

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Thursday, November 26, 1987 2:30 p.m.**

Date: 87/11/26

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

[Mr. Speaker in the Chair]

PRAYERS

MR. SPEAKER: Let us pray.

Each day in this place, each one of us is expected to face the ongoing challenge of representing the concerns of all Albertans.

May God grant us strength and wisdom to carry out our responsibilities.

Amen.

head: PRESENTING PETITIONS

MS LAING: Mr. Speaker, I rise today to present to this Assembly a petition signed by 180 Albertans, including a scroll made by the students of Chester Ronning school in Camrose, a petition requesting, among other things, that Alberta be declared a nuclear weapons free zone.

MR. MITCHELL: Mr. Speaker.

MR. SPEAKER: The Member for Edmonton-Meadowlark.

MR. MITCHELL: Thank you. I rise today to present a petition on behalf of 150 residents of Innisfail, organized by students in Innisfail high school, who request that the Legislature investigate the feasibility of constructing an overpass at the intersection of Highway 2 and 52nd Avenue in Innisfail.

head: READING AND RECEIVING PETITIONS

MR. TAYLOR: Mr. Speaker, could I request that the petition that was presented yesterday by the hon. Member for Edmonton-Gold Bar be read and received.

MR. SPEAKER: Order please.

CLERK:

To the Honourable the Legislative Assembly of Alberta, in Legislature assembled:

Wherefore your petitioners humbly pray that your honourable Assembly may be pleased to call upon the government to reconvene the Code inquiry under the Public Inquiries Act such that the terms of reference of the Code inquiry be expanded to investigate any possible government liability as related to the failure of First Investors and Associated Investors of Canada and the failure of Principal Group Ltd.

MS LAING: Mr. Speaker, may I respectfully request that the petition I presented on Tuesday now be read and received by this Assembly.

CLERK:

To the Honourable the Legislative Assembly of Alberta in Legislature assembled:

Wherefore your petitioners humbly pray that your honourable Assembly may be pleased to declare Alberta to be a nuclear weapons free zone, may take such other steps as are within your jurisdiction to encourage the abandonment and abolition of nuclear weapons, and specifically may approve Motion 222 standing on the Order Paper for the Second Session of the 21st Legislature in the name of Ms Laing, hon. Member for Edmonton-Avonmore.

head: NOTICES OF MOTIONS

MR. YOUNG: Mr. Speaker, I rise to present notice of motion for November 27, Friday next.

Mr. Speaker, with your permission and your assistance, as this is a fairly lengthy motion, I have copies which could be distributed to all members.

The motion, Mr. Speaker, is to propose the following motion to this Assembly:

Be it resolved that the Standing Orders of the Assembly be amended by the addition of section 17.1 as follows:

17.1(1) The working language of the Assembly, its committees, and any official publications recording its proceedings shall be English.

(2) Notwithstanding suborder (1), subject to the prior approval of the Speaker or Chairman, French and languages other than English may be used upon the following basis:

(a) in the course of question period to ask a main question, provided that in each case written advance notice of the question is given not less than two hours prior to the relevant sitting of the Assembly together with a true and accurate English translation thereof to the Speaker, the Clerk, and to any other member or officer as the Speaker may direct;

(b) at any other time in the Assembly and its committees other than proceedings where an immediate response is expected or requested from another member, provided that the member making the statement or address supplies to Mr. Speaker or the Chairman an English translation or brief description of the content thereof when approval is sought;

(3) Mr. Speaker or the Chairman may at any time read aloud the English translation of the address, statement, or question, as applicable, or portion thereof, for the benefit of all members where he deems it advisable.

(4) The address, statement, or question shall be recorded in the official publications of the proceedings by printing only the translation supplied by the member, subject to editorial changes to ensure accuracy when necessary.

(5) A government motion relating to the Constitution of Canada may be printed in the official languages of Canada.

(6) A member providing an English translation under this Standing Order shall be responsible for ensuring that the translation represents the true substance, meaning, and spirit of the address, statement, or question spoken or made by the member, and any deviation or alteration therefrom may be treated as a breach of the privilege of the Assembly.

Thank you, Mr. Speaker.

MR. SPEAKER: Thank you.

head: TABLING RETURNS AND REPORTS

MR. KOWALSKI: Mr. Speaker, it's my pleasure to file with the Legislative Assembly 15 reports funded by the Legislature on the acid deposition research program.

The first is titled Overview of the Emission Data: Emission

Inventory of Sulphur Oxides and Nitrogen Oxides in Alberta. The second is titled Design of the Emission Inventory: Emission Inventory of Sulphur Oxides and Nitrogen Oxides in Alberta. The third is Results of the Emission Source Surveys: Emission Inventory of Sulphur Oxides and Nitrogen Oxides in Alberta. The fourth is Emission Data Base: Emission Inventory of Sulphur Oxides and Nitrogen Oxides in Alberta. The fifth is Pollutant Exposure and Response Relationships: A Literature Review, Geological and Hydrological Aspects. The sixth is the Effects of Acidic Deposition on Alberta Agriculture, A Review. The seventh is the Effects of Acid . . .

MR. SPEAKER: Mr. Minister, half a moment. Our pages need to catch up to you please.

MR. KOWALSKI: I'm so enthusiastic, Mr. Speaker, about this information and the need to convey it to the people of Alberta that perhaps I'm going a little quicker than I should be.

The seventh is the Effects of Acid Deposition on Forests. The eighth is an Analysis of Numerical Models of Air Pollutant Exposure and Vegetation Response. The ninth is Acidic Deposition in the Environment: A Literature Overview. The tenth is Surface Water Acidification Literature Review. The eleventh is Effects of Acid-Forming Emissions on Soil Microorganisms and Microbially-Mediated Processes. The twelfth is Environmental Sulphur Isotope Studies in Alberta: A Review. The thirteenth is Critical Review of Inorganic Sulphur Microbiology With Particular Reference to Alberta Soils. The fourteenth is Effects of Acid Deposition on Soils in Alberta. And finally, Mr. Speaker, Major Biophysical Components of Alberta.

Mr. Speaker, it's also my intent to provide to all Members of the Legislative Assembly a briefer overview of this very important series of literature.

MR. SPEAKER: Thank you. Any additional . . .

head: INTRODUCTION OF SPECIAL GUESTS

MR. SPEAKER: Member for St. Albert.

MR. STRONG: Thank you, Mr. Speaker. It's my rare privilege today to introduce to you and through you to all members of the Assembly, a very, very special person to me. The special individual I speak of is my mother, Mrs. Mary Strong, of Edmonton. But in addition to that, not like the Member for Edmonton-Meadowlark, I would ask that the members opposite not afford me any kindness or special privileges today or any of my colleagues, but they can feel free to heckle us whenever they feel like it. Mr. Speaker, I'd ask that my mother rise in the public gallery and receive the warmest welcome from this Legislative Assembly that they can give.

MR. SPEAKER: Member for Edmonton-Beverly, followed by Rocky Mountain House.

MR. EWASIUK: Thank you, Mr. Speaker. It's a pleasure for me today to introduce to you and to members of the Assembly . . .

MR. SPEAKER: Order please.

MR. EWASIUK: . . . twelve people, some of whom are from

my constituency. Others are from other constituencies in the city of Edmonton and surrounding area, but they do have one thing in common, Mr. Speaker: all of these people have been affected by the recent tornado that hit the city this summer. These people are representing not only their own causes and their own difficulties; they are also spokespersons for many, many people who have been affected by this tornado. They're here also to visit with the minister of protection services later this afternoon. They're seated in the public gallery. I'd ask them to rise and receive the warm welcome of this Legislature.

MR. SPEAKER: Rocky Mountain House.

MR. CAMPBELL: Thank you, Mr. Speaker. Today it's my pleasure to introduce to you and through you to the rest of the Assembly, 79 students from the H.J. Cody school in Sylvan Lake. They are accompanied by their teachers Mr. Trentham, Mr. Jacobs, and Mr. Taylor. They are seated in the members' and the public galleries, and I'd ask them now to rise and receive the warm welcome of the Assembly.

MRS. OSTERMAN: Mr. Speaker, I'm pleased to note a visitor from the Three Hills constituency in the gallery today. This gentleman is the chairman of the Alberta Children's hospital board, a former mayor of Airdrie. I'd like to welcome and have all us welcome Ron Davidson.

REV. ROBERTS: Mr. Speaker, I'm honoured today to be able to introduce to you and to members of the Assembly, a former New Democrat Member of Parliament who served the people of Saskatoon East for the years '79 to '84 and who has also been a Roman Catholic priest since 1953. He's a man deserving of great admiration and respect, and I would ask that the Reverend Father Bob Ogle please stand in your gallery and receive the warm welcome of the members.

MR. TAYLOR: Mr. Speaker, I beg leave to introduce to you and through you to the members of the Assembly, another group of investors from the Principal investors protection agency. As there are 20 in the members' gallery, I'll only mention a few names. The group is headed by Mr. John Tyler, John Morrison, Mrs. Arnold, Leona Day, and Charlie Turnbull. Would they all please rise and accept the warm welcome of this Assembly.

MS LAING: Mr. Speaker, I feel privileged today to introduce to you and through you to the members of this Assembly, representatives of church, peace, and other interest groups who represent many parts of this province and who have come here today to hear the debate on Motion 222. I would ask that they rise and receive the warm welcome of this Assembly.

MR. SPEAKER: It's not too often that the Speaker gets a chance to introduce people from his own constituency. But first, on behalf of the hon. Minister of Energy, for Bowness -- not just the Minister of Energy for Bowness, but the Minister of Energy, the Member for Calgary-Bow -- seated in my gallery today: Mr. Walter Holt, principal of Bowness high school, together with Mr. Gordon Millar, who is principal of Lord Beaverbrook high school which is situated in Calgary-Egmont, together with one of my dear friends and constituents Mr. Don Pearce. I would ask that they rise and receive the welcome of the Assembly.

head: **ORAL QUESTION PERIOD****Principal Group**

MR. MARTIN: Mr. Speaker, I'd like to direct my question to the Treasurer. In October 1983 the Member for Three Hills, the former Minister of Consumer and Corporate Affairs, published a discussion paper. This discussion paper was called A Consideration of Possible Legislation or Disclosure Requirements Regarding Unregulated Deposit Taking Activities. My question: will this minister who is now responsible indicate to this Assembly why absolutely nothing was done when this paper was published in 1983, and as a result, thousands of Alberta people lost their savings to the tune of millions of dollars? Why was nothing done?

MR. JOHNSTON: Mr. Speaker, the government of 1983, along with many governments, recognized the necessity of reviewing the regulations as they affected financial institutions. Of course, during that period significant changes in the way in which the economy of Alberta was reacting took place. At the same time, significant failures were taking place in the major central organized banks. As a result, while there was a discussion paper, I think the events changed around us.

But it is inappropriate to suggest that because the government put forward a paper and looked for policy considerations and debate, losses occurred as a result of not following this up. I think the losses were taking place during that period, and we are now in the process, as I said before, of evaluating those changes, taking the recommendations, and bringing forward new legislation to reflect those recommendations.

MR. MARTIN: Mr. Speaker, they didn't do anything till June 30, 1987. This paper was in 1983. My question to this minister: this paper suggests some alternatives and lays out clearly the problems. Why did this government sit on their butts and do nothing during those four years?

MR. JOHNSTON: Well, Mr. Speaker, quite to the contrary. The member can take the radical position if he likes. We were attempting to deal with this issue on a very stable -- and we're trying to bring stability back into the financial sector. We went against a series of odds to try to stabilize the financial sector, which has been eroded at a very rapid rate. Since May 8, 1986, there have been, unfortunately, the same kinds of problems, but I think stability was brought back when in fact three of those major financial institutions, which are found only in Alberta, were stabilized by actions of this government.

Again, Mr. Speaker, as I've indicated, we're now in the process, along with all other governments, of reviewing the recommendations of the Estey commission, which was prompted by the result of those two federally chartered banks' failures, and we will incorporate as well a broad range of policy discussions which have taken place across Canada at a provincial level and will incorporate, moreover, as I've indicated before, the recommendations and suggestions which may flow from the Code inquiry. All that will take place, be put into legislation, and brought before this House early in 1988.

MR. MARTIN: Mr. Speaker, this minister has the gall to stand here and say that they brought stability to this market. You tell thousands of Alberta investors who have lost millions of dollars about your stability. I want to ask this minister this question: in

view of the fact that thousands of Albertans have lost millions of dollars, we want to know who is responsible for it. Is it the Treasurer? Is it the Premier? Who is responsible? Who is going to take the political responsibility for this?

MR. SPEAKER: That one is clearly out of order.

MR. MARTIN: A point of order on that one. I can't believe that's out of order. I'm talking about political responsibility, Mr. Speaker.

MR. SPEAKER: Order please.

MR. MARTIN: Let me ask the question. Yesterday the minister talked after the House about \$10 million that he was prepared to waste, frankly, ending up spending money to accountants and lawyers. In view of the fact that this shows they were clearly negligent, they didn't do anything for four years, would this minister now, instead of giving money to lawyers and accountants, turn this money over to the investors? They're surely the deserving people, Mr. Speaker.

MR. SPEAKER: The Chair believes the last two questions are clearly out of order but will nevertheless check the record as to whether or not they're admissible tomorrow.

MR. MARTIN: Mr. Speaker, I'd like to promote a point of order then after question period.

MR. SPEAKER: Again noted, point of order number 2. Calgary-Buffalo.

MR. CHUMIR: Thank you, Mr. Speaker. That document specifically referred to inadequate disclosure requirements of legislation, specifically the Investment Contracts Act. I'm wondering why the minister continued to allow his department to license these companies when legislation did not even require the issuing of audited financial statements to investors. How could the minister expect investors to make any kind of financial decisions if you couldn't get financial information and his department wouldn't even provide it?

MR. JOHNSTON: Again, Mr. Speaker, let me be clear that the disclosure which has been set forth, both in the trust company legislation, the credit union legislation, and the contracts legislation, has been followed as far as we can see. Now, it's a matter of judgment as to whether or not the application of the regulation was appropriate. But as we have said before, those kinds of questions will be dealt with by Mr. Code and his inquiry.

We have indicated fully that when in fact Mr. Code examines the evidence as to whether or not the regulations were perfectly applied, he will presumably come to some conclusion. But it would be inappropriate for me, Mr. Speaker, to indicate that the regulations were not applied; that would be pre-empting part of the discussion and part of the responsibility of Mr. Code and his inquiry.

DR. BUCK: A supplementary question to the hon. Provincial Treasurer. Is he aware if there were any discussions going on with either the ministers of this government or their counterparts in British Columbia, that the red flags were going up? Was there a concern in this cabinet with their appropriate colleagues in the province of British Columbia?

MR. JOHNSTON: Mr. Speaker, I can't say just what kinds of discussions may have taken place between officials, but certainly after we made the decision to lift the licences of the two contract companies, there was a considerable amount of discussion between the two, between myself and B.C. in particular. Moreover, I did have follow-up discussions with other ministers across Canada who were concerned about and interested in the welfare of the contract holders.

Ethanol Fuels Industry

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

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

MR. FOX: Thank you, Mr. Speaker. The development of an ethanol industry in Alberta offers our grain producers some important market opportunities and would be a valuable source of regional economic development for plants built in places like Vegreville or the Peace River district. Unfortunately, the Mulroney trade deal stands in the way of developing this important industry by removing tariffs on MTBE, the petrochemical-based competitor for ethanol, over five years, while taking 10 years to remove the tariffs on ethanol. I'm wondering: can the Minister of Agriculture explain why he so enthusiastically supports a deal that clearly discriminates against farmers and favours the petrochemical industry?

MR. ELZINGA: Mr. Speaker, let me respond to the twofold question by indicating that we have put into place under Ken Beswick, the chairman of the Alberta Grain Commission, a group to look into the feasibility and the economic viability of having ethanol plants within this province, because we recognize that right now grain markets are depressed so the feasibility might be correct at this time and not in the event the grain prices did increase. We are going to examine avenues of opportunity as it relates to ethanol. When that report is completed, I'm more than happy to share it with the hon. member.

But I must indicate to you, Mr. Speaker, as I indicated yesterday, I have serious reservations with some of the allegations of the hon. Member for Vegreville, because yesterday when he put his questions to me, he immediately circulated a press document, where he indicated that

Alberta produces 23 percent of the 1.7 million tonnes of wheat used for domestic consumption.

Well, Mr. Speaker . . .

AN HON. MEMBER: That's out of order.

MR. SPEAKER: Under *Beauchesne* it really is inappropriate to be referring to documents outside of the House and especially to be quoting in such nature. To make the allusion to it would be perfectly in order, but quoting is difficult.

Perhaps the minister could continue. [interjection] The minister may still continue on the point.

MR. ELZINGA: Mr. Speaker, I will not refer to the document again, but I will refer to the inaccuracies that on a consistent basis the New Democratic Party presents to this Chamber in any way they can. In reality Alberta only produces 5 percent of the wheat used for human domestic consumption, which is totally

different from what we heard. Again I just use that as an example to show the inaccuracies and the falsehoods they are spreading as it relates to this trade agreement.

MR. FOX: Mr. Speaker, I think Alberta farmers are looking for thoughtful, decisive action, not name-calling and more studies. [interjections] Why isn't . . .

MR. SPEAKER: Hon. member . . . Order please. The business of name-calling seems to go on. It re-echos throughout the Chamber, and yesterday there was some comment made about that from the Chair. Please continue with the supplementary.

MR. FOX: I agree wholeheartedly. I'd like to ask the minister: if this topic is so important to him, why isn't this topic, the ethanol fuels industry, on the agenda for next week's meeting of the ministers of agriculture?

MR. ELZINGA: Mr. Speaker, we just received communication from some individuals within the province that would like to see it brought forward. We are going to pursue that suggestion. As I'm sure the hon. member is aware, the reason for us to have this follow-up meeting in Ottawa is because we did not complete our agenda during the summer months. The province of Quebec would like to, as would the province of Saskatchewan, participate in our tripartite stabilization programs, and it will be follow-up discussions along those lines.

MR. FOX: We're talking about the ethanol fuel industry here. Now, Manitoba, B.C., and Saskatchewan have very reasonable incentive programs for fuels blended with ethanol, and Alberta does not. Is the minister actively lobbying in cabinet with the Minister of Energy and the oil industry Premier to make sure that Alberta farmers don't lose this important opportunity to the petrochemical companies that produce MTBE?

MR. ELZINGA: Mr. Speaker, I'm glad that finally the hon. member has recognized the importance of ethanol. We recognized that quite some time ago, and that's why quite some time ago we put together the committee that I referred to in response to the original question brought forward by the hon. Member for Vegreville. Because we recognize there could be some economic benefits for the agricultural sector, we want to study all of the economics relating to ethanol. If the hon. member is not aware, the proposed ethanol plant that was going to go ahead in Dawson Creek has been put on hold because there is some concern about the economics. We don't see the sense of investing millions of dollars unless there are proven, viable economic returns to our agricultural sector.

MR. FOX: It's not economics; it's politics. It's favouring the oil industry over the agriculture industry, Mr. Speaker. I'd like the minister to tell us what level of incentive they're contemplating offering to Alberta companies that use ethanol blends in fuel. Is it going to be 2 cents per litre like B.C. or 4 cents a litre like Saskatchewan?

MR. ELZINGA: Mr. Speaker, unlike the hon. member, we don't play politics with the livelihood of individual Albertans. [interjections] And I see they don't even take his proposal seriously by the laughter they've given him.

But I want to indicate to you the seriousness again in which we take this issue, as we take all issues, and that's why we have

put together a very important task force with the hopes of reporting to me very soon so that we will have a sound and reasoned approach as to whether we should proceed with ethanol plants throughout the province of Alberta.

MR. TAYLOR: Mr. Speaker, if I may direct the question to the great humourist over on the other side in charge of the Department of Agriculture. Could he explain why this government was able to find up to \$10 million to give to a consortium headed by the Finnish state oil company to develop ethanol out of petrochemicals and yet he cannot find a penny to give to farmers to investigate methods of getting ethanol out of grain?

MR. ELZINGA: Let me point to the hon. members, both from Westlock-Sturgeon and from Vegreville, and I would hope that. . . Because this document has been tabled for quite some time, it's noteworthy to reinforce what the Provincial Treasurer indicated when he brought down our budget: the 5-cent tax is exempted on ethanol usage. So there is a benefit in the event that ethanol is used in the province of Alberta.

MR. SPEAKER: Member for Vermilion-Viking.

DR. WEST: Yes, to the Minister of Energy. In view of the fact that the lead in our gasoline is approximately 10 times that of, say, the state of California, what affect would that have on the demand for ethanol at the present time in the province of Alberta?

MR. ELZINGA: Mr. Speaker, that is exactly the reason we put together this very special task force under the chairmanship of the Alberta Grain Commission: so that we will have all those facts and figures at our disposal. And as I indicated to the hon. Member for Vegreville in his opening question, we're more than happy, recognizing the openness in which we've worked, to make sure that is available to everybody.

MR. SPEAKER: Main question, Leader of the Liberal caucus. [interjections]

Principal Group (continued)

MR. TAYLOR: Sorry, Mr. Speaker. Unaccustomed as I am to being egged on by the NDP . . .

I have a question today; this is directed to the Deputy Premier. In view of the fact that this government revoked the licences of First Investors and Associated of Canada on June 30, '87, on the basis that these firms were overvalued in their real estate and no longer had adequate reserves to cover liabilities . . . Of course, as you know, this action resulted in thousands of Albertans losing a large portion of their life's savings. Would the Deputy Premier explain to this House why, following the 1986 election, the responsibility for the regulation of financial institutions was shifted from the Department of Consumer and Corporate Affairs to the Treasury Department?

MR. RUSSELL: Yes, Mr. Speaker. That's strictly an organizational move that was made within the new cabinet by the Premier. From time to time all programs are reviewed and their appropriateness vis-à-vis any particular department is reviewed, and if a move seems logical, then it's made. It seemed logical to have the Provincial Treasurer responsible for financial

institutions.

Mr. Speaker, I've been listening very carefully to the questions and answers in all of this, and it seems to me that notwithstanding the Premier's oft said public statement that the government will take the responsibility for any negligence or wrongdoing on its part, there seems to be a move by the opposition members to blame the collapse of this company and the misfortune of its customers on the government. Where was the management of the company during all this time? Because all the companies that have succeeded are not subject to this line of questioning.

MR. TAYLOR: That's not what the question was about.

MR. RUSSELL: I know. You wouldn't like that question asked, would you? Where were the president and the vice-presidents of the company while all this failure was going on?

MR. TAYLOR: Mr. Speaker, he indeed has not been as somnolent as I thought if the thought is coming through that the opposition is trying to prove that the government is at fault. There's no question . . .

MR. SPEAKER: Hon. Member for Westlock-Sturgeon, we all know the gamesmanship involved in the House, but nevertheless we're still now with supplementary questions, which are supposed to be a touch more succinct than this. Please proceed.

MR. TAYLOR: Thank you, Mr. Speaker. I was just getting to it. I realize I don't have the time to get the question in that the minister has to answer, apparently. Therefore, let's move to the Treasurer. In this shift from one to the other, would the Treasurer then tell the Assembly why his evaluations of the real estate assets differed so strongly and so far from the evaluations of the previous department?

MR. JOHNSTON: Mr. Speaker, I sense that may well be one of the conclusions flowing from the Code inquiry. I should note that . . . [interjections] Well, it is one of the issues which I think is before the courts and is properly placed under the sub judice ruling.

MR. TAYLOR: Certainly then, Mr. Speaker, obviously the downfall of the thing was his re-evaluation in assets. Will he not admit that it was his evaluation of the assets that precipitated the downfall of the last group?

MR. JOHNSTON: Mr. Speaker. I'll take credit for being an expert in some areas but not in the area of asset valuations.

MR. TAYLOR: If he's not an expert in evaluations, and if the Deputy Premier is not an expert in . . . He said it was logical; therefore, it was illogical to have it the way before.

Can they go this far, Mr. Speaker? Can they tell us why they won't go out now and make an interim payment to the investors until they see what the decision will come through with?

MR. JOHNSTON: Well, Mr. Speaker, we have on many occasions provided, I think, ample information to show that it really isn't in the hands of the government as to what happens with the corpus of the estates of the three companies: the Principal Group Ltd. and the two contract companies. Clearly, that, by court order, is under the jurisdiction of the two liquidators.

The liquidators have found their responsibilities and federal legislation under the Companies Creditors Arrangement Act and under the Bankruptcy Act, and they must follow that legislation. That legislation clearly spells out the rules, the processes which must be taken. It is a matter of record, as a matter of fact, that with respect to the two contract companies an interim payment has been made. The liquidators have also stated, I believe, in a public discussion paper given to the contract holders and approved by the contract holders' committee and by the contract holders themselves, that the 30-cent interim payment would be the first step and that the likely realization on the assets of the two contract companies would be of the order of 65 percent. Well, that's his judgment. That's a matter of public record of a document filed with the court, and that follows from the responsibilities given to the liquidators under the federal jurisdiction.

MR. SPEAKER: Supplementary question, Edmonton-Kingsway?

MR. McEACHERN: Yes, thank you, Mr. Speaker. Would the Treasurer explain why, when he knew that the evaluation of assets in the 1985 annual statement of the First Investors Corporation showed some \$4 million to \$14 million debt depending on how you evaluated the assets, did this company renew their licence and allow them to go on taking people's money?

MR. JOHNSTON: Again, Mr. Speaker, I think this is the kind of explanation of the processes. I suppose the judgments that were involved, both by the company and by the government to some extent -- that properly falls in front of Mr. Code's responsibility. Therefore, I would not want to prejudice either his evidence that will be taken now in front of the companies, the evidence given by the government itself, or any conclusions which may be drawn by Mr. Code. I think it would be entirely inappropriate for me to comment.

Tax Reform

DR. BUCK: Mr. Speaker, my question is to the Provincial Treasurer, and this has to do with the federal government's reform package. Can the Provincial Treasurer specifically indicate if there's been an official position by the Alberta government as it relates to the value-added or business transfer tax? Has there been an official position made and representation made to the federal minister?

MR. JOHNSTON: Mr. Speaker, with respect to the value-added tax, sometimes referred to as the federal sales tax or phase two of taxation reform, we have made several principles clear to Mr. Wilson, the federal minister responsible.

First of all, we in the province of Alberta, as part of the fiscal plan which has been well supported by the people of this province, do not agree that a sales tax is appropriate. We believe governments should deal with their fiscal problem by dealing with their expenditures first of all and then remedy their expenditure plan with additional revenues. Now, I know the federal government has a difficult problem with respect to its deficit, but we have made it clear to the federal government that we will not be involved in a federal sales tax regime which calls upon the provinces to participate in some form with a nationally applied, centrally collected tax against consumption. The reasons for that are fairly obvious. One I've already indicated, and secondly, we believe that a sales tax impacts disproportionately

on the incomes of lower income Albertans, and we think it would be remiss to allow that to go without being challenged.

Finally, Mr. Speaker, we are currently reviewing the impact of any kind of a federal sales tax, even with the provincial exclusion, as to how it may impact on certain key industries which are vital to our province, energy in particular, agriculture is specific, and certainly the question of manufactured goods in this province.

So in a nutshell, Mr. Speaker, let me say this. We have made our position very clear. I have attempted to explain it to the people of Alberta. We will continue to bring our reasoned approach to the federal policy discussion, and I should say by way of footnote that it's my view that the proposed changes with respect to value-added tax or federal sales tax will be left to some time in the future, after the first stages are implemented.

DR. BUCK: Mr. Speaker, in the minister's looking at what effect this could possibly have on the agricultural and energy sectors, will the minister be making a representation to the Blenkarn committee, or have they made one, to indicate very strongly what effect this could possibly have on the energy and agricultural sectors?

MR. JOHNSTON: Mr. Speaker, I appreciate that question. First of all, you know the position which the government has taken. It's one which I ascribe to. That is, it is inappropriate for the province of Alberta to appear before a parliamentary committee to discuss issues which are essentially in the jurisdiction of either the federal government or the provincial government. That is clearly inappropriate, and it's not the policy which this government follows.

However, we do find an opportunity to discuss these issues with our federal colleagues. In the case of the Blenkarn committee, the parliamentary committee of the federal government which has just now completed its recommendations, we had an opportunity to have supper with these gentlemen to discuss a range of issues, to make the case on the point that you made with respect to value-added tax, and discussed, among other issues, the other elements of tax reform which are perhaps more urgent in terms of the agenda before us.

DR. BUCK: Mr. Speaker, has the minister had an opportunity to try and make some analysis as to this supposed tax reform? Has he had an opportunity to figure out if it's really a tax reform or a tax grab?

MR. JOHNSTON: You'd almost think I was writing these questions for my colleague, because the intention of his question is clearly the view I have taken. I think it's an appropriate one, one that's been explained by others, that the kinds of so-called reforms that we see in the package so far, in my view, really aren't reforms. They don't go far enough. They don't deal with the real need that's required in terms of change in the tax legislation of this province, both in terms of the way in which the tax impacts on certain payers, whether it's corporations or individuals, particularly the latter. Moreover, it doesn't make us competitive, in my view, with the American system, which was one of the intentions.

Finally, in my view, it certainly doesn't simplify the process. So I have made the point already that I don't consider this to be a tax reform proposal. These are simply tax changes which, to some extent, could be done in a variety of other ways. But to lead us through this full-blown discussion under the auspices of

tax reform I think is a touch misleading.

DR. BUCK: Mr. Speaker, my final supplementary. In the discussions the minister has had, has there been any proposal by the provincial government to the federal government to make a flat tax, one rate?

MR. JOHNSTON: Well, Mr. Speaker, you'll recall that at one time the federal government did talk about reducing the tax intervals to at least two and perhaps three and making some considerable base broadening and to allow at the margin, that is most of us, to have a significant tax reduction. That was quickly vacated for a variety of reasons known only to the federal government, and in place we saw this kind of adjustment where we made some corrections to the deductions so that more revenue flowed to the private sector and to some extent, I think, subverted some of the economic policies which Alberta has ascribed to.

But we believe that even one or two intervals or certainly two or three intervals would have been a marked improvement, would have simplified the process, would have had base broadening, and would have been characterized as tax reform clearly similar to what happened in the American situation.

MR. SPEAKER: Member for Westlock-Sturgeon, followed by Edmonton-Beverly.

MR. TAYLOR: Mr. Speaker, my supplementary flows from this question, but to the Minister of Social Services though. I wanted to ask a question flowing from the minister to the Minister of Social Services.

In view of the fact that a value-added tax is really a tax on all consumer goods and would therefore raise the cost of living and discriminate quite heavily against the poor and the senior citizens, has the minister consulted with her colleagues and worked out a system that if this value-added tax goes through, what increase she will have to ask for to raise the pensions and the allowances to the poor to make up for the value-added tax raising the cost of living?

MR. SPEAKER: It's a very long and involved type of question.

MRS. OSTERMAN: Mr. Speaker, that's an important question. I think the information with respect to the effect on the cost of basic needs would be automatically reflected in an assessment of those costs in the marketplace, and through that avenue I would expect, as we do on a regular basis, to have that information brought through the department to the minister's office for policy consideration.

MR. SPEAKER: Edmonton-Beverly, a supplementary.

MR. EWASIUK: Thank you, Mr. Speaker. The value-added tax is going to have a tremendous impact not only on energy and agriculture but it will impact all areas. Has this government made any representation or do you plan to make any representation to the federal government to also take into consideration the impact it's going to have on municipalities? Because at the AUMA convention this issue was raised; it's very significant to them.

MR. JOHNSTON: Mr. Speaker, I certainly appreciate the opportunity to put on record our position, and I appreciate the

Member for Edmonton-Beverly giving me an opportunity to explain our position there.

It is true that the proposals that have been brought forward by Mr. Wilson on the federal regime in fact indicate a very strong preference for some sort of special tax on local government enterprise. That I think is inappropriate, and I have made a very strong case in opposition to that very point, arguing that that would simply transfer from the provincial revenues, from the provincial coffers to the federal coffers, a normal flow of funds. We do not think that's appropriate nor do we think it would be an appropriate tax on local governments. I've even gone so far, Mr. Speaker, to explain to Mr. Wilson that should he continue with that tax, we would use every opportunity to challenge that in law because we think it is constitutionally wrong.

MR. SPEAKER: Member for Lacombe, followed by the Member for Edmonton-Strathcona, then Edmonton-Meadowlark, then Lethbridge-West, then Edmonton-Centre, Lloydminster, Edmonton-Glengarry, Red Deer-North, Wainwright, Edmonton-Calder, and Highwood, if there is time.

Workers' Compensation Board

MR. R. MOORE: Thanks, Mr. Speaker. My question is to the Minister of Community and Occupational Health, regarding workers' compensation. Over the last two years, I've had a steady increase in dissatisfaction from injured workers with the Workers' Compensation Board, and there's been a steady increase in dissatisfaction with the results of their reviews and the compensation received. Now I'd like to know from the minister if he's aware of this problem and just what the board is doing about it.

MR. DINNING: Mr. Speaker, I am certainly aware of the problem and share some of the member's same concerns. The board has a mandate to provide compensation to injured workers on the basis of what they're entitled to under the law, and as far as I'm concerned, all of those entitlements should be paid, no more and no less. It's simply not a social service agency.

But what must happen is that the board must operate with humaneness and fairness. I've heard some concerns from many of my colleagues in the Assembly and elsewhere that that touch of humaneness, that touch of fairness is lacking in some, a few, of the cases that are before the board. I've expressed my concern, Mr. Speaker, to the acting chairman of the board and asked him to come back and advise me on actions they will be taking.

MR. R. MOORE: Supplementary, Mr. Speaker. Well, to the minister: there seems to be a great misunderstanding out there or greater expectations by the worker of what workers' compensation covers, and it's an entirely different view that the employer has, so that creates the situation we're in. They both have different expectations, and they are far-ranging. Have we got a concise policy out there? Are we developing a concise policy that would bring these two expectations closer together so we don't have all this misunderstanding?

MR. DINNING: Mr. Speaker, members will recall that I sent a letter to the chairman of the Workers' Compensation Board last November 12 and outlined to him my concern with the way the board was organized and the way it was operating and asked that he put in place a consultant to review the mission and man-

date and review the entire operation. That report I expect to receive in final form by the first part of the new year, and following that I expect to be able to take some action to correct the situation described by the member.

MR. SPEAKER: Further supplementary, Lacombe? Edmonton-Beverly, supplementary.

MR. EWASIUK: Thank you, Mr. Speaker. My question is also to the minister of occupational health and safety. The minister has appointed a consultant to study the activities of the board in order to make some recommendations. My question to the minister is: while it may be appropriate to have a private consultant do the analysis, why is he not having public hearings with the workers and the injured people, who really could tell you what the problem is with the board?

MR. DINNING: Mr. Speaker, part of the process the consultant went through was to meet with a variety of constituents of the Workers' Compensation Board, including employer groups, employee groups, including unions. During that process the consultant received a lot of very good advice and information. I expect that once that report is made public, we will then have an opportunity for further public input.

MR. MITCHELL: Mr. Speaker, to the minister, a supplementary. Delays in appointments to the board have delayed the appeals process in the past on a number of occasions that have affected my constituents. In addition, staff members being away have resulted in other delays. Has the minister addressed this kind of problem specifically?

MR. DINNING: Mr. Speaker, I certainly have, and part of the changes that must be made at the board is at the organizational level as well. I don't feel it would be proper to recruit to the two vacancies on the existing board without a satisfactory reorganization plan in place.

Principal Group (continued)

MR. WRIGHT: Mr. Speaker, I'm afraid I'm picking on the Provincial Treasurer again. Will the Treasurer confirm that since 1985, if not earlier, it has been policy not to purchase securities or to make any deposit with companies which are members of the Principal Group?

MR. JOHNSTON: Mr. Speaker, I can't confirm that, but I can say, though, that the government does practice careful and wise investment choices when it uses the dollars of this province. I'm not too sure what the decision was with respect to the Principal [inaudible].

MR. WRIGHT: A supplementary, Mr. Speaker. Perhaps the Treasurer would cause a search to be made for any directive at the assistant deputy minister level or higher in the government in 1985 or since to the effect that no deposits should be made or securities taken in these companies and let us have a copy if he comes upon one.

MR. JOHNSTON: Well, Mr. Speaker, of course I won't undertake to do that. We know clearly that government directives to officials are privileged information. In fact, we would touch

with a variety of other financial institutions across Canada, across North America, and moreover, we may even say something about other provinces and other countries which wouldn't want to be on the record.

MR. WRIGHT: I take it it would be especially privileged, Mr. Speaker, if it disclosed something that the government knew which they weren't letting on to the public.

MR. SPEAKER: Order please. [interjections] Order please, hon. member. The members of the House know that, as stated by the Provincial Treasurer, it's in parliamentary practice and indeed conforms to the practice in *Beauchesne*, and I'm sure the Member for Edmonton-Strathcona is well aware of that.

Supplementary, please.

MR. WRIGHT: Obligated, Mr. Speaker. But my question is: what has been the depositing record then of the government in the Principal Group of companies in the last two or three years compared to other depositories in the province?

MR. JOHNSTON: Mr. Speaker, the Member for Edmonton-Strathcona is practising the post hoc, ergo propter fallacy: after that, therefore because of that. He knows that no intellectual discussion can be trapped on that basis. And I used to have a great deal of respect for his approach before that, but he can't suggest that because we take some strategy, make some decision based on how we allocate dollars, there's anything we'd know that isn't known to anybody else.

MR. WRIGHT: Let the Treasurer not be trapped in the opposite fallacy of post hoc, ergo non propter hoc. Perhaps, Mr. Speaker, he would be good enough to answer the question then of what was the record vis-à-vis this group of companies compared to other depositories which for some reason the government preferred.

MR. JOHNSTON: No, Mr. Speaker, clearly I'm not going to commit to that kind of a disclosure, as I've indicated. We have set forth a set of policies which are based on a very well understood set of investment principles. I must say that some of them are politically driven, there's no doubt. I don't think if I'd reported that the heritage fund had invested in South African gold, for example, or South African stock, that would have been an appropriate investment. I can hear the people across the way yelling that that would have been an inappropriate investment. [interjections] I agree with that, and that's why I cannot go on further to indicate. We simply use very prudent portfolio management tests. In the case of the stocks, we would use an earnings per share ...

MR. SPEAKER: Order, Provincial Treasurer. The Chair is certainly interested in the response being given. Perhaps the rest of the House could quiet down so the Chair could hear it please.

MR. JOHNSTON: Well, Mr. Speaker, I think I have concluded mostly what I wanted to say, that we use the normal prudent portfolio management tests in our investment decisions. If you wanted to read any of the financial documents, financial journals, you would find a clear array of opportunity to enlist those. Therefore, I will not be providing additional information as to how they're arrived at.

MR. SPEAKER: Final supplementary, Edmonton-Strathcona.

MR. WRIGHT: Thank you, Mr. Speaker. Well then, perhaps the Provincial Treasurer would be good enough to tell us if there was a change of policy with respect to depositing in this Principal Group of companies and when and why.

MR. JOHNSTON: Well, Mr. Speaker, I know of no change in policy, as far as I can recount.

MR. SPEAKER: Member for Edmonton-Meadowlark, on the main question now.

Trust Company Legislation

MR. MITCHELL: Thank you, Mr. Speaker.

In 1985 Barbara McDougall, the then associate minister of finance responsible for financial institutions, tabled a report on the financial industry. In that report the minister dealt with the issue of self-dealing amongst related financial firms. The minister indicated that while self-dealing might be necessary under limited circumstances, the regulations governing self-dealing required tightening.

To the Treasurer: will the minister indicate what steps this government took, if any, in reaction to the observations in this green paper concerning self-dealing amongst related financial firms?

MR. JOHNSTON: Mr. Speaker, I've already indicated that one of the principles which we will be reflecting in the new trust company legislation will deal with that very question of self-dealing or conflict of interest or, if you like, commercially-linked ownerships. In that context we generally agree with the principle that there should be a limit now on the intercompany transactions which may take place as between companies. Whether or not that will be revealed by Mr. Code as one of the reasons for default of the companies, I can't say. But it is clear though, I believe, that there have been significant intercompany transactions in those companies, and those are a matter of record.

Moreover, Mr. Speaker, we are continuing our discussion with other provinces as to how we may more appropriately reflect those tests in the legislation. But we would go on to deal with other elements as well, including the role of directors, the role of external auditors, the role of external legal advice, the profitability test: the self-regulations, if you like. Those must be important, and they are elements which are now being considered and hopefully will be reflected in legislation in the spring of 1988.

MR. MITCHELL: Could the minister please confirm that his government and the Canada Deposit Insurance Corporation both authorized in writing the transfer of real estate assets between First Investors Ltd. and Principal Trust in 1985?

MR. JOHNSTON: Mr. Speaker, I have to say that I'm sure this array of transactions and the reasons for these transactions and perhaps even the legal efficacy of these transactions will be dealt with by Mr. Code in his review.

MR. SHRAKE: On a point of order, Mr. Speaker.

MR. SPEAKER: We'll take it at the end of question period.

hon. member. Thank you.

MR. MITCHELL: Supplementary to the Treasurer, Mr. Speaker. Did this government authorize self-dealing in the cases of North West Trust and N.A. Properties and Fidelity Trust and Patrician Land?

MR. JOHNSTON: Again, Mr. Speaker, I would have to search my memory. In the case of North West Trust I'm not too sure there were significant self-dealing problems there. There may well have been the odd intercompany transaction when a traditional mortgage which satisfied the reasonable tests . . . With respect to the latter case, the Fidelity and Patrician, again, Mr. Speaker, I would not be fully honest with the House if I gave an open answer at this point because I simply haven't got the information. However, I think that information is a matter of public record.

MR. MITCHELL: Mr. Speaker, could the minister confirm that while, on the one hand, he is responsible and has made the commitment to bring down legislation to restructure the trust industry in this province that clearly must be under way, must be in the drafting process at this time, he's had three or four years to do it, and he can't stand up in this House and indicate to us whether he knows for certain or not whether there was self-dealing in serious financial failures previously in this province.

MR. JOHNSTON: Mr. Speaker, I fully confess to not being informed on that issue. From time to time, you know, the limit of information is just that. We simply can't have all that information. I would not want to mislead the House by saying that there was self-dealing or was not self-dealing, I simply indicated that if you want to put it on the Order Paper and you wanted to express it in that form, I think we'd be glad to deal with it. Moreover, I'm sure it's a matter of public record.

What should be noted here, Mr. Speaker, is the principle, not so much the detail. But the Member for Edmonton-Meadowlark can't see a wider view; he's got the narrower vision, of course.

What is, of course, important here is that we're dealing with this issue; we recognize it as being an important one. We're on our own time frame. The member mentioned that the federal government brought forth a green paper in 1984, and they have just now introduced the first round of legislation. More is to come there, and we are in this process of doing exactly the same thing, Mr. Speaker. We're following our time plan; we're making the changes. There's a national/provincial debate at heart here, and we're reflecting the experience which we have from the unfortunate situation in this province. It's going to happen, Mr. Speaker. We've made that commitment.

MR. SPEAKER: The time for question period has expired. Might we have unanimous consent of the House to complete this series of questions and to have the Minister of Agriculture supplement information given earlier in question period with the appropriate response mechanism, if it is required, from Vegreville? All those in favour, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. Carried. Further supplementaries on this issue, Edmonton-Strathcona.

MR. WRIGHT: Thank you, Mr. Speaker. Perhaps I can put the

last question in better focus by phrasing it this way. Is the Treasurer aware of any prosecution under section 42 of the Business Corporations Act, which is the anti self-dealing section, of any financial corporation, or indeed any corporation, during his term of office?

MR. JOHNSTON: Mr. Speaker, during my term of office the answer would be no, but as to the fuller time span, whichever interval it may be, I would have to ask him to put that on the Order Paper.

Ethanol Fuels Industry
(continued)

MR. ELZINGA: Mr. Speaker, I have some brief supplementary information for the hon. Member for Vegreville, and in doing so I want to indicate to all members of the House that I respect whatever advice and guidance they do have to offer me as to how it can benefit the agricultural community, but I would only ask that it be based on fact.

I want to put it on the record, so there is no misleading information, that there is a direct benefit in the event that ethanol is used within this province, as I indicated, as it relates to the 5-cent exemption that related to ethanol that was brought forward in our previous budget. [interjection]

MR. SPEAKER: Should I have the Member for Vegreville sit down too? I don't think so. Member for Vegreville, in response, please.

MR. FOX: Mr. Speaker, surely the minister recognizes -- and he can check the Blues -- what I said was that these other provinces have reasonable incentive programs and we do not. Ours amounts to 0.4 cents per litre compared to 2 cents a litre in B.C. and 4 cents a litre in Saskatchewan. That's the accurate information.

MR. ELZINGA: Mr. Speaker, if we wish to get into a debate on accuracy, I would point the hon. member to figures that he has shared with us as it relates to the two-price wheat Act. He's confusing domestic usage with domestic human consumption, which is totally different. Again, I hate to point it out . . .

MR. MARTIN: [Inaudible]

MR. ELZINGA: . . . but I look forward to his input, and I do look forward to the input from the hon. Member for Edmonton-Norwood, because we appreciate their advice when it is based on fact, and that's all we would ask. [interjections]

MR. SPEAKER: I'm sorry. Order please, hon. member. With due respect to the hon. Member for Edmonton-Kingsway, perhaps he should check the procedure in the House, which is that the minister gets to bring in the additional information, the appropriate member involved gets to make response, and the minister sums up. That's the way the process is done. [interjection] Forgive me for the member having difficulty with the process, but that's the process. Perhaps you could lodge a complaint with your House leader.

MR. MARTIN: Mr. Speaker, on the third question today you ruled me out of order, and just to make sure, I want to understand why, under section 13(2), and that would be important before I raise my point of order.

MR. SPEAKER: Forgive me, Leader of the Opposition. Could you rephrase the question, please? I was being distracted.

MR. MARTIN: Yes, Mr. Speaker. Under Standing Order 13(2), I'm trying to figure out the reason that you ruled me out of order on my third question today.

MR. SPEAKER: Thank you. My response in terms of the proper reference back to Standing Orders is indeed still again going to be 23(g)(i) and (ii). But the Chair also appreciates the fact that the Leader of the Opposition is quoting the relevant Standing Order reference and also *Beauchesne* in other circumstances, and again encourages all quarters of the House to make the appropriate reference to Standing Orders, which would be helpful. Nevertheless, in response, Leader of the Opposition . . .

SERGEANT-AT-ARMS: Order in the press gallery, please.

MR. SPEAKER: Nevertheless, with respect to the first question as ruled out of order and in the case of both the first and second questions, the Chair did also say that there would be a review of the Blues and was a matter of reserving judgment. But on an initial review of the Blues, it would still turn up that the first question was indeed out of order because it is asking the question . . .

I want to ask the minister this question: in view of the fact that thousands of Albertans have lost millions of dollars, we want to know who is responsible for it. Is this the Treasurer? Is it the Premier? Who is responsible? Who is going to take the political responsibility for this?

Now, the political responsibility part of the question would have been in order. Nevertheless, he was also putting in there the responsibility for the loss of the millions of dollars, and therefore that would clearly be before the sub judice rule because of the commissions involved.

Then with respect to a preliminary review of the second question, there's some possibility the question could come back tomorrow. And in view of the procedure that we put in place earlier this week and which was followed up earlier with Westlock-Sturgeon, the Chair would suggest that further consultation could take place with respect to these last two questions and see about them being introduced tomorrow.

MR. MARTIN: Thank you, Mr. Speaker. Certainly we'll do that. I would just hope as a point of procedure, though, that we don't make this the rules for question period, because clearly that would take away from the House Oral Question Period. And the point I was trying to make: I was trying to deal with political responsibility from this paper that was made in 1983, but I will take your advice and we will put these questions through in writing.

MR. SPEAKER: The Chair appreciates that very much. Member for . . . Order please. Calgary-Millican.

MR. SHRAKE: Sorry, Mr. Speaker. Earlier when the Member for Edmonton-Meadowlark was up, I thought I could smell some mendacity, but I perhaps will withdraw any point of order.

MR. SPEAKER: Now we have a series of points of order.

MR. SPEAKER: The Chair is always appreciative of points of order being withdrawn, and the Chair also appreciates the alacrity with which the hon. member, my successor in another constituency, did indeed leap to his feet.

MR. TAYLOR: I suggest we put [inaudible].

MR. SPEAKER: Oh, that's beside the point.

ORDERS OF THE DAY

head: MOTIONS FOR RETURNS

MR. YOUNG: Mr. Speaker, I move that motions for returns 210, 216, 217 stand and retain their places on the Order Paper.

MR. SPEAKER: Order please.

[Motion carried]

head: MOTIONS OTHER THAN GOVERNMENT MOTIONS

222. Moved by Ms Laing:

Whereas the United Nations, in its 1978 report from the special session on disarmament, stated with regard to the establishment of nuclear weapons free zones that "The process of establishing such zones should be encouraged with the ultimate objective of achieving a world free of nuclear weapons"; and

Whereas their respective jurisdictions have been declared to be nuclear weapons free zones by the Legislative Assembly of Manitoba at May 30, 1985, by the Legislative Assembly of the Northwest Territories at June 19, 1986, and by the Legislative Assembly of Ontario at November 13, 1986; and Whereas within Alberta similar declarations have already been adopted by the councils of the cities of Calgary, Edmonton, and Lethbridge;

Therefore be it resolved that, to signal Albertans' desire for world peace, the Legislative Assembly declare the province of Alberta to be a nuclear weapons free zone; and Be it further resolved that the Legislative Assembly urge the government of Canada to prohibit

- (1) the deployment of nuclear weapons in Alberta,
- (2) the testing of nuclear weapons and associated equipment in the province,
- (3) the construction of nuclear weapons and associated equipment in the province,
- (4) the transport of nuclear weapons and associated equipment through and within the province, and
- (5) the export of goods and materials for use in the construction and deployment of nuclear weapons; and

Be it further resolved that the Legislative Assembly urge the government of Canada to request the United States of America and the Union of Soviet Socialist Republics to intensify their efforts to achieve mutual and verifiable nuclear arms reductions through the Geneva negotiations; and Be it further resolved that the Legislative Assembly request the government of Canada to request the United States of America, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, France, the People's Republic of China, India, Israel, the Republic of South Africa, and all other nations currently possessing nu-

clear weapons and the ability to manufacture nuclear weapons to work through the United Nations on the construction and effecting of a treaty among nations to ban the manufacture, retention, and use of nuclear weapons; and

Be it further resolved that the Speaker convey this resolution to the Prime Minister of Canada, the leaders of the opposition parties in Parliament, the President of the United States, and the Chairperson of the Praesidium of the Supreme Soviet of the Union of Soviet Socialist Republics.

MS LAING: Thank you, Mr. Speaker. I feel privileged today to rise and present to this Legislative Assembly Motion 222, which calls for, among other things, that Alberta be declared a nuclear weapons free zone.

Nearly 8,500 Albertans from every part of this province have signed petitions indicating their support of this motion and urging members of this Assembly to support the establishment of Alberta as a nuclear weapons free zone. I wish to thank the many people who signed the petitions and wrote letters, and a special thank you to those who collected . . .

MR. SPEAKER: Excuse me, hon. member. Might there be order in the House. It truly is inappropriate for members to be stopping and visiting on the way out. Those conversations could take place elsewhere; over a cup of coffee, perhaps. And please, could we give the courtesy of the House to the member herself as well as for the topic under discussion.

HON. MEMBERS: Agreed.

MS LAING: Thank you.

I wish to thank those who have collected signatures. I know of a young high school student from St. Albert who spoke to a great number of classes in the schools in St. Albert. To a veteran who traveled to many doors in small towns in Alberta and to all the people who took their petitions to shopping centres, to schools, to churches, and organization meetings around a variety of topics, to the many people of this province who took this petition to wherever the citizens of this province gather, this is the grass-roots spirit of democracy. I thank these people for their work and support, and today I speak on their behalf. Some of them have gathered here today to hear the debate on this motion, and we welcome them.

Mr. Speaker, in addressing this motion, I will speak of what it means to have our province a nuclear weapons free zone. It is a serious matter with wide-ranging implications for policy and action. I want informed support, and I would speak of why I believe, as do a great many Albertans, that we must choose this course of action. I would begin with a quotation from the *The Feminist International for Peace and Freedom*:

To have real peace, therefore we must disarm the mind as we dismantle weapons. As we learn to understand what violence is, to resist its lure, and to live beyond it, we step into a new world. The commitment we make to break the old rules of violence will take courage. To begin to name the violence is itself to break the first rule.

Courage, Mr. Speaker, includes the willingness to challenge the way things have always been done, to challenge and to change the old solutions to age-old human problems. Courage is more than the flexing of muscles and the willingness to risk one's life in armed combat. Courage is of the mind and the heart, the willingness to reject old ways of solving human conflict. Courage is to risk new ways of living together that reject violence and war. This motion calls for this second kind of

courage, the courage to risk the nuclear arms race, because the alternative is to risk the annihilation of our world.

I would speak first to what this motion means. Motion 222 means that if Alberta is declared a nuclear weapons free zone, we would also urge the government of Canada to prohibit the deployment of nuclear weapons in Alberta, to prohibit the testing of nuclear weapons and associated equipment, to prohibit the construction of nuclear weapons and associated equipment, to prohibit the transport of nuclear weapons and associated equipment, to prohibit the export of goods and materials for use in construction and deployment of nuclear weapons, and to further urge the United States of America and the Union of Soviet Socialist Republics to intensify efforts to achieve mutual and verifiable nuclear arms reduction, and that the Legislature would request the government of Canada to request the United States of America, the Union of Soviet Socialist Republics, Great Britain, Northern Ireland, France, China, India, Israel, the Republic of South Africa, and all other nations currently possessing nuclear arms and the ability to manufacture nuclear arms to work through the United Nations on a treaty to ban the manufacture, retention, and use of nuclear arms. And further, that the Speaker would convey this resolution to the Prime Minister of Canada and the leaders of the opposition parties and to the President of the United States and the Chairperson of the Praesidium of the Supreme Soviet of the Union of Soviet Socialist Republics.

In passing such a resolution, we would be stating very clearly that we do not want Alberta, nor Canada for that matter, in the business of expanding the nuclear arms options or arsenals of the superpowers or any other powers. It is a peacetime measure or principle, which states that we will not allow our territory to be used by another country to threaten or attack a third country. It is a peacetime principle or measure to restrict the spread of nuclear weapons and to aid stabilization of the international scene and to aid in the building of confidence and trust. It is an attempt to influence international behaviour. It is a peacetime measure or principle which withdraws legitimacy from the possession or use of nuclear weapons. Declaring Alberta or Canada a nuclear weapons free zone is not a measure to create a territory that is a nuclear safe zone or to seek immunity from nuclear war. It says nothing about activity if a nuclear war breaks out, when everything would change. It is a measure to prevent nuclear war.

At the present time in Canada approximately 60 percent of Canadians live in nuclear weapons free zones. The provinces of Manitoba, Ontario, and the Northwest Territories are nuclear weapons free zones. In Alberta more than 50 percent of the people live in nuclear weapons free zones, including the citizens of Calgary and Edmonton. In the world there are four nuclear weapons free zones established by international treaty: Antarctica, Latin America, the sea bed, and outer space. A fifth treaty was established in the South Pacific and recognized by members of the South Pacific's forum including New Zealand, Australia, China, and the Soviet Union. France and the United States of America refused to join. There are proposals for a nordic nuclear weapons free zone, and a Balkan nuclear weapons free zone initiated by Greece. As well, there is work towards a corridor in central Europe, first proposed by the Soviet Union in 1956 to become a nuclear weapons free zone. Other areas, including the Indian Ocean, Africa, southeast Asia, the Middle East, are being discussed. As well, an Inuit circumpolar conference is drafting a proposal for the Arctic to become a nuclear weapons free zone. Throughout the world 17 nations, including

Austria, Japan, New Zealand and Denmark, are nuclear weapons free zones.

The High Commissioner of New Zealand spoke recently in Calgary about how New Zealand came to choose to become a nuclear weapons free zone. That choice came out of the recognition, and I quote, that

Common security recognizes that our security is interdependent with those whom we might choose to call our enemies. If our enemy is insecure, we lack security.

If one party tries to achieve greater security unilaterally, it increases the insecurity of others, who are then likely to respond by further arming themselves. That is the basis of the arms race.

As I have said, to declare Alberta and, indeed, Canada a nuclear weapons free zone means that we in Alberta withdraw our support from the nuclear arms buildup and race. There are many reasons that we must do this. The first reason is the danger that nuclear arms pose to the future of the earth, and that danger has many forms, not the least of which is the threat of nuclear war.

[Mr. Deputy Speaker in the Chair]

Nuclear war may be precipitated by accident or design. There may be human error in the military and support personnel, including misinterpretation of incoming data, misunderstanding of the situation, the haste with which decisions must be made, the severe and prolonged stress which may impair the judgment of personnel. Most of us have experienced times in our lives when because of stress and expectations we have totally misunderstood events or actions of others, when we responded inappropriately. We are charged with overreacting, but under calmer conditions we can apologize and undo our actions. This will not be the case if a nuclear attack is launched.

In addition, error may result because of fatigue, drug and alcohol abuse, and emotional disorders. Reports that 5,000 U.S. military personnel are removed from their posts yearly for such reasons offer us small comfort. Of course, we also recognize the danger of computer malfunction and errors. North American air defence command reported 152 false alarms during an 18-month period which led to false alerts. All of us have heard the horror stories of misinterpretation of data, a flock of geese being sighted and setting off an alert. In addition, I worry a great deal about people who can break into computer systems, and we sure hear about that these days.

The other threat of nuclear war is that of war started by design, by some leader having a giant temper tantrum or one that is mentally unstable, by a leader who does not understand the reality of nuclear war and would use it to teach somebody else a lesson. With the proliferation of nuclear weapons, such wars become more and more a possibility.

But we must be opposed to the nuclear arms buildup for other reasons, for reasons of the pollution and destruction of our environment. As nations commit vast sums of money to the arms race, they ignore other human needs, including environmental protection. There may be contamination of the environment -- air, land, water -- and the food chain through accidents at plants, spills and unsafe disposal of nuclear wastes. Chernobyl brought into focus the danger of accidents at nuclear plants, but there have been many more accidents that have led to direct loss of life and contamination of surrounding lands.

In 1957 the United Kingdom reported contamination of 8,000 square kilometres of land, and 20 people died of cancer as a result of an accident. In 1958 there was an explosion in the

Urals with far-reaching consequences. In 1969, Colorado, there was a release of plutonium dust. In 1979 at Harrisburg, U.S., an operator error led to a core accident, destroying a \$1 billion reactor. And we've heard of the deliberate releasing of radioactive materials from underground testing by the U.S. at the time of the Chernobyl disaster. In 1985 there were 3,000 mishaps at U.S. nuclear energy plants, more than 150 at the number 2 level of danger. In addition to these accidents, there may be accidents with nuclear-bearing aircraft, ships, and submarines; indeed, many have been documented. Other threats to the environment include acid and toxic rain, depletion of the world's resources to feed the military machine, and the breakdown in the ozone layer.

However, there are other costs, costs in terms of underdevelopment. We cannot both arm and develop the world. Money that goes into arming the nations of the world is money not spent on feeding, clothing, sheltering, educating, and providing health care for people in the superpowers as well as those in the Third World. I have spoken with women from the United States of America who spoke of money stolen from social programs and targeted to military spending. The floundering U.S. economy is clear evidence of the disastrous effects of huge deficits due to military spending. I have heard from women all over the world, including the Soviet Union, raising these same concerns and issues. And I believe that if we are ever going to have security in this world, we are going to have to recognize that it is based on mutual security founded in justice for all the world's peoples.

It is held that the nuclear arms race has kept us free from war for the past 40 years. This, of course, only applies to the western part of the northern hemisphere and denies death and destruction in other parts of the world. Between 1945 and 1983, 16 million lives were lost in wars, and similar numbers of people die each year due to social neglect. Thirty children every minute, every 60 seconds, die for a lack of food and adequate health care. In that same 60 seconds, the world spent between \$1.5 million and \$2 million on its military. I have to ask: do these lives not count?

A UN study shows that on average in developing countries 25 percent of their debt is for military spending. This means that a significant amount of their gross national product is spent on service of the debt. For every billion dollars spent on arms, there is as a result a deep increase in infant mortality, a decrease in life expectancy, and fewer literate adults. Such countries may be forced to raise cash crops for export which are inedible; therefore, in times of economic downturn this produce does not bring in the much needed dollars and it cannot be eaten as indigenous produce can, and it therefore increases the numbers of people who starve to death.

What of the moneys lost on research? The countries with advanced research and technology are Japan and West Germany, and they do not waste their money by focusing research through the military. This is the violence that I spoke of in my earlier quotation. We must have the courage to name the violence inflicted by the arms race, by the wars fought in Third World countries with weapons bought from the developing countries and the superpowers.

Even in our own country, in our own province, at times of high unemployment the arms race costs us jobs. The Committee for the Survival of the Planet, through an analysis of StatsCan figures, concluded that the Canadian military spending in the year 1984 meant that 70,000 to 80,000 jobs were lost as a result of this military involvement. In addition, for every one dollar

Canadian firms earned from U.S. military contracts, the Canadian government has to purchase one dollar's worth of finished military hardware from the U.S., and indeed, in the years from 1971 to '81 Canada spent \$1 billion more than it earned. In addition, Canadian firms receive massive subsidies in order to compete for U.S. defence contracts. So we pay a high price in terms of jobs, money, resources, and the quality of life for our participation in the arms race.

More importantly, we need to consider our children and the children of the world. The nuclear arms race robs them of a sense of future and of hope. We hear that for children in all parts of the world, the greatest fear for one-third of them is the fear of nuclear war, of nuclear annihilation of our world. It is for them a far greater concern than the fear of loss of parents or the threat of unemployment. Many children in this world do not expect to live for more than 15 years. Think of it. At the age of 15 or 16 or 17 did you believe that your life would be ended in 15 years? Indeed, as Eisenhower has said:

This world in arms is not spending money alone. It is spending the sweat of its laborers, the genius of its scientists, the hopes of its children . . .

Mr. Speaker, we are gratified to hear of developments on the international scene as the leaders of the Soviet Union and the United States agree to eliminate a whole class of nuclear weapons. We must applaud their achievement, we must support their efforts, and we must challenge them to go further. One of the ways that we can do this is to pass this motion in this Assembly today.

Our Prime Minister has said, "Canada is nuclear free and that's the way it's going to be." In reality, however, Canada provides support for testing, developing, and training use of nuclear weapons. Canada places no restrictions on Canadian industrial involvement in production of U.S. nuclear and nuclear-capable delivery systems or their components. Canada, unlike New Zealand, allows port visits of nuclear-armed naval vessels, thus supporting a naval nuclear war fighting strategy, support which will be further committed with the acquisition of nuclear power submarines proposed in the Conservative defence white paper, a move which continentalizes and further integrates our military policy and system with the American military.

Canada is less than stringent in application of policy and principles with regard to exports of nuclear-fissionable materials. Canada's involvement in NATO provides support for nuclear emplacements in Europe, and unless explicitly forbidden, Canada's present duties under NORAD may draw us into nuclear war fighting roles and into Star Wars. When we challenge our increasing involvement with the American military complex, we are accused of, at best, being anti-American or pro-Soviet, but we who are against war and for peace and justice, we do not want a peace, as Solange Vincent says,

not a peace imposed by a superiority in armaments and in armed force aimed at continuing the wasteful misuse of human resources and the frightful inequalities in the world. We want a peace founded in justice and nonviolence.

One may ask why, to what avail to have our little corner of the world declared a nuclear weapons free zone. Well, we will be joining many other little corners of the world and even in Canada in stating: no, no more; this madness must end; we have a commitment to survival, to justice, to peace, and we have the courage to act on our commitment. In supporting this motion and in honouring it through action, we will be joining with millions of people who demonstrate and who meet around the world, even in Warsaw, Poland, next week, as in Moscow last June when nearly 3,000 women from 154 countries came to-

gether in solidarity to protest the terrible waste of resources and life engendered by the nuclear arms race.

I would remind the members of the words of Lyndon Johnson, and I quote:

Our understanding of how to live with one another is still far behind our knowledge of how to destroy one another.

And I would end with a quote from Helen Caldicott:

But 'arms for peace' and 'security through mass genocide' are strategies that defy logic and common sense. They epitomize our nuclear madness.

I would ask that the members of this Assembly join with me in committing ourselves to a new way of living together and of peace.

Thank you.

MR. DEPUTY SPEAKER: Order please. Bearing in mind *Beauchesne* 301, the Chair will call on the hon. Member for Red Deer-North.

MR. DAY: Thank you, Mr. Speaker. I'd like to commend the Member for Edmonton-Avonmore for her motion today, for her sincerity. I believe that one thing we never get enough of in this world is initiatives for peace, and any time they come forward, they should be properly lauded, and I do that today. I also inform her and the other members of this House that for the most part I agree with her motion. That may come as a surprise to some of the members opposite. Yet I think there are times when we need to transcend political philosophic differences and lock arms, as it were, on issues as important as this one.

I'd like to itemize the areas of her motion which I agree with and also point out a couple of points that cause me some concern and would like to take a look at those. As far as Alberta being declared a nuclear-free zone, Mr. Speaker, under section 91 of the Constitution Act, 1867, the militia, military, naval service and defence are clearly federal powers. It is this federal government over the years that has very clearly made a decision that deployment of nuclear weapons in this nation would not be a fact of life. In fact, we're the first country to make that declaration that has the ability to produce those weapons, and yet we have chosen not to have them deployed on Canadian soil. So in fact Alberta is a nuclear weapons free zone. I have no problem with that.

Part of the motion talks about urging the government to request superpowers to achieve verifiable arms reductions through the Geneva negotiations. I have absolutely no problem with that. We have done that. Canada's peace initiatives on these lines have been evident over the decades. I am proud of those initiatives. And maybe we can take some pride in thinking that some of those initiatives over the years resulted in that historic signing, which we saw yesterday, of the two superpowers declaring that they would, in a verifiable way, eliminate an entire class of nuclear weaponry.

I don't think we should be caught up in the euphoria of that event, however, recognizing that even the elimination of those weapons represents less than 5 percent of the nuclear armament that is spread around the globe, also recognizing that the Soviet Union SS-20 missiles which have been banned under that agreement are still being manufactured in a long-range model, the SS-25, based in Siberia, and still point at the western capital cities. So in fact let's not get caught up in the euphoria of it, but let's give congratulations, limited as they may be, to the superpowers for at least taking one small step. So I agree with that part of the motion. I have no problem with it.

Another part of the motion deals with encouraging the nuclear powers to work through the UN for a treaty that would ban the manufacture, retention, and use of all nuclear weapons. I support that one hundred percent. Nothing would be better for this military world than to see a ban on the manufacture, retention, and use of nuclear weapons. I would comment that it still would leave us open to some very real dangers by what we look at as terrorist nations who apparently have the capabilities to develop nuclear weaponry, and we would be somewhat exposed. I'd like to suggest a way to take care of that later on in my comments. But as far as encouraging the ban on the retention and manufacture of all nuclear weapons by all nuclear powers, I support that one hundred percent.

Another part of the motion asked the Speaker of the Legislature to convey the sentiments to the superpowers. Mr. Speaker, the hon. Mr. Carter, who is not in the Chair at the moment, would probably be saddled with that responsibility were this motion to pass. I guess the only advice I would offer is that he did have a trip to the Soviet Union a couple of years ago, and I would offer myself in his stead if he felt he didn't want to make that travel again. But certainly I would have no problem with a representative of this Legislature conveying these sentiments to the superpowers.

Some of the problems begin to rise when we talk about the export of materials used in the construction and deployment of nuclear weapons. In this country we do export materials: elements, minerals, uranium, and other things that have peaceful uses and are used for the betterment of the human race. By banning the export of those materials, we can come into some difficulty with some positive things that we are doing right now. I'm talking about a wide range of metals and alloys that are used and marketed and exported in this country, that are used, for instance, in peace developments in space. For instance, if the policy of the government of Alberta or of Canada was that there should be no export of metals that some countries use as alloys for rocketry and weaponry development, if that had been a prohibition on us some years ago, we would not have been able to take part in the great space mission where we saw the Canadarm manufactured and built and bringing great pride to this country and making great advances for the human race in general. So that prohibition would definitely cause us some difficulty.

We also manufacture aircraft, and those aircraft, once sold, would have the possibility of transporting nuclear weapons. Are we also to curtail that activity though many of those aircraft are needed in reconnaissance and defence types of measures? I know cynically we could say, "Well, with the CF-18 contract going to the east the military aircraft industry is of no use to us anyway." But I'll choose not to be cynical, and maybe we can get one of those contracts later on.

The motion talks about prohibiting the deployment, testing, and transporting of nuclear weapons and associated equipment. If we were to adopt that particular policy, it would put us in direct conflict with the present federal policy which has to do with establishing Arctic sovereignty. The federal government has determined that a fleet of nuclear-powered submarines is necessary for us to acquire so that we can establish our sovereignty in the Arctic. Unless we do that, we will in fact lose our sovereignty. Those submarines will have nuclear components and associated equipment, not for the purpose of deployment of weaponry but for the very noble reason of maintaining our sovereignty. Yet if we were to take that particular part of the motion and prohibit associated equipment to do with nuclear construction, we again would be putting our country at a

disadvantage.

I'd also like to look at some very harsh realities to do with the whole question of nuclear protection. We know that through the '50s, with the reality of the development of nuclear weaponry, there began to develop a conscious recognition that nuclear war, should it break out, would be of such magnitude it would wipe out both sides in the conflict and also the spectators. Neither side has been willing to trust the other side to slow down the development; therefore, this reality of mutually assured destruction has actually developed into formal defence policy. The thinking is: "I have to convince my rival that he can never come out a winner in a nuclear fight; therefore, I can't let him get ahead in a nuclear race." This was actually formally presented in the Potsdam conferences in the 1950s as an acceptable form of defensive peace policy. We call it Dr. Strangelove diplomacy, mutually assured destruction, the abbreviation of which is the word "MAD". And there are certainly elements of madness to that type of thinking. But the problem is that neither side trusts the other enough to begin to unilaterally de-escalate.

I know people say, "Look, let's just go ahead with these bans, let's just go ahead with these prohibitions, let's do it on a unilateral basis." I mean, after all, what would the Soviet Union do if we did that unilaterally? Do you really think they would bomb us into oblivion? No. And they wouldn't have to. My concern is that if either side gets an indisputable edge, the temptations for abuse would be awesome.

I've actually heard people say -- and I will refer to the Soviet Union here. Mr. Speaker, but I will not begin to presume that the Soviet Union is the only nation that is guilty of the type of things I am going to list here. I've heard people say: "It would be ridiculous. The Soviet Union would never exercise their powers over other people. They are people just like us." As far as the citizenry, the general citizenry of the Soviet Union, I believe that. I believe they are people like us who want peace. They want freedom. They want to enjoy their homes and their families. But the totalitarian powers that rule the Soviet Union are not so. Any time anybody wonders if those totalitarian powers would abuse their power over a people who couldn't or, by law, wouldn't defend themselves, if you want to know if the Soviet Union would exercise that power, you don't have to go very far to find people who might be able to give you some chilling insights.

Around Edmonton are survivors and relatives of the 5 million people who were systematically starved to death in the Ukraine in the '30s as a matter of Soviet government policy. Many people of German descent all over Alberta could recount to you the cold war horrors of East Berlin and awakening to find a concrete wall separating them from their loved ones and from freedom. They could tell you about the extermination of their fellow countrymen and countrywomen who tried to swim across that river or run across that bridge or climb over that wall in an attempt to get back to their families. They could tell you about Soviet strength up against a country that is weaker.

I personally talked to those of Hungarian descent who've recounted to me the horrors of 1956 when the Soviet machine rolled into their country and how some of them were fortunate enough to escape with only the clothes on their back. They'll tell you of how the Soviet Union reacted to a neighbouring country that couldn't or, by law, wouldn't defend themselves.

We all, I'm sure, know people of Czechoslovakian origin who can recount for us the horrors and heartbreak of 1968. They'll tell you about how the Soviet Union used their tanks to snuff out desires and initiatives for freedom. We could talk to

the people of Poland, the brave people and members of Solidarity, the Roman Catholic priests in that country who have been kidnapped, tortured, and systematically murdered for aspirations of freedom.

We could ask the freedom fighters of Afghanistan if they trust the superior strength of the Soviet Union. They could tell us about their relatives who have been gassed, victims of chemical warfare, torture, and death. The problem is, Mr. Speaker, that there's a lack of trust, a lack of trust of many countries, a lack of trust for the Soviet Union because of the fierce imperialistic tendencies it has demonstrated over the last 40 years; also, how brutally ruthless it has been in terms of violation of human rights, not just the human rights of their many foreign victims but even the more frightening and heartless treatment of their own people.

The problems of discrimination in South Africa hardly compare to the shameless brutality and abrogation of human rights that has been demonstrated over the years by the Soviet Union. The problem is, Mr. Speaker, that as most western nations look at the present era of glasnost heralded by Mr. Gorbachev, many of us are leery. The history of Soviet Union diplomacy is actually a history of ebb and flow of periods of toughness and aggression then offset by periods of apparent conciliation and thaw. It's in those times of conciliation and thaw that the western nations heave a sigh of relief, and when you check the history over the last 40 years, it's at those breathing times that the Soviet Union traditionally has made imperialistic moves on other countries. And they get away with it because the west at that point is concerned that to take a stand and to protest that would just set in a period of toughness and aggression again. So we wait until an Afghanistan fully unfolds until we start to protest, and then the period of toughness starts to come in again, a new leader comes in. So it goes back and forth, that ebb and flow. The result is that another country gets absorbed into that complex. We have seen Soviet leaders come and go, but not one of them has ever withdrawn their 70-year-old stated mandate of world domination, which has been their stated purpose since 1917, Mr. Gorbachev has not rejected that mandate.

I would like to be proven wrong on this point, but I fear that as we now enter a period of thaw and conciliation, we are going to see some more exertion of superiority by the Soviet Union on other countries. And we will be reluctant to do anything, because we don't want to go back into a period of toughness and aggression. But we will protest. Mr. Gorbachev will then be gone, a tougher person will be in place, and the result will be another Hungary, another Czechoslovakia, another Poland, another Grenada. I would dearly like to be proven wrong on my prediction. I would dearly love to be proven wrong, but I'm basing my estimations on past history.

That type of track record has the west worried. It's that type of track record that has kept the nuclear race at its frightening level. Most military analysts reluctantly agree that it is because the U.S. and at times Great Britain and France have maintained over the years this balance of power and have tried to keep up with the Soviet Union in nuclear development that we today are not counted among the many weaker victims of Soviet Union storm trooper diplomacy. The western world actually enjoys, if I can use that word, a peace, however tentative, because of this balancing out of the Soviet nuclear advantage.

Whether we agree or not with this policy of MAD -- and I have commented that I believe that's a good word for it -- we have witnessed its chilling effectiveness. Even though we've maybe been unwilling to contemplate what would happen if

those forces were ever unleashed, we enjoy this ominous peace at relatively little expense to us as Canadians, while the United States has borne the incredible price tag of continuing to build a nuclear arsenal that would match and serve as a deterrent to that of the Soviet Union. Whether we like it or not, we have piggybacked on the U.S. military system, and we've enjoyed the free ride of protection.

[Mr. Musgreave in the Chair]

That's why I say that though I agree in principle with this motion, it is hypocrisy to pass a measure that would lead to a weakening of the U.S. defence system that, for instance, would prohibit their airplanes from flying over our territory to intercept what might be an enemy advance into our air space. It would be hypocritical of us to do that while we enjoy the protection they afford us. I have not seen one strategic province of the Soviet Union pass a similar motion on their own military system. I would like to suggest -- though I will not make an amendment on this motion because I believe this motion has validity, strength, and merit -- if we could change this part of the motion a bit to read that these Canadian provinces will take these steps but will do them side by side with the various Soviet provinces. Let's test their glasnost. Let's test their supposed desire for peace. Let's add to this resolution that the member wants to take to the Soviet Union a clause which says we'll match them zone for zone in establishing nuclear-free areas. I'd go for that and, I believe, so would Albertans. But I'm not prepared to weaken the position of North America and imperil the future of my children by moving unilaterally; it has to be together with the Soviet Union. I'm afraid their track record is too dismal, too frightening in how they've mistreated people, provinces, and nations anytime they felt they could get away with it.

Mr. Speaker, having said all this, I freely admit that the whole idea of the policy of MAD is a frightening one. It's heartbreaking, the number of dollars that are spent in this escalation on both sides. Yet I reflect it was a freedom-lover of some 200 years ago who said that the price of freedom is eternal vigilance. We face a sobering reality; that is, the very question of why we even have wars. I believe that question is best answered by an ancient historian, who first asks this philosophical question which all of us ask: why do we have wars? Then he gives an answer. His question and answer are this:

Where do wars and fighting come from? Do they not come even from your own selfish wants, that war in your own selves? You envy and have not. You kill, and you desire to have and cannot obtain. You fight and war, yet you have not.

His reflection is sobering, Mr. Speaker, and touches a reality which we must face. It's a reality that is absolutely confirmed by 6,000 years of recorded human history. And the reality is that when men can't get what they want and if their appetites are not held in check by the suasion of moral self-government on a personal level, then they will use whatever force it takes to get what they want.

A nation, on the other hand, whose members largely ascribe to a world view which we might be free to call a Christian world view, and therefore are convinced of the absolute wrongness of acquisition through force, will impose on themselves, in a constitutional way, a form of moral government which does not allow their leaders to use military force to add to the treasuries of their own nation. At the same time, that same nation must properly recognize that not all nations may share their moral views and that in the global village there are bullies who, if given the

chance, will break into the homelands of their neighbours in the global village and who, without moral restraint, will pillage and break down houses and carry away the hard-earned treasures of others. That's the grim reality of 6,000 years of recorded human history.

Mr. Speaker, in our neighbourhood in Red Deer and in the neighbourhoods of Alberta we recognize that there are bullies -- bullies who beat up women and children, bullies who steal from banks and convenience stores, bullies who break into homes to steal treasures and abuse the inhabitants. It is that very recognition that forces us, as a civilized people, to build a protective and an armed force in the neighbourhood -- we call it a police force -- and by that act we are declaring to all bullies that, if necessary, we will resort to force to protect our homes and children from their unrestrained and violent appetites. Mr. Speaker, the harsh reality is that there are bullies in the global village, the international village. Unfortunately, it's only by declaring to them that we will use force, if necessary, to protect our homes and our children that these international bullies are restrained. That's the plain and simple reality of human nature, and to ignore that reality is to imperil the entire free world. The price of freedom is eternal vigilance.

Is that then the end of the matter? Will there never be an end to this reality of the threat of having to use force for the purpose of peace? I'm very interested in the letterhead of one of the groups who wrote to me, asking that I support this motion. On the letterhead was a picture of a dove and written inside that dove were the words "Peace begins in the heart." That statement is beautifully true in an absolute sense. Mr. Speaker, nations are merely groups of people. The word "ethnic" comes from the Greek word "ethnos," meaning people groups, and if the majority of individuals in the people groups discover peace in their hearts in a spiritual way, on an individual basis, they will then become a nation of people who are truly at peace. First, they're at peace with their God; then they're at peace with themselves and, by natural extension, they're at peace with others. That is how a nation becomes morally self-governing and self-restrained in dealing with the property and freedoms of other nations.

[Mr. Deputy Speaker in the Chair]

Now, if that were to happen on a worldwide level, the result would be those nations willingly and together taking their missiles one by one, side by side, and dismantling them. Then those nations could work together, with the technology available, to build through lasers, through energy beams, strategic defence systems that could deactivate any missile from a terrorist nation at the speed of light. And that is within our grasp and could be developed jointly with the superpowers of the world and could hold out the possibility of every nation having a system of defence which could not be used as a system of attack on other nations.

People say: is that possible? Could nations ever work together in such a co-operative venture to develop a system of genuine defence from nuclear attack for every nation that wanted it? I say it's possible. I say peace could be achieved, but only through the message suggested by that letterhead that was sent to me, by that motto. Nations become nations of peace as the individual members of those nations become people of peace on an individual basis in their own hearts. How does that happen?

I'll close my remarks, Mr. Speaker, by sharing with you the

identity of that ancient historian and philosopher I quoted earlier who so succinctly pointed out the reason we have wars. His name is James of Nazareth. He was the flesh and blood brother of another resident of Nazareth whose birthday we'll be celebrating exactly one month from now. History has shown, down the corridors of 2,000 years of time, that as people in an individual and personal way have come to grips with the truth and the person of this Nazarene called the Prince of Peace, they have found peace in their own hearts and have formed groups and then nations with an understanding of moral self-government, and have gone on to lay the constitutional foundation for peace and freedom, which are the underpinnings of western civilization and culture today.

Is that type of peace possible, Mr. Speaker? Are the points of all this motion possible? Only as the people and leaders who make up the nations of this planet find personal peace and, therefore, moral restraint in their own hearts -- only then will we take our swords and beat them into plowshares. Until then, though we must continue to press for a reduction of the nuclear threat that hangs over us, we must never render ourselves defenseless in a one-sided way, because the price of peace is eternal vigilance.

Thank you.

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

MR. YOUNIE: Thank you, Mr. Speaker. This is a motion that I feel is extremely important. It deals with a topic about which I feel very strongly: the need for peace. What was said by the previous speaker about peace beginning in the heart is something I believe very strongly as well, and being raised on air bases across Canada, it was an attitude that perhaps in some ways was difficult for me to develop in that background.

One thing I would like to say in the few minutes left for this debate is a few words about a petition that was presented some time back to this Legislature. At that time I was a school teacher at Ardrossan. A number of students there had discussed with me the issue of nuclear disarmament and the need for it and decided they would like to do something active about it and set about doing it. They developed what was the first Youth for Peace group in the province, a group that's growing. They circulated a petition to every school in the province and asked for signatures, something that required raising a certain amount of money. They got over 8,000 signatures on it, something that is nothing short of stupendous.

Two students who were the prime organizers, Shauna Cleveland and Julie Jordan, were given International Youth Year awards. Their local M.L.A., the Member for Clover Bar, presented their petition in this House, and I'm sure he was very proud to do that on their behalf. I was certainly glad to see him do it.

Even though they received that international award and were recognized by the government of Alberta, they ran into a problem because part of their request was that the government of Alberta transfer it to the government of Canada, not as a sign that the government of Alberta agreed with what was said in the petition but as a sign that they had some respect and held in some esteem the viewpoints of 8,000 young people in this province. On their behalf, I sent a letter to the Minister of Federal and Intergovernmental Affairs and for some time did not receive an answer. After I became a member of this Legislature, I wrote a second letter. After that I did receive an answer, and

the answer was that it would not be transferred to Ottawa because it was not in agreement with government policy.

I felt that was most unfortunate, because I felt that the government of Alberta, of which I am a member, should have shown them that respect. They have to believe that what they do means something; they have to believe that within the system they can accomplish their ends by peaceful, reasonable discussion. I fear that perhaps some of them feel that that channel . . .

AN HON. MEMBER: Point of order, Mr. Speaker.

MR. DEPUTY SPEAKER: Order please. The Chair hesitates to interrupt the hon. member, but under Standing Order 8 the time period for Motion 222 has expired. May the record show that the Member for Edmonton-Glengarry adjourned debate. Clerk, call the next order.

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

**Bill 205
Environment Conservation Act**

DR. BUCK: Mr. Speaker and members of the Assembly, I take great pleasure this afternoon in leading off the debate on Bill 205, the Environment Conservation Act.

Mr. Speaker, it's very timely that I commence the debate on this Bill this afternoon, because I've just returned from a business trip to southern California. All you have to do is fly into Los Angeles or approach Los Angeles from the east to find out what smog really means and desecration of the environment really means. It is so interesting to find out as you're driving within 40 miles of Los Angeles that you think you're working in a smelter, because the air was absolutely blue. You could taste it; you could swallow it going down; you could practically drink it. I thought: here we are in Alberta with the clear skies, with the relatively unpolluted land and water. We don't seem to appreciate really what we have. But I think that we have to leave a legacy for our young people, a legacy of clean water, clean air, and unpolluted land.

Mr. Speaker, at the same time I was in Los Angeles I had a different experience, but it's got something to do with the environment, and it's very interesting. You know they have a little problem down in the western coast of the United States. It's called the San Andreas Fault. There was a small rumble about 80 miles east of San Diego Monday afternoon about 6 o'clock, which was 13 on the Richter scale. Now, we didn't feel that in Los Angeles, but at 5:15 Tuesday morning the bed started swaying like this. I was awake, and I heard the windows and the doors creaking. I knew what it was, but it woke by wife, and she says: "What are you doing? What's making the bed shake?" I said, "Well . . .

MR. TAYLOR: At your age.

DR. BUCK: The hon. Member for Westlock-Sturgeon says, "At my age." I said, "Well, I don't see anything wrong." She said: "The building's moving; it's an earthquake. Let's get out of here." I said: "Well, dear, there's a swimming pool nine storeys down. Do you think you can hit that without hitting the bottom? Just relax." But it was an eerie feeling, Mr. Speaker, and I

thought I'd just relate that to the members.

But in Alberta in the many years that I've had the privilege of serving in this Assembly, one of the best pieces of legislation -- and I'm proud to have been a member of the government that introduced it -- was the Environment Conservation Act, which created the Environment Conservation Authority, which had ombudsman-like power. It was not a creature of the Minister of the Environment. It did not have to answer to the government. It answered directly to the people who had environmental concerns. And when we're debating principle, Mr. Speaker, the ombudsman type of committee or structure gives the ordinary Alberta citizen the right to bring environmental concerns to that authority.

Early this year some research was done in a survey. Two-thirds of Canadians surveyed indicated protection of the environment as one of their most urgent public concerns. These concerns were placed ahead of such things as free trade that we are debating in this Assembly, economic concerns, reducing federal/provincial debts, improving women's rights, and native people's concerns. The number one concern was the protection of the environment. Now, we know that constitutional things change and personal rights problems change, but our protection of the environment should be steadfast. It's a concern that we all as humans should have and consider very seriously.

Last week a group in my constituency sent a letter to the Minister of the Environment indicating their concerns and asking that the Minister of the Environment come to their school and engage in a debate or a discussion on concerns of the environment. This indicates that not only are adults concerned but young people, rightly, should be concerned. So I say to my colleague in the Assembly, the hon. Minister of the Environment: we would certainly welcome you to come out and speak to this group.

Mr. Speaker, the history of protection of the environment is relatively new, and I was appalled about 15 years ago when a leader of an industry in my community said, "You know, we will protect the environment only when you legislators tell us we must and you establish the guidelines." Now, that's a far cry from industry now taking the leadership to protect their employees, protect the people in their communities against the ravages of pollution of the environment of that community and of the environment in general. So we have changed.

The Department of the Environment was set up by a government that I was a member of, the Social Credit government of that time. When the minister introduced that legislation, he said, "You know, I'm really sticking my neck out and the government's neck out to give the authority that kind of power." But you know, at that time, under the Hon. Ernest C. Manning, he really felt that government does belong to the people. But we won't get into that because I think that maybe some of my colleagues across the way may feel a little bit squirmy to find out that we really did have democracy that worked in this province a few years ago.

Mr. Speaker, rather than harassing the government I am really beseeching them to give some strong consideration to the fact that we truly set up a mechanism for protecting the environment. Now, when the present government's new Minister of the Environment, the Hon. Bill Yurko, came to power, he was a man with great vitality, a man of genuine concern. But I have to say that I think he didn't like anyone telling him what to do. Now, that may be either understating the case or overstating the case, just depending where you're sitting. I would like to say that the Minister of the Environment at that time did some great

things for the protection of the environment in this province.

I would like to pay dues to that man for some of the things that he did do. I didn't think it would ever work, where we were going to charge larger deposits on disposable bottles, on throw-away cans, but the Hon. Bill Yurko did set up a mechanism for reclaiming, recycling some of that material. When we have visitors come to this province of ours we're all so proud of the fact that these visitors will say, "We can't believe how clean your highways are, how clean your streets are and, relatively speaking, how clean your lakes and rivers are." So that's a record that I would like to say that we owe a debt of gratitude to the Hon. Bill Yurko.

But at the same time he was doing that, he sterilized the Environment Conservation Authority. Because many times that authority, from the input that was coming in from the people, was going contrary to government's decision-making processes. So they changed that authority in 1977, and I think it was a change not for the better but for the worse.

The present minister -- I have to give him his dues. I would like to stand in my place publicly and say that I am sure, I know, that he is genuinely concerned with the protection of the environment. All of us that are in this Assembly want Alberta to have clean air, clean water, and clean soil. But I think the mechanism that we had in place before 1977 gave the ordinary Alberta citizen an opportunity to bring environmental concerns directly to that authority without worrying if the minister would like what the individual was saying or wouldn't. And so the ordinary man in the street felt: now here is a mechanism that's hands off from the government; we feel much freer going to this authority; and they will take action, which is the important point, because the minister may not take action if he feels he does not wish to.

Some of the independent hearings that were held by the Environment Conservation Authority were contrary, as I said, to some of the decisions that the government made. Now, we had a debate in this Assembly called the Bighorn dam debate, which I think was a great contributing factor to the demise of the previous government. But the thing is that that government had the nerve and respected the process enough to have those public hearings right here in the Assembly: a genuine concern for the protection of the environment.

Now, I was sitting on that side of the House at that time, and the members on this side of the House made a political issue out of it. But I mean, after all, politics is politics. The important point is that it did afford an opportunity for concerned Albertans to come to this Assembly and give their input into the decision about the Bighorn dam project.

Mr. Speaker, the Environment Conservation Authority has to have power, and if it's going to have power so that we are genuinely going to protect the environment, it has to be at arm's length from the government. Now, the government still has the ultimate power to make the decisions if they will act on the recommendations or if they will not act on the recommendations. But it's the mechanism that's in this Bill, Bill 205, the Environment Conservation Act, which gives Albertans who are concerned an opportunity to participate.

So, Mr. Speaker, I know and I hope that there are people who will take part in the debate this afternoon. It seems that about every 20 years we really reinvent the wheel, and I think it is time to reinvent the wheel about genuine concern for the environment. I guess all we have to do is leave this fair province or this country and learn from other countries that have a larger population, that have more of an industrialized base than we do,

to find out that the destructive process of not protecting the environment can be reversed. We see instances where the Thames River in the U.K. was practically an outdoor sewer; it was practically, for all intents and purposes, dead. But now there are salmon coming up that river.

But what we should learn from our older friends and our older neighbours is: let's not make the mistakes those other countries and those other societies have made. We have that opportunity in Alberta because it is a new land. It is a beautiful land, and it is, for all intents and purposes, very clean.

So, Mr. Speaker, with those few brief remarks this afternoon I seriously ask the government to show the young people in this province especially that they are genuinely concerned about protecting the environment. This afternoon the Minister of the Environment, rather glibly I thought, passed in all these reports. To me it's a very serious matter, and it should be treated seriously. The minister should not be so glib as to say, "Look at all the great and wonderful things we have done; if you don't like it, it's already been done."

I just say to my friends across the way, there was a government that sat on that side of the House that thought they had all the answers and were telling the people how lucky the people of this province were to have them in power. That may be *déjà vu*, but I am saying to the government, if you want to maintain the support of young people in this province, if you want to indicate to them leadership that they will follow, a good place for you to start is with the protection of the environment.

I thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: Hon. Member for Lloydminster.

MR. CHERRY: Thank you, Mr. Speaker. To my colleague, the Member for Clover Bar, I commend you for the speech you just gave. I listened very carefully to what you were saying, and I guess I have a somewhat different point of view. I find that I cannot support Bill 205 because I believe that the current legislation is working quite well.

The mandate of the current Environment Council has the same basic mandate as what is proposed in this Bill. The mandate is a very simple and clear one: that the council advise the minister on environmental issues. I stress the word "advise." This is the same advisory role that previous authority was given and operated under. In order to advise, the council must seek information, opinions, and ideas from the citizens of Alberta. That information-gathering process can be formal or informal, and the informal method the council has adopted has maximized the opportunities for Albertans to make presentations to the council.

Now, Mr. Speaker, we come to the only real change proposed in this Bill: that the new authority would, at its own discretion, be able to supersede consultation with the minister and pursue investigation into a particular matter on its own initiative.

Mr. Speaker, this brings up issues that are very basic to how government and agencies of government function. There must be accountability, responsibility, and a division of authority between government and any of its agencies. All of these concepts are interrelated, and I'd like to apply them to the proposals of this Bill. Let's start with accountability. The government is ultimately accountable to the people, as we all know. Agencies of the government are accountable to the government, and therefore also to its citizens. This accountability means several things. First of all, the agency has to stick to its mandate and is not required to move beyond the scope of the mandate. If it

does, it may be duplicating a service or an investigation and costing all of us a lot of money, and it doesn't have to. The agency must also be accountable to the government for what it does as it fulfills its mandate. It must do the job that it is charged with doing.

Agencies such as the Environment Council, for example, must be thorough, efficient, and also fair. This also means distinguishing accountability along some fine lines. And while the agency must be independent enough from the political process to provide balance and objective information to the minister it advises, I don't believe it should be independent enough to set the agenda or the policy of the minister or the government; that is simply not its purpose.

This naturally brings into play responsibility. The government is responsible for seeing that it hasn't created a monster that's miming amok. It is also responsible to give its agencies enough leeway to perform their functions with as little interference as possible. But the government must always have the ability to say when is "when" to make a final decision, to impose limits, if you will. This is the authority, I guess, really to be the boss. Our lives are full of these kinds of situations. Someone has to be ultimately responsible, accountable, and have the authority to make a final decision. I don't think that this is draconian. I think it's a very simple fact of life, that, to quote a politician, the buck has to stop somewhere.

I think what is also very obvious, if you look back a few years to when the Environment Council was set up and the old authority repealed, the legislation created difficulties in real-world working arrangements, and those difficulties were eliminated in the legislation which set up the current council. I think it's also very interesting to note that although the previous authority had this discretionary power it never exercised that option.

I would submit, Mr. Speaker, that the current Environment Council Act has the flexibility necessary to more than adequately fulfill its mandate without such discretionary powers. Flexibility is precisely why the additional authority is not necessary. This government is not interested in hiding from or preventing public input on any matter of environmental importance. I think that if the record is examined, anyone can see the government has encouraged public discussion of some very serious issues and has taken the input and used it in eventual policy decisions. The current legislation allows for both efficiency and fresh ideas with every set of temporary board selections. I don't believe in any way, shape, or form that the Environment Council has ceased to be a watchdog of our environmental conscience. If you believe that, then you haven't read any of the reports that the council has produced.

In summary, Mr. Speaker, I believe there is one very rational way to explain why I wouldn't support this Bill. It's an old rule of mechanics: if something isn't broken, then you shouldn't bother to try and fix it.

AN HON. MEMBER: Apply that to the free trade talks.

MR. CHERRY: I don't think we're on that subject at this point.

Common sense alone dictates that you're not going to accomplish anything that way. Mr. Speaker, the Environment Council of Alberta is doing a superb and highly commendable job. I don't think we need to interfere with its operation, and I would encourage all of my colleagues in this Assembly not to support this proposed legislation. Thank you.

MR. DEPUTY SPEAKER: Hon. leader of the Liberal Party.

MR. TAYLOR: Thank you, Mr. Speaker. [some applause] Thank you. There's always a light in the window, Mr. Speaker.

I wanted to rise and support my colleague from Clover Bar putting forward such an appropriate, and also brief and to the point -- succinct, you might say -- Bill, because so many of these are so convoluted. What he has recognized here, and it's a principle, as he pointed out, that the old government did recognize, is that environment is something that lends itself, similar to the administration of justice, to the adversary system. To go out and say, for instance, that justice can be done by the Minister of Justice, that in a trial when the prosecution gets ready, we don't need a defence, would be foolish. We realize that the conflict of the adversarial system, as they say, creates friction, friction creates light, and light gives you the wisdom for the public to make the decision. And in environmental control today we have such conflicts of interest, both in the industrial sector and the governmental sector. To say that the government can control or look after the environment without some outside body, without a body that is free from governmental control -- admittedly, probably appointed by government, but once appointed free from it, much as our Public Utilities Board is or some other such board as that -- is to fail to realize the tremendous conflicts, the tremendous pressures that are on government to subvert the environment, to ignore the environment.

[Mr. Musgreave in the Chair]

The Minister of the Environment today in any modern government has the Minister of Energy, particularly in a province such as this, where the assets are owned by the people, where they are the chief generator, maybe, of money -- the Minister of Energy is pushing: "Ah, what's a little bit of sulphur, you know? This will get this gas field going. What's a little bit of salt water dumped off here that will allow this field to produce a little more?" and so on and so on. It goes on indefinitely. The minister of small business: "Well, what's the matter with letting a little sulphur go up the stack around Edmonton? Most of the people smoke there anyhow, so what the heck. They're not going to notice a few more tons floating in the air." Then we have the minister of industrial development saying: "Well, you know, let's use the ancient Alberta practice; we build the smokestacks high enough the sulphur won't come down till it's in Saskatchewan anyway."

All this type of thing is what we have as far as the ministers themselves are concerned, because one of the chief generators of money today is the development and exploitation of our natural resources. This may be one of the problems that a modern society such as ours has to deal with. One of the interesting things about society -- and I'm in the development and exploitation of Mother Nature -- is that those countries that decide that the exploitation of Mother Nature, the sale of their natural resources, is really what's going to make them the money, are probably the worst environmentally controlled countries in the world. Because the whole idea is: get out another barrel of oil; get out another load of logs; get out another ton of aluminum.

In other words, government itself is often the last group, the last people to be defending our environment. If one ever doubts that -- and I've done a lot of work behind the Iron Curtain -- one has only to go behind the Iron Curtain, where it's supposedly government-owned organizations. I would encourage my friends on the left to look at that when they sometimes think

government ownership is the be-all and end-all. Government owned industry is probably one of the worst polluters of all, because they use the tax revenue saved by not looking after the pollutants and not putting in inhibitors to try to buy the populace with their own hospitals, schools, et cetera, et cetera. This is a lot of the same type of thing that now works in government today, no matter how right-wing it is. They have an encouragement to go out there and pollute, because they're going to make more money at it.

We have the same thing in my own constituency: a sulphur plant, a small gas plant, that's going to be allowed to dump a ton of sulphur a day. Ah, what's a ton, give or take a ton? But the problem is that there's been something like 12 of those plants built around Edmonton in the last four or five years, all of them small enough so they don't run up against, bump their head against the limit. Probably one plant could have done it all. But then it would have been 14 or 15 tons a day, and the Minister of the Environment would have gone in and said that maybe that breaks the law. But as long as we put a little bit in -- the Minister of Energy, of course, is very happy because more oil and gas is being processed, more royalties are being paid; the Minister of Social Services and the minister of hospitals, I'm sure, are very happy, because there are more funds then being generated to build more hospitals. The opposition isn't roasting his butt every day.

So all this boils into -- what I'm getting at here is that government is not to be trusted, whether it's Liberal, Tory, or NDP. You need an independent environmental council. It doesn't matter who they are. And I think our Member for Clover Bar has put that out.

Also, let's look at the other area. I just wanted to put out something that just came to my attention lately. We have a dam that's progressing down south now. If we had an independent and aggressive environmental department, would the Minister of the Environment have got away with, for instance, failing to notify or get permission from the municipality where the project is located, neglecting to consult the Energy Resources Conservation Board, getting away with waiving the right to public notification? All this to put in a dam for the greater glory of the Minister of the Environment. This is the type of hog-wild, running away, Napoleonic tendencies that you allow a minister to get away with when you do not have an independent board that is able to say, "Hold on here, Mr. Government."

Today, it's not Mr. Esso and Mr. Petro-Can and Mr. International that are polluting our environment. It's usually the government or a government-associated enterprise or an organization such as we have that say -- and I've been associated with these up in the tar sands development -- "Well, they're over pretty close to the Saskatchewan border; the sulphur going up isn't going to come down in Alberta. We're going to develop a little heavy oil here." Now, all this, all because we're going to make a little more money out of the thing.

These are the types of things, Mr. Speaker, that we have going on, so anyone that says today we do not need an environmental council that's entirely separate from government is out of it, absolutely doesn't understand what the 20th century is all about. To leave, as far as I'm concerned, an Environment Council like we have now, a bunch of pussycats put together by the government, is to allow the sheriff of Nottingham to control Robin Hood's band.

As far as I'm concerned, Mr. Speaker, one of the worst things that can happen to our society today is to continue the policy we have done here for the last number of years, which is:

if the mountain is there, sell it; if it's in the ground, get rid of it; get it out of the ground; we won't worry about the pollution; we'll look after it down the road; we can always patch it up. And of course we can open up plants up in Swan Hills, started by a prior administration, and make a big fuss about it; oh, we're going to get rid of some of the pollution. But we do little or nothing when we have the right to suspend and have the right to be able to do some controls in an area.

For instance, I would challenge the Minister of the Environment, Mr. Speaker, on whether or not he is going to let the permit go through for the Carbondale gas plant just upwind from Edmonton, just a few miles northwest, lying in some of the best agricultural land we have, one of the few areas of number 1 soil in Alberta. Instead, he dangles his bonnet and plume, hoping that time or something will save him. An independent environmental council would call him to task, would put his loud remarks and hollering about looking after the environment, would call him to task and make him make a decision, instead of wandering around worrying about hop-heads stopping him from building dams.

In other words, we need an independent environmental council that will haul the Minister of the Environment to task. The Minister of Energy, the minister of industrial relations: haul those people up from time to time, or at least present it to the Legislature where we'll have the spotlight of public attention. The spotlight of public opinion can be turned on the project at times, and possibly things will get under way that would pressure the government into line. But as it is right now, it is just a rubber stamp, or it's just a joke to get around. It does not do the trick.

Consequently, I certainly urge any member in the House and those members of -- and it's at times like this that you wish there was a secret ballot for the back bench, that they would be able to control their environment, that they would have some control of the future of their environment by supporting the Bill of the hon. Member for Clover Bar.

Thank you very much. I want to assure the hon. member that he has the full support of the Liberal caucus, and I'm sure he has the support of thousands of others out there, hundreds of thousands maybe, that will have this debate relayed to them at times. Thanks.

MR. ACTING DEPUTY SPEAKER: The Member for Bow Valley.

MR. MUSGROVE: Thank you, Mr. Speaker. I would also like to make a few comments about Bill 205, the Environment Conservation Act, and not necessarily will my comments be in favour of it. Mr. Speaker, the previous speakers have already indicated that Bill 205 will not to any significant degree alter the current effectiveness of the Environment Council of Alberta as it exists today. In fact, if anything, Bill 205, as proposed by the hon. member from the Representative opposition, serves to set in place a mechanism whereby the public hearing process could well develop into rather inefficient and cumbersome undertakings.

Mr. Speaker, as my colleague from Lloydminster suggested, the policy of this government is that if something isn't broken, we don't fix it. Now, looking back through the history of the Environment Conservation Act, it is kind of evident that there were some problems in 1972 with the group that was running the Environment Conservation Act. Things were broken, so the present government in 1972 fixed it. If it was broken then and it

has been fixed and it's not broken now, why should we go about fixing it?

Mr. Speaker, we teach history in our schools that is supposed to show what mistakes have been made by our forefathers or in history so that we won't make the same mistakes over again. So history should tell us that the proposed Environment Conservation Act has had its problems.

I'm surprised that the Representative opposition, which attempts to portray itself as a group determined to streamline government bureaucracy, would even put forward this Bill for debate, which if implemented would result in the introduction of yet another level of bureaucracy to the public input policy process.

Mr. Speaker, it has already been referred to in this debate: an important part of the Environment Council mandate is achieved through council's public hearing process. These hearings are specially arranged by the council to offer the public and related interest groups an opportunity to comment on specific environment conservation issues. The views which are heard in hearings are then carefully examined and incorporated into the reports and recommendations prepared by the council, which are then presented to the government upon the conclusion of the hearings.

Mr. Speaker, I have had some experience with some of these hearings by the Environment Council. As a matter of fact, some of my constituents brought to my attention the problem of natural gas that is found in water well drilling. I arranged for them to go before the Environment Council with this issue, and they were well received and have made a representation of their authority on this subject. The problem that they could foresee in my constituency was that in the drilling of water wells they often encountered a certain amount of surface gas, which there was no legal authority to use in Alberta, but there was no legal authority to stop them from using it. That issue is still being studied by several departments of the present government, but it was passed through the Environment Council, who, I feel, have done a very good job of handling this issue.

Mr. Speaker, if I were to make a recommendation to the Environment Council today, I would probably be asking for softer ice. I don't mean the kind that you put in your drink to cool it but what's on the bottom of arenas, because if ice were a little softer, I wouldn't have this gimmick on my shoulder today.

Mr. Speaker, in addition to the public hearing process, the annual joint meetings of the various public advisory committees serve as an important function in ensuring that the public has unrestricted access in getting their message to the government. During those meetings, resolutions to the government are developed on different issues. The government responds to those resolutions each year, and as a matter of public record both the resolutions and the responses are outlined in the annual report of the council.

Mr. Speaker, any initiatives, such as the one before the Assembly today in the form of Bill 205, would result in the creation of another level of bureaucracy and serve to entrench redundancy into the public hearing process. It's clearly not in the interests of Alberta when dealing with the important issues in environment conservation.

Thank you very much, Mr. Speaker.

MR. ACTING DEPUTY SPEAKER: The Member for Edmonton-Glengarry.

MR. YOUNIE: Thank you, Mr. Speaker. I do want to say a

few words about this. I would like to thank the Member for Clover Bar for bringing forth a piece of legislation that would redress a wrong from the past. I would also like to thank him for showing us today a bit of political candour, which people have quit expecting from their politicians, in the way he presented this. It was, from my point of view, most refreshing, and I was glad to see it. It is also good advice for the present government, which has not learned from the mistakes of the past, has not decided to do everything possible to protect the environment, and they eventually will suffer at the polls as well if they keep ignoring that kind of advice.

A previous speaker talked about the present Environment Council being a watchdog. I would agree that they are a watchdog, but unfortunately the present government pulled their teeth. I think it's good that the Member for Clover Bar has said: well, at least let's give them a set dentures and see if they can't get back about the job of nipping at the heels of the Minister of the Environment and keeping him in line. It's certainly time that watchdog role was expanded so that we would have a watchdog that was a veritable pit bull and we could have some good decisions.

It was also mentioned that the final decision on government policy should always be in the hands of the minister. In looking through the Act, I didn't see anything that would take final decisions out of the hands of the minister. What it would do is give an independent authority the right to investigate issues, make reports to the minister, which the minister would be compelled to make public; not choose to make public but be compelled to make public. Then he could make his final decision with the population of Alberta knowing exactly on what he based his decision and knowing when his decision was a political decision that ignored the input of the public, ignored the common sense of environmentally concerned people. That's what this would do, so the people of Alberta would know when that happened.

In that light, I don't think the Oldman dam, which is presently under way, would be under way. Public hearings were held. Based on the public hearings, the present ECA said: (a) don't build that dam, and (b) if you ignore (a), then don't build it where you're planning to build it, because that would be the silliest of all possible locations. In light of that, the Environment department decided to ignore both (a) and (b) and build the dam there. On the other hand, they did decide also to do the four things that the ECA said: well, if you do these, you won't need the dam. They decided to do those as well, I guess just to cover all the bases.

I think it's very important that we have an authority that has some authority. The government chose to take that authority away and make sure that they could be a counsellor in private, one who said, "Well, don't do it for this or that reason," and then based on that, the minister could do what he wanted anyway.

Somebody mentioned information and the importance of information. I agree sometimes information is important. I think we have to always clarify when someone is trying to provide us with solutions and when somebody is trying to drown us in a sea of information, because the two are very different. Sometimes I wonder which of those two is being done in the Alberta Legislature, although I must admit there is certainly no end of reports of one sort and another from the Department of the Environment, although sometimes the data on them changes from rough drafts seen earlier.

[Mr. Speaker in the Chair]

In terms of environmental protection, I think the Bill being presented today would give us some of the things needed for environmental protection. One is an ethic of environmental protection, not a mandate to compromise but to protect the environment, to investigate, to study, to look, and to present those facts to the public.

I would point out that we also need, then, on-site monitoring of industry, which we don't have much of in Alberta, and a punishment mechanism that could use that on-site monitoring information to track down polluters and punish them. I would say that right now we're missing all three of those, and I think this Bill would certainly give us one of them and help make the others possible.

On that basis, I could let the Member for Clover Bar know that we certainly support wholeheartedly this attempt to bring the ECA back to its former position of being able to monitor government and help the people of Alberta hold it accountable. I think it's a commendable move that deserves our support and applause.

MR. SPEAKER: The Member for Red Deer-South.

MR. OLDRING: Thank you, Mr. Speaker. It's a pleasure to have the opportunity of participating in the discussions this afternoon. I have enjoyed the comments of numerous speakers prior to me.

I want to comment on the Member for Clover Bar's introduction. He mentioned the smog in Los Angeles and a business trip about 40 miles east of there. I want to say that I've attended some business trips down there as well. In fact, we probably held them on some of the same courses. But I, too, can relate to the smog that he was talking about, and I think any of us that have traveled appreciate Alberta a lot more when we get back home. Los Angeles is one such city of smog; Mexico City I think was even worse when I was there, the city of Cairo, throughout the world. But I think all of us appreciate Alberta when we get home.

I also want to thank the Member for Clover Bar for extending a bit of a history lesson to all the members here. He was kind enough to certainly update me on what's occurred in the past. I was interested in hearing some of his comments about the importance that governments in Alberta have placed on the environment for a good number of years. I congratulate the Social Credit government for having the insight to establish Canada's first Department of the Environment, and I think that speaks very highly of the government of the day. I think they showed a great deal of foresight in establishing a Department of the Environment.

I think the Member for Clover Bar did a good job of summing up how important the environment is to Albertans, and it's something that we're all very proud of. I think all of us have had the opportunity of being out to enjoy our lakes and our mountains and our rivers and the clean, fresh air. We enjoy the cleanliness of our cities and our towns, the highways. I think we are proud. I know for a fact that one of the things that has attracted newcomers to Alberta has been the environment, the cleanliness that they see, the crisp, fresh air. So I think we're all sensitive to that, and we all are prepared to defend that very dearly.

The member also talked about some of the accomplishments of the former Minister of the Environment in Alberta, Bill Yurko, and I, too, want to share in his congratulations and thanks to Bill Yurko.

I think it would be appropriate at this time to talk about some of the current accomplishments in this ministry as well, and as the Member for Clover Bar pointed out, there's been a very high standard set in that department. I want to congratulate the current minister, the Hon. Ken Kowalski, for maintaining that high standard in his department and just quickly talk about some of the current initiatives and current successes in that department.

The Swan Hills Special Waste Treatment Centre, which was of course officially opened September 11, 1987, is a world-class facility. This is a major step forward. This is, I think, something of major significance to Albertans and a big step in protecting the environment in future years.

Along with that, the development of the new hazardous waste policy, a very, very important document and policy, and along with that, of course, the hazardous waste regulations. This is going to provide a very comprehensive framework for the management of hazardous wastes in Alberta and, again, a very forward step to have taken.

The educational efforts that this minister has made, the awareness campaign on hazardous wastes. Phase 1 of the HELP program has already provided a comprehensive inventory of all the active and closed and abandoned landfill sites in the province. Although that unveiled some horror stories and some real concerns, it was a step that had to be taken, and our minister went ahead and he did it. That's the first phase, and of course we're following that through now with detailed assessments on all the sites and the remedial work that will have to go with it.

The recent appointment of a review panel to undertake a comprehensive review of environmental law enforcement. I think Albertans are wanting to see our environmental legislation enforced even more. I'm pleased to see the minister take that step of assessing law enforcement in this province, and I know that we'll get some excellent recommendations back from there.

He has also announced an environmental enforcement division for Alberta environment; again, a very progressive step. Just recently released: the current Environment Council of Alberta's recommendation on recycling, an example of how it's working for Albertans today in protecting the environment. He's also initiated the first annual Alberta environmental awards. A number of initiatives, Mr. Speaker, that this minister has taken to maintain that high level of excellence that has been established over the years here in Alberta.

I want to talk about the Environment Council. Some of my colleagues were very critical of the Environment Council. I was sorry to hear some of the comments they were making, and I found them quite offensive. There are 207 members that are sitting on public advisory committees right now on behalf of the Environment Council, and I don't think they'd take too kindly to some of the remarks that were made about them this afternoon either.

I think it would be helpful, Mr. Speaker, at this time, if we perhaps just reviewed the mandate of the Environment Council today as compared to what it was back in 1970. I note that it's a Crown corporation. It does have its own budget. It still has a wide-ranging role of reviewing policies and programs and inquiring into practices and proposals relating to environmental conservation in the province. So that really hasn't changed as a result of the new legislation.

If you look at the Act itself: the council should conduct an ongoing review of government policies and programs which relate to environmental conservation and report its findings to the Environment minister. That hasn't changed. The council shall hold public hearings on major environmental issues, and

report its recommendations to the government: a very important role of the council, and again 207 members sitting on three different public advisory committees to do that.

If the minister should put out a stop order in an effort to control air or water pollution, the council again will hold a public inquiry into the matter. When a public hearing is required on a provincial government proposal for establishing a new wilderness area or ecological reserve or for the addition or removal of land from an existing wilderness or ecological reserve, that hearing shall be held by the Environment Council.

The council shall conduct inquiries into the minister's specific concerns on environmental matters: a very helpful and useful tool for the minister to have, and they work very effectively together. The council is also permitted to set up a public advisory committee system, enter into contracts with people or firms having knowledge or skills necessary for its inquiries, to serve information necessary for its inquiries directly from other government agencies and departments, and refer environmental conservation problems to the Department of the Environment for its report and recommendations.

So a lot of things, Mr. Speaker, haven't changed in this process. It was also interesting for me to note that although the former authority did have the ability to hold public hearings without consulting the minister or without advising the minister, it never did occur. The whole time that they had that authority, it never did occur.

Mr. Speaker, in light of the hour, I beg leave to adjourn the debate.

MR. SPEAKER: Those in favour of the motion, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: Motion carries.
Government House Leader.

MR. YOUNG: Thank you, Mr. Speaker. I'd ask the indulgence of the House to correct a little problem that I created earlier today. It is something which I'm advised is of a technical nature, but in view of the significance of the motion I wanted to bring it to everyone's attention.

Mr. Speaker, in the motion that I presented earlier today, in the main part of the motion which sets out the essence -- I would call it that -- I refer to a "translation or brief description." In following through in paragraphs 3, 4, and 6, "or brief description" was left out, and it should have been continued on. Mr. Speaker, for the convenience of members tomorrow, I would ask agreement to have it read that way, and I have copies of the motion with the words in the appropriate spots here. Members can pick it up from my desk if they would care to do that, if it is acceptable to the House.

MR. SPEAKER: Do you agree with the procedure?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried. Thank you. Would the pages please distribute the revisions that have the proper editorial additions to them.

MR. YOUNG: Mr. Speaker, it is the intent of government tomorrow to call the motion of which oral notice was given today, the one dealing with rules, and if time permits, we will then

revert to the discussion of Motion 17, the Meech Lake accord.

[At 5:27 p.m. the House adjourned to Friday at 10 a.m.]