

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Monday, March 28, 1988, 2:30 p.m.**

Date: 88/03/28

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

[Mr. Speaker in the Chair]

PRAYERS

MR. SPEAKER: Let us pray.

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

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

Amen.

head: INTRODUCTION OF VISITORS

MR. HORSMAN: Mr. Speaker, on behalf of my colleague the Solicitor General I would like to introduce to you and members of the Assembly, three visitors who are seated in the members' gallery. They are visiting our country and our province, and I would ask them to stand as I name them and then receive the warm welcome of our Assembly. First of all is Yusoff Zulkifli, superintendent of the Royal Malaysian Police Force; Superintendent Cheah of the Royal Malaysian Police Force; and John Khathing, deputy director of the Narcotics Control Bureau of the Republic of India.

head: PRESENTING PETITIONS

MR. SPEAKER: Member for Edmonton-Highlands.

MS BARRETT: Thank you, Mr. Speaker. I'd like to present petitions signed by 88 students who were formerly at the Computer Career Institute to the Assembly.

head: INTRODUCTION OF BILLS**Bill 10****Interprovincial Lottery Amendment Act, 1988**

MR. ORMAN: Mr. Speaker, I request leave to introduce Bill 10, Interprovincial Lottery Amendment Act, 1988. This being a money Bill, Her Honour the Honourable the Lieutenant Governor, having been informed of the contents of this Bill, recommends the same to the Assembly.

Mr. Speaker, the intent of the Interprovincial Lottery Amendment Act is to clarify the minister's authority to administer lottery schemes under the Act, establishment of a fund, and restriction of unauthorized offshore sales.

[Leave granted; Bill 10 read a first time]

Bill 9**Alberta Research Council Amendment Act, 1988**

MR. BRADLEY: Mr. Speaker, I beg leave to introduce Bill 9, the Alberta Research Council Amendment Act, 1988.

Mr. Speaker, this Bill will modify the powers of the Alberta Research Council with regards to research and development and also with regards to technology transfer. It also modifies the requirements for the structure of the board of directors of the Alberta Research Council.

[Leave granted; Bill 9 read a first time]

Bill 12**Professional and Occupational Associations
Registration Amendment Act, 1988**

MR. JONSON: Mr. Speaker, I request leave to introduce Bill 12, the Professional and Occupational Associations Registration Amendment Act, 1988.

Mr. Speaker, this Bill provides for the levying of fines and the assessment of costs as part of the disciplinary proceedings provided for in the existing Act.

[Leave granted; Bill 12 read a first time]

Bill 13**Surveys Amendment Act, 1988**

MR. HERON: Mr. Speaker, I request leave to introduce Bill 13, being the Surveys Amendment Act, 1988.

This Bill proposes minor amendments to the Surveys Act.

[Leave granted; Bill 13 read a first time]

MR. YOUNG: Mr. Speaker, I move that Bills 9, 12, and 13 be placed on the Order Paper under Government Bills and Orders for second reading.

[Motion carried]

head: INTRODUCTION OF SPECIAL GUESTS

MRS. KOPER: Mr. Speaker, it's my pleasure to introduce to you and through you to the other members of the House, the Alberta Girls' Parliament, which has taken a break from their busy session up here in Edmonton to visit our legislative session. The first session of this Alberta Girls' Parliament was held in 1972 and was the result of two years' work on the part of Mrs. Ethel Wilson, an MLA in this Legislature. Mrs. Wilson felt that girls should have the opportunity to understand the responsibilities of being a good citizen through this parliament.

The parliament is sponsored by the Alberta Council of Girl Guides of Canada and is modeled on this Legislature, Mr. Speaker. Last year, for instance, Mrs. Getty was the Lieutenant Governor and read the Speech from the Throne. Guides and Pathfinders acted as ladies-in-waiting, and Brownies and Guides acted as pages for the Assembly.

During the Alberta Girls' Parliament's stay here the girls will participate in their under-the-dome sessions, where they learn the hows and whys of government and have a real opportunity to listen to a number of guest speakers. They also hold caucus sessions and debate a variety of topics and hold their own open-

ing and closing sessions. This part of the Rangers program is really unique to the Girl Guides of Canada.

The young ladies are accompanied by leaders Martha Leroy, Roberta Fehr, Mary Telfer, Mary Hatcher, Daphne Yeske, and Marilyn McGivern. May I ask that they all please rise and receive the warm welcome of this Assembly.

MR. SPEAKER: Edmonton-Beverly.

MR. EWASIUK: Thank you, Mr. Speaker. It's a pleasure for me to introduce to you and to members of the Assembly, four young ladies from the 133rd Girl Guide Company in Kennedale, which is situated in the constituency of Edmonton-Beverly. They are accompanied by a parent, Sharon Scade. They are seated in the public gallery. I'd ask them to rise and receive the warm welcome of the Assembly.

MR. STEWART: Mr. Speaker, I noticed in the members' gallery a very distinguished Calgarian in the person of Mr. Stan Davidson. I'll point out to you, Mr. Speaker, that Mr. Davidson has served as vice-chairman of one of our national banks with headquarters in Calgary. He's also been a tireless worker on behalf of Calgary and on many community projects, the list being very, very long. I would ask Mr. Davidson to rise and ask members to join in giving him the traditional welcome of the Assembly.

MS BARRETT: Mr. Speaker, it's my pleasure today to introduce two groups to the members of the Assembly. First, I'd like to introduce a group of 16 students and their teacher from Concordia College high school. They are the students of Mr. Keith Kruse's grade 10 social studies class who visited with me earlier in the day. I'd ask them now to rise and receive the warm welcome of the Assembly.

Secondly, Mr. Speaker, I'd like to introduce to members of the Assembly a group of students who at one time attended the CCI here in Edmonton. They are present today to watch the proceedings of the Assembly, and I ask members of the Assembly to join me in welcoming them.

head: ORAL QUESTION PERIOD

Advertising of Fiscal Policies

MR. MARTIN: Mr. Speaker, over the weekend we see nice pages in the Alberta dailies about the budget and how wonderful it is to Albertans. We also notice there's a nice photograph of the Premier. I must say it's a very nice picture of the Premier trying to look determined. Now, the purpose of this seems to be to give political messages about the provincial budget. My question . . . [interjections] Cynical? I would never be cynical to this government.

Mr. Speaker, my question to the Premier: can the Premier clarify whether these advertisements are being paid for by the taxpayers of Alberta, and if so, how much money have we spent on these ads?

MR. GETTY: Mr. Speaker, those advertisements would come under the control of the Public Affairs Bureau, and the Deputy Premier could perhaps obtain details for the hon. member. Let me just say that there were two different ads. One was an ad placed by MLAs using their communications allowance, and the other was a budget message to all Albertans, which would be a

government message making sure that we communicate with all Albertans about the budget.

MR. MARTIN: Well, supplementary question, Mr. Speaker. I'm sure taking out an ad like this costs a fair amount of dollars. I'd just say: has the Premier considered the symbolism of these expenditures? In other words, how can the Premier justify such an obscene waste of taxpayers' money to send out a political message about a budget that in some cases is misleading to the people of Alberta?

MR. GETTY: Mr. Speaker, there's obviously a responsibility for the government to communicate with the people of Alberta. We're going to do it on every occasion we can. We make absolutely no apologies for it, because it's a responsibility of this government, and we're going to continue to do it.

MR. MARTIN: Well, Mr. Speaker, it's always interesting that when a government's not doing anything, they have to spend a lot of money telling people about how much they're doing. I say this to the Premier: why should the average Albertan even listen to the government when they preach restraint, when they see the government wasting the taxpayers' money like this? Why should they believe this government?

MR. GETTY: I don't know exactly what the question is that he's trying to put, Mr. Speaker. Frankly, we have a responsibility to communicate with the public, and we're going to do it. It looks to me like the ad must be working. [some applause]

MR. MARTIN: Well, Mr. Speaker, the backbenchers may pound their desks, but a lot of Albertans calling us didn't find it very amusing, I can assure you. But my question is: has the Premier considered that he might participate and do a good job in government so he didn't have to waste all the taxpayers' money telling people how good a job he's doing?

MR. GETTY: I don't in any way consider this a waste of money, Mr. Speaker. It's extremely important that the people of Alberta know about the budget and the details of the budget. And that's what we're doing.

MR. SPEAKER: Supplementary, Red Deer-North.

MR. DAY: Thank you, Mr. Speaker. Can the Premier perhaps answer questions of constituents that I had call me over the weekend in appreciation of the ad? Their question was why the government does not communicate more often in this fashion. Could the Premier answer that question?

MR. GETTY: Yes, Mr. Speaker. Those matters that were raised with me by members of the Alberta public, and I've said to them that we will look into additional opportunities to communicate in this way, and we intend to do it.

MR. SPEAKER: Thank you.
Calgary-Buffalo, supplementary.

MR. CHUMIR: Yes, to the Minister of Career Development and Employment in respect of advertisements by his department. I'm wondering whether the minister can confirm that his department is spending \$900,000 on the ads of his department featuring Diane Jones Konihowski and Glen Gorbous, which are

very nice promotions for these individuals but are equivalent to throwing money down the drain insofar as accomplishing anything for this province is concerned.

MR. SPEAKER: The question is hardly germane to the original topic, Minister.

All right; second main question, Leader of the Opposition.

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

Oldman River Dam

MR. YOUNIE: Thank you, Mr. Speaker. For the Minister of the Environment. I've been reading over the the new, improved interim licence for the Oldman dam, and as incredible as it may seem, it makes no mention whatsoever of irrigation. The licence states that its consumptive use will be nil, but it will have losses of 6,340 acre-feet, presumably to evaporation. I'd like to ask the minister, in view of his previous extravagant claims about irrigation: will the water behind this dam be used for irrigation, or is he in the process of making the most expensive humidifier in human history? [interjections]

MR. KOWALSKI: It's obvious that some of us had some fun over the weekend, Mr. Speaker. When some of us were looking after storm disasters in the province, others apparently were reading stories here, there, and everywhere.

Mr. Speaker, I need to be governed by your advice in this matter. As you and, I think, all members of the Assembly are aware, it appears that the government, the Minister of the Environment, currently have a law case pending before the Court of Queen's Bench in the province of Alberta, and there is an application made by one particular group with respect to the licence. I would like to be guided by you, sir, as to whether or not it's appropriate for a minister of the Crown to respond to questions in the question period with such an application before the courts.

MR. SPEAKER: There is a real problem with the matter being sub judice, and I suppose the only way we can deal with it is to examine what the question truly was and refer to it in the Blues tomorrow. But perhaps a subsequent question could be asked which is not involved in terms of the judicial aspects.

MR. YOUNIE: I believe the first question didn't. I would like the minister to explain to the public of Alberta: is the dam being built for purposes of irrigation, or is it being built for some other purpose?

MR. KOWALSKI: Mr. Speaker, the dam is being built for a multitude of reasons. First of all, there are 125,000 people who live in southern Alberta, and there are some 50-odd communities that need a regulated-flow supply of water. The purpose of the Oldman River dam is, number one, to intercept free-flowing water that would come from the Rocky Mountains. It would go down a very steep gradient before it gets into Saskatchewan. We are governed by interprovincial apportionment agreements that 50 percent of the water that flows out of our major waterways in the province of Alberta must be delivered to Saskatchewan. So in order for us to maximize the usage of that water in southern Alberta, Mr. Speaker, we have to interrupt it and hold it. So purpose number one of the Oldman River dam is

to ensure that there is going to be a regulated flow of water for all of the municipalities in southern Alberta.

Secondly, this government believes in economic diversification. Diversification is something we've talked about, that the Premier, the minister of the Crown, have talked about for some period of time. If we want economic development in southern Alberta, whether or not it be in the form of food processing plants or the like, then we have to have an available water supply. So reason number two for the Oldman River dam is to ensure that we're going to have an industrial potential for the future.

Reason number three, Mr. Speaker, for the Oldman River dam deals with a regulated flow of supply of water for these municipalities so that they can have gardens and greenery and what have you.

Reason number four, Mr. Speaker, deals with the enhancement of wildlife. A year ago this government indicated that we are concerned not only with the protection of the environment but the enhancement and improvement of the environment. When Palliser 100 years ago said that southern Alberta could very well be a desert, we have to be concerned about wildlife ... [interjections]

MR. SPEAKER: Thank you.

Perhaps there's room for some supplementary questions, but the Chair is getting a bit concerned about the amount of back chat that's going on again. [interjections] We can use up everyone's time by being quiet.

Supplementary, Edmonton-Glengarry, please.

MR. YOUNIE: Presuming that the dam is not for irrigation -- and the minister didn't mention it in answer to a very plain and simple question -- how does the minister in that case justify spending hundreds of millions of dollars, if it's not for irrigation, to drown out habitat for several threatened species, numerous archaeological and historical sites, and a large number of existing productive farms? How does he justify that expenditure?

MR. KOWALSKI: Mr. Speaker, in my previous answer I listed four reasons for the Oldman River dam; now I'll talk about the fifth. The fifth one is another form of economic diversification, and it has to do with the expansion of agriculture in the southern part of the province of Alberta. This government has indicated time and time again in terms of all of the studies that have gone in with respect to the Oldman River dam that there is a potential for upgrading of some 170,000 acres of irrigated land. That's all public information, all made known, all talked about time and time again.

It's erroneous for the Member for Edmonton-Glengarry to indicate that there's going to be a negative impact on palaeontological or historical resources, Mr. Speaker. In the last couple of months we have now released all of the updated reports with respect to this matter. There are no palaeontological resources at stake. That matter has been verified by the same people, the archaeologists who work at the Tyrrell museum, the international museum. The same individuals, the same people, have clarified that.

Secondly, with respect to historical resources, we've indicated that we're going to be undertaking the largest historical mitigation program ever in the history of western Canada with respect to this matter. We're working hand in hand with a local advisory group of people who live within that particular area.

They will be advising us as to which are historical monuments, including perhaps two stone houses that were built by the early Doukhobor residents in the area, and we may very well set them aside as historical resources.

MR. YOUNIE: Okay; he finally did mention irrigation, and in that case I'd like to ask him: what reason can he give for not putting it in the licence, other than its being a devious attempt to not have to fulfill his responsibility to reveal where the 170,000 acres are so the public can evaluate it?

MR. KOWALSKI: Mr. Speaker, with all the NDP lawyers in the province of Alberta you would have thought that somebody would have looked to see what the requirements were and are under the Water Resources Act. The licence in question is a river-water flow regulation licence. It is up to the proponent or the person who wants to build or develop the irrigation district to make the application. That has been the history of Alberta, my friends, since the very start of the irrigation program in this province.

MR. SPEAKER: Thank you. [interjection] Supplementaries are finished, Edmonton-Glengarry.

Edmonton-Gold Bar, followed by Clover Bar.

MRS. HEWES: Thank you, Mr. Speaker. Having heard all of that, now will the minister please tell the House what it's finally going to cost? Are we at the upper limit at \$350 million, or is it going up from there?

MR. KOWALSKI: At the upper limit, Mr. Speaker? We indicated when the dam was announced in 1986 that the dam would be constructed at a program cost of \$349.6 million in 1986 dollars. We have now added \$3.7 million to road infrastructure as a result of a request made of me by the municipal district of Pincher Creek, a request that I made public in the latter part of January. That \$3.7 million is for an improved bridge that the local people there said they wanted and, secondly, for the upgrading and ultimate paving of some secondary roads within the municipal district of Pincher Creek.

DR. BUCK: Mr. Speaker, the minister is mentioning diversification, and I'm sure that most everybody assumes that when you're going to be damming a river, you're going to be using some of the water for irrigation. That seems to be quite reasonable. When he spoke of diversification, what input has the Minister of the Environment had from the agricultural sector as to what small diversifications can go on or different crops can go on in light of the fact that we do have a surplus of the grains? Is there going to be diversification into some of the root crops in that area if the water is available?

MR. KOWALSKI: In fact, Mr. Speaker, where we're at right now in this day of March 1988: we probably have requests from potential irrigators and local governments near the Oldman River that far exceed the potential of 170,000 acres of upgrading we'd want. That upgrading in terms of irrigation would flow from everything from hay lands to sugar beets and very, very intensive agricultural crops dealing with carrots, radishes, lettuce, beans, and the like.

MR. BRADLEY: Mr. Speaker, supplementary question to the Minister of the Environment. Could the minister confirm that

one of the important reasons for constructing the dam is to meet our commitments at the Saskatchewan border, which require us to pass on 50 percent of the flow and, if the dam was not proceeded with in terms of the storage on the Oldman, that future development both in the Bow River basin and the Red Deer River basin would be limited because of their having to make up those commitments to Saskatchewan which the lack of storage in the Oldman would follow?

MR. KOWALSKI: Mr. Speaker, I think that perhaps there's one aspect about water management in our province that a great number of citizens of Alberta either have never been informed of or simply have not had an ability to really completely understand, and that deals with apportionment of our waters. We have interprovincial agreements in this province that require that 50 percent of the water that flows from our Rocky Mountains must be delivered to the province of Saskatchewan. That apportionment agreement applies to the Athabasca River, the North Saskatchewan River, and when it comes to the rivers in the central and the southern part of the province of Alberta, the apportionment agreement deals with the three river-basin systems: the Red Deer, the Bow, and the Oldman. If we do not manage the resource in the Oldman, it means we're going to have lesser amounts of water to use in the Bow and the Red Deer, and that, of course, would negate -- negate -- future growth in those two parts of Alberta.

MR. SPEAKER: Member for Edmonton-Gold Bar, on behalf of the Liberals.

Employment Alternatives Program

MRS. HEWES: Thank you, Mr. Speaker. My questions are to the Minister of Career Development and Employment. The work for welfare program, euphemistically called employment alternatives -- that undertaking of last summer was suspended in December for a three-month hiatus to review objectives and methods. Community information of studies have revealed some flaws, as I expect the review has as well. We're now at the end of March. Unemployment remains intolerably high, welfare rolls are unconscionable, and we've been told that there's going to be a 69 percent increase.

The community needs to know, Mr. Speaker, what is ahead. When is it going to occur? How will it work, and who will benefit? So my questions to the minister are like this: first of all, what are the actual dollars assigned by the province, and in what programs do we find them?

MR. ORMAN: Well, firstly, Mr. Speaker, the hon. member is correct; we have done an extensive review of the employment alternatives program. As a matter of fact, the question is timely because I just finished meeting this morning with members of umbrella groups in Calgary, organizations that work with people on welfare. I reviewed with them in a fairly detailed manner the results of those studies. I felt that was important because they were part of the input.

Last year the hon. member may recall that we had a \$13.6 million budget for the program, enhanced \$4.4 million. We have a \$22 million commitment in 1988/89, and I'd look forward to the member's support for those dollars during a discussion of my estimates.

MRS. HEWES: Mr. Speaker, the support will be forthcoming

depending upon the elements of the program. To the minister will the federal government also participate 50 percent? Will they increase their participation this year?

MR. ORMAN: Mr. Speaker, the federal government targets dollars through the Canadian job strategy with regard to employables on social assistance. They had, I believe, some \$6 to \$8 million designated last year. They did contribute certain dollars to us in '87-88. I have had discussions with my colleague the Hon. Benoit Bouchard, Minister of Employment and Immigration in Ottawa. Also, under the four-corner agreement that we signed last year, there are some dollars, and I am pressing Ottawa to continue to put dollars in our program. That does not mean to say that there's an absence of dollars on behalf of the federal government. They choose to spend it in a different manner than through the employment alternatives program, unfortunately.

MRS. HEWES: Thank you, Mr. Speaker. I take it there is no commitment as yet. Perhaps the minister will tell us what will be different in this newly revised program to ensure that new long-term jobs are created, that jobs are created, not just work for welfare?

MR. ORMAN: Mr. Speaker, that's probably the most important element and probably the most important question with regard to the program. We've dealt with 6,000 people; there are 6,000 people working under the employment alternatives program in the private sector today. Now, through the review we determined that the private sector was not inclined towards training, as we had hoped, and that is partly our fault for not communicating the opportunities for training dollars. But I can ensure the hon. member that the redesign of the employment alternatives program, the retooling, I guess, is a better word, will deal with people who are having trouble making matches and for people whom we believe need pre-employment skills; that is, life skills, job search techniques, and things that will make them more employable.

It is a very difficult task because each person brings something different to the table, Mr. Speaker, both employer and employee. We will be working on a closer, one-to-one basis through 1988-89, and training will be the emphasis. As a matter of fact, we hope that out of our budget we can spend about a 3 to 1 ratio. That is, for every \$3 of wage subsidy, \$1 will go towards training.

MRS. HEWES: Mr. Speaker, will the minister now make the review information public, including the questionnaires that were announced to be made public in January -- I haven't seen anything on that one yet, 650 participants -- so that the communities can assist in developing and applying a useful program this time?

MR. ORMAN: Mr. Speaker, I'm giving careful consideration to releasing the study. The study is obviously not complete. No study with regard to employment alternatives will be complete until we know what the retention rate is at the end of the subsidy period, which will be about June. We have done an interim assessment. We have found that 65 percent of the people on the program have found it an extremely useful tool for making them ready and able for finding full-time employment. There are some areas that we want to readdress in the program. Obviously, a program which has 6,000 people in the labour force

alone needs some special attention, needs some fine tuning. We've taken three months.

Now, with regard to the study I have no intention of releasing publicly the interim report. I will be releasing it to the user groups, the umbrella organizations, and I will give careful consideration to releasing the final report upon reviewing it.

DR. BUCK: Supplementary question to the minister. Mr. Minister, just recently I received the federal form under a program called SEED. I can't remember what it meant, but I have to inform the minister that I've never seen so much crud and garbage and gobbledygook in two pages of application forms in my life. My wife and I spent 45 minutes trying to fill this stupid form out. That's the only language I can bring to the attention of the minister. Then there were two pages of instructions on how you fill out the application form.

Now, the question is: in the minister's department, under some of these assistance programs, is there anyone in the department who reviews the application forms that are sent out to small businesses, to make them simple and functional? Is there anyone doing that in his department?

MR. ORMAN: Mr. Speaker, I believe the SEED forms are now being prepared by the department of taxation, so that may be why they're complicated.

With regard to our department, it was one of the areas that was identified in our meeting this morning with some of the umbrella organizations -- that in terms of the employer it's difficult to make the application in some cases. This program that we have, the employment alternatives program: basically about 95 percent are small businesses, people with less than 20 employees. Small businesspeople don't have time to make out forms, make applications, and wind their way through the maze of government. I have indicated as recently as this morning that I want to be sure that the forms and the processing of applications are much more streamlined to effect a quicker match between employer and employee. I appreciate the hon. member bringing it up here.

MR. SPEAKER: Edmonton-Belmont, then Vermilion-Viking.

MR. SIGURDSON: Thank you, Mr. Speaker. In the absence of meaningful job-creation programs and given that the capital city now has 42 percent of the unemployed of Alberta, I'm wondering if the minister could indicate to the House what percentage of that \$22 million is going to be maintained in the capital city region to try and put people to work.

MR. ORMAN: Mr. Speaker, traditionally our programs in the department have been balanced towards Edmonton, with regard to Calgary. There's been a greater take-up in the Edmonton area than the Calgary area with the department's programs. Now, with regard to the employment alternatives program, it's about a sixty-forty split -- that is, Calgary, 60 percent; Edmonton, 40 percent of the total of the two major centres. We respond by businesses' making applications. Now, it could be a communications problem. Maybe I'll take up the Premier's suggestion, and we'll spend more time communicating with the people of Alberta on this program. Certainly I'll do whatever I can, Mr. Speaker, to raise the interest of small businesses in Edmonton.

MR. SPEAKER: Vermilion-Viking.

DR. WEST: Thank you, Mr. Speaker. Unemployment insurance in Canada contributes approximately 3.4 percent of the gross national product and, some believe, helps to create permanent unemployment. Could the minister indicate if he has made any correlation between the end of unemployment insurance benefits and the increase in unemployment and welfare and, therefore, the pressure it puts on employment opportunity programs such as he has had in the past?

MR. ORMAN: With regard to the employment alternatives program, Mr. Speaker, 80 percent of the participants in the program come straight from the employables category in social assistance; 20 percent come from unemployment insurance exhaustees. Now, we are concerned that we want to catch people whose unemployment insurance has run out before they move into social assistance. It's a very important aspect of the program. There is a strong correlation. We are looking at it, and it will be part of our review -- the changes as a result of a review in the coming year.

Oil Sands Development

DR. BUCK: Mr. Speaker, my question is to the Premier; it has to do with the oil sands expansion in the Fort McMurray area. The Premier seems to be trying to get the federal government to look at the proposed \$4 billion other six leases organization, the OSLO group. Can the Premier indicate if there is any progress being made by the Alberta government to try and indicate to our federal Finance minister and our colleagues in the government in Ottawa how essential this is not only to Alberta but to Canada?

MR. GETTY: Yes, Mr. Speaker, I believe we are making progress. It's a matter of convincing people about the long lead times that are involved in an oil sands plant. If we started one tomorrow, it would not come on production until 1994, and that's exactly the time when all studies indicate that additional production will be needed in Canada. We have to make sure people look ahead during the period of low oil prices to the need, and therefore the requirement that we make the investments now. We think we are making progress in that regard.

DR. BUCK: Mr. Speaker, to the Premier. While the Premier was away his two terms sharpening his golf game and trying to make a living, we were talking about self-sufficiency in Canada. Now, that seems to have gone by the way. Have the Premier and the Prime Minister in their discussions looked at self-sufficiency in Canada and moved the year up to, say, 2000? Because it was 1990 at one time that we were going to be self-sufficient. Has there been a target date set for self-sufficiency in Canada?

MR. GETTY: Mr. Speaker, the Minister of Energy may well want to discuss the matter since he is involved in talking about this matter with the federal minister of energy.

Frankly, my desire would be to see not just self-sufficiency for Canada. But if you really want to build for the future, it would be just at the time the OPEC nations are tightening the noose around the western world by shortening supplies to the western world. It would be an excellent time to have oil from the oil sands not just for self-sufficiency but for export. Then you would have the most valuable commodity in the world at a time when, obviously, there'd be a bigger need for it all over the

world. I think that particularly under our free trade arrangements with the United States we would have a secure market for this production with the United States, and they could reduce the amount of their dependency on the OPEC countries.

DR. BUCK: Mr. Speaker, a supplementary question. The Minister of Energy had several Members of Parliament from our federal Parliament out here on a fact-finding mission. Can the minister indicate if he made any progress in bringing home to those people how important the oil industry is to the province and to Canada?

DR. WEBBER: Well, Mr. Speaker, the question of security of supply is an important one for Canada, and I'm glad the hon. member is raising it in the House today. As the government of Alberta we have been working with all the other provincial governments in the country. In fact, we got unanimous approval from all the provinces in Canada to go to the federal government and point out to them the importance of security of supply. The Premier has commented on the reasons for the need to have a secure supply.

At this time we still are a net exporter of oil in this country because of larger than anticipated finds in the oil sector in this province, but we all know that conventional oil supplies are going to decline, and we need to offset that with production from our heavy oils and oil sands. So it's important that we have security of supply.

Yes, we did meet with eight Members of Parliament from different parties just a few weeks ago. I've also been meeting with Alberta MPs and also with my colleague the federal minister of energy and other ministers in the federal cabinet.

DR. BUCK: Mr. Speaker, a final supplementary to the Minister of the Environment. In light of the fact that we were looking forward to developing more oil sands plants, probably six years ago I asked the Minister of the Environment the question: how many plants can we have in the Fort McMurray area without making Saskatchewan, Manitoba, and western Ontario a wasteland because of acid rain from the sulphur that's being pumped into the atmosphere?

MR. KOWALSKI: Mr. Speaker, if we were to require 100 percent sulphur recovery from any tar sand plant located in the province of Alberta, then presumably the response to the question would be: limitless.

MR. PASHAK: Mr. Speaker, my question goes back to the original question asked by the Member for Clover Bar, and it's to the Premier. Would the Premier assure the House that if any provincial money goes into the OSLO project, it would be in the form of equity or ownership capital?

MR. GETTY: Mr. Speaker, it would be my desire to see that such a plant gets started, and we will do it in any way possible, in every way possible, because we're committed to that resource being developed. It's so important to the future of Alberta and Canada, and we'll do it in any way possible to get it going.

MR. ZARUSKY: Mr. Speaker, since the OSLO project is of great importance to this province, can the Minister of Energy tell us if AOSTRA, Alberta Oil Sands Technology and Research Authority, has any participation in this project?

DR. WEBBER: Well, Mr. Speaker, certainly AOSTRA has played a very important role over the years in the development of technology in the oil sands area in this province, and AOSTRA is involved in a project to look at additional new technology with respect to a cold-water process being used, as opposed to warm water or even hot water. So the continued co-operation between the private sector and OSLO is important to the future of our oil sands plants. In an equity way AOSTRA, of course, is not involved in the six-company consortium, but our Alberta Oil Sands Equity group is involved to a degree of 10 percent of the ownership in the OSLO consortium.

MR. SPEAKER: Edmonton-Highlands, followed by Calgary-Buffalo, followed by Edmonton-Strathcona.

Computer Career Institute

MS BARRETT: Mr. Speaker, I'd like to surprise the Minister of Advanced Education and ask him a question today with respect to the Computer Career Institute, and I know I take him by surprise.

Last February I started writing to the minister on behalf of students there who had some grievances, and last June I raised the matter in the House. Finally, the minister did have his department officials conduct an investigation into those grievances, yet the minister has said in writing to me that they seem to be unfounded. I wonder if the minister is now prepared to prove that statement by tabling the report of that investigation.

MR. RUSSELL: No, I'm not prepared to table the report, Mr. Speaker. But it is true that the complaints of the students in that regard were unfounded with respect to some of the allegations they were making. It's interesting; there's been another chapter in this story. The school has since indicated that it's going into voluntary bankruptcy, and the government has stepped in with a plan of assistance for those students to just over the tune of \$800,000 so that they can finish their courses.

MS BARRETT: Believe it or not, I commend the minister on that contingency plan. I think that's very good, Mr. Speaker. But I wonder if he's in a position to tell the Assembly why it is that those CPA students who went to NAIT first got notification that they would be entitled to a diploma and then suddenly got told that they're only going to be entitled to a certificate. Will he explain that to those students?

MR. RUSSELL: Well, Mr. Speaker, there are various versions of the story as to what students believed they were told or what they believed they were told and passed on to their MLA. But I can say that the complaints were carefully investigated, and we found no grounds whatsoever for refunding all or part of the tuition fees paid by the students under those circumstances.

MS BARRETT: Mr. Speaker, I hate to blow a supplementary on clarifying, but I think the minister misunderstood here. What I was talking about are the students who are currently at NAIT. I'll have the page send this over to the minister in case he hasn't seen it.

My supplementary to the minister, though, is: is it his government's position, then, that the department simply has nothing more to say about those students who lodged grievances during the last year and a half, prior to the announcement of the closure

of the institute? That's it for them; too bad?

MR. RUSSELL: That's correct, Mr. Speaker. That complaint was looked into and is closed. I mentioned the problems that the school has since gotten into and the response of the government in that situation.

MS BARRETT: Final supplementary question, Mr. Speaker. Given that the minister won't table the report so that members of the Assembly or the public at large can assess the merits of the process he undertook, will he commit himself to engaging at least one more appeal process so those students whose grievances are contained herein can have some sort of fair mediation? Will he do that on behalf of the students?

MR. RUSSELL: Well, Mr. Speaker, I'm surprised at the presentation that the hon. member is making. I can't read it, I know, but I happen to have a letter from a student at the career institute who has written me in response to a letter received from the Member for Edmonton-Highlands. Certainly the arguments that are being put forth in the House today are not supported by the views of that particular student.

MR. SPEAKER: Supplementary?
Calgary-Buffalo, main question.

Environmental Impact of Cargill Plant

MR. CHUMIR: Thank you. I have a question for the Minister of the Environment. Mr. Speaker, am I disturbing you? The Minister of the Environment, please. It relates to the Cargill packing plant, which is a welcome addition to the economic scene for the High River area. However, it does raise a number of questions relating to the potential pollution of the Bow River, which is one of the world's greatest fishing treasures and the source of water for many southeast Alberta communities. Firstly, can the minister give the House a report on the anticipated impact of the Bow River from plans to pipe effluent from the Cargill packing plant and to tie in sewage from High River, Okotoks, and the municipal district of Foothills?

MR. KOWALSKI: Mr. Speaker, I've been invited to give a report, and I would be pleased to do so.

MR. SPEAKER: A lightning-quick précis.

MR. KOWALSKI: Mr. Speaker, I can't give a report other than to say that this matter is before all of us, including all of the municipalities in that part of southern Alberta. One river that I will not allow sewage to go into is the Highwood River.

MR. CHUMIR: That was great ingenuity in keeping the answer short. I'm wondering whether the minister can tell this House why access to a report on Bow River pollution, which was prepared by two University of Alberta biologists and given to the department in March of 1987, is still being kept from the Bow River Water Users association a year later.

MR. KOWALSKI: Mr. Speaker, in 1987 I released well over 100 reports and documents, and I'm not aware of one that is ready for publication and one that has been published and is ready for release that has not been. If there is such a report, it hasn't crossed my desk yet, and it will soon be released. But I

want to point out again that every report that is published and ready to go has been made public within a matter of days after my getting it and an opportunity to read it. No one is withholding any document.

MR. CHUMIR: Well, it's a surprise to the association.

Now, in light of the concern of downstream communities, Mr. Speaker, I'm wondering whether the minister would commit to holding a public hearing so that concerned Albertans can become informed before any permits are issued to dump effluent into the Bow River -- we're talking about the Bow River here, not the Highwood River -- from the Cargill plant or from sewage.

MR. KOWALSKI: Surely the hon. member knows, though, that municipalities in that area have been using the Highwood, which is considered one of the prime fishing rivers in the world, for effluent in the past. One of the original proponent's suggestions was that effluent from the Cargill plant would go to the Highwood. I want to make it very clear that the Highwood is not going to be used.

In terms of hearings, Mr. Speaker -- the hon. member has asked for hearings -- can I just quickly go through? February 16, 18, 18, 22, 23, 24, 25, 28; March 8, 15, 16, 16, 1988, were all days of meetings, as was May 15, '87, June 8, '87, October 21, November 13, November 12, November 24, January 18, 27, February 3 and 3. I think there are 24 meetings that have already been held.

MR. CHUMIR: Well, concerned individuals are not aware of any meetings with respect to this proposal to dump effluent into the Bow River, Mr. Speaker. It's a surprise to them.

Now, in light of the irrigation potential of the packing plant and the sewage effluent and in light of the \$350 million being expended on the Oldman River dam, I wonder whether the minister might advise whether the government is doing anything to assess the potential and to encourage the development of irrigation projects using such effluent.

MR. KOWALSKI: Mr. Speaker, the answer to the last question is that this matter is under constant review. In fact, one of the questions raised in terms of the environmental impact assessment with Cargill was exactly that question: has the proposal been made to use the water for irrigation? We know that within the Western Irrigation District that is currently under way, and we also know that at a little community downriver that's also true.

But for the hon. member to stand in this Assembly and say that certain people are unaware that certain meetings have been held ... Perhaps very quickly, Mr. Speaker -- the following have met with us with respect to this: Trout Unlimited, the town of Okotoks, the town of High River, the M.D. of Foothills, Trout Unlimited again, the Fish and Game Association, the Foothills Health unit, the Bow River outfitters association, the town of Bassano, the village of Gleichen, the county of Newell, the Eastern Irrigation District, the town of Brooks, the town of Brooks again, the Bow River Water Users group, the Bow River Water Users group again, a Blackfoot Nation delegation, and a number of individuals.

MR. SPEAKER: Edmonton-Glengarry.

MR. YOUNIE: Thank you. I point out that all of those groups

after the meetings are still as concerned as they were before the meetings.

Will the minister guarantee that the effluent coming from this plant will be so well treated that it will not only be safe to put in the river, but it would be safe for human consumption?

MR. KOWALSKI: Mr. Speaker, the year is 1988. Well over a hundred years ago a very, very famous French chemist, Monsieur Pasteur, indicated that most liquids that we take, including milk, should be pasteurized. I want to make it very clear that I don't believe anybody should drink raw water out of dugouts, lakes, streams in the province of Alberta without having it treated carefully. Clearly, wellness is part of what we're talking about. My colleague the Minister of Community and Occupational Health talks about it. Complete quality of health is -- we're now sophisticated, educated human beings, and we know that we can treat water and we can also pasteurize liquids, and that's what we should be using, Mr. Speaker. And that is, of course, what all hon. members in this Assembly do every day. I don't see one of the members of the NDP walk in here with their own little satchel of water that they picked up at the dugout behind their home.

MR. SPEAKER: The Member for Edmonton-Strathcona.

Justices of the Peace

MR. WRIGHT: Thank you, Mr. Speaker. My question is to the Attorney General; it concerns the justices of the peace. What steps has his department taken following the Magee case recently to disestablish the justices of the peace from the department so they will have sufficient independence from the police and indeed from his department to comply with the Charter of Rights and Freedoms?

MR. HORSMAN: Mr. Speaker, that matter is still a matter under consideration relative to an adjourned court case. The question as to whether or not an appeal of the portion of the decision can be undertaken is still under review.

MR. WRIGHT: In the meantime, then, is it still the case that justices of the peace are continuing as before, without the impartiality that the judge has found necessary?

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

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed?

MR. HORSMAN: Mr. Speaker, as a result of part of the decision which has been made public by the justice of the Court of Queen's Bench, a decision has been made to restrict the issuing of certain warrants through provincial judges alone. That is deemed to be sufficient action at this stage.

MR. WRIGHT: Yes, I would agree that meets the particular case. But the same reasoning applies to the other duties of the justice of the peace, such as judicial interim release, or bail, or informations and complaints and, indeed, warrants of arrest. So why do they still continue to be, on the face of it, in breach of their duties?

MR. HORSMAN: Mr. Speaker, the allegations contained in the supplementary are quite serious in nature. I would indicate once again that this is a matter that is still the subject of consideration for an appeal, and I would not like to go further into the matter as to whether or not the justice was correct in his decision. The justice of the peace system in Alberta is being reviewed carefully in light of that particular portion of an adjourned case. It's a difficult situation at the present time, and I wouldn't want to comment further on it under the circumstances.

MR. SPEAKER: Final supplementary.

MR. WRIGHT: Yes, Mr. Speaker. But in the meantime the decision is there and stands. Perhaps the Attorney General would consider anticipating further challenges for once by preventive action designed to have the justices of the peace conform in their other duties to the reasoning that shows that at present they are in contravention of the Charter of Rights and Freedoms.

MR. HORSMAN: It's the same question, Mr. Speaker.

MR. SPEAKER: Correct. Final supplementary on this, again keeping away from sub judice, please. Calgary-Buffalo.

MR. CHUMIR: Thank you. Mr. Speaker, the adjourned court case is only the latest phrasing of this issue. Changes were recommended by the commission which was established by the Attorney General's department in 1984 to review the Faulkner incident. I'm wondering why the Attorney General's department has been doing nothing four years later, when this is such an obvious problem which is being addressed and has been addressed in other provinces.

MR. HORSMAN: Mr. Speaker, since there are 10 provinces, there is a considerable number of differences of ways of dealing with the justices of the peace. Those have been reviewed and are being reviewed.

MR. SPEAKER: The Minister of Social Services, with further information in response to a question from Edmonton-Calder.

Assured Income for the Severely Handicapped

MRS. OSTERMAN: Thank you, Mr. Speaker. On Friday the hon. Member for Edmonton-Calder asked questions regarding assured income for the severely handicapped recipients retaining benefits while they were in institutional treatment programs. During the winter I had questioned the interpretation of our new social allowance policy manual in this regard and had asked department officials to recommend a change and today have directed that the policy be formally changed to allow recipients temporarily housed in Alberta Hospital Edmonton or Alberta Hospital Ponoka to receive AISH benefits for three months.

As was discussed in question period on Friday, Mr. Speaker, this policy is designed to ensure that recipients who might expect to be able to return to their homes or their residences and are only in these places for a short period of time can continue on the program.

MS MJOLSNES: Supplementary to the minister. That's very good news. I was wondering, however, when this particular change in policy would be effective. Also, in the old policy it

stated that . . .

MR. SPEAKER: Hon. member, one question, thank you, and you've already given it. Social Services.

MRS. OSTERMAN: Mr. Speaker, I might also talk to the hon. member after. But I would say that the policy is effective immediately. Of course, it still remains that the handicapped benefit of \$175 per month for those people who are in institutions over the longer term remains in effect.

ORDERS OF THE DAY

[On motion, the Assembly resolved itself into Committee of the Whole]

head: GOVERNMENT BILLS AND ORDERS (Committee of the Whole)

[Mr. Gogo in the Chair]

MR. CHAIRMAN: Will the Committee of the Whole House please come to order to consider various Bills.

Bill 8 Natural Gas Rebates Amendment Act, 1988

MR. CHAIRMAN: Any comments from the hon. Minister of Transportation and Utilities?

MR. ADAIR: Mr. Chairman, in relation to Bill 8, Natural Gas Rebates Amendment Act -- and some of the comments were made at second reading -- the Bill itself is to in fact just change the date in section 3 by adding the second section or 2.1, which states that it "does not apply" or, in other words, excludes the primary agricultural producer rebate program and does not affect any other part of that Bill itself. So having said that, I'll await any questions.

MR. CHAIRMAN: Any comments, questions, or amendments proposed to any section of Bill 8?

MR. PASHAK: I've a couple of questions I'd like to ask the minister. My understanding of this is that the force of that existing Act, the Natural Gas Rebates Act, expires on March 31, 1988, for all people, but this amendment would continue the Act for a certain category of farmers engaged in primary production. My question to the minister: why is this Act not extended for all consumers in the province? Because although the price of gas has fallen at the moment below the level at which it triggers a subsidy, with the amount of gas we're exporting out of the country at the moment and the limited supply of gas we have available in the province, I can see not just a gradual increase in price in the works but perhaps a rather drastic or dramatic increase in price in the not too distant future.

MR. ADAIR: Mr. Chairman, it's nice to see some optimism on the other side in the sense of what prices may be. But I think in essence what we're attempting to do here is indicate that with the present prices -- and I believe they're in the range of \$1.60 a gigajoule right now -- they're well below what was the level for the natural gas price protection plan. It's our plan then to let that expire at this present time, keep the mechanism in place,

and should that optimism down the road show, obviously the mechanism is there to in fact provide something.

What we're doing here is continuing our commitment to the agricultural community and particularly those that relate to those areas that were mentioned in second reading: field crops, livestock and poultry operations, greenhouses, irrigation, grain drying, sod and peat moss farms, and alfalfa processors. Where we are assisting them, for those who would consume over 300 gigajoules, up to a maximum of 10,000 gigajoules, that particular one stays in place. That's what this amendment provides us, with the exclusion of that one so it can carry on. Obviously, at this point in time the other one isn't needed. The mechanism is still there. We can carry on if things should improve at that point down the road.

MR. CHAIRMAN: Calgary-Forest Lawn.

MR. PASHAK: Yes, second question, Mr. Chairman. I would like to get the minister's assurance that this proposed change to the Act would comply with the spirit and intent of the Mulroney trade agreement. I can imagine a situation where American farmers might feel that if they're in a competitive situation with Canadian primary producers, they're at a disadvantage if there is any gas shielding for Canadians that is not available to American producers, and I can see them carrying those concerns forward to their trade tribunals or whatever and asking for countervail duties. Would they be successful, given the existence of a Mulroney trade agreement? Would you be prepared to assure this House that you could carry that protection even with that trade agreement?

MR. ADAIR: Mr. Chairman, it's my understanding and the information that has been provided to me that that would not be a major problem should that occur at some point or another where a request was made, that this doesn't impact to the extent that it would be a major problem in the free trade arrangement. That's the only assurance I can provide, and we moved on the basis of that to provide the exclusion in this particular Act.

MR. McEACHERN: Just to follow that point a little bit further, would it not be prudent to leave the whole rebate in place now or continue it, since it was meant to run out on March 31, so that you wouldn't be seen as imposing it anew when the situation occurs that may very well occur, as you and the Member for Calgary-Forest Lawn were discussing? If you could leave it in place now, that would make it harder for the Americans to ask for countervail or say you're now imposing something new. You could say: "We've been doing this for years. It was in place before the free trade deal came in." It seems to me it would make sense to do it that way. It would certainly make it harder for them to argue that somehow it should be subject to countervail.

MR. ADAIR: Mr. Chairman, in relation to that, that was one of the conditions that was looked at, and in our judgment this was the proper way to go.

MR. HAWKESWORTH: Mr. Chairman, I'd just like to very briefly add to the comments of my colleague from Edmonton-Kingsway. This has been a popular program over the years. I commend the government in the past for having introduced this legislation and provided this sort of benefit to Alberta consumers. It would just seem to me such a shame that the con-

sumer generally in the province is losing this assistance.

We're pleased, of course, to see it continued for those in the agricultural sector. But the fact that you're targeting the people in the agricultural sector just highlights the fact that a benefit is being provided that's not generally going to be available to people throughout the province. Given that there is no definition yet in the free trade deal as to what actually constitutes a subsidy and what doesn't -- all we've got is five years of negotiating and another option for another two years to come up with a definition of what a subsidy is -- it seems to me this kind of program is on the table almost begging for the American farm groups to raise as a potential subsidy to our agricultural sector.

So we're pleased to see that this kind of support is being provided. It's an important one, and I certainly endorse that. But it just seems such a shame both for the sake of the consumer and the fact that we're targeting a group and it opens us up for action from the Americans on the other side, Mr. Chairman, that I just have to add my comments on the record that I'm really sorry to see the government taking this particular option as opposed to the one proposed by our Member for Edmonton-Kingsway.

MR. CHAIRMAN: Are you ready for the question on Bill 8?

[The sections of Bill 8 agreed to]

[Title and preamble agreed to]

MR. ADAIR: Mr. Chairman, I move that Bill 8, the Natural Gas Rebates Amendment Act, 1988, be reported.

[Motion carried]

Bill 14 Appropriation (Interim Supply) Act, 1988

MR. CHAIRMAN: Hon. Provincial Treasurer? Are there any comments, questions, or amendments proposed to Bill 14?

[The sections of Bill 14 agreed to]

[Title and preamble agreed to]

MR. JOHNSTON: Mr. Chairman, I move that Bill 14, Appropriation (Interim Supply) Act, 1988, be reported.

[Motion carried]

Bill 15 Appropriation (Alberta Heritage Savings Trust Fund, Capital Projects Division) Interim Supply Act, 1988-89

MR. CHAIRMAN: Any comments, hon. Provincial Treasurer? Does any member have comments, questions, or amendments to Bill 15?

[The sections of Bill 15 agreed to]

[Title and preamble agreed to]

MR. JOHNSTON: Mr. Chairman, I move that Bill 15, Appropriation (Alberta Heritage Savings Trust Fund, Capital Pro-

jects Division) Interim Supply Act, 1988-89, be reported.

[Motion carried]

Bill 16

Appropriation (Alberta Capital Fund) Interim Supply Act, 1988

MR. CHAIRMAN: Any comments, Provincial Treasurer? Any comments, questions, or amendments proposed to Bill 16?

[The sections of Bill 16 agreed to]

[Title and preamble agreed to]

MR. JOHNSTON: Mr. Chairman, I move that Bill 16, Appropriation (Alberta Capital Fund) Interim Supply Act, 1988, be reported.

[Motion carried]

MR. YOUNG: Mr. Chairman, I move that the committee rise and report progress, and I gather it begs leave to sit again.

[Motion carried]

[Mr. Speaker in the Chair]

MR. GOGO: Mr. Speaker, the Committee of the Whole has had under consideration the following Bills and reports the following: Bill 8, Bill 14, Bill 15, and Bill 16.

MR. SPEAKER: Does the Assembly concur in the report?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? So ordered.

head: **GOVERNMENT MOTIONS**

4. Moved by Mr. Johnston:

Be it resolved that the Legislative Assembly approve in general the fiscal policies of the government.

[Adjourned debate March 25: Mr. Ady]

MR. ADY: Mr. Speaker, I have looked forward to this opportunity to participate in the debate of the 1988-89 provincial budget. I'd also like to commend our Provincial Treasurer, the MLA from Lethbridge-East, the Hon. Dick Johnston, for bringing in a budget that is so sensitive to all the issues that prevail in our province. I believe all Albertans will recognize the leadership of our Premier by the direction and thrust of this budget.

This is a balanced budget -- not balanced in terms of revenues and expenditures but balanced in terms of reducing the deficit in an orderly manner, balanced in terms of adequate funding and support for a variety of programs. This budget is receiving a lot of acceptance across our province. Just two days ago in my constituency I took time to seek out our token NDP that we allow in our constituency and our token Liberal member, and both of them had to admit they really couldn't find very much wrong with this budget. Last year we had a tough budget, a difficult one, one that had some increase in taxes and some

decrease in services to the people of Alberta. I noticed in question period that we didn't have one question last year when we published the budget in the newspapers, because that was a difficult budget; it wasn't particularly a good-news budget. This year we have a good-news budget, and what do we get? We get some questions. They don't like that kind of news out there, Mr. Speaker. They only like to have Albertans hit with bad news. They seem to thrive on it and grow on it.

I'd like to move on to some of the things I think we've done that are very significant with this budget. Of course, we've had a lot of conversation in the past year, and in fact even longer than that, pertaining to education in this province. Well, this year we have a record spending level of \$1.4 billion going to primary education in this province. But I think we need to go back even further. It's not just dollars that make a difference to a program; it's the matter of how the program is operated.

If we go back a few years, this government initiated a framework for a new School Act in an effort to develop something that would be meaningful, that would reflect the direction Albertans wanted education to go. Following that, last spring session our minister brought in Bill 59. It was a Bill that sparked a lot of interest and controversy across the province. We certainly had a lot of input, and that's what it was designed to do. Well, a year later, after having the minister travel across Alberta meeting with school boards, trustees, teachers' groups, all sorts of interest groups pertaining to education, I believe the minister is ready to bring in a Bill that will in fact be responsive to the educational needs of Alberta and will bring in a lot of efficiency in the \$1.4 billion our provincial government is prepared to spend on education.

I'd like to just draw a bit of an example of what education funding has done in my constituency. When you couple a responsive provincial government along with good, responsible people at the local government level, you come up with some really good results. In the local school division in Cardston we only have 10 percent local requisition funding. We have virtually no unsupported local debt. Our school facilities and programs, I believe, are second to none. I would invite anybody to come and tour them. They're up to date. The programs are full. They offer a broad access of programs to all the students there, and we have good, modern facilities. On top of all that, we don't have hardly any industrial base. Our tax base is limited strictly to agriculture and small business. This government's policies and programs are designed to work with local jurisdictions.

[Mr. Deputy Speaker in the Chair]

I might go on to say that this is not just limited to our school district. It goes on and follows through with what has been able to come into place with our towns. The town of Cardston has almost every amenity a town of that size could possibly want, from a \$4 million civic centre to an ice arena, swimming pools, up-to-date water and sewage facilities, and water mains and electrical system -- and, Mr. Speaker, no town debt. I used that town as an example; however, it's the same all over that constituency.

I can go on to tell you that our rural municipality, the MD of Cardston, also has no debt and \$1 million in reserves. The people of the Cardston constituency wrote the book on Conservative principles and responsible financial management. Buy what you can pay for and stay out of debt: that's what can be accomplished when you have responsible, fair, and equitable budget-

ing at the provincial level, working closely with responsible local government.

We have one other unique feature in our constituency, Mr. Speaker, and that is that as near as I can find out, never has an NDP candidate got their deposit back in an election.

I'd like to talk just a minute about health care. The first thing we have to say -- and I think all of us on both sides of the House have to admit this -- is that we have the best. We have the highest level of funding of any province in Canada: \$3.3 billion going to support health care, \$4,000 per household. We know that we still have an increase in health care costs, and there's some concern about that. I hope everyone has a concern for that. But rather than run around saying "The sky is falling, the sky is falling," like our opposition members might do, we have our Premier who has established the Premier's Commission on Future Health Care for Albertans. I look forward to the findings that will keep Alberta as the leader in the health care field.

Let's talk a little bit about tourism. It's the third largest industry in our provincial economy, providing \$2.3 billion to that industry. Our provincial government has put a new thrust into tourism by injecting some \$50 million going to the municipalities to develop tourism in all areas. All sectors will have an opportunity to participate to develop their local tourism interests. The initiatives in the south are an example of what is happening all over the province. The United States is our largest tourism customer, with the exception of Albertans themselves and other Canadians.

A new \$2 million Alberta interpretive centre at Milk River will tell the Alberta tourism story to those people coming in through the Coutts port of entry on Highway 4. We have developed the Tyrrell Museum at Drumheller. That museum and interpretive centre is ahead of schedule on what was projected for visitation in its year of opening. The Head-Smashed-In Buffalo Jump attraction and interpretive centre is also ahead of projections. These are the type of interpretive centre that when people go, they tell their friends and then want to go again themselves. The Crowsnest Pass has an interpretive centre.

There are plans under way to develop a tourist information centre at St. Mary, Montana, which is just 15 miles south of the Canadian border. The reason for that being developed is that just in that 15-mile area, there are some two million U.S. tourists that end up at St. Mary every year, having come over the Going to the Sun Highway. Presently we're getting about 7 per cent of those people into Canada. But with an information centre there, we're optimistic that we can bring a considerable, increased number into Alberta.

Fifteen miles this side of the border our government has projected and is committed to build the Alberta Remington Carriage collection. I'd like to talk just a little bit about that collection; I'm sure you'd be disappointed if I didn't. The background of that is that we have a donation to the provincial government of \$1 million worth of carriages that will come to them without any charge. In addition to that, the local initiative is \$350,000 of property that has been acquired by the town, and they are prepared to donate that to the province as well to enhance that project.

In that same corner of the province we have Waterton park. In my mind, Waterton park has it all. If anyone could take something away from Waterton park, it's just that we have chinooks there and you can't hold snow for a ski hill. Other than that, it's got everything.

Recently we had a discovery in the Cardston constituency at

Devil's Coulee, where a significant dinosaur egg was found. Already we've had inquiries and tour groups coming from as far away as Japan to visit that site. Certainly as time goes on and a development is there, it has significant potential for enhancing the tourism industry in that part of the country. Lethbridge is busy developing a theme for tourism.

Now, with all these attractions in the south, we'll give the U.S. tourists a taste of something they want more of. As they are directed north for additional attractions in Alberta at our parks and our Calgary Stampede and Edmonton Klondike Days -- and the list goes on and on of the attractions that will be developed in the various communities in this province -- this is all happening because this government had the vision and foresight to put those attractions in place. All of these were initiated at the local level, and this government responded.

I think we hear a lot about economic development and diversification all over this province. Everyone is interested in it. Even the opposition members talk about it once in a while. We've come through a difficult time in our province, and everyone has had to dig in and try a little harder. Our economic base needs to be broadened so that our economy does not gyrate with the price of energy. The people of Alberta are responding, the government is responding, and the opposition is complaining.

Last year our government brought in the 9 per cent farm credit stability program benefiting some 15,000 farmers. I heard discussion on that in the House the other day saying that it wasn't good enough, that farmers weren't happy with it. But it seems strange that almost 15,000 have taken up on it already, and they seem to be happy with it and glad to be able to have an interest rate locked in on a long-term basis. In addition to that, we have the small business term assistance plan: \$1.1 billion put in place, with 8,800 small businesses participating. I draw those parallels to bring up a point: that those sectors of the economy have had some initiative taken by the government to enhance their position, and now it's time to move on and to enhance some of the other sectors of the economy, all part of the diversification program.

Recently our government took some initiatives in the forestry industry that will take care of some people that sort of fell through the cracks and weren't part of agriculture and small business. In fairness, it was time that something be done for the ordinary worker who wanted a job that would support his family, and now the thrust moves to them. Some 5,000 jobs will be created in that industry.

I believe labour will soon know, if they don't already, who their real friends are. It's this government and the path of diversification it's following.

If we move to agriculture, our government has seen fit to add another \$16 million into processing. Our agriculture sector has lived for years from producing and shipping their product out of the province and paying the freight. This government realizes it's time that more of that product was processed here in Alberta to provide the jobs that have been exported out of this province.

I can only congratulate the minister and the Treasurer for the support that's stayed in place for irrigation in the south. We hear a lot about irrigation. I heard a man speak recently, saying that years and years ago when the south was first being settled, someone came to visit from the east and said: "It's so dry here that no one will be able to survive. You'd just as well move the few settlers out that are here and try and settle them somewhere else." That Mr. Speaker, turns out to be the very area from Lethbridge east through Taber -- a very highly productive area supporting many thousands of people, all because irrigation was

put in place and someone had the vision that it really needed to happen.

Of course, we are able to keep in place all the input cost programs that our agricultural industry still needs until that economy turns around -- the farm fuel program, the fertilizer program, the red meat stabilization program -- bringing a total of \$500 million that goes into our agricultural sector by way of support, the highest of any province in Canada.

I mentioned earlier that Albertans were taking more initiative and that they were coming up with new ideas on how to expand the economy, how to find a place for them to stay in Alberta and be a part of it. Recently I was fortunate enough to have two individuals come into my constituency, and mostly what they had was an idea. They named their company Canadian Professional Munitions Ltd. They have a plan to open a munitions plant in my constituency in a small town of 3,500 people. It seems that there is quite a window of opportunity to participate in the munitions industry in this country by participating in the munitions that are bought by the RCMP annually, the local police forces, and the Canadian army. There are many millions of dollars expended on munitions. This group has planned to take advantage of that. It is truly a diversified industry for Alberta, and I am hopeful they can be successful in their initiative there.

Since they have indicated they will open that industry there, and in fact they have built the plant -- they're in the process now of putting funding in place to put in the equipment, and they have recently been advised that they are low bid on close to \$1 million worth of ammunition -- other industries are beginning to look at the same town and ask about land acquisition there, with the thought that they, too, could perhaps settle there and bring in some light industry.

Well, now we come to the social programs. As the budget was read on the social programs, and we sat over here, we could look across at the opposition and see the dark clouds roll in. We could almost feel them stroking off the issues that they had intended to speak on on this very debate, because we really didn't leave them much to speak about. As the hon. Provincial Treasurer announced a handicapped children's service program at a 44 percent increase; social allowance food rates, 13.5 percent increase; foster parents, 4 percent increase; women's shelters, 8.5 percent increase -- our government had looked at those sectors and realized that there was a need to enhance the benefits for that sector -- no applause came from the opposition side when that was read out; not any. One would almost think the opposition was not pleased when these benefits were increased to these people. Surely that can't be true.

Then we had some conversation in this House recently about how fast we had brought the deficit down, that it was insensitive, that it had gouged Albertans. Mr. Speaker, I take issue with that. I don't see how we could be criticized for bringing a deficit down when we still, in fact, ended up with a \$1 billion deficit. That's almost as much as we pay in income tax in this province in a single year. Even at the rate we're going, we're going to have a deficit that will be far too high. Last year when our budget was based on \$17 oil, we heard a lot of chitchat from the opposition that we had projected too high. Now we're hearing that we projected too low, deliberately. This year we project it at \$18.50. Again it's too high. I guess there's just no pleasing them.

In summation, Mr. Speaker, what we have here is a budget that has maintained the highest levels in services in Canada. I'd just like to reiterate some of the things that Alberta takes first: general services, number one; protection of persons and

property, number one; health care, number one; social services, number three; education, two or one; resource conservation and industrial development, number one. Here's a bad one: debt repayment. Debt charges were 10th; they should like that one. We only have to pay 5 cents out of every dollar that we generate -- the lowest of any province in Canada. All other expenditures, number one; gross general expenditures, number one. Quite a record, Mr. Speaker, one that I think all of us can be proud of.

Well, to sum it up, we have the lowest overall taxation. We have downsized the government some 4,000 people in the last four years, and we've done it with sensitivity, through attrition for the most part. We have met our commitment to reduce the budget. Mr. Speaker, I think that's fiscal management.

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

MR. McEACHERN: Thank you, Mr. Speaker. To hear the member opposite, you'd think this was a most wonderful budget. Well, I have a few comments that might convince you otherwise.

Last year I told the Treasurer that his budget was an accountant's budget. It had no heart, no soul, no sense of purpose, no sense of direction other than to just slash the deficit. The same, to some extent, can be said this year. This budget has no heart and no soul; there's nothing in that for ordinary people. There is some difference between the two, though. The budget last year was much more vicious; the government far overreacted to the downturn in oil prices. But now the oil prices are back up a little bit, so they are still trying to get rid of the deficit much faster than necessary, as we told them they were trying to do last year.

This government leaves itself at the whims of OPEC and king oil. In fact, they have taken the control of oil out of their hands by their own admission, with deregulation and free trade, and then tried to claim all the credit when the price goes up or down or something happens to the budget. Well, if you don't have any control over it, how can you claim any credit for what happens with it?

There is very little in this budget that would stimulate demand or improve the economy of Alberta and create jobs for the unemployed. There's no commitment to full employment or to the working poor of this province. Even the supply-side stimulation which this government generally practises is not in evidence in this budget. This budget is a nonevent, Mr. Speaker, which shows that this government has no vision. It has no heart and no sense of direction.

Let's take a look at the flat tax reduction. The government brought in a 1 percent flat tax last year. This year, because the price of oil was up a little and they had more money and had paid off more of the debt than they had expected to, they decided they could reduce it by half. When I suggested to the Premier that that left more money in the hands of the very rich -- the people in the \$100,000 per year income category -- than ordinary Albertans, he said, "Oh, but the percentage is better." Well, yes, I guess the percentage is better. But if that's the case, that means that the year before, when they brought the tax in, they were penalizing average-income people worse than they were penalizing rich people. So he can't have it both ways, Mr. Speaker. I guess the fact of the matter is that the government could have afforded to take the whole tax off, and they didn't. This government has put nothing in there to stimulate the demand side of the economy, and a larger tax reduction might have done that.

In the Budget Address the government said that the benefit would be something in the neighbourhood of \$165 million for ordinary Albertans, plus \$20 million from the federal tax changes, and that this would amount to \$183 per family of four earning about \$40,000 a year. Mr. Speaker, that's no big deal. That really doesn't amount to very much. It is not going to create much of a demand for goods and services in this province. Last year this government took \$1 billion from the people of Alberta; it gives them back \$165 million and says, "Boy, what a good boy am I." Wonderful.

The increases to social services, education, and health care that were referred to a few minutes ago: what kind of nonsense is this, when we have the Treasurer standing up and saying that there was a 4 percent increase in money to school boards? He knows, and we all know, that the schools have to live with that 3 percent cut in funding right up until the end of June. So the fiscal year 1988/89 does not have a 4 percent increase in it. I wish the government would quit playing games with numbers, because that's just nonsense. A 1.3 percent increase is a 1.3 percent increase. Just because you concentrate it all into the last four months of the year -- well, in fact, it's a six-month end of the year, because you have to go around to March 31 for the fiscal year -- you can't claim a 4 percent increase for education. Besides which, if you look back at a 3 percent tax cut last year and the fact that there was 4 percent inflation last year and there's going to be 4 percent this year, the 2 percent increase, which is what the government promised and has more or less delivered, will not anything like catch up or make up for inflation. So how can you even call that an increase? I mean, it's an increase of a few dollars, but it's not an increase when you look at inflation.

For health care, the increase of 6.9 percent is helpful. It's sure a lot better than what they did last year -- the 3 percent cut. I acknowledge that and accept that. But do you know why the government did it?

AN HON. MEMBER: Why don't you tell us?

MR. McEACHERN: You did it because the people of Alberta gave you such a roasting over the 3 percent cut last year. And to top it off, the nurses had the courage to go out on strike to tell this government to stick their labour legislation and to start funding health care the way it should be funded. So the government finally, reluctantly -- kicking and screaming -- came around and did something for health care. And it's about time. In fact, if you consider again a 4 percent inflation rate last year, a 4 percent inflation rate this year, and the 3 percent cut last year, you've not really even kept up to the inflation rate in health care. We're still not even back to where we were in 1985-86 dollars. So I don't know why you're breaking your arm patting yourselves on the back about what you've done for health care.

In Social Services the government actually has decreased the numbers of dollars there on the assumption that they're going to get a higher rate of employment and not so many people will need welfare. Well, I hope you're right. But there is nothing in this budget that's going to help that process. There is no commitment in this budget to stimulating the economy and making things better for the people of Alberta so that more people will have jobs.

The women's shelters things: I congratulate the government very specifically on that. That's very, very important, very fundamental. It's long overdue, but thank gosh you did it. Better

late than never.

The food allowance for people that are on social assistance. Well, that's all very well, but why have we even got food banks in this province? If you had a decent food allowance in the first place, for people on social assistance ... We've still got them. We're still going to have them. There's nothing to be proud of there. For heaven's sake, do something about funding Social Services properly so that we can get rid of the food banks, which should be an embarrassment to everybody in this province.

One other thing that really, really gets to me: why is it that those people, the people with the least going for them, that have got some kind of long-term handicap, the people on AISH -- when the federal government sees fit to give them a few extra dollars on their long-term disability pensions, what does this government do? They take every dollar the federal government gives them. It's just absolutely scandalous. You did that last year. We told you about it. You've done nothing about it. You've had a year to do something about it. You turned around and did the same thing this year in January and February when the federal government increased those measly little pensions by a few measly dollars, a few percentage points, to cover some of the inflation costs. This government turns around and takes every dollar away from those people. Absolutely scandalous, Mr. Speaker. I can't believe that anybody could be so callous, just for the want of doing something about negotiating with the federal government and changing the rules so that those people would get the benefit of the federal government moving those amounts of money up.

Mr. Speaker, I want to go back to the economy and talk a bit about economic diversification. This government has bragged a lot about economic diversification, but in fact, when you look at the budget, there are eight major departments and/or programs that have been cut. Would you believe: Career Development and Employment, down by \$10 million; northern development, down by 7.5 percent; Economic Development and Trade, down \$2 million; Forestry, Lands and Wildlife, down \$3 million; Recreation and Parks, down \$12 million; Tourism, down \$1.4 million; Transportation and Utilities, down \$24 million, for a total of \$53.1 million cut in those seven -- not eight -- departments or programs. A 3.7 percent cut. Add to it inflation of around 4 percent, and you've got nearly an 8 percent cut in those departments. All the economic departments and programs that could help to diversify the economy -- this government has cut them, and then has the gall to stand here and say they're doing a great job of diversifying the economy.

In the 1986-87 consolidated statement we found that we had a \$4 billion deficit. After 15 years of Tory rule, that tells me we're more dependent than ever on our energy resources, because the price of oil went down dramatically in 1986 and the result was a \$4 billion deficit. The price came back up a little bit, we got a few more dollars, and the government says, "Yippee." And that's the extent of their policies. The extent of their platform is to say, "Oh, thank God, the oil prices came back up again." The fact that they've given control of that oil price away in the free trade deal, they don't seem to have realized yet.

There has been some diversification. In the small business sector and the service sector this province has seen a certain amount of diversification, but it's been in spite of this government, not because of it. There's been nothing you've done. The small incubator programs are hardly off the ground yet; you can't claim any credit there. The small business term assistance

plan: all that did was rewrite some debt for some banks that already had some contracts and were a little bit uncertain about the guarantees they had and made sure they could get their money back. So that didn't go anywhere or accomplish anything much. The SBEC program is still unproven, as is the Alberta stock savings plan, and Vencap has already been proven not to be very effective. So this government cannot claim responsibility for the development in the small business service sector in this province.

There's been some other diversification taking place. Tourism was mentioned. And yes, there have been some things happening there. Some of the parks and rec things have been paying off. Kananaskis, although it was far, far more luxurious than it needed to be at the time it was built, and very wastefully put together, nonetheless will generate and is generating some tourism potential. The Tyrrell Museum: again, quite expensive but a beautiful facility. So we will see some tourist dollars to help diversify our reliance on agriculture and energy.

Another thing: we're getting a medical research facility off the ground here on a fairly good-sized scale, and that's contributing to some diversification. We're seeing some agricultural processing. Yes, I acknowledge those things, and the government has done some good things. But I would point out that where they've had the most success is where they've taken the time to specifically target dollars to do specific jobs. Yet so many times over the years, if you look back, what the government has done is handed out money and let other people make the decisions. What happens with that is that most of the money ends up in the oilmen's pockets and in the big oil companies' pockets. If you went back over the last 10 or 15 years -- and I think of the ALPEP plan and royalty tax credit plan -- most of the money this government has handed out to businesses has gone to big oil. Big oil could take that money and go anywhere they liked with it and do what they wanted with it, and it has not necessarily paid a return to the people of Alberta in jobs or economic development, and certainly not in diversification.

As I said, the government has cut all those departments except -- I guess I should have indicated -- the Technology, Research and Telecommunications department, which does have some increase in budget. But they cut all those other departments and programs. And the one that's the final irony, and I really wonder about this one: why would the government cut 7.5 percent out of the northern development project? I guess there might just be a message to northerners there. Are you really saying that you've written off northern Alberta for the next election? Just forget it? Is that what the Tories are really saying?

You know, the other thing that really surprises me is that the government had the gall to bring in this budget, and there's a big article saying how much they were relying on free trade to help this diversification process. Now, my understanding of the international trade concept was that it allows countries to specialize more and buy what they can't produce at advantage from other countries that have a natural advantage in those other resources or industries. Yet this government has the gall to say that a free trade deal will diversify the economy. I mean, that's just absolutely contrary to exactly what a free trade deal is all about. The whole idea of free trade is: we produce what we're good at, so we specialize; we cut back on the variety and numbers of kinds of things we try to do, specialize in a few things, and import from other places those things that they can produce to advantage over us. So it's just total nonsense that this government will put forward the free trade deal as the way we're

going to diversify the Alberta economy.

This government likes to brag a lot about the jobs it's created. But the fact of the matter is that between 1981 and 1986 there was absolutely no increase in jobs. The only reason the unemployment rate fell slightly is because enough people finally left Alberta to go to Ontario to make up for the fact that there weren't any jobs here. In fact, of the jobs created between January 1986 and 1987 in Canada, 96 percent were in Ontario. Perhaps that is why the Minister of Education suggested to some young Albertans that they should "go east, young Albertans, go east." They've been doing that in large numbers, and that is the only reason our unemployment rate is down; not because this government has created jobs. In fact, Mr. Speaker, this budget is very ineffectual and will not create jobs. It will not help the working poor of this province. It will not stimulate the economy.

I guess the reason the Tories were so pleased when they brought the budget in was because things weren't quite as bad as they thought they were going to be. I mean, they got a little bit of extra oil money, and they were so happy about that that they just said: "Isn't this wonderful? What a wonderful budget." But the fact of the matter is that there are no plans in it to do anything with the advantage they have gained by the fact that they've got a few more gas dollars they could use to try to get this economy rolling again, to try to help ordinary Albertans. But they have no plans, no initiatives, and no policy.

Well, I'm not quite sure they have no policy, but it certainly isn't evident in the budget. The fact of the matter is that this government has been running around in a scramble lately to pass out loan guarantees to Peter Pocklington, to Daishowa, to the Hinton expansion -- to Champion, at the Hinton mill -- to the Whitecourt pulp mill, to the magnesium plants. The funny thing is that none of those things were decided in this Legislature. The government never brought in any suggestions of policy that they might be doing that sort of thing, that this would be a reasonable way to go. In fact, they did it all behind closed doors. So these demands on taxpayers' dollars do not show up in the budget. The government just by order in council decides: "Okay, this is all right. Oh yes, let's do this; let's give Peter some money. Oh yeah, let's give Olympia & York a big rental agreement."

Mr. Speaker, decisions of that sort, what to do with the taxpayers' dollars, should not be decided in secret by the cabinet. There should be some guidelines. They should be brought to this Assembly and discussed and debated, and all the programs should fit within those guidelines. And they should be public knowledge. The terms of the contracts of whatever is given away or whatever call on the taxpayers' dollars is made should be made public. When the Member for Little Bow asked the Premier for a list of those projects the other day, he said, "Oh well, you know; anybody can keep a list." That's not good enough for the taxpayers of this province. The government is the one that's giving away the money; they're the ones that should produce the list. It should be comprehensive, and the deals should all be public knowledge.

Of course, it's not a new story for this government to do this sort of thing. They've not really been accounting properly for what they do with the heritage trust fund for quite a long time. We had another simple example just a short time ago, when they announced quite a lot of giveaways of lottery moneys and it's not going to be decided here in this Assembly where those moneys should go; in fact, it isn't even part of the budget expenditures. Mr. Speaker, that's totally ridiculous, and the minister

has the gall to bring in a Bill which does not correct that problem and does not make it so that the lottery moneys become part of the general revenues and become debated in this Assembly. The government is not only using some of the heritage trust fund as something of a slush fund when it likes to at election time, as it's done in the past; it's also now using the lottery funds for a slush fund. And with these giveaways to Peter Pocklington and some of these big plants, these loan guarantees, they're now starting to use the general revenue budget as a slush fund. That is absolutely unconscionable and a ridiculous way to do a budget for a province. But then this government is pretty contemptuous of the rights of the Legislature and the democratic process, what it does, and how it accounts for taxpayers' dollars.

The accounting for the dollars is as scandalous as the misuse of the dollars in deciding what to do with them as well. I mentioned the loan guarantees. We've had no accountability in this Assembly yet for those loan guarantees: hundreds of millions of dollars. We've had no accountability yet for the lottery funds. Nobody is standing up to explain why they're spending the money this way or that way on the lottery funds, so that we could have a debate on it. Much of the heritage trust fund is not accounted for properly. The government has shifted literally over \$1 billion out of AGT and the Alberta Municipal Financing Corporation in the last couple of years, and yet we've had no forewarning of that, no acknowledgment of that, or no chance to debate that in this Assembly.

They've invested between \$1 billion and \$1.5 billion -- it's varied up and down -- of heritage trust fund moneys into the farm credit stability program and the Small Business Term Assistance Fund. That again has not been properly accounted for in this Assembly or debated as a policy: is it a good idea, or isn't it? Even the Auditor General expressed some reservation about that kind of approach to financing long-term debt. I believe they cover them with an IOU note, basically a 90-day treasury note rate. The \$150 million that we gave to NOVA Corporation came right out of the blue and right out of secret cabinet meetings; no discussion about whether it's a good idea or not.

There's \$300 billion in the medical research foundation, and this government does not account for what they do with that. The chairman of the medical research foundation, under questioning, did say something about its being worth about \$529 million -- I believe he said -- back in March of '87. But he had no update figures for us, and he didn't know how much we lost in the stock market crash in October. And talking of the October stock market crash, the Treasurer and the Auditor can't seem to agree that we lost \$124 million or not in that stock market crash out of the commercial investment division of the heritage trust fund.

So, Mr. Speaker, this government not only makes a lot of sort of ad hoc rules about how it's going to spend money and where it's going to spend it, but it also doesn't account for it very accurately or very promptly in this Assembly.

[Mr. Musgreave in the Chair]

The Treasury Branches have got themselves in trouble before, and they're now heading in that direction again with this Pocklington affair, and the Treasurer tries to claim he doesn't know about it. Nobody, Mr. Speaker, in the Treasury Branch would consider giving a \$100 million loan to anybody without the Treasurer's full knowledge. For the Treasurer to say that he can't remember and then browbeat the superintendent into later

saying that oh well, maybe he forgot to tell him, he wasn't quite sure if he did or didn't, is just sheer nonsense. For the Premier to say that the Treasurer doesn't want to know about those kinds of loans of \$100 million that the taxpayers may have to back up is just sheer nonsense; it's a dereliction of duty. They have a responsibility for the Treasury Branches, and it's very direct. It's not even an arm's-length arrangement, like as if it were a Crown corporation.

So, Mr. Speaker, it's time the government started to account for taxpayers' dollars a little more fully. For instance, in the bailout of the credit unions and the North West Trust Company, they agreed that the taxpayers would pick up the problem real estate properties. We have this company called Softco. Basically -- if I remember the number, I think it's 354713 Alberta Limited -- it's all the rotten real estate properties that North West Trust turned over to the government. And we have a little note in the budget saying that the government has a liability there of \$89 million, but it doesn't indicate that somewhere along the line we're going to see an annual statement and an explanation of just what's happening with that. So again the taxpayers are not told what's happening with their dollars.

So, Mr. Speaker, this government wheels and deals in secret, and this budget doesn't shed much light on where they're going or what they're doing. What we see them doing is bringing in a nonbudget. Other than to just cut a few things here and there and to almost keep up to inflation in a couple of places so they can brag a little bit that they gave some money to health care, the government has no plan, no vision, no sense of direction with that budget. Instead, they wheel and deal outside of the budgetary process, outside of the legislative process. They by order in council spend incredible amounts of money or set up the rules so that the Treasurer can spend a lot of money later without anybody really knowing until some year, year and a half, or two years later when it finally gets accounted for in public accounts.

I'll give you an example. Last spring while this Assembly was sitting, the government passed an order in council saying it had the right to spend up to \$2.3 billion of heritage trust fund money on the farm credit stability program and the small business term assistance Act. For heaven's sake, the Assembly was sitting. He could have brought the idea to the Assembly and debated it, but no, no, he does it by order in council. And it's sort of a year later when you start seeing the dollars being used for those programs.

Mr. Speaker, if this government had any commitment to diversification and to really doing something with the economy, they would at least by now have been able to get the Husky Oil upgrader off the ground. They would have put some equity into it themselves on behalf of the taxpayers of this province so that we'd know it was going to go ahead, so that we would know there was some commitment there to jobs in this province and to the future of the oil industry, which is crucial to this province. Or they would get to work on the OSLO project and see to it that -- again the Premier wouldn't commit himself to saying that he would get equity in it. He said that we'll do whatever we have to do. What that really means is he'll allow himself to be blackmailed by the big oil companies to get what they want out of it, and we'll just go along and give them the dollars so they can get what they want out of it and not worry too much about what the people of Alberta get out of it. So long as the big oil companies are happy, our Premier will be happy.

I guess the final irony in all that, Mr. Speaker, is that the government, relying so heavily on oil -- and it's the only thing

they've really got going, because they don't know how to handle the rest of the economy -- then turns around and gives away control of the oil industry. I just do not and cannot fathom how a government can sit here and deregulate the oil industry, sign a free trade deal that makes it so that we can't charge Albertans a different price for oil -- the same for gas -- than we charge, say, the Americans or anybody else that we export it to. I mean, we should have the right; it is our gas and oil. And if I would rather use it -- I don't see why the average Albertan should have to pay world price.

Even the Premier talked about self-sufficiency. The Minister of Energy, I might point out, in the heritage trust fund hearings would not talk about self-sufficiency for Canada. He would only talk about security of supply, on the assumption that if you give the big oil companies everything they want, they will assure us of a supply. But at what price, if we don't have the right to control the price? That is, we, the government of Alberta, should have the right to have some say in the price. We should have the right to put a differential price on what we charge our own people, because it is our gas and oil after all, than what we charge Americans or anybody else that we might want to export to.

Not only the price, but there is also a problem with how much you can sell and to whom. If we are selling to the Americans at a certain rate, when we start running out of oil, for example, in about eight or 10 years' time, if we're selling them 40 percent of our production and then our production starts to go down, we've got to continue selling them 40 percent of our production, even though that hurts us and we may have to import it from somewhere else to make up the loss.

AN HON. MEMBER: McEachern's theory?

MR. McEACHERN: No. That's exactly the way the free trade deal reads. It says it loud and clear, and there is ... [interjection] Oh, yes. It's been very well checked out, and that is exactly true. If you don't believe that's true, then you'd better look at that free trade deal and read it over again and start talking to your colleagues, because that's exactly what you've done. This government has given away control of our price and distribution of our oil and gas resources. Yet the only thing they've got to go on is the oil industry.

So, Mr. Speaker, I would say that this government is a dismal failure; this budget is a dismal failure. The only justification for the budget is that it doesn't hurt people too much, I guess.

MR. ACTING DEPUTY SPEAKER: The hon. Member for Edmonton-Kingsway has completed his speech.

The Member for Edmonton-Calder.

MS MJOLSNES: Thank you, Mr. Speaker. I'm very pleased this afternoon to be able to have the opportunity to debate the budget that was presented in the House last Thursday. Everyone last week was waiting in anticipation for this budget, because we all knew that nothing could be as bad as the one last year; nothing could have been as regressive and unfair as the budget of last year. So, Mr. Speaker, we were waiting in anticipation and with a certain amount of optimism, although that's very difficult over here considering the government that's in power. Nevertheless, we had a little bit of optimism over here when this budget was going to be presented.

It didn't take long, though, for that optimism to fade away,

Mr. Speaker, because you can't take away unfairly and irresponsibly one year, give a fraction back the following year in high-profile areas, and expect everyone in this province to feel lucky and feel grateful, not even in the constituency of Cardston. I find it hard to believe, because Albertans are not that gullible and they're not that stupid, despite what the government might think.

Last year the government took away \$1 billion from the pockets of ordinary Albertans through their budget, and this budget gives back a small portion of that amount that was taken away. And this government expects Albertans to jump up and down in excitement because they've given back a fraction of what they took away last year. Well, Mr. Speaker, you can bet that my constituent who called me last week who was very frustrated and very angry because he was unable to find a job isn't overly excited over this budget.

Mr. Speaker, for months now we've had very high unemployment in the Edmonton area: 47,000 unemployed in Edmonton, 11.6 percent. Forty-two percent of the unemployed population in Alberta lives in the city of Edmonton. That's a lot of families, a lot of people, a lot of children that are involved in the unemployment. And I'm still not convinced, Mr. Speaker, that this government recognizes the devastating effects that unemployment has on individuals, when day after day, month after month, year after year, many people without work continue to exist in this type of a situation. There are tremendous social costs involved and tremendous human waste, but the government doesn't seem to want to deal with this particular crisis that we've got.

Now, the Premier may want to blame city council, but he may want instead -- and I heard this -- to instigate a study to determine why Edmonton has a higher rate of unemployment than in the rest of the province. Well, Mr. Speaker, I would suggest to the Premier and this government that all they have to do is talk to some of their constituents to find out why these people are having trouble finding jobs.

But in the meantime, Mr. Speaker, this government has cut spending in the Department of Career Development and Employment with this present budget. In the budget, if you look under the Department of Career Development and Employment, they are cutting employment counseling services, which help individuals gain skills that they need to obtain employment or enter training programs. Now, I'm sure that we'll get into the details of this when we get into the estimates debate, but to cut back in this area seems really hard to understand and just doesn't make any sense. Is this their commitment to dealing with unemployed people in this province? We need government programs to put people back to work, because what we have now are short-term employment programs which last a few months until these people collect UIC from the federal government. And surely our unemployed people in this province deserve more than that, because short-term jobs like what we've got at present don't give security to people in their lives nor do they give them hope for the future.

[Mr. Deputy Speaker in the Chair]

Mr. Speaker, the budget brags about putting emphasis on training programs, and I quote, "to ensure that Albertans have the skills required by our expanding economy." So the Department of Career Development and Employment so generously increased money, funding, for training in schools and industry by 8 percent. Now, that sounds wonderful until you look at the

budget last year. If you look closely at the budget last year, they cut that particular area in that department by 9.5 percent. Some increase, some emphasis, Mr. Speaker. In reality what they're doing is that we're still behind what the funding was last year.

If we take a look at economic development, again certainly the economic development department is where diversification and economic growth take place, and this directly has an impact on the number of jobs that can be created. If we look in the Budget Address, this government speaks of support to small business, yet when we take a look at the Department of Economic Development and Trade, there were cuts all through this particular department. There were cuts to Small Business and Industry Development, there were cuts to Trade and Investment Development, there were cuts to Financial Assistance for Alberta Business, and there were cuts to Promotion of Trade and Tourism. Now, this is a strange way, in my opinion, to show support for these areas and for small business. There is no doubt, Mr. Speaker, how vital small business is to our province, to our economy, and to the creation of jobs.

I have in my riding a lot of small businesspeople, a lot of small businesses. They range anywhere from restaurants to grocery stores to gas stations, beauty salons, electricians, sheet metalists; I've got it all. These are all owners who are hardworking individuals, and I'm in constant contact with these people. They have very good ideas. They have a wealth of knowledge. They also have some very serious concerns with some of the things that they see happening in the province with this government. They are intelligent people, and they're not easily fooled, and while many are struggling to stay in business, they are offended when this government gives out millions of dollars to their friends. And I say "gives" because with these huge loan guarantees and loans given with no strings attached, in fact the taxpayers in this province, including the small businesspeople, we're the ones that are taking the risks, because if the company goes broke, Albertans will pay. Of course, if the company makes a profit, then the taxpayers see none of that.

Mr. Speaker, in the Speech from the Throne it states that free trade will sort of save us from all of our problems. They talk about, in the Speech from the Throne, diversification and creating employment. The government continues to hold its breath and hope that things will improve. They continue to use a strategy of "cross my fingers and hope to die" and things will get better, especially when it comes to supporting the Mulroney trade deal. They believe that this deal will bring prosperity and happiness to all Albertans and that we must have faith because -- but what we really want is some answers, and they have not been forthcoming from this Premier or from this government.

Canada is a wonderful country and it's rich in resources, and we all know that and we all appreciate that. It's no wonder, Mr. Speaker, that the Americans want access to our resources. But the deal does not only give them access, it gives them control of our resources as well, because with this deal Alberta will no longer pay less than Americans for the use of our own energy. They have agreed in this deal to prohibit restrictions on imports and exports. Even if there were a shortage, the Americans would be entitled to the same share. So why would this government support a deal that restricts Alberta's control over the crucial energy sector of our economy? I think that's a very important question and one that we have not had adequate answers to.

[Mr. Speaker in the Chair]

Mr. Speaker, perhaps it's in the creation of jobs that the deal

looks appealing to this government. Well, the government has failed in this area as well. The Economic Council of Canada predicted that 350,000 jobs would be created with this deal. They have admitted later on that their calculations were based on a totally different deal. We also know that the federal employment minister acknowledged that job losses could be over 500,000 in this deal.

In the Budget Address, though, and I quote again, it says that "to survive and prosper... we need to be competitive." Mr. Speaker, if we look realistically at how competitive we can be under a deal like this, it raises many questions. For example, how can production in our cold climate compete on an equal basis with a state such as California, that has sunny and very warm weather? How can we compete on an equal playing field with the higher transportation costs that we have in this country? Mr. Speaker, perhaps we can compete with labour. I'm sure there are many people to my left that would agree with that statement, and I'm sure it would be very popular for some members. But we do right now have the lowest minimum wage in all of Canada, and I think that's shameful. But believe it or not, there are some states that have even lower wages than we've got, than our minimum wage is here. Is that what we want, Mr. Speaker: lower wages for our people in Alberta, lower than what they already have?

If we take a look at the social programs and what the deal means to those programs, well, this government and the federal government have assured us that the programs are exempt from the deal. Recently, Mr. Speaker, the Edmonton Social Planning Council, which is a nonprofit agency, evaluated and took a very close look at what the deal means to social programs, and they discovered differently. First of all, the council points out that it will be possible for provinces to discriminate against businesses located in other provinces but not against U.S. firms wanting access to a provincial market. They take a look at the national treatment principle which is entrenched in the deal. Any American company must have access to the tendering process in health and social services. They list a number of various agencies and services that would be affected by that, and it's a very long list. They list general hospitals, mental health hospitals, homes for the physically handicapped, homes for the mentally handicapped, homes for emotionally disturbed children, home care services, et cetera. So in the budget, when we talk about how good this deal will be for Alberta, I think we've got some questions that need to be answered. While child care in particular is not listed in the chapter on services, it does appear in the chapter on investment.

I'm still trying to determine why the government is so keen on this deal. Perhaps it might be because we'll be able to buy a few things cheaper. Certainly that appeals to many people, Mr. Speaker. It certainly would appeal to some of the people on my left. After the next election they won't have much to do, and they may want to buy a cheaper TV or golf clubs or whatever. But the federal government has said that as a result of lost customs revenues, which were \$3.8 billion in 1985 and '86, higher income taxes will likely make up the difference. So the savings in that area will be minimal to none. There's no doubt that this province is facing challenging times, but we must deal with these challenges in our own province, in our own country, using our own people and utilizing the skills that we have.

The Budget Address, Mr. Speaker, "recognizes the vital role families and communities play in building a vibrant and prosperous society." We in this House all recognize how vital communities are in providing services, and they're playing more

and more of an important role as the government continues to shirk its responsibilities. We can read in the paper about how American companies have to fund school lunch programs in Calgary, for example, because this government will not provide the funding or even recognize that there is a need there. So increasingly community agencies have come to the rescue and have delivered many of the services that are needed in this province.

Mr. Speaker, in the budget it states that this government is going to increase the food allowance for those people on social assistance. This is good, because in the past they have been using their food money to pay for shelter and clothing. Now, with the increase in food this will certainly give people some more money to probably spend on shelter, because that has not been adjusted since 1982; neither has the utility allowance been adjusted since 1982. So just throwing some money at a problem doesn't mean that the problem is solved but certainly is a step in the right direction.

I sometimes wonder, though, Mr. Speaker, what the increases are based on. What is needed is some kind of comprehensive cost-of-living study so that these increases are based on something, so that they're not purely arbitrary. This was missing in the budget, and I would hope that perhaps in the estimates the Minister of Social Services would make an announcement in that area.

Mr. Speaker, we have not supplied in the past money to single unemployable people on welfare. I think that's again one area we need to look at, and it was a disappointment when the budget was given.

I'd like to comment quickly on the day care subsidy, Mr. Speaker, because that was expressed in the Budget Address as well. It states in the Budget Address that we have the highest day care subsidy in Canada. That's true, but I think what we have to look at is how that money is being spent. Right now this province requires no accountability on the part of day care operators, and we have the highest percentage of commercial day care operators in all of Canada. So we as taxpayers don't know where that money is going. We have no way of knowing if that money is going to programming, equipment, a food program, or for profit. We have no way of knowing where that money is going. Even the Minister of Social Services has mentioned that that area really needs to be beefed up. She stated that last year. Still, nothing has been done in that area. So we may spend a lot on day care -- granted, we do -- but I'm just wondering how much of that money is going directly to actual child care and the quality of care in those centres.

The area of education, Mr. Speaker, is one that's near and dear to my heart, and we know that education in this province took a cut last year, causing severe problems in many areas. Teacher stress was increased substantially. There were larger class sizes. There were layoffs of staff in many of the schools. This budget gives back a little of what it took away last year but not nearly enough to even begin to repair the damage that was done over the last 12 months. Mr. Speaker, if the government really knew the effects of the cutbacks, they would not be praising themselves for the small increase in the funding this year, because they would recognize the kinds of devastating effects the cuts had last year and they would recognize that 4 percent won't improve conditions at all. What's happening right now is that the school boards are simply playing catch-up.

Mr. Speaker, something in the Budget Address that was missing -- and that was glaringly missing -- was the fact that there was no mention of community schools. Now, I know that

community schools are a very valuable resource to have in any community, and I also know that in my constituency the community league last year had to give funds from their coffer to the community school so that many of the programs could run and be in existence. Now, this was taking money from programs they would normally have developed themselves and been active in, and they can't afford to do this again. So I would hope we would get some indication in the estimates of the Education department that funds would be forthcoming for the community schools and that funding would be restored up to last year's level.

Mr. Speaker, in weeks to come we'll have the opportunity to debate the estimates of each department, and I certainly look forward to that because there are many questions and many answers that we hopefully will get from that debate. I would like to repeat my opening remarks, though, and say that the people of Alberta cannot be bought. They cannot be bought with their own money. The people of this province are not gullible, Mr. Speaker. This government was elected to represent the people of Alberta, not just a select few but all Albertans. And Albertans expect leadership; they expect wisdom from a government. This has now been my third Budget Address since I became an MLA. Myself, along with my constituents, we're still waiting for the leadership and we're still waiting for the wisdom.

Thank you.

MR. SPEAKER: Member for Grande Prairie.

DR. ELLIOTT: Thank you, Mr. Speaker. I, too, would like to make some comments on the budget, and I think it's time to come up with some good news, happy comments. The constituency of Grande Prairie is the centre of the good news and happiness and optimism and enthusiasm, and I'd like to just make a few comments.

I would like to make reference to the fact that Grande Prairie, during the downturn in the economy in '82-83 and again following the '86 fall of prices, suffered probably faster and in worse form than any other community in Alberta. Consequently, it has taken the longest climb to get out of that particular hole of depression. But they never lost their spirit and they kept on climbing, and we do have some good news now. It has recovered slowly, but as the Treasurer said in his budget, Albertans are strong and they're resourceful. He was talking about Grande Prairie people when he said that.

This budget is keyed to and in tune with and supportive of the positive economic times, to quote the Treasurer. On that basis I'd like to make comments about some of the specifics in the Grande Prairie area, relating of course to the information we received in our budget. We're very proud and happy to report that in 1988 we will commence an alcohol treatment centre in the Grande Prairie constituency. AADAC made this announcement just the other day, and I will quote from their announcement:

AADAC's Northern Addiction Centre in Grande Prairie will be Alberta's largest and most comprehensive alcohol and drug abuse treatment and rehabilitation facility. The facility will be unique in that it will provide both assessment and a wide variety of treatment services to clients. The service delivery will be driven by comprehensive assessment programs, resulting in individual treatment planning.

Mr. Speaker, this particular project is the result of a lot of study and research throughout northern Alberta, much of which was conducted by the Northern Alberta Development Council. I

will be making reference again from time to time to that council because we do have access to many remote areas in the north, areas which have problems which are unique to the communities because of the remoteness and the distances between communities in that area. So as a result of that research, the problems associated with alcoholism and substance abuse, the recommendation that a major treatment centre be constructed in Grande Prairie has now come through.

We can talk about many other programs in the area, but we'll skip along because of the time. Tourism is one which is mentioned in the budget, and we are strong in that area. The community tourism action plan is going to inject \$1.2 million into our constituency to accommodate the needs of seven jurisdictions.

Agriculture is one of our basic industries in northern Alberta and, again, in the Grande Prairie constituency. It again has received good support in this budget.

Transportation: I don't know whether I should be embarrassed to again brag about the things the transportation department has planned for our constituency, because I wouldn't want to make other rural constituencies in Alberta feel somewhat less important. But let me put it this way: the Grande Prairie constituency is playing catch-up, Mr. Speaker, and we have a few more projects yet. Without going into big detail, I just want to say thank you to the minister of transportation and his department and the people who have worked and co-operated with us so closely to help us get some of the major deficiencies in our constituency looked after with respect to hard surface road construction, urban transportation support programs, and on and on.

I will point out for the sake of the record that we have a major link going into the Grande Prairie constituency from the south; that's the Grande Cache/Grande Prairie connecting Highway 40, the northern end of Highway 40, Mr. Speaker. Some of you from the southern end of the province will know that you have a Highway 40 down there too. The north end of it is in Grande Prairie. Our Highway 40 is one of the few remaining links between the northern parts of this province and a line that would draw straight south through the southern parts of British Columbia and indeed south to California. We have hog producers in the Grande Prairie area who realize that they have certain natural advantages for their industry. If and when Highway 40 is completed to a hard surface standard, they believe that they can be competitive in the California market without free trade, and if free trade were to come in immediately, that much better. I'm talking about hog production in the Grande Prairie constituency for a market in California, and the hard surfacing of Highway 40 would make that one very viable. So we're looking forward to that, and we all propose to work closely with the minister of transportation on that project.

The area of health care: we have to comment on that. Here we've been hearing about insufficient funding for health care in the province. Yet the records I have -- and I'm sure they're available to everybody else -- suggest that we have something like \$1,400 per capita to fund health care in this province, which is the highest of any province in Canada and 30 percent above the national average. Some of this has been spinning off in the Grande Prairie area. We have a very fine hospital in Grande Prairie, the Queen Elizabeth II hospital. The most recent announcement out of that jurisdiction makes reference to the fact that we now have the first government-approved contract for dedicated air ambulance service. This is to be used for nothing but medi-vacs and be equipped specifically for medi-vacs, just

to supplement an excellent service already in the community.

Going on to other parts of our health care program, we have very active and strong health units. We have an excellent social service program in the area and, supported by a dedicated staff who work diligently, people who look after our Odyssey House, known as our women's shelter. We have people working in areas where many of us wouldn't really have the patience. I always want to take my hat off to these people, because they come forth with a commitment and a sincerity. I'm talking, of course, about the group that works with the Minister of Social Service's department, and they are catering to the needs of a community which I referred to earlier that are the product of remote areas and the special concerns that come with living in remote areas.

Let's go on to education, our number one priority in this budget. This government has made a major commitment to education, and this, too, has reflected on the Grande Prairie constituency. We will be starting construction on a \$30.5 million addition to the Grande Prairie Regional College, one I referred to earlier as the flagship of the fleet of 10 colleges in this province. Eight million dollars will be used in this budget year to get construction started. In the school districts, of which we have several in the constituency, we have a new school coming in Grande Prairie, six new portables. We're going to have an addition to the Penson school in Grovedale, which is in improvement district 16, to the south of us but in the Grande Prairie constituency, and three or four major programs dedicated to the Grande Prairie Roman Catholic separate school district, such as modernizations and additions going to St. Joseph high school.

Going on, we have a new regional library in Alberta called the Peace region library, and we just had the announcement of \$1.62 million for construction and the operation of a headquarters in Grande Prairie.

This, Mr. Speaker, is a good-news report on a budget which people are trying desperately to tell us isn't any good, and I just can't buy it.

Going on: municipal recreation/tourism programs. Well, it goes on and on and on. Forestry: here's a real winner. This is one of the targeted areas for diversification in our budget. It's also one of the major industries in our area, along with agriculture and the energy industry. Along with other parts of the province we have in our Grande Prairie constituency continued government support for research on hardwood fibre; that's the use of our native poplar by the Procter & Gamble Cellulose mill. But in addition to that, at 3:30 this afternoon in Grande Prairie, Canadian Forest Products held a press conference, and they made the announcement that they are going to construct a \$30 million sawmill to replace the present stud mill that they have within the city limits. This new mill will be state of the art in sawmill construction and will produce dimension lumber of all sizes. This will provide a diversification with respect to market capability, and we're looking forward to an increased harvest of our forested areas to accommodate this new mill.

Energy, as I already pointed out, is one of our major industries. We're rich in oil and gas in the Grande Prairie area, Mr. Speaker. Seismic crews have been busy all winter. Many of our hotels and motels have shown the "no vacancy" sign. The Elsworth gas reserve, the Elsworth deep basin gas field, is known around the world. Most of it is right in the Grande Prairie constituency; about a third of it goes across the border into British Columbia. That reserve can't be described as anything less than absolutely massive, or maybe, as the kids today would say, as awesome. Some people tell me that there is more

energy stored in the Elmworth deep basin gas field than in all of the tar sands in Alberta.

Our budget and our throne speech also made reference to the people of Alberta: how strong they are, how resourceful they are. Grande Prairie is not without resourceful people. We have a private sector that is growing. People are starting new businesses. The population of the community is on the increase. Housing starts are up.

I'll make reference to two examples of the resourcefulness. We have the Canadian Forest Products mill commencing, as I made reference to earlier. We have a downtown development program, where the private sector is coming in with some extremely interesting plans and is about ready to make some major announcements. In the manufacturing area we have people in Grande Prairie who designed and construct and market a very unique machine for harvesting trees for the forest industry. This machine is manufactured in Grande Prairie by the Grande Prairie people who designed it; they are marketing that product all around the world. Similarly, we have a new industry in Grande Prairie where people have designed a building system. They're building components for house construction. They currently have their product being sold throughout western Canada and the northwest United States, but most recently they have delivered two show homes to Antigua. Strength in our people? Yes.

Strength in our young people. Mr. Speaker, I stood and asked a question here a couple of weeks ago of the Minister of Municipal Affairs with respect to his Municipal Involvement Week, where there were awards to young people who competed in posters. We had two winners right out of the Grande Prairie constituency. When I asked him about the awards program for this particular competition, not only was I scoffed by the opposition, but the press saw fit to get into the act too and made reference to an innocuous question. You'll recall last week, Mr. Speaker, that the minister introduced those young people in your gallery. We're all very proud of our people, and these boys and girls were doing very well.

It hurts to have to admit that all is not well and not all looks like peaches and cream in the land of milk and honey, but we do have one small problem: our smaller towns are getting smaller. This, of course, is a concern to the people who have businesses in those towns, people who require services in those towns. But we find that in our very small communities -- and I'm referring to communities like Beaverlodge and Hythe, where there is not the momentum with the present economy to support certain business outlets, such as lumber yards and farm machine agencies, as we had in years gone by. There are new trends developing in the small towns of rural Alberta and in the north that we are going to have to approach and look at very carefully.

But that doesn't alter the fact that we had an interesting budget. In our Grande Prairie constituency last Friday evening at 5:30 we had our Treasurer speak to a meeting of the mayors and reeves from the community and the members of chambers of commerce, of which we have several. He spoke to the groups involved in school districts, hospital districts, members of the private sector. He answered their questions. The media was present. He answered some very interesting questions. He complimented the group many times on the quality and the calibre of the questions. He left Grande Prairie very late to fly back home to be with his family for the weekend and attend to his own constituency work. He was deeply impressed with the positive nature of the questions from the group that he worked with in Grande Prairie. They were right across the board, repre-

sented the entire community, people of whom we are very proud, and they were very proud of our budget.

Mr. Speaker, the Grande Prairie constituency is onside with respect to the throne speech and the budget speech, and we're happy to represent them.

MR. SPEAKER: Athabasca-Lac La Biche.

MR. PIQUETTE: Thank you, Mr. Speaker. I also would like to put across to the government my reaction to the Budget Address by the Treasurer. I would have to say that along with the pluses and minuses, we have perhaps learned a lesson in the past year in the government in the way that last year's budget was put together. We had last year an across-the-board 3 percent cutback in all government departments. Last year the Official Opposition urged the government to make a priority list of the important departments that they'd have to administer for before they made across-the-board kinds of cutbacks. It was very upsetting last year, for example, to see the cutbacks in education and health care, which created much havoc in our educational institutions across the province and especially in rural Alberta, where we have declining enrollments in schools. The 3 percent cutback resulted in much more than minus 3 percent, but in many cases 7 to 10 percent cutbacks in terms of the money available for local municipalities and school divisions.

So I was quite happy this year to see that at least the government has looked at education as a priority issue in terms of funding, that we have seen a 2 percent increase, which is still not enough, but at least it showed that the government did listen somewhat to the outcry from parents, students, and various school boards relating to that particular cutback in education. We the Official Opposition feel that really a 2 percent increase is not sufficient this year when we look at the programs that are still going to be facing cutbacks this year, because it's still not keeping pace with inflation.

So it's very important that the government should not be clapping themselves on the back too loudly relating to education, because it's still not good enough in terms of what the needs are out there, especially when we look at the lack of funding in terms of special education students. I think that in that program, especially where students are requiring extra help in terms of academic upgrading or enrichment or help, they're still not getting the kind of funding so that we prevent the kind of problems which very often develop with students who need academic upgrading in elementary, junior high, and senior high. Very often we create a problem where these students drop out of school or even become dropouts in our employment area, and then we have to pay the costs later. We need to have quality education from K to 12, and I don't believe this government is really addressing the special needs the students have in our schools today.

I was particularly upset that this year we did not see fit to restore funding to community schools. In my constituency both Grassland school and Athabasca are community schools. They have provided in the past very important kinds of community activities and upgrading and provided a focus for the community to access the school in terms of providing the various groups access to the school building, access to working with the teachers and community in terms of developing a greater use of our school facilities. That funding has not been restored in 1988, and just from some of the calls I've received in the last few days, I think that the government has not responded to that criticism of last year's budget.

Another area where I think the government very definitely responded this year is in the area of health care. Health care is a basic need, like education, in terms of providing delivery of programs to people in need, in terms of providing necessary medical attention. Especially in the urban centres, where a lot of our advanced specialization in medical attention is, the 3 percent cutback in the larger hospitals really created a lot of problems relating to the accessibility of patients in rural areas to much-needed operations and medical assistance in the centres of Calgary and Edmonton, because many of our hospitals in rural Alberta do not have that kind of specialization. Perhaps they were not hit as hard by the 3 percent cutback, but I do know, in terms of patients who came through my office last year, of long waiting lists for operations that were required in Edmonton and cutbacks in nursing care, et cetera. So hopefully this year that will not be as much of a problem as in 1987.

One of the areas that I think we need to address more in terms of health care is home care services to our senior citizens, looking at making sure we don't continue to institutionalize our senior citizens in higher cost care, that the government up there is really going to be making sure that senior citizens have a choice of staying in their homes even though they may need medical attention to some degree. The only way the government will be able to reduce health care costs in terms of seniors is to make sure they have a very affirmative senior home care service. That is not one of the priorities that the government has addressed this year.

Looking at a 1.5 percent increase in that area this year is really insignificant in terms of that increasing need in our rural communities and our urban communities to allow our senior citizens a choice to remain in their homes, and it's a very low-cost part of health care. Home care services represent a very low cost in terms of ensuring that someone is available a few hours a day or per week to come into a senior citizen's home and provide some of the basic home care types of services that need to be delivered there or provide nursing assistance so that drugs are administered properly so that we keep our senior citizens as much as we can out of higher cost institutions and also in a much more healthy kind of environment, because our senior citizens have to be integrated more completely into our communities. What we have perhaps done too much in the past is make them move into retirement lodges, et cetera, where they have lost contact with the younger generation.

I feel that the senior citizens of this province are so important in terms of providing a link to our younger generation so that the social, emotional, cultural type of heritage is passed on to our younger generation, and by forgetting them in seniors' apartments or seniors' lodges, very often we are creating that kind of loss of a link between our two generations of people. To me the senior citizen home care type of policy, where the government would provide much more funding to the health units of our provinces to make sure that those programs are fully implemented in the communities, would really help to alleviate a lot of our perhaps feeling a dislocation among our citizens in our society.

I find that a lot of senior citizens have a feeling of powerlessness in our society. They don't really feel that they are granted enough say in their own future and the needs they have. They are more or less told by government where they should go. I recall in my constituency, for example, a group of senior citizens who came and complained about the food quality problem we have in some of our senior citizens' lodges. They feel that they have very little say in the policy directions of many of our

institutions, and I think that has to be corrected.

One thing I would like to compliment the government on is that senior citizen task force that went around the province to take a look at some of these problems. Now, I guess the next thing I'm looking for is what direction, what kind of funding will be made available to making sure that our senior citizens are not simply forgotten but that they play very much an integral part in the tomorrow of Alberta. That's one of the things I don't think the budget addressed at all, because the funding for senior citizens has really not gone up in this year's budget but has gone down.

Another very important issue that I don't think the budget has addressed this year in the area of economic development is in terms of the small business sector in our province. What we find is the government again promoting megaprojects. I mean, I'm not against many of the projects that have been announced by the government; I don't want to be misinterpreted there. What we find, however, is a downgrading of a lot of our regional economic development councils. For example, the government has not seen fit this year to restore funding for regional economic development councils to be continued in rural areas, where these REDCs are very, very important in terms of getting small business assistance at the grass-root level as opposed to having to access government offices in urban centres. That was a very small part of the budget of the government of Alberta, and it should have been part of making sure that within the province of Alberta, the rural areas, we actually continue to advocate the creation of more regional economic development councils. Not only that; also the development of more regional small business banking institutions which would be handled by regional economic development councils, so small business people could have basically a one-stop shopping place where they could not only seek advice on some of the creative ideas they have in terms of small business development ideas but also access some of the funding they need to get these small business plans under way.

I know that in my constituency of Athabasca-Lac La Biche I'm very fortunate to have two REDCs. However, they've both been told that there'll be no more provincial funding for the continuation of these programs. They will have to basically rely on municipal funding and other cost-sharing funding through other areas. The small business incubator program is not at all replacing how valuable the REDC is for our rural communities.

To show some of the successes of REDCs in my constituency, they have been effective in creating many small businesses, creating about 150 jobs in the last couple of years. Many of these businesses helped by REDCs have not been reduced to filing for bankruptcy like a lot of them have in other areas where we find 85 percent of our small businesses go bankrupt within five years. The REDCs have provided very valuable assistance in terms of marketing strategies, financial packages, and assistance. I'm very fearful that if the government doesn't see fit to restore funding to REDCs, many of them will have to go by the wayside and will be a negative factor in terms of economic development and diversification in rural Alberta. So I urge the government to find some means of funding REDCs, because municipalities have enough of a tax burden at the present time than to be the ones who fund 100 percent the regional economic development councils in their communities.

Another thing which I think is very disturbing is the fact . . .

MR. SPEAKER: Hon. member, perhaps the member could be good enough to adjourn debate at this time.

MR. PIQUETTE: Yes, Mr. Speaker. Due to the time limitation I beg leave to adjourn debate.

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

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. The motion carries.
Government House Leader.

MR. YOUNG: Mr. Speaker, I'd like to advise the Assembly that this evening the House will assemble in Committee of Supply if the motion that I'm about to make is accepted and that we will proceed with the study of estimates dealing with the Depart-

ment of Advanced Education. Tomorrow evening the estimates under study will be those for the Department of Agriculture.

Accordingly, Mr. Speaker, I would move that when the House assembles at 8 o'clock this evening, it do so as the Committee of Supply.

MR. SPEAKER: Having heard the motion, those in favour, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. The motion carries.

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

