Alberta: its talents, its skills, its beauty, its products, its business climate, its potential.

Mr. Chairman, that is precisely what our dedicated foreign office staff are doing and will continue to do. More and more Alberta businesses are tapping into this resource and benefiting from our services. Many of our successes as a trading province can be attributed to the involvement of our international representatives. At the very least, they deserve to be publicly commended for their efforts and their willingness to serve other Albertans.

As I have done in the past when necessary, I will carry Alberta's message to other parts of North America, to Asia, to the United Kingdom, and Europe. Additionally, I intend to continue my activities as the Canadian co-sponsor of the Canada/U.S. Legislative Project, and to serve as an honorary director of the state legislative leaders foundation and to strengthen through participation and encouragement our relationship with our American friends.

Mr. Chairman, I would be pleased to hear questions and comments relating directly to my remarks or any other aspects of department operations. In conclusion, I would like to acknowledge the diligence of the deputy minister and divisional directors in developing this year's budget estimates. Our total request is for \$7.26 million and represents an overall decrease of

8.8 percent from the preceding fiscal year. I wish to point out that the estimates include the transfer of funds from Economic Development and Trade for the operation of the office of the Alberta trade representative. Major adjustments were made in the hosting and travel budgets, which were reduced by 24 percent and 30 percent respectively.

Thank you, Mr. Chairman.

MR. CHAIRMAN: The Member for Edmonton Highlands.

MS BARRETT: Thank you, Mr. Chairman. I listened with interest to the comments from the Minister responsible for Federal and Intergovernmental Affairs. Given the size of the budget he deals with and given the other portfolios he handles, I think the first thing that needs to be said is that it's pretty clear he's got a very full menu in his job, and the size of the budget with which he does it I think shows an improvement inasmuch as amalgamating certain departments or sections of departments according to some recommendations that the New Democrats made in previous years about amalgamation.

I noticed that the minister didn't speak for very long about free trade, although I listened with interest to his comments about impending peril if we don't actually get a free trade agreement. But the minister has avoided some of the most important elements, I think, though -- the aspects that are of greatest concern to Albertans and Canadians.

In the first place, he's not even talked about those studies which the federal government has -- which they won't release -- which would indicate the extent of job loss, or what is euphemistically called job dislocation, if indeed we do get a free trade agreement with the United States, our largest trading partner. They of course have every interest in breaking down the 49th parallel and assuming that it doesn't exist. I think Canadians have every interest, given the high rate of unemployment that we've faced over several years now, in making sure that Canada and Alberta come first and that jobs in Canada and Alberta come first.

There is one study that was talked about a couple of years ago. It's the only one as far as I know that's ever been honestly talked about, and that was revealed by the Canadian Labour Congress and later on concurred with by former trade minister Kelleher, in which it was suspected that the "employment dislocation" -- that's in scare quotes -- would be in the order of some 7 percent. Now, given the number of jobs that do exist in Canada and given the fact that we have a 9.3 percent rate of unemployment in this country already, we could be talking about an additional 830,000 jobs lost, Mr. Chairman.

I think that if the Minister responsible for Federal and Intergovernmental Affairs is as well connected as he has certainly implied, he probably has access to those studies. So I want to propose a little challenge to the minister. He might even like this kind of challenge, Mr. Chairman, because I'm not going to ask the minister to secure and table the copies of the studies which indicate the bad news for Alberta and for Canada; I'll just ask if we can have the good news ones. Can we have the good news studies; that is, those studies which indicate that a free trade deal wouldn't hurt our employment profile -- or our unemployment profile, more accurately -- wouldn't hurt our long-term economic prospects? I'd like to see those. I think Albertans and Canadians have a right to information that is collected at the taxpayers' expense, and I think Albertans and Canadians are getting sick and tired of information collected at the taxpayers' expense and kept secret thereafter.

Now, I am assuming that this is a much less offensive challenge to the minister than asking for all the studies, because I know there are studies which indicate that there would be substantial job losses, and I think we can extrapolate from that from the studies we can get tabled, if the minister will comply. If he is not in possession of them, perhaps he should contact his federal counterparts in Ottawa and secure them. But if he doesn't have those studies, then it doesn't bode well for our ability to know what it is that we're endorsing with our free trade talks and with Simon Reisman.

I think that other aspect of free trade that was not talked about by the minister -- primarily because I don't think he is going to bat for Albertans -- is what is it that we're trading off? You know, this phrase "free trade" has a real nice ring. Mr. Chairman, because it's got the word "free" built into it. It sounds like you're getting something for nothing. Right? I can remember certain monitorist-thinking people talking about no such thing as a free lunch attitude, but when it comes to free trade one should not question it, according to those very people. Well, I don't think there is anything free about this whole deal. And I suspect that one of the reasons our federal government is sponsoring a Bill which will change the patent laws protecting the patents on manufacturers' drugs is because the Americans want us to change that progressive policy we've had for a decade so badly.

[Mr. Gogo in the Chair]

The cost to Canadians of endorsing this Bill, of passing this Bill, is going to be about \$10 billion over the next five years. Mr. Chairman. Now, I listen to comments from various ministers in this government saying how it is that we have to cut back on spending: cut, cut cut. The hospitals minister says it the Education minister says it the Social Services minister says it. Now, where is the vested interest of Albertans when we don't even make representation to our federal counterparts about a government Bill that is going to cost taxpayers so much more over the next five years -- money that is going to be taken right out of that so-called burgeoning Hospitals and Medical Care budget which was so bad that it had to result in bed closures?

Now, which way do we want it Mr. Chairman? Do we want the free trade? Do we want to have to spend more money because we don't have access to generic drugs, or do we want to keep our people services intact? I don't think we can have it both ways. And as I recall, the Minister responsible for Federal and Intergovernmental Affairs was not inclined to make representation to his federal counterparts that Alberta is economically strapped and we can't afford not to have generic drugs through our institutions which are funded by other government departments, through Social Services included, through Community and Occupational Health. It's going to cost the Alberta taxpayers a lot more money.

I think the case is clear. I think the reason this Bill is going through is because the United States government said, "You want free trade, buddies? You're going to have to cough up a few things. You're going to have to cough up at least on the multinational drug companies' campaign, possibly on various elements within culture such as publishing, broadcasting, television, and feature film production and distribution." Where's the bottom line? At what point do we say, "No, we don't want the free trade deal"? At what point will the minister responsible say no? I heard a few weeks ago certain caveats that appeared to be put on the whole deal by Alberta's Premier. Well, let's have the

clear statement. What is it? What's the formal position? If they want X, Y, and Z, then we say no? Is that going to be the position? Let's find out what X, Y, and Z are from the minister.

There is another aspect to all of this, which I find very interesting. For the last few years since the Mulroney Conservatives were elected to Ottawa, partly on that campaign of free trade, we've had a provincial government saying: "Well, you know, no; we're not going to make representations on this or that. We're going to leave it to the federal trade minister, to the special negotiator, and we'll just keep our hands off." Well, that gives rise to one question, which is: why is it then that our own Premier was suddenly in Kentucky a few weeks ago, apparently talking free trade with the Kentucky governor? Who's handling the free trade? Are we handling it, or are we not? That is, is the province handling it, or is the federal government?

AN HON. MEMBER: Was he buying a racehorse?

MS BARRETT: Yes, well, there was a matter of a racehorse or two involved on the same weekend, I believe. In any event . . .

AN HON. MEMBER: Oh, come on. Haven't you ever taken a weekend off?

MS BARRETT: The hon. member wants to know if I've ever taken a weekend off. Yes, I have. I didn't go to Kentucky to do free trade deals.

MR. CHAIRMAN: Order please. Let's deal with the estimates of FIGA.

MS BARRETT: I am dealing with the estimates of FIGA. Mr. Chairman, and I'm wondering who is in charge. I thought that I heard for the last couple of years this government saying no, it wouldn't make representations to Ottawa on given items ranging from lumber to culture to drug manufacturing, because the federal government was doing the negotiations and we were going to leave them alone. After all, the Alberta government has every confidence in the federal government's negotiating process. Now I'm questioning what's going on if our own Premier is going to Kentucky to do free trade negotiations there. What does the Federal and Intergovernmental Affairs minister have to say about that?

I'd also like to know if it's the intention of this minister and this government to present any kind of ratification package to the Legislature of Alberta, and I do mean this Assembly, not the 21 MPs in Ottawa who so far haven't stood up for us very well in Ottawa. Are we going to be able to have a vote on the tentative deal that is struck by those federal negotiators, or are we just going to have to accept whatever they do? Are we going to have a say? Can we have a vote? I'd like a commitment that we can have a vote in this Assembly, Mr. Chairman. I think it's very appropriate that Alberta legislators have a say in this. Obviously, if the Premier can go to Kentucky to talk to the Kentucky government about free trade, then surely the rest of Alberta's duly elected legislators can have a say in this process too. The federal government might not like what we all have to say, but the fact of the matter is that we have a right. I'd like a commitment from the minister, and that means guaranteeing a vote as well. I think the minister needs to assure all Albertans that there will be no trade-offs on any of our federal income support or social safety net programs in order to accomplish a free trade deal with the United States, particularly with an eye

on medicare and income support programs.

As most legislators know, the American system is not a system. It doesn't have a medicare system. There are more Americans without any access to any kind of coverage at all for medical services than there are citizens in Canada: 35 million Americans have no access to any medical coverage whatsoever. I don't think Canadians want to trade off one little wee bit of what we've worked so hard to achieve, what we pay for, and what we're glad to pay for when we get the services we pay for.

The same would be true for income support programs, Mr. Chairman. Again, the United States is not exactly a model for the world when it comes to how it treats its unemployed, its working poor, its disenfranchised, and I certainly don't want to see any trade-offs made that would parallel our policies with the American policies. Canada is different. We are distinct; we are not Americans, and we need our positions upheld. The same also applies to our right to sovereignty, which I believe has been threatened in recent years by United States incursions into northern Canadian territory, and which the federal government, in my view, did not speak out loudly enough about when it did finally speak out at all.

There's another matter that the minister didn't bring up in his opening comments, and that is our participation in the American technicolour dream called Star Wars. Now, a lot of Canadians and a lot of Albertans are really given to wonder why it is that Alberta has become the guinea pig testing ground for the cruise missile and low-level bombers. If the American military desire is to develop and test those products which are designed to destroy human life, why is it that we're so willing to participate? Why is it that we don't have a government that's willing to say, "No way. Not on Alberta soil. Go somewhere else. If you're so serious about developing your products for the means of human destruction, then test them on your own grounds." But no, Alberta is open for business. No representation needed.

Well, most people have a pretty strong view about Alberta and Canada participating in the military/industrial complex leading to increasing armaments buildup internationally which further courts the possibility of nuclear war. And they don't like it. They might like it a lot less if they knew that 9 percent of the federal budget goes into military spending. And I don't know that this minister ever made representation to his counterparts in Ottawa about the level of military spending in Canada, for which Alberta taxpayers are also footing the bill.

The fact of the matter is that we've got cuts to human services in this province. One hundred and thirty-nine thousand Albertans are out of work and they don't even have the means by which they can make ends meet because this province is imposing cut after cut after cut while this same province won't even go to Ottawa and say, "Why don't you cut that defence spending down so we can have more money to look after the basic needs of people." As Tommy Douglas used to say, "It seems to me we can always produce an abundance when it comes to destroying people. Why in God's name can't we produce an abundance to keep people alive?"

I think that is the ultimate contradiction of this government, particularly at this juncture, and I think the Federal and Intergovernmental Affairs minister ought to make those sentiments known to Ottawa on behalf of the taxpayers who don't believe we should try to duplicate or parallel the American economy or the American way of life, which has as an integral component a military/industrial complex which serves no interests, as far as I can see; certainly not defence interests but primarily offence interests. Canadians are distinct, and I don't think we should

have any part in that. I think we should make that clear in our federal trade talks as well, and that it's up to the minister to convey those messages to his federal counterparts.

I also see, just a week or two ago, an order in council in which the Alberta government has agreed to transfer Crown lands for the purposes of radar stations, and I think some minister owes an explanation as to just what's going on here. How deeply involved are we becoming in that American military arms buildup program? We have the right to know, I think, especially when it's not just tax dollars but actual land possibly going into serving that American interest.

Mr. Chairman, one might also ask about the merits of sponsoring 10 nuclear-powered subs for Canada -- submarines that is . . .

MR. CHAIRMAN: Order. Order, hon. member. The Chair is having a little difficulty. If the hon. member will look at the minister's responsibility under page 201 of the estimates, it's a long way from submarines. Could the hon. member, in accordance with section 62 of Standing Orders, speak more specifically to the items under consideration unless the hon. member is responding to comments made by the minister in his opening statement.

MS BARRETT: Well, Mr. Chairman, the statement to which I'm referred says, quote:

The ministry is responsible for coordination of all activities of the Government of Alberta and its agencies in relation to the Government of Canada, the governments of the provinces and territories of Canada and the governments of foreign countries.

Now, if the Chair thinks that our handing over Crown lands for the purposes of defence or offence purposes doesn't fall into that category, then I'd like to know just what the Federal and Intergovernmental Affairs ministry does. Surely, if we're making representation, as the minister has talked about -- he goes around the world making representation on trade talks, particularly free trade talks, talking about relations between Alberta and other countries, and Alberta and the federal government of Canada -- it is well in order to talk about what Canada is doing and whether or not it's serving the best interests of Albertans, right now of whom 139,000 are unemployed and might not care too much about nuclear-powered submarines and how that fits into the American agenda. And that's my question, Mr. Chairman. I think I have a right to ask it.

Now, there is one other matter I think the minister did not talk about, and that is something that's come up in this House over a period of years, particularly referring to the Lubicon Indians in Alberta. They've been fighting for a land settlement for 47 years. The minister was very happy to talk about the Fort Chip Band. It's good that some progress is being made, except that this is one government that seems to be determined to veto any discussion even about self-government for natives, and then has refused over the years to offer assistance to have the land claim of the Lubicons settled. Now, maybe the minister would like to take representation to his federal counterparts in Ottawa with respect to getting a third party involved with the negotiations. The Lubicons had hoped a few years ago, when E. Davie Fulton, the former Justice minister, was assigned to the negotiations, that perhaps some settlement would occur. The division, of course, occurred over the matter of membership. The difference between 200 and 450 is not all that big, but the fact of the matter is that the talks broke down one more time.

Now these Lubicon members reside in Alberta. They are subject to economic activity at the whims of this government often by order in council which permits oil companies to go onto land that they believe, and I believe, they have the right to, in order to exploit regardless of environmental impact regardless of the impact on their traditional way of life. And we wash our hands and say, "Well, it's a federal matter." I think it's a provincial shame that these negotiations have gone on for 47 years. What's the motive behind dragging this issue out? Is it hoped that the band will actually disintegrate so that in another 47 years there's nobody to negotiate with, and the land will then all belong to Shell Oil? I think the Federal and Intergovernmental Affairs minister owes it to the aboriginal people of Alberta to facilitate those negotiations, to respond to their needs, and not to simply stand by while the new appointee responsible for the negotiations, Roger Tasse, engages in further complicating fights with the band.

MR. HORSMAN: Roger Tasse.

MS BARRETT: I beg your pardon. I didn't know that français was particularly appreciated here.

MR. HORSMAN: That's how you pronounce it.

MS BARRETT: Thank you. The minister is advising that it's pronounced Roger Tasse. Thank you to the minister.

Finally, Mr. Chairman, I think the minister should address the federal government with respect to any changes in taxation. Now, this is not solely a matter of the Provincial Treasury. It is not in best interests of Albertans that value-added taxes become a new policy for Canadians. In fact, I suspect that it would further devastate an already devastated economy. Perhaps the minister would care to comment on whatever representations he's made or is prepared to make to his federal counterparts about the proposed taxation changes and whether or not he's prepared to speak out on behalf of Albertans who could be adversely affected by value-added taxes, and particularly taxes which go through food production especially.

I believe the Member for Athabasca-Lac La Biche would like to address many more questions related to the native affairs legal component for which the minister is responsible, so I'll leave it to him to carry on with those comments.

MR. CHAIRMAN: Thank you, hon. member. Calgary McKnight.

MR. MUSGREAVE: Mr. Chairman. I'd like to applaud the minister on his efforts on free trade. I think I can agree with the hon. Member for Edmonton Highlands; there may be job losses, but I think a part of that package has got to be that we as a nation should generously help those people who will be affected. But it's my feeling that if we're not to become an economic backwater in our country, we have to make sure we expand and take opportunities to enlarge our markets in the most vibrant market economy in the western world.

On the issue of drug research and the sale of generic drugs, I'm amazed that those elected members who push for more research and development don't want to reward those who are prepared to put out the money for such research.

And on the matter of the socialist rhetoric about the defence attempts of the American government it's the same kind of speeches we heard back in '38 and '39, and we heard that won-

derful speech about peace in our time.

Mr. Chairman, I'd like to raise a few questions with the hon. minister, first of all on Senate reform and the fact that Quebec was not a part of the Constitution of Canada. I must confess that this was not a burning issue in the election campaign last year with my constituents. As a matter of fact, it wasn't even raised. Now, I recognize the affirmative votes that have been held in this House on the support for a Triple E Senate, and I've been a member of the Triple E association ever since it was started, but frankly I'm not very optimistic of its success. I say this because back in 1921, I think it was, Mr. Mackenzie King had as part of his election platform at that time Senate reform. I appreciate that our position has now improved. Before we could have had a Senate we didn't want, with seven provinces, with the majority of the population being in favour of it. But now we have a situation that we may be fortunate in getting what we do not want. But that doesn't mean to say we're going to get what we do want. So while we may have a veto, we still have to overcome the fact that we've got to convince Quebec and Ontario that a reformed Senate is in their best interests, and that may not be as easy to address. I would hope that the minister could assure us how he feels that these two large provinces are going to be prepared to accept the worries and concerns of the other regions of our country.

I'd like to ask the hon. minister: why the rush to sign this agreement? Is it because of an impending election in Ontario? Is it because of the very low standing of the federal Tories? I have a concern that when the Americans were amending their Constitution, I think it took them over a year to achieve it. Why the haste? Do the ministers of this country not have faith in the people of this country? I think there's no question we want to bring Quebec into Confederation, but not at the cost of setting up 11 squabbling governments that are going to guarantee to fill our federal courts with disputes for the next 100 years. I would hope that the minister could reassure us on this point.

For example, today there's a concern I have in the paper by our minister of health in the federal government. He wanted to improve the pensions for disability pensioners who are getting benefits under the Canada Pension Plan. He had arranged an increase of \$152 a month across the board. This was pursuant to agreements that he had with the various provinces. But when the \$152 a month went out, unfortunately the recipients who were getting welfare found that the \$152 was deducted from their cheques. The reason was that the provinces said all income had to be included before they determine welfare. I hope this is not the kind of thing we're going to be moving into, with each province deciding what level of concern they're going to have for people that need their help.

I'd also like to ask the minister what the members of the various governments that met at Meech Lake mean by a distinct society for the province of Quebec? Right now the population is approximately 20 percent English, 80 percent French -- I'm not sure of my numbers. But what happens if this changes to fifty-fifty? Would the role of Quebec in preserving and promoting this distinct society continue? What would happen if, for example, the ratio dropped to 6 or 7 percent English, 90 percent or more French? Would that mean we'd have more Bill 101s to contend with for the English people in that province?

Another question I have of the minister. Immigration is to be approved by the provinces. Now, does this mean we're going to have 11 governments in Canada controlling immigration? Who is going to be responsible for the national interest?

Finally, Mr. Chairman, realizing that the provinces will be

establishing a list from which judges for the Supreme Court will be chosen, I'd like to ask the minister: what guarantees do we have that these nominees are going to be those that were the best people available? Or are they going to be those that are friends of whatever government may prevail in whatever province is putting forward the list?

These are the concerns I have, Mr. Chairman.

MR. CHAIRMAN: Leader of the Liberal Party.

MR. TAYLOR: Thank you, Mr. Chairman. In addressing the questions or outlines of speaking on the department today, I'll touch first on the general, then maybe get down more to the specific.

I, too, am concerned with his definition of free trade. I believe it's more of a gimmick than an actual real live benefit to Canadians. First of all, we're not talking about real free trade; we're talking about bilateral trade, which the minister lapsed into from time to time. And if we look at strictly bilateral trade, my understanding now is that over 80 percent of trade between our countries is free, and of the remaining 20 percent really only about 10 percent can be free, because of our areas like communications, education, and a few other areas where we have decided, and we'll probably hold to it, that there'll be no foreign or very little foreign intervention.

So I can't see where we're really going to win that much out of it, but in return it would appear to me that the American government is looking for a guarantee of oil and gas and fresh water. They're going to not only get the right to have at Canada's frontier oil and fresh water, but by the fact that the present federal Tory government in Ottawa is abolishing foreign ownership -- it does have their board there, but it is a toothless tiger. The Americans will not only have the right to our water and our oil and gas, but they will own it, and they're well on the way now. If the Dome deal goes through, 40 percent is all that will remain in Canada, and you can bet that there's a fairly loaded kitty and a couple of other multinational corporations that are ready to buy out also. So I think you can see that our energy industry is going to move to somewhere around 10 or 20 percent ownership.

One of the reasons for that is the compliant attitude of the national government, of course augmented by this government, that is willing to sell anything that isn't nailed down to whoever comes by. Water and oil and gas could be the commodities of the late 20th century, the early 21st, and give us the trade position and bargaining power that we may wish to use on the international scene. However, when you see how poorly this government used its bargaining powers to get a Triple E Senate, you can understand why the national cousins would be as inept and incompetent at using their national powers to get something on the international scene.

Freer trade worldwide is a commendable and laudable thing, and I think we should be moving towards it slowly, sector by sector. But the idea that signing a bilateral trade agreement with the U.S. to remove the last 5 to 10 percent of trade barriers that are still present is going to solve anything for us I think is dreaming in technicolour. In fact, all we have done is sell out our ownership to foreign interests of natural resources and also probably down the road fresh water.

Now, I'd like to go on, touch quickly on Senate reform. Senate reform of course has been around a long time, and everybody claims paternity of it now that it seems to be such a healthy young lad or lassie. But I think it's wise to remember

that pleas for Senate reform always come from the provinces after a party of their particular faith has been elected with a huge majority. In 1968 the Liberals won a huge majority across Canada. Sure enough, by 1971 the elected Senate idea was running high, wide, and handsome, and Gordon Gibson and Izzy Asper, from B.C. and Manitoba respectively, as Liberal leaders, found that when the national Liberal Party was elected with a big majority, provincial Liberal leaders didn't have that much to say.

Lo and behold, comes along in 1986 or '85 a huge majority by the Conservative government, and who do you think now wants an elected Senate? It happens to be the provincial Conservative leaders, and I forecast to my friends on the left, if the NDP should ever win a national election by a big majority -- and that has to be equated with any of the other science fiction things you can watch, and it's enough to strike fear and terror in the hearts of many. But I can make you one bet: that two years after it's elected, the NDP provincially will be pressing for an elected Senate. It's just a matter of the way things operate. And now that we are pushing for an elected Senate . . .

MR. STRONG: Thanks, Nick, for having such faith [inaudible] I really appreciate that.

MR. TAYLOR: I greatly deplore it. Wouldn't he make a lovely Senator Clegghorn, though? Can you see it now? Senator Clegghorn from St. Albert.

Now, I'd like to go on a bit and touch, though, that I do believe that it would be all right and proper -- and I want this government to know that they would have my blessing -- although it may not be quite kosher in most cases, to back out of the agreement the Premier has made if he could put an elected Senate back on the table. One must remember that Mr. Bourassa, a good solid Liberal, backed out of an agreement in 1971 when he got back to his province, when he had a good chance to look it over. And I think the same thing could apply here, because I believe if we let the equal, elected Senate go this time, there will not be a chance to ever bring it up again, because the Constitution's passed where it needs all 10 provinces plus the federal government to approve. There's going to be little possibility. I do think that we can recoup something, and this is why I brought it up in the House a number of times. This is similar to the way the Senate developed from an appointed to an elected body in the United States after the Civil War, after 1885; by I think it was 1921, every Senator was being elected.

Once one province in this country starts out electing the Senators that it has a right to appoint -- in other words, if it turns to the electorate and says, "We, the province, are going to ask you, the citizens, who you want elected to the Senate" -- no federal government will dare turn it down. Can you imagine even the most arrogant of Tories or Liberals or even NDP turning down a Senator that was elected from a province? They'd have to accept that person. So I think we have made that. In other words, we've come through, Mr. Chairman; the minister and the Premier have come through the door backwards and probably have at least accomplished an elected Senate. The fact that it will probably never be equal is something that we sold down the river, but I would request that they think of backing out of the agreement, because I believe our Premier was taken into the woodshed on this one, didn't realize what he was doing.

Although it is amazing, because we then come to the next topic, which is aboriginal rights, because this province I feel should know and should be a classic example of what a province

can do in wrecking talks. Alberta has done more to wreck the aboriginal talks in spite of sanctimonious utterances from time to time that they're doing something to help out the poor benighted natives, that they somehow or another are out there doing something for the aboriginal peoples. Well, they may make glacial-type progress in that direction, Mr. Chairman, but there's no question that the whole field of aboriginal rights in this province, and in particular Metis rights, leaves much to be desired, whether it's this government's seizure of the records in almost gestapo-like tactics a number of years ago -- when the present minister was not in charge of that department, but he was in the government -- right through to the modern trend where the Lubicons could at least be given the minimum of 20 square miles, which is what everybody agrees on. Although they haven't agreed on the maximum of 60, they could at least give the Lubicons a guarantee of that 20 square miles, and it's unfortunate indeed that they can't see themselves loose to go that far.

I've always felt that the Metis people were badly discriminated against in Alberta, possibly because some of my ancestry is -- we brag at times that we have native blood, but of course I guess anybody that has come from Scotland in the 1700s is bound to have intermarried with the aboriginal peoples by now. But it was always felt by me that because the aboriginal peoples and the Metis people did not go about registering their homesteads in this province, registering the land after they came in here in the late 1800s and the early 1900s . . . But those that did register their land, under the old Anglo-Saxon principle of getting ahold of your title, in central Alberta all got their mineral rights. But the Metis, who had every reason to believe and be afraid of going into government to register their title, are told: "Oh no. No, no, you don't have a claim to a title. You didn't go out and get that little piece of paper in the 1920s or the 1910s or in the 1890s." Anybody that is any student of history knows the Metis were settled in that area, knows the Metis were around, yet somehow or other they have been done out of their oil and gas rights under the guise that they didn't go down and fill out a piece of paper. And, of course, this is the type of attitude you would expect from a government that continually goes about wrecking the aboriginal rights talks when we try to write self-government into the Constitution.

Now, talking about more specifics. Although the minister's department is very small -- he has 69 full-time employees and only a budget of \$7.2 million -- it has an importance and influence, I think, that goes far beyond its size the way Canada is developing. The co-ordination of Alberta's dealings with other governments, whether they are other provinces or the federal government or foreign governments, is very necessary; we have to co-ordinate them. It is important that Alberta's message to other governments is focused and consistent, Mr. Chairman, and for the most part it is. However, I am concerned about a rather emerging trend that we're seeing come about here. First, we established and funded to the tune of almost a million dollars last year the office of the Alberta trade representative. That office's budget this year has been reduced to \$624,000, but I assume that this reflects the fact that there was no need to have the office after a free trade deal is hammered out later this year. Maybe that's the point. Hence, they will not be slowing down their spending; they will be merely ending the operations this year. I would like the minister to clarify that. I guess he was nodding that -- okay, he will clarify that. That's one question.

The actual issue with respect to trade offices, however, is

that I note that in your own department there is a fully staffed international affairs division which includes two directors -- two -- responsible for international policy and international economic relations, one for international policy and one for international economic relations. Now, why is there a need to establish a separate trade office, Mr. Chairman? Why does the minister have to establish a separate trade office? Does he not feel that his own department has the ability to handle the trade issue? Would it have been more cost-effective to operate the office of the trade representative within FIGA, utilizing their staff and facilities? Why the multiplying? The other question which I should raise at this point is: by establishing a separate office like this, do you not risk losing a sense of co-ordination that one expects in a central agency of FIGA? Are you not, in fact, in grave danger of sending a disjointed message out to the rest of Canada and to the international marketplace?

The second example I want to talk to, of an emerging trend that's disturbing me, is the establishment of a task force to deal with the Crow rate. Now, I know it's not under your department; I'm just saying that this was established, and I don't think it should have been, out from under your department. Not only do we incur a large budgetary expense to establish this parallel operation, Mr. Chairman, but we risk the possibility of scrambling our message to other governments on the Crow rate issues. Who is it who speaks to Alberta and to the other provinces on this issue? Is it the Minister of Federal and Intergovernmental Affairs, or is it the Minister of Agriculture? Is it the minister of economic development, or is it the former minister of economic development who is now the head of this very tasty patronage plum? When we establish these parallel operations, I think we not only waste the taxpayers money, Mr. Chairman, but we really risk blunting our message to other governments.

Now, the final example of a trend that's bothering me, Mr. Chairman, is the appointment of the ex-minister Horst Schmid as a traveling trade representative who seems to be duplicating a great many of the services of Alberta's foreign offices. Indeed, as somebody once said, it should be Mr. Horst Sputnik, because he's continually circling the globe and sending messages back to the Edmonton office, if you'll pardon the pun.

FIGA approves, Mr. Chairman -- I'm sorry; don't look at me that way. FIGA provides funding for all staff in the Alberta offices in London, Tokyo, Hong Kong, New York, Ottawa; it sounds like a traveling circus. I note with interest that the budget for these offices has been cut from \$2.7 million to \$2.5 million, which still works out to a pretty healthy budget. [interjections] Unlike my colleagues to the left -- this is another disagreement I have with them -- I actually believe in foreign offices; I think you are on the right track. However, I not only believe that they are on the right track, I believe that now is the time to get it out of the realm of patronage appointments and time-to-time favours, whether it's the ex-tailor or an ex-male secretary or an ex-cabinet minister or ex-something, and put it into the official civil service and that there be an integrated management scheme and a promotion scheme. I certainly believe, along with seeing some signs from the government, that foreign offices can yield a great deal of benefit to Alberta, not only in the actual trade investment but actually as listening posts to the private investors or to the people of Alberta, whether they're in something as far away as specialty crops on a farm to types of consulting practices as technical as would use computers and cybernetics -- we have this huge range -- or even into tourism.

In other words, we need a very, very highly professionalized, skilled, trained foreign office setup that would compare

favourably to what the British were famous for 20, 25 years ago, or 50 years ago. This is not the time to continue patronage, and I think that we demean the whole service when we practise patronage. By choosing or using patronage plums, we do a disservice to the people of Alberta, do a disservice to the foreign companies who want to do business here, and do a disservice to our own civil service.

Now, the second issue I wish to raise. Mr. Chairman, is with respect to the Alberta offices: their costs. It's just hard for me to conceive of \$2.5 million being spent. I know, as somebody that has run a number of foreign offices around the world, mostly in engineering and development, that costs can get away fairly high, but nevertheless these estimates -- there is tabled Motion for a Return 169, which seeks to get at this. I'm not as much concerned with the pay scales of the people that work in their offices, but their perks and living accommodations. I learned long ago that it's the perks and living accommodations and automobiles, miscellaneous expenses, that occur over the year where costs can get out of line. In closing this point, I wish to reiterate the fact that I think the foreign offices have a very important role to play, and I think overall their impact is positive in this province. But I am concerned on the administrative laxity, because possibly when you appoint a patronage manager, you maybe don't lean on him or her as hard as you would if they were part of the professional management team.

Finally, Mr. Chairman, I want to touch a little on ministerial travel. I've often thought the present minister is the real Gypsy of this cabinet, not in any disrespect to Gypsies, but referring to the fact that you often find them very hard to find at home. In fact, you're not sure where their home is; they're continually on the road. The incredible costs which this minister incurs year after year -- for instance, he spent over \$60,000 in personal travel expenses in the '85-86 year and \$17,000 on miscellaneous expenses. Seventeen thousand on miscellaneous: a lot of people have to get by on that as their whole total salary. Our minister tosses it off as a miscellaneous.

I point this out, Mr. Chairman, not that this is an odd year, since the year prior to this year he spent \$50,000 on travel -- not \$60,000; \$50,000 on travel -- and \$22,000 on miscellaneous. You've got to give the minister credit; he chopped \$5,000 off his miscellaneous expenses. I don't know what he cut off; I guess maybe not eating macadamia nuts with that second Scotch. Nevertheless, there is a significant \$5,000 cut there. I think there needs to be credit for that, but we have to see much faster progress in that direction.

Just looking back to the press releases from the minister, Mr. Chairman, over the last number of months we find him in Hong Kong in November; in London, Geneva, Amsterdam, New York City in February; Florida a little later. It's wonderful how he coincides his trips with the bad weather here in Alberta. However, while the Minister of Social Services tells people to snuggle up closer together and try to get warm on \$320 a month, our minister for \$60,000 a year is off in the warmer climes.

Related to this is a question about vote 1.0.1. the minister's office budget. I realize that he has two portfolios there again. And actually, with the \$60,000 budget spent traveling. I would have thought you could have got by with using one of those Liberal washrooms in the basement. You wouldn't need a huge office because actually all you have to do is have somebody forward the minister his messages. But he does have two portfolios; his office budget is \$347,000. Let's look at another department that has two portfolios: Labour. There the budget was \$209,000, so there is almost a 50 percent increase over an-

other minister with two portfolios. And while ministers in other heavy portfolios such as Hospitals and Medical Care and Education have budgets in the range of \$250,000 -- they get up in that area, I'll admit.

But with that, Mr. Chairman, I have touched on a few areas. I've gone from the very broad scale of free trade and Senate reform and the future of Canada down to the very mundane things, as to whether or not our minister's been munching too many macadamia nuts as he circles the globe.

Thank you.

MR. CHAIRMAN: Hon. Member for Grande Prairie.

DR. ELLIOTT: Thank you, Mr. Chairman. It's with real pleasure that I make some comments and ask some questions of this particular minister and his department.

First of all, I would like to express my sincere personal thanks to this minister, his office staff here in the Legislature, and members of his department for their patience with me and members of my constituency when we come to them with our many questions and concerns. I also compliment this minister on the manner in which he represents the people of this province as he does his work under some very adverse conditions around the world, representing us, making sure that Alberta has some good exposure in parts of the world where other provinces don't even know business exists. And to him, for those reasons, we say thank you, and we'd ask him not to take the sniveling comments of people who know not of what they talk too seriously at this particular time.

Mr. Chairman, I want to ask the minister about the relationship of his department with the federal department, particularly the Department of National Defence, and I would like to use a personal example to make my point. We have in our constituency a military base known as the Canadian forces station Beaverlodge. Now, we know the Department of National Defence is cutting back on some of these obsolete stations, and the Beaverlodge station is no exception. In fact, August 1988 is the date that activity is going to be terminated. Needless to say, there is a certain amount of scurry in our constituency about how this particular facility might be used for other purposes, other than as a radar base.

We have been consulting with the minister and his department on this problem, and my questions can be briefly put this way. Has the minister's department been successful at all in communicating with our federal people, the Department of National Defence, on how this project might be transferred to some function that we in the province of Alberta could use? Or another way of putting it: has the minister been involved in reviewing the possibility of delaying the closure of the base, at least the destruction of it, or maybe mothballing it while we borrow some more time to try to find an alternate use that would be useful to the people in the Grande Prairie area? There is a considerable investment in buildings there. Granted, they are not all brand-new, but there is a facility there that perhaps could be used for some other function. We're interested in the minister and his department, in their activity in that area. Of course, this all involves money, but we're wondering whether the minister might have found something, even within his own department, that could have provided a use for that particular facility.

Very briefly. Mr. Chairman, those kinds of questions would indicate the need with respect to information concerning the relationship of our department with Ottawa and these military bases.

Thanks very much.

MR. CHAIRMAN: Hon. Member for Cypress-Redcliff.

MR. HYLAND: Thank you, Mr. Chairman. Just to address a few comments to the Federal and Intergovernmental Affairs department this afternoon, I'd first like to start out with the Alberta/Montana border commission: what the minister sees as the activities of that commission for the next year in the continuing improvement of dialogue and discussion of common problems between the province and the state that share borders.

I think other members have covered the elected Triple E Senate. In the best guesstimate of the minister, when does he think we will see concrete action in respect of the elected Senate? Will he and I live long enough in our lifetime to see a full Triple E Senate that would balance the powers and balance the -- say in Canada, from one edge of the country to the other?

Foreign offices. We've heard much about the foreign offices that the Alberta government maintains, and I look forward to reading the documents that were tabled this afternoon regarding an overview of Alberta's foreign offices. I think it's easy to say that when times get tough, we should cut down on foreign travel and on these foreign offices, but when your product is sitting at home and it's not moving, be it grain or be it by-products of the chemical industry or whatever -- I would suggest that the worst time to pull back and stay at home is when you've got a glut on the market. You've got to be out there selling. There have been many people come to me that have said that the worst time for us to be pulling back is when we've got such a great amount of material on the market. That is not the time we should be pulling back from our aggressive sales stance in trying to move the product into brand-new areas, so that when things do come back, we will have the old markets as well as the new ones.

Mr. Chairman, also a few words about the foreign office in Hong Kong and the tie-in from there to Taiwan. From some correspondence I've seen with people in my constituency, there's a problem. I'm not sure that we can solve the problem unless we have the office open part-time in Taiwan. When people leave Taiwan, they only get a certain number of trips out in a year, and those who are businessmen and want to explore new frontiers try to use those trips to their best benefit. If it's a trip to see a Canadian office or passport office or whatever, it does cause some problems in negotiations, where if we could better service that area with our offices, we might get more entrepreneurs out of there and into various aspects of our economy. Also, I was told by one constituent that we constantly need to understand and think like the people there think when they do business and understand how they do business, because it is not always exactly the same way we do it in Canada. He feels that that is one thing we continually have to remember so that we understand how things operate there.

We also heard other members talking about the Armed Forces. I would think, Mr. Chairman, that it's really something when a landlocked province such as Alberta houses the largest submarine fleet in Canada. Even though we've heard of problems with those subs, that in the city of Edmonton we should have the largest submarine fleet in Canada is just, I would think, disastrous, and I would applaud those actions for updating a fleet in the Canadian navy. Mr. Chairman, I would like to state in this Assembly that those who have spoken before suggesting the concern of national defence and the reduction of that defence when it's 8 percent of our national budget are not speaking for all of my constituents. People may speak for their own con-

stituency, but they're certainly not speaking for all of Alberta with comments like that. I would like that to go on the record.

Mr. Chairman, I would also like to ask the minister if he still stands by the comment that he made in this Assembly last year about this time, I believe, when he said that he'd sooner be carried by the American eagle than hugged to death by the Russian bear.

Thank you.

MR. HORSMAN: Mr. Chairman, I don't recall having made that statement just referred to by the hon. Member for Cypress-Redcliff.

I do want to comment in reply to some of the remarks made today about the subject of our relationships with the United States of America, with particular reference to the subject of our trade negotiations now under way. I guess no matter how many times you make the case for the necessity of pursuing such a bilateral free trade agreement with the United States, no matter how much information there is provided to some people, they just won't listen or will not understand. The key: there are two aspects to free trade with the United States. First of all, while it may be true that 80 percent or more of our products pass freely between the countries without tariffs, there are a multitude of nontariff barriers in place, both in Canada and in the United States of America. So it is absolutely clear that we must clear the deck not only of tariffs that remain and impede Canadian access to the United States, and vice versa, for our products, but clear the underbrush of nontariff barriers that exist as well. So that's part of the overall discussion which must take place.

Now, reference has been made to no studies being made available. But one of the most comprehensive studies ever undertaken in Canada relative to this country was the Macdonald royal commission, which study recommended most strongly that a free trade agreement be entered into with the United States of America. When the Hon. Donald Macdonald was appointed chairman of that particular royal commission, I had some concerns about him, given the fact that he was a Liberal and all that, from eastern Canada. Western Liberals have always, always supported free trade with the United States until we got the likes of Axworthy and Taylor. You know, really what happened to the traditional Liberal of western Canada? What happened to them? Well, I know what happened to them: they got swallowed up by the centralists, like Trudeau and company. They still come into this Legislature and spout that kind of centralist talk, that provinces must be kept in line by a strong central government. Oh yes, Mr. Chairman, that's what we get today from the Liberal leader in this Legislature. Then he goes on to talk about the Triple E Senate, as to how that must protect us and how the Liberals have been the ones who've been promoting an elected Senate over the years. My friends in this committee, have you heard of any such gross exaggeration as that? Well, if anybody had an opportunity of affecting the Senate in all the years that the Liberals have been in office in Ottawa, it was the Liberal Party.

Now, I know that the hon. leader of the Liberal Party in Alberta no longer has the lists provided to him from which to make recommendations that he once had as the leader of the Liberal Party in this province, and he regrets that no doubt. But we want a Triple E Senate, and we truly want it, and we have made significant progress in that respect: the Meech Lake agreement. I want to point out to the other members of the Assembly who may have some doubts on this -- and I say in all fairness to the Official Opposition in this Assembly that on two

occasions they have unanimously endorsed the Triple E concept as proposed by the select committee of the Legislature. So I don't think it's fair to castigate the Official Opposition on the subject of Senate reform, as the leader of the Liberal Party did today.

I point out as well that at Meech Lake parties of all political stripes in Canada were represented: Liberals, Conservatives, New Democrats, Social Credit. They were all there in one form or another, and they reached a unanimous agreement relative to what should be done with respect to amending the Canadian Constitution. One of the things that they agreed to, whether or not the Liberal leader wants to admit it or not, is that Senate reform must go on the agenda and be there until it is resolved. Every single year the people of this country will witness the first ministers gathering to discuss an appropriate Senate.

Well, what is it going to be? This province has led. We have put forward a proposal. We are so far in advance of the other provinces that it will take some time for them to come forward with their proposals. Any suggestion that the timing of the matter, a question by my colleague from Calgary, relates to the Ontario election -- I can assure hon. members of the committee that that is not the case.

I want to tell hon. members what's going to happen. First of all, once the first ministers sign the document which will be put before them in the first week of June after the legal drafting has taken place, then that resolution must be put before every Assembly in Canada, including this Legislative Assembly, and will be subject to full and complete debate. It can't happen any other way. Now, it may take, Mr. Chairman, some time for that to occur, because it will have to go through each Legislative Assembly and it will have to go through the federal Parliament both Houses. I know that in the federal Parliament there are some people who are not in support of that Meech Lake accord, and perhaps in the Senate there will be some who will be particularly unhappy about the necessity for reforming that body.

Now, I would refer hon. members to an article that I've just written for the *Western Report*. I hope they read it. It sets out the facts. I won't repeat all the items that are included therein, except to say that I regret that due to space they left out one reference I made to the current Senate. We're talking about the Triple E Senate for the future. I call the current Senate a Triple U Senate, and that stands for unequal, unelected, and useless.

MR. TAYLOR: So why did you knuckle in at Meech Lake?

MR. HORSMAN: Nobody knuckled in at Meech Lake.

MR. TAYLOR: You threw in the towel.

MR. HORSMAN: The complete contrary. The hon. Liberal leader keeps interjecting during the course of my remarks, and he keeps interjecting something to the effect that we threw in the towel. Far from that. We have now assured that Senate reform will happen and, furthermore, that we cannot have a Senate forced down Alberta's throat that we don't want and we do not accept. We have a veto, and we will make sure that when the Senate is reformed, it meets the requirements of the people of Alberta and is approved by this Legislative Assembly. And that's the proper way to do it.

Now, Mr. Chairman, I want to make some reference to some other matters raised by the hon. Member for Edmonton Highlands. You know, the Americans, the United States of America, that country is a friend of Canada's. It is a friend of this

country, and we have entered into a number of defence agreements with the United States of America. NORAD and NATO in particular, and we have agreed to come under the defence umbrella of the United States of America. I know that the official position of the New Democratic Party is to get out of those relationships, to abandon them. To be what?

MS BARRETT: Independent.

MR. HORSMAN: To be what? Well, let me tell you.

AN HON. MEMBER: Like Sweden.

MR. HORSMAN: Like Sweden, one of them says. Well, let me tell you something about defence costs per capita in Sweden and Switzerland. They are the highest per capita defence expenditures of any place in the world. Do the hon. members know that?

MR. TAYLOR: They're independent.

MR. HORSMAN: Oh, they're independent, says the Liberal leader. You talk about defence spending at 9 percent of the national budget, my friends in this Assembly. You go to Sweden with its neutrality and Switzerland and find out what their percentage of spending is on national defence. It is vastly higher, double or triple in some cases. Now, that's the fact. But they would have us abandon our friendship with the United States of America, cut National Defence spending in Canada at the same time. Now, wouldn't we be sitting ducks?

The other thing I find most amusing and interesting -- and I'm going to have to conclude very quickly, Mr. Chairman -- is this. Today the Member for Edmonton Highlands gets up and says: tell the Department of National Defence to cut their defence spending. Last year Mountain View was berating our Minister of Economic Development and Trade for not having ensured that we got the CF-18 contract for Alberta so we could get more defence spending in Alberta. Oh, I ask hon. members: who over there in the New Democratic Party, the socialists,

speaks for them? One says more National Defence spending in Alberta, and the other says: tell the feds to cut our National Defence spending. [interjections]

MR. CHAIRMAN: Order please. Order, hon. minister. Members of the committee, it is now the 25th day of consideration of the main estimates, and it's 15 minutes before the normal adjournment hour as defined in Standing Order 59(1). Therefore, pursuant to standing orders 58(1) and 59(2), I now put to you the following: that the committee approve each one of the resolutions relating to the main estimates of the government in the Legislative Assembly for 1987-88.

[Motion carried]

[Mr. Speaker in the Chair]

MR. SPEAKER: Order, please, in the Chamber.

MR. GOGO: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions, reports as follows, and requests leave to sit again. Pursuant to Standing Order 59, the committee has passed the following resolution: that the committee approve all the resolutions relating to the main estimates of the government and the Legislative Assembly for 1987-88.

Mr. Speaker, in order that the actual resolutions before the Committee of Supply may be part of the records of the sessions as a sessional paper. I am at this time tabling a copy of those resolutions.

MR. SPEAKER: Having heard the report and the request for leave to sit again, do you all agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? So ordered.

[At 5:16 p.m. the House adjourned to Thursday at 2:30 p.m.]

