

LEGISLATIVE ASSEMBLY OF ALBERTA**Bill 37
Soil Conservation Act**

Title: **Tuesday, May 17, 1988 2:30 p.m.**
Date: 88/05/17

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

[Mr. Speaker in the Chair]

PRAYERS

MR. SPEAKER: Let us pray.

O Lord, we give thanks for the bounty of our province: our land, our resources, and our people.

We pledge ourselves to act as good stewards on behalf of all Albertans.

Amen.

head: INTRODUCTION OF VISITORS

MR. GOGO: Mr. Speaker, I'm very pleased today to have the opportunity of welcoming a parliamentarian to our midst. The hon. Kenneth Wright, who is a member of the Legislative Council for the North Western province in Australia, is visiting Alberta. He had the honour of being, in 1983 to '85, the Deputy Speaker, or, as it's called there, the Deputy President, and Chairman of Committees.

It's interesting, Mr. Speaker, that our visitor's great-grandfather was born in Trois-Rivières in Quebec and through a series of moves ended up with the British army in Australia. Our guest had been in Canada in 1944 as an air force pilot as a member of the Commonwealth air training program, and it's indeed a pleasure to welcome him back here today. I would ask the hon. Kenneth Wright to stand. He is joined today by Mrs. Wright, his wife; I would ask her to stand as well. I would encourage all members of the Assembly to welcome these special visitors from Australia to the Assembly here in Alberta.

head: PRESENTING PETITIONS

MR. MITCHELL: Mr. Speaker, I wish to present a petition on behalf of over 1,060 Albertans who request that this Assembly direct the government to reinstate Alberta health care coverage of optometric services including eye examinations.

head: INTRODUCTION OF BILLS**Bill 39
Insurance Amendment Act, 1988**

MS McCOY: Mr. Speaker, I beg leave to introduce a Bill, being the Insurance Amendment Act, 1988.

This Bill will do two things. One, it will create the Alberta insurance council, which will allow for increased participation of the industry in increasing its accountability to consumers in Alberta. Secondly, it also provides for a compensation plan for life and health insurance companies.

[Leave granted; Bill 39 read a first time]

MRS. McCLELLAN: Mr. Speaker, I beg leave to introduce Bill 37, Soil Conservation Act.

The purpose of this Bill is to encourage sound soil conservation practices and to provide the authority to prevent and stop soil loss and deterioration of land in Alberta.

[Leave granted; Bill 37 read a first time]

MR. YOUNG: Mr. Speaker, I move that Bill 37, Soil Conservation Act, be placed on the Order Paper under Government Bills and Orders for second reading.

[Motion carried]

head: TABLING RETURNS AND REPORTS

MRS. OSTERMAN: Mr. Speaker, I'm pleased to be able to table the 1987 report from the Provincial Senior Citizens' Advisory Council.

MS McCOY: I'm pleased to file today the annual report of the Alberta Automobile Insurance Board for the year ended December 31, 1987.

head: INTRODUCTION OF SPECIAL GUESTS

MR. JONSON: Mr. Speaker, it is my privilege today to introduce to you and through you to members of the Assembly, 55 energetic grade 6 students from the good town of Rimbey. They are accompanied by teachers Ken Stemo and Jim More and parents Donna Render, Val Nikirk, Debbie Hollingshead, Rita Fipke, Betty Grutterink, Linda Edge, and Janice Johnston. They are seated in the public gallery, and I would ask them to now stand and receive the warm welcome of the Assembly.

MS McCOY: Mr. Speaker, I'm pleased to introduce to you and through you to members of the Assembly, several members of the Insurance Regulation Implementation Committee who have worked very hard with us in bringing forward the Bill, Bill 39, that was introduced earlier. They are sitting in your gallery, sir, and I would like to introduce them one by one and ask them to stand when they are introduced and remain standing until we can give them the traditional warm welcome. I do this in thanking them very much for their hard work. We very much appreciate the assistance and participation.

Firstly, Walter Krochak, who is the president of the Insurance Brokers' Association of Alberta; Thomas Ulevog, who is representing the Life Underwriters Association of Canada; David Buzzeo, who is representing the Canadian Independent Adjusters' Association; Des Haughey, who is representing the direct writing insurers; Bernie Rodrigues, who is our superintendent of insurance. Those who could not be present today are Nobby Cami, who is representing the Insurance Bureau of Canada, and John Graham, representing the Canadian Life and Health Insurance Association.

I would ask all members to thank these gentlemen for participating in shaping the future of Alberta in such a valuable way.

MR. SPEAKER: Red Deer-South, followed by Calgary-North

West.

MR. OLDRING: Thank you, Mr. Speaker. It's a pleasure for me to introduce to you and through you to the members of the Legislative Assembly, 44 bright and enthusiastic grade 6 students from the Annie L. Gaetz school in the constituency of Red Deer-South. They are accompanied by three teachers, Mr. Ron Hitchings, Mrs. Marilyn Ganger, and Mrs. Jeane Rathwell, and four parents, Mrs. Sharon Drew, Mrs. Laura Johnson, Mrs. Darlene Hartfield, and Mrs. Ruth Munroe. And I might mention that it's a very special day for one of the students: Kerri Peyton is celebrating her birthday today with her classmates. I would ask that they would all rise in the members' galleries and receive the warm reception of this Assembly.

DR. CASSIN: Mr. Speaker, it's my privilege today to introduce to you and through you, 45 bright and well-behaved students from St. Vincent de Paul school in the constituency of Calgary-North West. With them today are two teachers, Mr. Michael Ross and Miss Cynthia Stratulat, as well as parents Mrs. Blasetti, who is also a member of the Catholic separate school board, Mrs. Cusano, Mrs. Phipps, Mrs. Lopez, Mrs. Sarkis, and Mrs. Shewfelt, as well as their bus driver Dale Goertzen. They are sitting in the members' gallery. I'd ask that they would all rise and receive the customary welcome of the House.

MR. SPEAKER: Edmonton-Meadowlark.

MR. MITCHELL: Thank you, Mr. Speaker. I rise to introduce to you and through you to members of the Legislature, a resident of my constituency, Edmonton-Meadowlark, Mrs. Lindberg, who is here today in support of the petition that I just presented calling for the reinstatement of Alberta health care coverage of optometric services. I would ask that the Members of the Legislative Assembly join me in welcoming Mrs. Lindberg.

MR. SPEAKER: Hon members, I would draw attention to the fact that seated in my gallery today are six interns from our sister province of Ontario. They are here having meetings with various officials, as well as with various elected members, together with our own interns. I would ask them to rise and receive your welcome.

head: **ORAL QUESTION PERIOD**

Lubicon Band Land Claim

MR. MARTIN: Mr. Speaker, to the Attorney General. It's my understanding that the federal government is in the process of launching legal action against the province of Alberta. It seems in this situation we go to the more ridiculous every day. But the subject of the lawsuit is an alleged refusal by the province to turn over 92 square miles of unoccupied Crown land to the federal government so that the federal government might transfer them to the Lubicon Band. My question to the Attorney General: will the Attorney General advise whether such a request was received by the province and what action he took in respect of it?

MR. HORSMAN: Mr. Speaker, I just received a copy of the statement of claim issued by the federal government today, along with a copy of the news release which they issued in rela-

tion to their decision to commence this legal proceeding. As hon. members are well aware, we have had negotiations under way for the last several months on this matter, and we have been unsuccessful in trying to break the logjam relating to commencement of meaningful negotiations between the three parties involved.

Despite the imaginative efforts of our Premier and the chief of the Lubicon Band to establish a tripartite tribunal to settle the issues, the federal government has refused to consider that particular proposal, so they have proceeded the way they have today. We will be examining very carefully the statement of claim, obviously. It has always been the intention, in the interests of Alberta, to negotiate a settlement with the other two parties to this matter. We stand ready, willing, and able to enter into those negotiations and would much prefer that course of action to have continued rather than to have the matter go before the courts.

MR. MARTIN: Mr. Speaker, I agree that we don't want it before the courts. But specifically I'm asking about the 92 square miles. It's my understanding that this is what it's all about. My question again to the Attorney General: did the federal government make that request to the province? Specifically, did they also offer compensation to the province as suggested by Davie Fulton under that agreement?

MR. HORSMAN: Mr. Speaker, no request directly for 92 square miles came from the federal government indicating that that, in their view, would be the proper amount of land to settle this entitlement. I should point out that no one questions the fact that there is legal entitlement of land for the Lubicon Band. The size of that, the nature of compensation and so on that has to be dealt with, has yet to be decided either by negotiations or, if we have to, through the court process.

I should point out that in the statement of claim there is a complex formula suggested as to the entitlement. It's my understanding that while the Lubicon Band has been asking for 92 square miles, the statement of claim does not advance that number of square miles as the amount the federal government believes to be appropriate. It's a smaller portion than that, but I must admit, just having received the statement of claim as I came in today, I haven't worked my way through that formula. I should point out, however, that the federal government has not -- and I repeat not -- offered to compensate the province of Alberta as recommended by the Hon. E. Davie Fulton in the report which was released finally and publicly last fall.

MR. MARTIN: A supplementary question, Mr. Speaker. In view of the fact that this has been going on for 48 years, is the province prepared to transfer at least some unoccupied Crown land to the federal government to provide for land required by the Lubicon Band? I'm thinking this would save us all a lot of money and a costly court case at this time.

MR. HORSMAN: The answer to that question is yes. And the 25.4 square miles, which was offered some time ago, we have offered to make available on a without prejudice basis, perhaps adding to that based upon a proper count agreed to by the parties as to the number of members of the band who are entitled to receive land under the Natural Resources Transfer Act of 1930. But the point I want to make is that -- and we also agreed that we would adjust the land location to accommodate the request of the Lubicons for the establishment of a new settlement on the

shores of the lake. So we were certainly prepared to make that appropriate adjustment as opposed to the previous site that had been suggested. We were certainly prepared to do that, and we still remain fully committed to carrying out that obligation.

MR. MARTIN: Supplementary question, Mr. Speaker. I'm talking about more. Part of this claim, it seems, to me is around -- we can argue and quibble, but it's around the 92 square miles by this claim. My question is: now, to avoid the court case, would the minister turn this amount of land over to the federal government so that they can negotiate with the Lubicons and in the process follow -- I think we should get compensation and then start the process of negotiating with the federal government. This will save us a costly court case and time.

MR. HORSMAN: Well, Mr. Speaker, this province and this government wish to find a fair settlement. As the hon. member has indicated, the matter goes back to 1940. It would be unfair, however, to suggest that it's been in the process of active negotiation during that whole time; obviously, it wasn't. But the province intends to carry out its legal obligations to the Lubicon Band and to the federal government pursuant to the requirements of the Act. This is a process that we believe could have been much better dealt with with the three parties sitting down together in the process that had been suggested by the Premier and, in large measure, agreed to by the chief of the Lubicon Band and rejected by the federal government.

The Premier may wish to add to my comments relative to that particular procedure that he had suggested. We felt it would have been much more appropriate than to drag the matters into the courts. The Premier may want to add to my comments.

MR. GETTY: Mr. Speaker, I certainly would like to make clear the position of the Alberta government that one of the reasons we are being taken to court is that we did not want to make an agreement with the federal government that the Lubicon Band felt was unfair. My commitment and our government's commitment to the Lubicon Band is that we would settle it on the basis of fairness. We were working with the Lubicon Band and, hopefully, the federal government as part of that negotiation, in order to have an agreement that the Lubicon Band felt was fair. That was the number one thing that the chief and I established when we started our discussions. Now, the federal government want us to make an agreement with them that the Lubicon Band does not think is fair, and we will not do that. Therefore, we're being sued. So I think it should be clear that we are working with the band to try and get the band the agreement that appears to be fair and that the federal government is suing us because we will not agree to act on a unilateral basis with them.

MR. TAYLOR: Meanwhile we proceed to cash in on the oil right, left, and centre while you're waiting and feeling sorry.

Could I address my supplementary, Mr. Speaker, to the Attorney General. In view of the fact that there are a great number of Metis that reside within this area that we're going to be sued for -- in fact, maybe 50 percent as much as they are Lubicons -- and the Metis are a provincial responsibility not a federal one, what are the plans down the road for the Metis within the Lubicon-disputed area?

MR. HORSMAN: Mr. Speaker, we have made it very clear that if the Metis who are involved in the land claim area are in any

way displaced or moved, it is the federal government's responsibility to compensate them for any change . . .

MR. TAYLOR: Big deal.

MR. HORSMAN: . . . and the federal government has agreed to do t h a t . [interjection] Please, the hon. Leader of the Liberal Party has already asked a supplementary, and he keeps carrying on a conversation with me while I'm in the middle of answering his . . .

MR. TAYLOR: He's not making sense.

MR. SPEAKER: Thank you. In this regard that's enough of that.

Further supplementaries on the issue. Second main question, Leader of the Opposition.

Free Trade

MR. MARTIN: Yes, Mr. Speaker, also to the Minister of Federal and Intergovernmental Affairs. Yesterday Ontario Premier David Peterson made a rather obvious point, and I quote:

You might get an agreement from a current premier that's prepared to live with this situation, but that doesn't mean his successor will do so . . .

I would expect provinces like Quebec and Alberta particularly, those ones that have been strong provincial rightists in the past, will view this with some concern, if not now, in the future.

We don't seem to have much concern now, Mr. Speaker, but my question is to the minister. Did the minister seek any assurances from the federal minister of trade that Alberta could pull out of this arrangement? I say "could pull out of this arrangement" if it operates to the detriment of Albertans, or are we stuck with this agreement indefinitely?

MR. HORSMAN: Mr. Speaker, the nature of the question is a little convoluted in the sense that he quotes a Premier from Ontario. I heard the Premier from Ontario this morning on *Canada A.M.*, and I noted the concerns that he had expressed there, but he was expressing the views of the province of Ontario, which have not been consistent with ours relative to the free trade agreement. That's been evident for some time. The Premier of Ontario is perfectly free to express his views on behalf of his own province, but I don't think it appropriate that he do so for the province of Alberta or any other provinces for that matter.

MR. MARTIN: Mr. Speaker, we're trying to find out if this government still believes in provincial rights, in provincial control of its resources. That's the question, no matter what Peterson or whoever says.

My question again: did this minister, when he was talking to the federal minister of trade, ask him about how Alberta might at some point pull out of this agreement if it was to the detriment of Alberta? Has it even been raised with him?

MR. HORSMAN: Mr. Speaker, we have not yet seen the federal legislation, which may be introduced later this week or perhaps the following week, relative to what it contains with respect to implementing the agreement. So, as my colleague from Quebec has said, we'll wait and see what's in the federal legislation relative to its potential impact upon the provinces and their rights. But I can say this, Mr. Speaker: we have reviewed the

agreement very carefully, and it does not infringe upon proprietary rights, interest or ownership rights, of Alberta and its natural resources in any way. That agreement was carefully reviewed by our government with respect to that matter. Obviously, since we have fought as a province and as a government to maintain Alberta's proprietary rights, ownership and interest, and in fact as part of the 1981 constitutional accord were successful in obtaining an enhancement of those rights in the Constitution of Canada, it would be certainly not in the interests of this province to abandon that position, and this government has no intention whatsoever of doing so.

MR. MARTIN: Mr. Speaker, my question to the minister. At least the Quebec minister of trade is going to look at the document, but here we have this government saying, "We're for it no matter what." My question is: why doesn't Alberta make sure of the federal enabling legislation before it commits to supporting it, as we already have?

MR. HORSMAN: The hon. Leader of the Opposition has perhaps not understood my response quite clearly.

MR. STRONG: Nobody could understand it.

MR. HORSMAN: Well, the hon. Member for St. Albert can't understand English . . .

MR. SPEAKER: With due respect, hon. minister, engage in discussion through the Chair rather than St. Albert. Thank you.

MR. HORSMAN: Well, let me just conclude my answer. What I said is that we support the agreement. We have not yet seen the federal implementing legislation, and we are going to look at it very carefully when it is introduced.

MR. TAYLOR: But you like it. They're nice guys.

MR. SPEAKER: Westlock-Sturgeon, on a supplementary?

MR. TAYLOR: Yes.

MR. SPEAKER: You're not being recognized as a supplementary.

MR. HORSMAN: And I have not said to this Assembly that we support the federal implementing legislation, because we haven't seen it yet, nor has the province of Quebec, nor has the province of Ontario. We believe that we can and should have a very clear understanding of that legislation when it is introduced, and until such time as it is and we have had an opportunity of reviewing it, it is hypothetical and premature to pass judgment upon it. But we do support the free trade agreement.

MR. MARTIN: Mr. Speaker, that's the point. That's the point: we're prepared, as many governments have fought for provincial rights, to basically give this up because Mr. Mulroney told us. We're such a cheerleader we couldn't back out now anyhow, and the minister well knows it.

But my question is following along the provincial rights. We know clearly it affects energy, the pricing, even though the minister wouldn't admit to that, but I ask the Premier: does the Premier, then, take the view that he somehow has a mandate to abandon provincial rights, something we've fought for, in pur-

suit of the so-called market pricing? Is this what it's all about, Mr. Speaker?

MR. GETTY: Mr. Speaker, it's really strange that question coming from a member of the NDP. I recall leading the fight on provincial rights. And you know who we were fighting against? We were fighting against the NDP with their centralist point of view of placing power in bigger and bigger governments in central Canada to dictate to the rest of Canada. Now, this government has fought for provincial rights since 1971. We're continuing to fight. [interjections]

I find it interesting that the Ontario government is now saying that they're the champion of provincial rights. When it was in their best interests, as a matter of fact, in the Constitution, Mr. Speaker, to allow provincial rights to be eroded, the Ontario government went along with the national energy program, went along with constitutional . . . [interjections]

MR. SPEAKER: Thank you, hon. Premier. I think we're all going to sit still for a couple of minutes.

MR. GETTY: Mr. Speaker, they went along with the NEP. They went along with the constitutional changes that eroded provincial rights. It was the Alberta government who fought for provincial rights. It's the Alberta government who has in the Constitution matters that protect provincial rights. We'll continue to do that. And I bring everybody in this Legislature back to the fact that back in 1971, the energy wars, 1975, we were fighting for Alberta's rights. The people we were fighting were the Liberals and the NDP. If they've seen the light, then I think they should stand up and say they were wrong all those times. But in fact, this government will stand up for the rights of Alberta and has in the past and will do so in the future.

MR. TAYLOR: Mr. Speaker, what is puzzling is why they would roll over and play dead now after all those years.

Supplementary to the minister. Is he prepared to file a list with the House of those items that the province feels the federal government will need permission before they can commit the free trade agreement with the United States? What areas will the province require the federal government to get permission from the province before they will allow it to be signed away?

MR. HORSMAN: Chapter 8 of the free trade agreement is one chapter that is in contention relative to provincial rights.

MR. SPEAKER: Main question on behalf of the Liberal Party, Westlock-Sturgeon.

MR. TAYLOR: Main question. This is to the Premier, Mr. Speaker.

MR. SPEAKER: Forgive me, hon. member. Red Deer-South, supplementary on the previous question.

MR. OLDRING: Thank you, Mr. Speaker. I recognize that the leader of the NDP's hands are tied by people like Broadbent and Shirley Carr. But could the Attorney General indicate, just as one example, how many additional dollars we might find in our provincial coffers had we had this free trade agreement in place 10 years ago?

MR. HORSMAN: Well, Mr. Speaker. . .

MR. SPEAKER: Forgive me. That's clearly hypothetical because it hasn't occurred.

All right. Main question, Westlock-Sturgeon.

MR. TAYLOR: Thank you, Mr. Speaker. I'm always glad to yield the floor to the Member for Red Deer-South. He's always good for a laugh.

MR. SPEAKER: I'm sure that member isn't the only member of the House who has that kind of response.

The main question, please.

Farm Foreclosures

MR. TAYLOR: I'm glad I make your chore so light, Mr. Speaker.

This is to the Premier. I was horrified to learn, on a tour of southern Alberta on the weekend, that in order to get quitclaims from farmers, officials of ADC, the Agricultural Development Corporation, were threatening them with further legal action for moneys that may still be owed if they had to go through a foreclosure. Mr. Speaker, the Premier should know full well that laws passed way back in the '30s stopped a lender from collecting anything more than the mortgaged property on a foreclosure, meaning that you cannot chase a farmer for his wages or crop or unsecured assets after you've foreclosed. However, this scurrilous practice is continuing. Will the Premier immediately order his ministers and the Ag Development Corporation to cease and desist this despicable practice of threatening farmers in order to get quitclaims?

MR. GETTY: Mr. Speaker, the Associate Minister of Agriculture is responsible for Alberta Agricultural Development Corporation. I'd ask her to respond.

MRS. CRIPPS: Mr. Speaker, I'd be pleased to respond to that. If the member would give me specifics, I'll look into it.

MR. TAYLOR: Mr. Speaker, I will have no trouble filing in this Legislature letters and testimony to show the rather scruffy practice of a government trying to push families off the farm with a law that doesn't exist.

Would he also then tell his associate, using even his Associate Minister of Agriculture's figures, that 3,000 farmers in this province are on the ADC hit list for those overenthusiastic collectors? Would he do something about going down and taking a tour in southern Alberta to visit these people and find out that his government is doing its damndest? I don't blame you for turning around and passing this hot potato . . .

MR. SPEAKER: Thank you. [interjection] Order. Order.

Perhaps the minister would like to respond to the first question but not to the second.

MR. GETTY: Mr. Speaker, I just want to make one comment, and then I'd like to have the Associate Minister of Agriculture reply. We have made a tour of southern Alberta, a very successful tour with Albertans, talking to them about the problems and helping them, and they came up with ideas, too, for solutions. We made a tour. We didn't just have a Liberal convention in the city of Lethbridge.

MRS. CRIPPS: Mr. Speaker, I'd be pleased to answer that

question.

MR. TAYLOR: In that time you might have learned something.

MR. SPEAKER: You do have one more supplementary, Westlock-Sturgeon.

MR. TAYLOR: Yeah? I thought I had two.

MR. SPEAKER: But perhaps you could hold on the [inaudible]. Thank you.

Associate minister.

MRS. CRIPPS: As I was indicating, Mr. Speaker, I'd be pleased to answer that question, because I've been down to southern Alberta on a number of occasions at a number of meetings with various people in southern Alberta, talking about the whole agricultural scene and the agricultural problems which are specific to southern Alberta in terms of debt and drought. I'm happy to say that we've introduced the indexed deferral plan, which has been well received by people in southern Alberta and all over Alberta, for that matter. I think I've received representations on both sides of the issue from people involved in all of the communities. If the member would like, I'd outline the reasons for implementing the indexed deferral program, but it's specifically to ensure the continued health of agriculture and to allow the people who have debt all over this province to work through that problem in terms of low commodity prices.

MR. SPEAKER: Supplementary.

MR. TAYLOR: Mr. Speaker, thanks. I'm lucky. I get two answers to every question, but that doesn't mean you cut my supplementals in half.

MR. SPEAKER: Don't bet on it.

MR. TAYLOR: I like your kind co-operation, Mr. Speaker.

Back to the Premier again. Can the Premier explain why in times of poor world prices and economics, it is legitimate -- and most of the House supported him -- to cut back the tax load and to cut back the load of small oil companies, but somehow or another when farmers' prices go under, why is his government still the largest forecloser of mortgages in this province? He is the biggest, most rapacious land-lender in this province. Could he explain why? That's it; give it to the lady. Hide behind her skirts.

MRS. CRIPPS: You know, Mr. Speaker, the leader of the Liberal Party chooses his words very carefully to incite, distort, and mislead the Assembly.

Frankly, I think I want to go back to his statement about the 3,000 people. It's absolutely untrue, Mr. Speaker, and I think that he should be honest with the people of Alberta and up front and admit the assistance that we've given through the Department of Agriculture to assist the whole agricultural sector in this province.

MR. TAYLOR: Mr. Speaker, tell that to the farmers of Enchant, Vauxhall, Bow Island, and Medicine Hat.

MR. SPEAKER: Thank you. Order please, hon. member. You've had a sufficient number of supplementaries. The House

has been more than kind to you. Let's have the question.

MR. TAYLOR: This is my last supplementary, is it, Mr. Speaker? O k a y . [interjections] I just wanted to make sure that I left my big one to the last.

Mr. Speaker, to the Premier. Just once again I would like to ask the Premier: if I can file evidence in this House of his people threatening these farmers with an illegal act if they don't do a quitclaim, will he take action? If I can file that evidence in this House, will he take action?

MR. GETTY: Mr. Speaker, if I interpret his question as saying that he has evidence the government is performing illegal acts, obviously there's no question. Anytime anybody is performing illegal acts in the name of the government, we will obviously do everything we can to correct that.

MR. SPEAKER: Thank you.

The Chair had recognized Edmonton-Strathcona, followed by Little Bow.

MR. WRIGHT: Thank you, Mr. Speaker. The short point is that the Agricultural Development Corporation is still threatening farmers with the action on the covenant, having gotten their land back or about to have their land back, something which is forbidden by the Act but which . . .

AN HON. MEMBER: Question.

MR. WRIGHT: This is the question . . . but which they say they're exempt from because they are the Crown. When will the minister tell them to stop doing that?

MRS. CRIPPS: My understanding is that the Crown is exempt under the personal covenant and that the Attorney General's department is looking into that situation at the present time.

MR. SPEAKER: Thank you.
Little Bow.

MR. R. SPEAKER: Mr. Speaker, supplementary to the Associate Minister of Agriculture. This deals with young farmers who have already agreed to a quitclaim but have leased the land back for 1988. Could the minister indicate whether there will be reconsideration of a longer term leaseback to those young farmers who have already reached an agreement with ADC so that they could possibly continue farming that land or continue farming in this province?

MRS. CRIPPS: Mr. Speaker, it won't be the policy to do long-term leases on an open-ended basis, but if the farm has been tendered and has not sold, certainly they'll look at another lease for another year.

MR. OLDRING: Supplementary, Mr. Speaker, to the associate minister. Could the minister indicate to this Assembly just how long it takes to foreclose on a property under government policies and what the process might be?

MRS. CRIPPS: Mr. Speaker, I can assure the Assembly that it takes a great deal of time to work through any settlement that a borrower and a lender may negotiate, either a quitclaim or a foreclosure. In the case of a foreclosure it's absolutely the last

option that ADC or, I would assume, any other government agency would want to be involved in.

In terms of the time frame, every borrower who is in a quitclaim or foreclosure action is far behind, generally speaking, in their payments and certainly can't find the funds to make their operation viable. If there's any way that they can do that, then we will look at it and ADC will work with them to resolve the stressed financial situation in which they find themselves.

Summer Temporary Employment Program

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Career Development and Employment. There's been an increased demand for the summer temporary employment program positions. Could the minister indicate whether there's been a reconsideration in terms of the numbers that will be allotted during this 1988 summer?

MR. ORMAN: Mr. Speaker, with regard to the summer temporary employment program it appears that our budget of \$20 million for 1988-89 will be able to cover the demands that have come forward. It also appears that municipalities are using their own budgets in this particular year to hire part-time summer help, something that I do believe is appropriate. I don't believe that municipalities should be using STEP solely as a way to create summer jobs and bypassing their budgetary process.

We will assess it, in that the high schools will be coming out shortly. We will have a greater sense of what demands we will have on the program for the months of July and August, and at that time we'll be making an assessment.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Some of the municipalities have been cut back in the initial application process. Would those municipalities have reconsideration at this point in terms of totally filling the requests that they've made, or what other steps can they take?

MR. ORMAN: Well, Mr. Speaker, I have heard from a number of municipalities and employers that take up the summer temporary employment program. As a matter of fact, I just today dealt with a case in the hon. member's constituency. There seems to be a misunderstanding in terms of the use of the dollars for STEP. In the past, municipalities have used the number of applications as a yardstick. We are using the number of months under each application as the yardstick for dollars. So, simply put, last year if a municipality used five people for four months, this year they could be getting six people for two months. It depends on how you use the yardstick in terms of the allocation of those dollars.

We have tried to respond to every concern by every employer in the province on a personal basis. The department has been calling all of the municipalities that have asked about summer temporary employment, and to my understanding they've been dealt with satisfactorily in negotiations over the telephone.

MS BARRETT: Well, supplementary question to the minister, Mr. Speaker. Almost every inner-city agency that's been in touch with me which had applied for sometimes four or eight STEP positions was denied almost all of them. In most instances they only got one of all the people they applied for, all the positions. I wonder if the minister is going to reconsider that policy from his department so that those agencies which do offer valued community service can provide those services through

those positions.

MR. ORMAN: Mr. Speaker, I'd be more than pleased to deal with a particular concern of a particular agency or nonprofit organization or municipality that feels they are not getting a rightful allocation of STEP dollars. If the member wishes to bring to my attention that particular case, I'd be pleased to review it, as I do on a regular basis.

MR. MITCHELL: Mr. Speaker, a supplementary to the minister. With youth unemployment in this province already at about 15.2 percent, why does the minister have to wait until June or July to reassess the demand for this particular program? Can't he do that now and put up more funds for jobs for youth?

MR. ORMAN: Mr. Speaker, I recognize and acknowledge that youth unemployment at 14 percent is far too high. I should also point out to the hon. member that it's down from 17 percent almost a year ago. So there has been a substantial reduction in the level of unemployment for youth in the province. I should also point out that last year we set a record in the province of Alberta for youth employment. We had the highest summer employment for young people in the history of the province.

As I indicated earlier, I believe that our budget allocation for the summer temporary employment program will cover the demand that appears to be there today. I should point out that there seems to be a greater willingness this year than other years for the private sector to employ youth. So in that our budget is the same as last year and last year we did set a record, I look optimistically that we can employ a large number of young people this summer. As I indicated, as the high school students get out and are looking for summer work, we'll be looking at it and assessing it. Right now, Mr. Speaker, I don't believe that there is a need to do that at this particular point.

MR. SPEAKER: Main question, Taber-Warner, followed by Calgary-Mountain View.

French Language Rights

MR. BOGLE: Thank you, Mr. Speaker. My question is to the Premier. The Supreme Court of Canada has ruled that section 110 of the North-West Territories Act is still in force in Saskatchewan. The Saskatchewan Legislature passed legislation dealing with the question of French language rights and services in that province. As both Alberta and Saskatchewan have their foundations in the North-West Territories Act, Alberta must also address section 110. My question to the Premier is: will the Premier advise this Assembly when the government of Alberta will introduce legislation pertaining to section 110 of the North-West Territories Act?

MR. GETTY: Mr. Speaker, there is a task force of the cabinet headed by the hon. Attorney General, and that task force has been working on the proposed legislation. They have been consulting with Francophone Albertans, other Albertans, and they have reviewed the Saskatchewan legislation. They will be making a final presentation as to the actual legislation to our caucus, and we intend to have this legislation introduced in the House during this session.

MR. BOGLE: A supplementary to the Premier. Can the Premier assure this Assembly and Albertans that any amendments

will not fundamentally change the nature of Alberta?

MR. GETTY: Mr. Speaker, it's certainly the intention of the government -- and it will be the hon. Attorney General -- to introduce both a policy statement and legislation on behalf of the government. That would be to provide an opportunity to preserve the rights of Francophone Albertans but at the same time to ensure that the fundamental nature of Alberta, as we now know it, is not changed.

MR. BOGLE: Premier Grant Devine has reportedly committed Saskatchewan to becoming fully bilingual within 10 years. I'm asking the Premier to comment as to the intent of the Alberta government in this regard.

MR. GETTY: Mr. Speaker, I'm not certain about Premier Devine's intentions, but I can say this: it is not the intention of the Alberta government to introduce, through policy or legislation, any moves to make this province fully bilingual. I can say to make it clearer to all members of the House and to all Albertans that we are saying no to full bilingualism on a provincial basis for Alberta.

MR. SPEAKER: Additional supplementaries, Taber Warner? No.

Calgary-Buffalo.

MR. CHUMIR: Thank you. To the Premier. Can the Premier assure this House that the government will take steps to recognize the rights of Members of the Legislative Assembly to speak French in this Legislature, not as a privilege, as at present, but as a right?

MR. GETTY: Mr. Speaker, that will be one of the details of the policy statement and of the moves that the government makes in terms of legislation, because obviously that matter would be in the government Standing Orders that would have to be dealt with. But I just want to make it clear that while we will be doing certain things to preserve the rights, we are saying no to full bilingualism on a provincial basis in Alberta.

MR. SPEAKER: The Member for Calgary-Mountain View, followed by Edmonton-Gold Bar.

Conflict-of-interest Guidelines

MR. HAWKESWORTH: Thank you, Mr. Speaker. As was pointed out yesterday, when it comes to conflict-of-interest rules, this government tolerates a different standard for members of the Assembly than it does for others. Now we find in the new School Act conflict-of-interest rules for school trustees, rules that declare that pecuniary interests of these elected officials are extended to include corporations in which their spouse is a director, officer, or shareholder. My question to the Minister of Education: does the definition in the new School Act, Bill 27, set out the government's policy as to how pecuniary interests should now be applied for elected officials?

MRS. BETKOWSKI: Mr. Speaker, I will take your direction, sir, but I believe that the issue is of import to the degree that it should be discussed in second reading and perhaps further in committee. I don't believe that the question period is an adequate place to have a full discussion on pecuniary interest.

MR. SPEAKER: The ruling of the Chair issued back in mid-April was the fact that questions would be allowed on Bills until they had passed second reading stage. After that, when they're in committee stage or third reading, questions would not be entertained during question period. So additional questions on this issue are permissible.

MR. HAWKESWORTH: I still didn't get an answer to the question. Is this now government policy as to how pecuniary interest should be defined for elected officials?

MR. SPEAKER: The hon. member knows full well that you can't make a complaint about whatever the answer is, was, or may have been. Therefore, this is the first supplementary.

MR. HAWKESWORTH: Well, Mr. Speaker, to the Minister of Education. Is this definition in the School Act now the government's policy as to how pecuniary interest should be applied to elected officials?

MRS. BETKOWSKI: Mr. Speaker, the government has presented a Bill, which is Bill 27. It outlines a system by which conflict of interest can be determined, which is relatively consistent with the Municipal Government Act. I look forward to a further discussion of what is government policy when the Bill appears for second reading and in Committee of the Whole.

MR. HAWKESWORTH: Mr. Speaker, these questions are about as useful as a screen door on a submarine.

MR. SPEAKER: That's again an inappropriate comment under *Beauchesne*, hon. member. What's the supplementary?

MR. HAWKESWORTH: Yesterday, Mr. Speaker, the Provincial Treasurer talked about laws reflecting the dynamics of the time. To the Provincial Treasurer. Does he support this definition, as set out in the School Act, that an elected official has a pecuniary interest in his spouse's business dealings?

MR. SPEAKER: That's an inappropriate question. It's not directed to the minister in terms of his responsibility as Provincial Treasurer. The question is asking his opinion with regard to another piece of legislation under another minister.

Final supplementary.

MR. HAWKESWORTH: Okay. Well, I'll ask the Premier then. Presumably he's competent to handle questions affecting all government departments. Will the Premier tell the Assembly whether the government will take its policy of pecuniary interest as defined for school trustees and apply it to members of the Assembly of Alberta in their dealings and their spouses' dealings with Treasury Branches?

MR. GETTY: Mr. Speaker, I'll be interested in seeing how the House deals with it. I'll be interested in seeing how the hon. member's party recommends that we deal with it. I'll also point out to the hon. member that we have a Legislative Assembly Act, which is not being amended.

MR. SPEAKER: Thank you.

Member for Calgary-Buffalo, supplementary.

MR. CHUMIR: Well, the simple question to the Premier is:

why is it that we have provisions for conflict of interest with respect to school trustees which are more strict and stringent than those which apply to members of this Legislature and of his cabinet? Why should school trustees have tougher rules than we have here in this Legislature?

MR. GETTY: Well, Mr. Speaker, the Legislature over the years has developed the Legislative Assembly Act to deal with members of the Legislature.

MR. SPEAKER: Thank you.

The Member for Edmonton-Gold Bar.

Bosco Ranch

MRS. HEWES: Thank you, Mr. Speaker. Many of us believe that the Bosco youth ranch is an institution which the government should be more than happy to deal with. The ranch was given a mortgage subsidy of \$36,000 by this government, so the government does have a stake in its survival. This institution has not asked for nor does it want contracts or guarantees from the government. It believes in free enterprise and is willing to work on a per client basis, yet the department appears unwilling to send clients to the Bosco ranch. I'd like to ask the Minister of Social Services: does the minister have any problems with the facilities or the quality of care that is being provided by the Bosco youth ranch?

MR. SPEAKER: Thank you.

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

SOME HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed?

AN HON. MEMBER: No.

MR. SPEAKER: Question period is completed. [interjections] Thank you, hon. members. It is the right of any member of the House to give or withhold consent.

The Chair, nevertheless, must invite the Minister of Education to supplement some information from yesterday's question period in response to a question raised by Edmonton-Belmont.

Ward System for School Boards

MRS. BETKOWSKI: Mr. Speaker, I'd like to correct a statement which I made in question period yesterday in response to a question by the hon. Member for Edmonton-Belmont, when I stated, and I quote from *Hansard*, that

there is nothing to prevent any local government from having a plebiscite on any issue they wish to have a plebiscite on.

I've been advised that, in fact, school boards do not have the authority to call a plebiscite except in two circumstances: the dissolution of a local advisory board or the dissolution of a separate school district, and if a board receives a petition from electors regarding a decision to build or purchase a new school or a decision to borrow money by debenture, they are required to put those decisions to a vote of electors. Those are the only situations in which a board can call for a vote on a particular issue. Bill 27 does not change the current situation except in the case of formation of separate districts where the 25 percent quorum

requirement cannot be met.

Municipal councils, on the other hand, can submit to electors any municipal question or plebiscite over which a council has jurisdiction. Under the Local Authorities Election Act, the Minister of Education does have the authority to require a school board to conduct a vote of electors on any question specified by the minister or on a question on any matter under the jurisdiction of a school board.

Mr. Speaker, on the particular issue of a ward system for the major urban centres, it is not the intention of government to direct the school boards involved to conduct a vote on whether or not a ward system should be established.

Thank you.

MR. SPEAKER: Edmonton-Belmont.

MR. SIGURDSON: A supplementary question then. Mr. Speaker, if it's not the intention of the government to direct the school trustees to conduct a plebiscite on the establishment of a ward system, why not?

MRS. BETKOWSKI: Mr. Speaker, government feels very strongly that the issue within Edmonton and Calgary is one where the majority of electors are of the view that a ward system should be in place. We feel that way because it certainly has been the input government has received throughout the input on the School Act over the past few years, four years in fact. Responsiveness and accountability are key principles of the new school legislation, Mr. Speaker, and that is why government feels as strongly about the ward system in the major metro areas as we do.

head: **ORDERS OF THE DAY**

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

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried.

head: **INTRODUCTION OF SPECIAL GUESTS**
(*reversion*)

MRS. OSTERMAN: Mr. Speaker, it's a distinct pleasure for me today to be able to introduce a group of senior citizens basically from the Trochu area. They are the Trochu Valley seniors. This is a well-traveled group. They certainly know how to enjoy themselves and, as well, through their many activities, bring pleasure to other people. There are 35 of them in total in the public gallery. I would like them to rise and receive the warm welcome of the Assembly.

MR. MUSGROVE: Mr. Speaker, it's my privilege today to introduce a school from the Bow Valley constituency, the land where it seldom rains. The school is Buffalo school. There are 16 students from grades 4 to 9. They are accompanied by their teacher John Klein and parents Leroy Callahan, Mrs. Marion Klein, and Mrs. Linda Howe. They are seated in the public gallery, and I would wish them to now stand and receive the warm welcome of the Assembly.

MR. ADAIR: Mr. Speaker, it's my pleasure to introduce on

behalf of my colleague the Hon. Larry Shaben, MLA for Lesser Slave Lake, a group of grade 6 students from the Atikameg Sovereign school in Atikameg. They are accompanied by their teacher Joyce Sinclair, supervisors Verna Gladue and Brian Tallman, and bus driver Floyd Flett, and I would ask them to stand and receive the warm welcome of this Assembly.

MR. DOWNEY: Mr. Speaker, it's my pleasure this afternoon to introduce to you and through you to members of the Assembly, 37 thriving young people from the bustling burghs of Byemore and Big Valley at the south end of Stettler constituency. We welcome them here today. The light's a little dim in the galleries, and I'm not sure if they're all in the members' gallery or not. They are accompanied by teachers Shelly Paulson, Nola Schaffner, and Jean Mappin, by parents Anita Mappin, Sharon McCrindle, Susan Curtis, Wanda Wilkie, and Kathy Hientz. I would ask them to rise in their places and receive the warm welcome of the House.

MR. YOUNG: Mr. Speaker, I move that written questions on the Order Paper stand and retain their place.

[Motion carried]

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

[Motion carried]

head: **MOTIONS OTHER THAN
GOVERNMENT MOTIONS**

210. Moved by Mr. Downey:

Be it resolved that the Legislative Assembly urge the government to develop a strategic plan for the privatization of its Crown corporations.

MR. TAYLOR: That's the guy who said no to question period.

MR. DOWNEY: No, it wasn't me, Nick.

Mr. Speaker, it gives me pleasure this afternoon to introduce for discussion Motion 210. In addressing the motion this afternoon, I wish to place an emphasis on the portion of the motion which deals with strategy. That is the key word and the direction intended in this motion. We're pragmatic enough to realize that in our mixed economy certain services being paid entirely by the public purse may be most reasonably supplied directly. Even in these areas private contractors competing on a bid, fee-for-service basis might bring to light some new efficiencies.

There are some weaknesses in government-run operations which can be fixed or mitigated by involving the private sector to a larger degree. One of these is the issue of capitalization. In the private sector, business enterprises compete for sources of capital. In an ideal and unfettered marketplace the capital flows first to the industries showing the highest returns and a payback which is manageable over the short and intermediate terms. When these opportunities have been met and the pool of capital grows larger, patient capital seeks out long-term secure investments that will ensure a moderate return far into the future.

[Mr. Deputy Speaker in the Chair]

Crown corporations, on the other hand, must compete with

all other government departments -- health care, Education, Social Services -- for dollars to upgrade their plant and equipment, to expand their opportunities in project development and research. They do not have the argument or the urgency of immediate need. Therefore, Mr. Speaker, when it comes down to decision-making time with the Treasury Board for a share of this year's tax dollars, the building of an industry takes a back seat to care of the elderly, the sick, indigent, and disadvantaged in our society, and many opportunities are lost or delayed.

In many cases, Mr. Speaker, if the government were not already involved, private capital would flow to these industries. I must say that in view of the chronic undercapitalization of Crown corporations, some of them have done an admirable job in building and operating viable business enterprises. The purpose of this motion, Mr. Speaker, is to look for those kinds of situations and to correct them where private capital would be made available.

A second commonly mentioned problem in the public sector is that it has a strong tendency to become inefficient and more costly than otherwise would be the case. There is no incentive to compete. There is no real incentive to obtain the best value for a dollar spent. Often it enjoys a monopoly, and in areas of social care its practitioners are measured on the basis of how much money they can wrest from the public purse during budget discussions. Dr. Madsen Pirie states that the British experience is that it's always somewhere between 20 and 40 percent more expensive in the public sector than for the equivalent private service. Unfortunately, Mr. Speaker, there are many areas of service in this province and in Canada where this is difficult to measure because of the total absence of private practitioners.

A third reason to look at privatization, Mr. Speaker, is that the public sector is unresponsive. In many cases there are no customers, only users or clients. A few days ago in this House the Member for Edmonton-Mill Woods erroneously referred to social care recipients as customers. Social care recipients are not customers because they are not purchasing anything. The provider of the service they are receiving has no incentive to provide the best service possible or to fulfill that person's needs in the best manner possible, because he knows that that person will have to come back to him for that service because he is the only provider of that service.

This weakness extends beyond the area of social care, Mr. Speaker. In Alberta we have a strange mix of privately owned utilities, in some areas operating under the direction and decisions of the Public Utilities Board alongside publicly held firms performing the same or, if I may use the word loosely, a competing service. I submit that such an arrangement reduces the level of all service and efficiency to the lowest common denominator, private or public.

In telephones outside Edmonton we have a provincial monopoly, Mr. Speaker. I think AGT has done a fine job for the province, and I commend the minister responsible and his predecessors for creating a public utility which operates in a highly efficient and service-oriented manner. It is a success story, but I ask: what is the motivation of this corporation to provide a level of service? Is it the carrot of a wider customer base and increased profits through efficiency, or is it the stick of a government responsible to its electorate, which says, "Provide the service, provide courtesy and responsiveness, or you'll lose your jobs." Ultimately, Mr. Speaker, I maintain that the carrot is a more positive motivator and will result in better, more efficient service to all.

Alberta Mortgage and Housing Corporation and the Alberta

Agricultural Development Corporation have not been so successful from a financial standpoint. Nor do they have a wide base of public support from the client base or from outside the client base. They were created primarily, Mr. Speaker, for social reasons and continue to exist for those reasons.

MR. TAYLOR: Socialism reasons.

MR. DOWNEY: Perhaps one of my colleagues or perhaps even the Member for Westlock-Sturgeon will go into one or both of these corporations in more detail. The fact remains, Mr. Speaker, that neither of these organizations have been particularly responsive either to their clients or to the public purse.

MR. TAYLOR: I've got a seat for you over here.

MR. DOWNEY: Oh, I'm in trouble now.

MR. DEPUTY SPEAKER: Order please.

MR. DOWNEY: One final example, Mr. Speaker, is on a national scale. I refer to the example of the national railroads, which for the outdated reason of supporting western development, developed into a situation where they are discriminating against that development. Their rate schedules and operating procedures across the country come from the government through a well-developed bureaucracy which is interested not in providing the best service at the least cost not to carry passengers or freight, but to provide jobs for railway workers in the bureaucracy that runs it.

We look at the CBC, which was perhaps necessary at one time to encourage the rapid development of an emerging industry. That need has been fulfilled, Mr. Speaker, and the burden placed by its continued operation in that mode is an onerous one on the taxpayers of this country. The size of the burden is sufficient evidence, in my mind, that the CBC has not been particularly responsive to changing times, to its ongoing burden on the public purse, or to providing what customers wish to view or listen to.

AN HON. MEMBER: Agreed.

MR. DOWNEY: Thank you.

Mr. Speaker, we realize and accept that it is not practical to privatize every public service and Crown corporation in the country or even in the province. Over the last few minutes I have tried to outline some of the advantages which might be obtained by looking at the entire public service and Crown corporations in a strategic sense.

I would like to now deal with a number of guidelines which might be useful in developing that strategy. To start, Mr. Speaker, where a unit or function is competing with the private sector, it is fairly clear that privatization or disposal of that Crown corporation should be an option. Any cry for retention of a function in this category should be evaluated with a rather critical eye. The Leader of the Opposition's comments that AGT should be retained in the public sector because "consumers like the service" is a red herring. Private-sector operators might be able to provide the same level of service at less cost or a higher level of service at the same cost. I'm certain, then, that the consumer would be even happier.

I note that aside from its local and long distance communications, either directly or through subsidiaries, AGT provides busi-

ness systems, terminal equipment, mobile communications, and other services in direct competition with the private sector. If a provincewide local and long-distance telephone communication system is deemed to be in the public interest, at the very least, Mr. Speaker, we should be looking at divesting the public of enterprises which could be identified as being in unfair competition with the private sector. I believe these assets are salable, and there is no reason for a government Crown corporation to be involved.

If it is determined that it is vital for the government to have direct control over a particular function or delivery of service, consideration should be given to the separation of control and operations by subcontracting the operations and achieving the control through a regulatory process. A bidding process could be used which would ensure that such services were provided on a competitive basis and preferably by having several firms bidding on similar contracts across the spectrum and the area of the services to be provided.

In situations where the government finds itself moving towards direct involvement -- and we know there are a number of those -- priorities should be looked at towards community-based institutions, and serious consideration should be given to contracting or inviting provision of the services by groups in private practice, to nonprofit and volunteer agencies, or to municipal governments. The government must be constantly aware of the danger of crowding the private sector and volunteer organizations out of the social care arena, and I continue to believe, Mr. Speaker, that barring the letting of services to the private sector and volunteers, government decisions are best made closest to home. That is why I favour a decentralist view, why I strongly support provisions in the Meech Lake accord which lead to that kind of decentralization. Our municipal representatives and locally elected boards provide us with an unparalleled clarity of view on local issues as they arise. The Ottawa view is that they can devise programs and policies best suited to all of Canada. The Edmonton view, I suppose, runs along the same lines. But what is good for Edmonton-Centre, a policy that works and is structured to take care of a particular situation there, may not be the same policy that will be in the best interests of the constituents of Stettler.

Mr. Speaker, while I'm up, I do want to comment on the successes and the directions that are being taken by this government. We read of recent announcements from the Department of Recreation and Parks, where two provincially owned parks operations are being subcontracted to the private sector as of this year for a five-year period: Jarvis Bay and Aspen Beach, west of Highway 2. The government has moved in other areas. The hon. Minister of Social Services commented a few days ago, I believe in discussing her estimates, that the biggest private providers of services in her department are foster parents. I think that deserves mentioning, but I think we can continue to look for other opportunities and look for those kinds of opportunities, Mr. Speaker, with a view to providing better value and better service. I believe that is all achievable.

Mr. Speaker, the divestiture of Crown corporations and the privatization of public service is a very complex issue. The bottom line is that people will be motivated to act in a certain way. In terms of the world of work, there are only two primary motivators, as I mentioned before: the carrot and the stick. In modern terms, the carrot is the dollar, that dirty word "dollar" -- profit -- and the stick is the power of the state, backed by its court systems, the police, and ultimately its armed forces. In looking at the global scene, we can see ample evidence of the

latter, negative forms of motivation. I hear some chuckles from across the way, but they know that this is perfectly true. That is where they would lead us to, given the opportunity.

I am convinced, Mr. Speaker, that if we use the positive motivation of profit and self-reliance, our citizens and our electorate will be happier and more productive as a result. This motion urges a strategic approach toward that objective, and I would urge all members of this Assembly to support it this afternoon. Just before I sit down, you know, I'm really looking forward to the kind of discussion that's going to go on here this afternoon. I challenge -- as we were challenged by the members opposite a few days back -- them to show me where I'm wrong.

Thank you, Mr. Speaker.

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

MR. TAYLOR: Thank you, Mr. Speaker. In rising to support the hon. member's motion, I do with a certain amount of fear and trepidation that he and I might not be going along the same path, but at least the words sound fine now. Like all courtships and in the hopes that he would move his seat over here, I have to give him the very best of intentions in his speech.

But when we speak about privatization, Mr. Speaker, there are so many different types that I want to touch on a bit. In particular, he mentioned phone companies and utilities, which I believe in general, where there's a monopoly, should probably be best publicly owned. But the unfortunate part is that in a publicly owned utility having good, clean, bright-eyed, bushy-tailed, young, ambitious people, they soon decide they want to branch out in other areas under the argument that in broadening the base of the company, they will show a better profit. Before you know it, you turn around, you'll find them in businesses where private enterprise is already there, and sometimes probably even supplying their services at a loss in order to break into the market. Now, they will argue long into the night and have all kinds of figures and computers to show that they, indeed, are not doing it at a profit, that the private sector has been too expensive and that they are not losing money, but really they are.

But the point is that it is so hard to determine for the Public Utilities Board or whoever is disciplining or watching the public sector -- if they do get out in the private sector, to make sure that moneys aren't being used to support what is from headquarters and loans and so on, that what is unfair competition is very hard to follow through on. So I believe that the government should be taking a very close look at not only Alberta Government Telephones, as far as what businesses they are going into that appear to already have the private sector, but also maybe flipping it around and investigating the public utilities sector, the so-called privately owned public utilities sector, which is rather fond of building into their rate base management and research that is really being used by utilities private companies.

Unfortunately, here in Alberta most of our big utility companies have so-called oil companies and exploration companies that are out doing their thing. Their shareholders in the utility companies would have you believe that oh, no, they're out there operating on their own. "We just happen to own. There's no tie in at all." But you only have to go to the office buildings to realize that it just may well be that a lot of the administrative and financial overhead that is going to operate these small companies -- they're not that small; they grow very fast -- these other oil companies may well be being charged back to the taxpayers as part of a public utility cost.

So I think what's sauce for the goose has to be sauce for the

gander if we're going after the publicly owned corporations, telling them to keep out of the private sector. I'm not too sure that we shouldn't be going after the private -- and I can bet you I will get phone calls within 48 hours on this because the utility companies do have very good PR people. They monitor every word that's said in this Legislature. But what I want to say is that the privately owned utilities should also be looked at as to whether or not they aren't over owning companies in the private sector and transferring some of the load of administration, finance, or what have you, onto the backs of the taxpayers.

Now, the second part I wanted to touch on was with the Alberta Agricultural Development Corporation and Alberta Housing Corporation. In both these areas an overambitious -- well, maybe not overambitious. A very ambitious civil service combined with a government that wanted to put the heritage trust fund to work were firmly convinced, as a lot of people are until they get into business themselves, that there was money in being banker, that anybody could loan, anybody could give out a mortgage, anybody could do this, do that, because inflation would go on forever. "Therefore, why should we let those dirty old capitalist companies from down east or out here or anywhere else give all those loans to the farmers and all those loans to build houses? We'll get in the business, too, and make money hand over fist."

Well, we saw what happened. The economy turned around, and now we have billions tied up in Alberta Housing and the Agricultural Development Corporation when we shouldn't have, Mr. Speaker, when the public moneys in this area -- and I agree there has to be an ADC and an AHC, but their money should only be used in the form of incentives or top-ups or subsidies, not the main loan itself. One of the things that's misty when we analyze what the ADC or AHC is doing, when we analyze what any public loan institution is doing versus what a private lender is doing -- what we often fail to realize is that in a downturn in the economy the privately owned corporation is able to write off their losses against federal income tax. This is one of the big differences. In other words, if many of our farmers today had owed as much as they do now and owed it to the Bank of Montreal or the Toronto Dominion Bank, those bankers would be more inclined to write down the loan for two reasons. One is that they want to do ongoing business; they want to get the economy going. They have other loans in the town out to businesses and maybe to implement dealers and so on. So they have an ongoing interest to try to keep the farmer going and operating.

Our ADC person doesn't. As a civil servant all he or she is interested in doing is showing a good record of collecting. So consequently, the most vicious foreclosures today, the most grasping, grabbing individual to try to push a farmer off the land -- as I tried to get across at question period -- is not the eastern bankers, not the foreign capitalists, but our own government departments. It's rather like being bitten by your own Doberman, as I like to compare it. You hire these people, you elect them to be your watchdog, and the first seat of the pants that they tear out is your own. So this is one of the things, Mr. Speaker, that we've done when we created the ADC and AHC.

The second thing -- and this is something I'm not sure the members over there understand quite as much. When you are a private lender and you decide to write down your loan, that loss on that loan is recoverable from all the people of Canada because the banker then pays less income tax to the federal government. But when the ADC writes down a loan, it all has to be recovered from only the province of Alberta because it's

the province's agent. That's a tremendous difference. In other words, we have boxed ourselves in by taking over so much of the farm credit and so much of the housing credit by direct loans that we've lost our ability to spread the loss from coast to coast. We have to take the whole amount ourselves. So consequently the economic fallacy of going into that type of business now comes through. We should have used our own organizations just as a supplemental or top-up method to occasionally bring interest in line or, besides subsidizing interest, maybe occasionally top up the capital a little bit, but not become the primary lender.

The next thing I want to talk about for a few minutes is the question of privatization. I'm very concerned about mixed ownership. The hon. Member for Stettler didn't go into that. If we're going to go for privatization, let's not get these bastard setups, Mr. Speaker, and I use it not as an uncomplimentary term but more the way a farmer would talk about a mule: no pride of ancestry, no hope of progeny. They come out with these things like Alberta Energy, the Nova Corporation; we're talking about the Husky upgrader -- all these areas where the government is starting to take equity in shares, usually a minority interest, along with the [private] sector. That's the most dangerous of all, because if I learned anything in my international travels of putting corporations together, the best thing you can possibly do is get a privatized corporation where the government is in partnership with you. It's rather like moving in with the landlady -- your rent goes down, you get the best meal at the house, and so on and so forth -- because the government then becomes dedicated to trying to make the shares look good on the market; they have to be a self-fulfilling prophecy.

So what do you get? Alberta Energy suddenly becoming the sole and exclusive proprietor of developing gas in the Suffield area. If that isn't enough, well, poor old AEC -- I mean, we only doubled your money; let's give you the Primrose gas area too. You might be starving to death. We don't want a competitive bid about that. Then we look on a little bit further and we've got the Nova Corporation. Poor old Nova. We had to spend maybe \$60 million, \$70 million here. I think it was \$150 million in subsidies to keep the petrochemical industries going. Out east of the hon. Member for Lacombe's area was where they subverted number 1, number 2 soil to put in their petrochemical plants. Now even that isn't enough, Mr. Speaker. You say, oh, if you want your shares to look well, if you are on the board of directors and don't want to look foolish, let's make sure the small gas producers deliver their gas to you so you can get your ethane a little cheaper than the world would like it. Also, when you're tied up in an operating company like that and the government is worried about your reputation, you can come in and say, "How about lending us a little money, maybe \$150 million, \$155 million, and we'll go down east and buy a petrochemical company." It's always nice, you know, to show those Ontario people where the hell they can get off at; we're going to go down and buy one of their companies, borrow the money from us.

This is the type of setup, the incestuous relationship you can get into if you start privatizing only a little bit. It's one of the worst things you can do. In other words, what we have to be watching for today is the hermaphroditic type of economic animal that gets put together that's part government and part private. There isn't a private organization in the world that doesn't want the government for a partner. They call it *canis privatus*. So now we hear Petro-Canada trotting along; they want to sell some shares. Air Canada wants to sell some shares.

Everybody wants to sell a few shares, because that is probably the best set up you can get today: owned by the government and owned by the private sector. I advise you that that's one of the most dangerous things to get under way and one thing you've got to give old Margaret Thatcher credit for. Margaret Thatcher certainly destroyed the myth that all women elected would bring kindness, attention, and love of family to the whole political scene; nevertheless, she did bring across the idea that these corporations the British had so many years that were part privately owned, part publicly owned were really sapping the private energy of the people, and she got out of it completely.

This is the only thing I would like to pass on, Mr. Speaker: a warning to the Member for Stettler that if indeed he has some influence with the Tory caucus and they start thinking of privatization, don't go halfway. Either take sectors of the company and move it out entirely or, if you're going to touch the company, don't allow these incestuous types of shack-ups that occur now between public and private money in the different corporations -- part government, part private -- that go out and ask for all kinds of privileges, whether it is to pollute a little more than everybody else, whether it's land concessions that other people don't get, or whether it's a lock on natural resources that others don't get. This is the type of thing I think we have to worry about.

Before I sit down, Mr. Speaker, I would be remiss if I didn't take a posey out and hand it to one of the more outstanding public corporations in Alberta, one that this government can take no credit for, one that the government before this government can take no credit for -- it goes back many, many years, Mr. Speaker -- and that is CKUA. It's a fantastic organization. The ACCESS Network has done more to keep this government from drifting off into the abyss of right-wing politics and cowboy music -- not that I'm much against cowboy music -- than anyone. In other words, it's given a balance to people out there.

It's an organization that I found when they were threatened, Mr. Speaker, after being elected in 1986. . . . I know a lot of right-wingers. I was born in southern Alberta; I was raised in the oil business. As a matter of fact, I didn't know left-wingers existed until I was 35. Yet all those right-wing friends of mine wrote letters to me asking me to preserve CKUA. It was the most fantastic display of loyalty that I saw, and I thought, "Boy, I had this government by the you know where." I was really going to get 'em on this thing. I was going to steal all their supporters, because they were going to do away with CKUA. But what I didn't understand: they were also writing that little row of dinosaurs at the back there that won't let question period go on, and a few others. They were also writing them. And I'll be damned. One day, Mr. Speaker, lo and behold, the government withdrew the idea of trying to privatize CKUA and, as the great poet Browning said,

God's in his heaven --
All's right with the world!
Thank you, Mr. Speaker.

MR. MUSGREAVE: Mr. Speaker, speaking to the motion, it's a very broad subject, and I'm glad the member brought it to this Assembly, although I must confess I had some trouble trying to determine what his strategy was that he mentioned in the motion. However, first of all, I would like to comment on a newspaper article that appeared recently. I know some members of the Assembly probably wouldn't read this paper, but it's a family newspaper, the *Toronto Globe and Mail*, so don't get too nervous. The Canadian Labour Congress has in effect declared

war on the Tory government, and . . . [some applause] Just hold your applause. What they want to do is destroy a government that's opened markets for Canadian goods. It has done a lot to deregulate the economy, and it is "privatizing government-owned companies where this makes sense."

AN HON. MEMBER: Shame.

MR. MUSGREAVE: I hear the hon. member say "shame," but I would point out to him that privatization has reached the height of its popularity in France, a country that this week endorsed its socialist president for a new term. What the party wants is:

heavier regulation of transport, energy, and telecommunications; a wider spread of public ownership through the economy; no trade deal with the United States; a reversal of tax reform and its replacement with a new tax system that would penalize incentive; restrictions on investment, both domestic and foreign.

Having curtailed the economy, then they have the nerve to say that they're in favour of full employment.

Well, let's look at another side. In Stockholm, Sweden, the European Trade Union Confederation, which I'm sure some of the members of the Assembly must be familiar with, is supporting a complete free trade agreement within the European community by 1992. This group represents 44 million union workers in 21 countries stretching beyond the European Common Market. And this is what the union members want in Europe:

abolition of all remaining trade barriers and customs duties; free labor markets that will allow a national of one country to work and compete for a job in another; a harmonization of taxes that will push up value-added sales taxes in several countries; liberalization of all transport, banking, telecommunications, media and cable services; a move to common technical standards that will open all industries to greater competition; and the creation of a European central bank and, eventually, of a common European currency.

Even in Britain the Labor party has put together

a policy review group under its spokesman for trade and industry, Bryan Gould.

It has just come forward with a report that says policies the party espoused in the 1970s are inadequate for the challenges facing Britain now.

So that's what the socialists that are in the advance of the socialist movement are doing, and a few of my friends across the way there have much to learn from their colleagues in other parts of the world.

I would like to make a few comments, though, about some of the items by the hon. Member for Stettler. He mentioned the curtailment of the railways and the fact that they don't provide very good passenger service. I would suggest to the hon. member that when people ride in buses or planes or cars, it's pretty frustrating for the railway to be able to provide good passenger service when they don't have any passengers.

Similarly on the CBC. We all like to take a thump at the CBC, and I'm one of those who gets a little annoyed with it. I'd suggest if the hon. member doesn't like listening to the CBC, he listen to CBC-FM. Then he doesn't have to worry about the kinds of programming he may have trouble with in the standard broadcast. But I would suggest that the role of the CBC was to try and bring the country together, and if you live in the Northwest Territories or some of the isolated parts of Newfoundland, I think you'd be glad there is a CBC. I remember that for years here in Alberta we had one station. I think it was at Stettler, and that was it. It was a repeater station, and the broadcasting was terrible. If you know any young musicians or poets or those

involved in literature, you'll realize how important the CBC is to our country.

Getting back to the motion, I think there's tremendous scope here. It always bothers me that in the city of Calgary and throughout Canada we have to have an American company known as Browning and Ferris, which I think originates in Houston, Texas, to come up here and pick up our garbage. Now, it's beyond comprehension to me why Canadians aren't able to pick up their own garbage. Similarly, we have H & R Block that do tax returns. Many times I've asked chartered accountants and CPAs and certified general accountants why we have to depend on an American company to make out our own tax returns.

The hon. member mentioned Alberta Government Telephones. I remember that back in 1967 when I first ran for office on the provincial level, one of our guidelines was that we were going to convert AGT into a public company; it might even become part of the Bell telephone system. Then I think a survey was taken and we found out that the citizens of Alberta liked AGT, so that idea was quietly put on the shelf. I think another idea we had at that time was that the Treasury Branches were going to be incorporated into the banking system, and I guess after we talked to some of our rural members, we changed our minds on that particular issue.

From time to time we hear people talk about the liquor business being privatized. It might not be a bad idea, but I would suggest that if you're going to look after all the merchandising, the warehousing, the various installations throughout the province, you're looking at a very, very substantial investment. I'm not saying it can't be done, but to suggest that it could be handled by peddling liquor at corner stores is beyond comprehension if it's going to stay as a worthwhile enterprise that makes money.

Another issue the hon. member touched upon was Alberta Housing, and for the life of me, I remember wondering why we got into this enterprise. I know we needed housing. It wasn't this government that did it; it was here before. We may remember some of the hon. members were wheeling and dealing in Europe and making off with huge sums of money, and I think one of them even ended up in jail, but that's by the by. I wonder what company in their right mind would want to take over Alberta Housing or what citizen in their right mind would want to buy shares in such an organization.

I believe I had a private member's Bill or motion on this a few years ago. I think there are opportunities for the government of Alberta to take the initiative, as the hon. member suggested. There's lots of scope to do this, and I think that within the service of the government there are opportunities. But in order to make it fair and make it welcome to people, first of all, we have to put capital in place. We have to make sure that they have a long enough period -- say a five-year period -- to set up the businesses, and we have to ensure that the standard of service is maintained. We can do all those things, because as the hon. member says, we can use the carrot approach. Another word for that is appealing to one of the seven deadly sins, which is greed, and it's innate in all of us whether we like to admit it or not. But I think with that basic option there, there is lots of opportunity to do this sort of thing, and I'm glad the hon. member brought this forward.

I think one of the unfortunate things we have to recognize in Canada is that we talk about being right-wing, free enterprise, and all that. Any government in this country that gets away from the middle road soon finds itself out of office. One of the

problems we're going to have as Canadians, as a nation living so long on so much of our natural resources -- and we've been in effect selling our heritage down the river -- it's going to be very difficult to convince all of us that perhaps we're going to have to accept a lower standard of living, we're going to have to work harder for less if we're going to be able to compete in the world. I think with the large numbers of people unemployed in our country, particularly young people, we are going to have to rearrange our priorities, and this suggestion of the hon. member is one positive way we could do it. I think the more we can get people responsible for their actions and not be able to just go to the Treasury and say, "Gee, we made a mistake and we need an extra 200 million bucks" -- we rationalize our way around it and the next thing we know, it's just added to our debt and we continue on our merry way. Mr. Speaker, we cannot afford to do this any longer.

In conclusion, I appreciate the hon. member bringing this motion forward. I don't entirely agree with a lot of what he says -- that's pretty obvious -- but I'm glad he brought the motion forward. It gives us an opportunity to think about it. As I mentioned many times, there's nothing so painful as a new idea. I think this is a good idea, and I hope it won't be too painful for the other hon. members to debate.

Thank you.

MR. DEPUTY SPEAKER: I believe the hon. Member for Edmonton-Avonmore caught the Chair's eye.

MS LAING: Mr. Speaker, thank you for an opportunity to speak to this Bill.

When we're looking at privatization of Crown corporations, I think we have to look very clearly and distinguish between privatization into the nonprofit sector as opposed to privatization into the for-profit sector. Privatization, as we have heard, is based on the belief that people are motivated only by greed or self-interest and possibly the threat of punishment and that the best motivation for quality work is competition. Certainly, in working with volunteers and people in the public service sector, I would hold that not all people are motivated by these incentives that for the most part motivate the business or private sector; that is, the need for profit or self-interest through competition or the notion, as we have heard, of the carrot and the stick, the carrot being profit, the stick referring to the threat of punishment.

[Mr. Musgreave in the Chair]

I would also hold that people act out of a commitment to the social good and work together effectively in a co-operative way, that competition is often wasteful of energy and human resources. And I would hold that most people in their daily lives are held to decent and good and lawful behaviour not by a fear of going to jail but out of a sense of their respect for their fellow human beings. My experience is that the most effective, most innovative and creative ideas have in fact arisen out of co-operation and the sharing of ideas and initiatives.

Too often competition means that those with power gain through the exploitation of those who have less power. Profits in many sectors are gained through reduction in pay for workers and deterioration in working conditions, including the implementation of part-time work and the lack of benefit packages, of job security. So I think that when we look at this motion, we must be careful that the quality of care, if it is going to come

through competition, is not reduced to the lowest common denominator; that is, that which can produce the most profit for the owner.

I cannot disagree that local initiatives are not important; I believe they are. But they need the support of government. Bigger is not necessarily better, as we certainly know and which would hold that government is too big to be effective. However, neither does the notion that smaller is necessarily better hold if small nonprofit organization initiatives spend most of their time looking for money. In fact, we know that precious volunteer hours that should be spent on service delivery are indeed spent scrounging up precious dollars. Human needs never should be the object of the profit motive. If the minister is suggesting that ultimately things like education are privatized, we have to question what he sees coming together in society, what needs it is to serve. Surely those agencies that serve the public good should not be the subject of the profit motive.

When we hear of the ineffectiveness of Crown corporations, maybe what we need to be looking at is who is appointed to manage them. Are they competent, well-trained people, or are they political appointments, people who don't know anything about what they're supposed to be managing? If Crown corporations are not effective, perhaps then we should see it as a management problem, not a problem with the concept of a Crown corporation itself. Certainly we know also that there are many examples of poor management and wastefulness in the private sector, but this wastefulness and poor management is never held up to the public for scrutiny in the way Crown corporations are. The losses are simply written off or new loans and supports are given to the businesspeople. I am unconvinced that the private sector is really more efficient or more effective, for I haven't seen evidence of that. We cannot evaluate their losses and their wastage because it's not subject to public scrutiny.

For the most part, I would also add, Crown corporations are delivering services that by definition of their mandate are not profit generating. In the case of the Canadian Broadcasting Corporation, the mandate was a network of communication and promotion of Canadian culture that would unite our country and keep it a viable entity in the world. As such, the profit motive is not the mandate of this corporation, and the ultimate test of the effectiveness should not be whether it is profitable. The test should be whether it has met its mandate of providing a vehicle whereby Canadian culture is promoted, or at least continued if not promoted.

We see, then, that as the mandate of many Crown corporations or government initiatives, the test should be the service of the public good. It cannot be achieved by blind commitment to the profit motive. In spite of what the Member for Stettler says, I believe people are motivated by other than self-interest, profits, or fear of punishment. They are motivated by the public good, a sense of community and a concern for other human beings. Such motivation is antithetical to the profit motive. When I have spoken with people from Great Britain, as I have recently -- a member of the British House of Commons as well as private citizens -- I've heard of the destruction of their social safety net. There is increasing separation between the people that have and those that have not, and some believe they are setting the stage for social revolution. Certainly there is growing social malaise and alienation and loss of human hope. I would hope that we in Canada would never travel such a road.

Thank you.

MR. ACTING DEPUTY SPEAKER: The hon. Member for

Calgary-McCall.

MR. NELSON: Thank you, Mr. Speaker. It gives me a great deal of pleasure to rise and support this motion this afternoon to examine ways of privatizing the Crown corporations in the province of Alberta.

I had an opportunity last summer to attend a conference in Vancouver, which the Premier was gracious enough to allow me to attend. They had people speaking at this conference from various parts of the world -- the United States, Great Britain, some from Canada. The message that was given was not only very positive but was in a manner that if privatization was to take place and was done correctly by examining the social issues of the people working for the corporations and examining the needs of the community at large, many, if not all, of these Crown corporations can in fact be sold into the private sector without any hardship to those people who think there may be. It's interesting to note that the major opposition to the privatization of many of the Crown corporations in Great Britain came from union leaders, especially those from within the government services, because they wanted to try and protect the jobs of their colleagues to ensure that they had security. There's nothing wrong with trying to protect people's income and jobs. There's nothing wrong with trying to protect the security of the family and the security of jobs and incomes so that they can provide for that family. But on the other hand, we have to be realistic and practical.

How is it best to operate a corporation? Let's be honest with each other. Corporations within the government have been what I call developed by a bunch of empire builders. They create levels of bureaucracy, levels of management teams that may not be necessary. In fact, many of your private-sector companies don't need some of those middle management organizations within these corporations. The scrutiny of empire building in the private sector is certainly much more critical than it is in government. I don't care what level of government we're talking about. It could be municipal. It could be provincial or federal. New Zealand, for example, has a socialist government -- has had for years. They're considering -- in fact, they're one of the leaders in the world in examining privatization. Why? Well, New Zealand is one of those countries that really can't afford the large bureaucracies they developed. In a country with 3 million people and 22 million sheep, the economy is not that great. I can attest to that; I've been there three times. The people are fantastic, the scenery is great, the economy is not that superb, basically because they have no major raw material to develop other than wool from 22 million sheep.

Mr. Speaker, we often hear about profit motives. Why do we privatize? I get a little disturbed when I hear people suggesting that everything is profit motivated. What is wrong with profit? Nothing is wrong with profit, for without profit corporations do not survive. They do not create jobs. They do not create investments in the country or in the province. There's nothing wrong with profit. Some would say, "Yes, maybe that's so, but how much profit?" So in essence, what some are saying is, "Yes, you can make a profit, but we're going to control how much profit you can make," notwithstanding the fact that private-sector corporations in the good times can make a few extra dollars for the bad times when they don't make so much. So we have to consider the long term rather than the short term when we deal with these issues.

Mr. Speaker, it would do well for many of our members, especially the Commies over here, to read a book that was put out

by Dr. Madsen Pirie, who is determined as being the father of privatization. He founded the Adam Smith Institute in 1977 and then dedicated himself totally in a public campaign to dismantle the British public sector. He became a chief advisor to Mrs. Thatcher and her government in that privatization process, and he has written, lectured, and advised worldwide on bringing about smaller governments. I met Dr. Pirie and others in Vancouver, and I found him not only to be an intelligent person, very knowledgeable about how to privatize and do it right without hurting many of those people that think they might be hurt.

It might be well for some of our colleagues on the other side there to read the book that he published, *Dismantling the State: the Theory and Practice of Privatization*. He describes the process of privatization and why it becomes necessary. He describes privatization not as a policy but an approach to deal with the inherent weaknesses of the public-sector companies. In his words, he suggests that it is an approach which recognizes that the regulation which the market imposes on economic activity is superior to any regulation which men can devise or operate by law.

Mr. Speaker, many of the people who oppose privatization are frightened, scared, inept types of people who just cannot see themselves. And yes, they're probably a bunch of wimps too. They cannot see the forest for the trees.

We often talk about the private sector being much more efficient, which it usually is. And I hope you'll recognize, Member for Edmonton-Kingsway, that I said, "It usually is." But, Mr. Speaker, the taxpayer who has to foot the bill of these large, inefficient corporations to the tune of millions and millions of dollars has to be also considered when we deal with this issue. For example, one of my favourite topics is Alberta Mortgage and Housing Corporation, and I'm sure that some members might recognize that this is one company that I think should have a complete examination, not only because I feel it should be privatized, but I feel it is inefficient. Mr. Speaker, it's fortunate that because it is in government hands, it is run by the Tories. Otherwise, it'd lose a billion dollars a year under some socialist animals that would consider doing it.

In any event, some of the corporations that I think we should examine insofar as privatizing, of course, are the Treasury Branches. I know my rural colleagues might get a little antsy about that but tough bananas. Alberta Government Telephones certainly should be privatized, and if not the organization of that whole outfit should be moved to Calgary, as Calgary's paying the bills anyway, so we might as well reap some of the benefits. Edmonton Telephones should also be privatized. The Alberta Resources Railway Corporation. Alberta Opportunity Company: certainly that should be shipped out the door. Alberta Energy Company: possibly the government's investment there should be looked at to be put into private hands. The Liquor Control Board: we've spoken about that before. The Alberta Educational Communications Corporation, which is ACCESS: it has been mentioned by the member from up in the northwest there somewhere that CKUA is a nice entity within the province, and I think that organization should be privatized too. The Special Waste Management Corporation: hopefully one day that will be totally privatized. The Motion Picture Development Corporation: if some of our government colleagues hadn't screwed up a few years ago, possibly Tri-Media could have had that thing under way with a little help from the government, rather than us owning the thing. Alberta Terminals, Intermodal Services, et cetera: these should all be privatized.

Mr. Speaker, it is very important that the government take

the initiatives that they took with PWA. I didn't agree with them purchasing that in the first place, way back before I got involved in this business, but at the same time, they did the honourable thing and got rid of it, while maintaining the head office of the corporation here in Alberta, which became very important. Privatizing corporations has to have a very creative mind to ensure that they're not only sold properly but the correct and most appropriate corporations are sold, as there are items in the public sector that certainly are inappropriate for a direct sale.

Some of the things that have been handled in Britain in different ways of privatization include: selling off the whole, selling off complete parts of the whole, selling a proportion of the whole operation, selling to the work force, giving to the public, giving to the work force, charging for the service, contracting out the service to private business, diluting the public sector, buying out existing interest groups, setting up counter groups, deregulation by a voluntary association -- and I'll talk about deregulation in a moment -- encouraging alternative institutions, making small-scale trials, repealing monopolies to let competition grow, encouraging exit from state provision, using the vouchers, curbing state powers, divestment, applying liquidation procedures, withdrawal from the activity, and the right of private substitution.

It's interesting to note, Mr. Speaker, that the previous speaker talked about deregulation. We examine some of the federal initiatives, and the economy has certainly been enhanced by many of these initiatives taken by the federal and, of course, the provincial governments. Employment in this country is at one of the highest levels it's ever been. In Alberta it's at the highest level it has ever been. There are more people working in Alberta today than there ever have been working at one time. And of course, that is because of many of the initiatives of the government in making an effort to encourage investment. And how do you encourage investment? Well, it's certainly not by taking on all these socialist views and trying to promote socialism within the province.

Mr. Speaker, I note with some disdain a member suggesting that private companies would not be held up for public scrutiny. Well, I ask the question, "Why would anybody want to publicly scrutinize a private corporation or a small business?" I think that's naivety at its greatest height. These private corporations not only pay a lot of taxes; they employ a lot of people who, therefore, also pay taxes to enhance the government's coffers. I would suggest that one of the goals of government should be that every effort is to try and put themselves out of business -- not only the Crown corporations but we should be making an effort to put government out of business as much as possible. And certainly that may not be an achievable goal because of all the social activities that have to take place, such as education, hospital care, building roads and parks and so on and so forth, which, unless you can turn everything over to the private sector and ask them to make a profit at it, I don't imagine is realistic.

[Mr. Deputy Speaker in the Chair]

There's nothing wrong with people having initiative and self-reliance. Too often today we push all our socialist ideas across to the public, or try to, rather than offering them support and encouragement through their own initiative and self-reliance. Someone mentioned about H & R Block coming into Canada to develop; I think it was the Member for Calgary-McKnight. What's wrong with that? They're creating employment for Canadians. If they want to invest in Canada, so what?

Let them invest in Canada. Ask yourself how many Canadians are investing in California, Arizona, Texas, Florida, New York. Look at Mr. Campeau. Cripes, he's probably one of the biggest retailers in the United States now, a Canadian. That's because he likes the attitude in the States that socialism isn't all that great.

I think the government has to stop paying lip service to privatization and get on with the job and do something about it. Too often we pussyfoot around. I note that Saskatchewan talks about privatization, but the way they're doing it, it's just kind of a joke. Premier Vander Zalm in British Columbia certainly has taken the bull by the horns, and I think you're going to see some aggressive free enterprise activity happening out there. In fact, if you go out there occasionally, you might be able to see some of that happen.

Someone suggests the CBC, and oh, we talk about the CBC being a great Crown corporation. Well, if you call that a great Crown corporation . . . It is their socialist attitudes and their centralist views that probably will end up breaking part of the country up anyway. I would suggest that the Crown corporation called the CBC should be the first on the block to go. Let's get the country working again and identify what all the country's about instead of all the centralist garbage that keeps coming out of Toronto and Montreal -- or Ottawa, for that matter.

Mr. Speaker, it certainly is time to ask the government to stop giving lip service. We've often heard, and I'm sure many members get, complaints about AGT, about how they infringe on the private sector because of their corporate power. The little guy has one heck of a job competing, and here we have another government agency expanding and expanding and expanding, and if they lose money in one part of the corporation, they just make it up through the taxpayer at some other point. But the poor guy out there that's killing himself in a small business trying to make a buck . . . I don't know. It's a pretty difficult situation. Let's make the playing field equal for all players out there, and let's privatize these organizations quickly. I think the people in Alberta support generally the privatization of most of the Crown corporations that are there now, and certainly I think it's time.

I would like to suggest, Mr. Speaker, that the members of this Legislature participate in a vote at some point today. I mean, they want to put on record where they stand. Let's see where they stand. If they've got the intestinal fortitude to stand up and be counted, let's even have a standing vote at 5:20 or 5:25. See where we all stand. You want the public to see where you stand on privatization? Stand up and vote on it, if you've got the nerve to do so.

MR. FOX: If you wouldn't take so much time babbling, we could get in on debate.

MR. NELSON: Well, let's see at the end, around that time; see where you stand, if you've got the nerve to do it. I don't think you have. I don't think the opposition's got the nerve to stand up and be counted on where they stand on privatization.

MR. DEPUTY SPEAKER: Excuse me, hon. member. We're really dealing with a debate on this motion, which does not quite involve where hon. members stand. The debate will determine that.

The hon. Member for Calgary-McCall.

MR. NELSON: Well, Mr. Speaker, I'm just debating the issue

for privatization. I'd just like to offer the opposition a little challenge here to see if they have the nerve to put their little mark on the paper where their mouth is, and I'm sure that most members on our side would be very privileged to do so.

In any event, Mr. Speaker, I would just like to conclude by indicating my complete support for the Member for Stettler and congratulate him very highly for taking an initiative that is probably one of the better initiatives that has been taken in this Legislature for a long time and also to encourage the members to support it, first of all. Maybe even the Member for Vegreville might consider it, although it's unlikely. He has to follow Dave Werlin and his cronies to oblivion. And then I would suggest, once the motion is passed, again determining whether or not the opposition is prepared to stand up and vote on it -- I don't think they are; I don't think they've got the intestinal fortitude. But I could be wrong; I could be wrong.

MR. FOX: We might not have the time.

MR. NELSON: There's lots of time. You've got 40 minutes. You can do all you want.

Then I would ask the government to stop pussyfooting around and giving lip service once we pass the motion. Let's get on with the job of privatizing some of these Crown corporations.

Thank you, Mr. Speaker.

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

MS BARRETT: Thank you, Mr. Speaker. The Member for Calgary-McCall is going to get his wish, providing that the Conservatives will also agree to stand. It'll be interesting to see where, for instance, the Minister of Culture and Multiculturalism stands when he has to be here on the question, knowing that ACCESS radio, CKUA, would be one of those facing the chopping block. And it'll be real interesting to have the information forwarded to the minister of culture in Ottawa, our national minister, with respect to CBC radio and the comments that the Member for Calgary-McCall made. You see, the Conservatives, I'm utterly convinced, talk out of both sides of their mouth. You see, they try to court both sides of the fence.

Mr. Speaker, I'm about to please the Member for Edmonton-Avonmore a little bit more when I make one other comment on the observations by the Member for Calgary-McCall. I believe I got the quote down accurately, but if it is inaccurate, it'll be very close. He said, and I believe this is an accurate quote, after saying about how people want to spend, spend, spend at the CBC: the poor guy out there in business, just trying to make a buck. Well, Mr. Speaker, first of all, there are poor women out there trying to make a buck as well, and I used to be one of them. So first of all, the lesson is that women hold up half the sky, and we also are involved in businesses, and secondly, a lot of them do make money. There's nothing the matter with small business and making money, Mr. Speaker, nothing at all. [some applause] I'm glad I have the support of the hon. members of the Conservative caucus, and I hope that in other initiatives the New Democrat caucus sponsors with respect to equality for women, I'll enjoy similar support in this Assembly.

MR. FOX: Especially Calgary-McKnight.

MS BARRETT: And especially Calgary-McKnight, the red Tory. Come on over, Eric.

Mr. Speaker, to the motion itself now, although I will have to refer to some comments made by other members speaking on this debate. I'd like to point out that the observation has been made that there is a lot of public money already invested in the public sector and in Crown corporations, and I'd like to point out the historical environment in which that has been the case. If you study the development of the international economies from the postfeudal era, what you'll find is that there was a natural aversion for the private sector to want to engage in activities in certain areas of our economy. Most often those were activities of marginal profit, but they were activities that involved some sort of social value. And the natural aversion is to be understood, because businesspeople are not in business to be philanthropists, quite frankly, and nobody kids themselves about that; they're in business to make money. But if there's an area in which money is not to be made, but there is social pressure for some leverage, for some activity, it has been the bid of the public -- not just in Alberta, not just in Canada, not just in North America, but in fact around the world -- that the government use the wherewithal it has at its behest in order to accommodate the broad social need.

Usually that has been in the case of basic utilities and basic social services. Often that has been in the area of transportation because, for instance in the issue of road building, private business finds it, first of all, a massive capital outlay to, for example, build the Trans-Canada Highway and then try to retrieve that money by operating a toll system. That's just one example. That's why it's not the private sector that has built the Trans-Canada Highway, nor will it ever, Mr. Speaker, quite frankly. Because nobody, with the exception of the very, very large megacompanies, is even going to have a part of that amount available for the capital outlay in the first place, and they also understand that recovering those costs takes many, many years. That's why governments have the ability to tax.

The problem in Alberta and the problem in Canada is that we haven't learned to tax fairly. Mr. Speaker, I put to you that we plan to change that after the next election, when Ed Broadbent sits in the Prime Minister's chair and the larger corporations will be paying their fair share of the taxes and things will be a little more balanced. But in the interim, Mr. Speaker, I would argue that it would be a cheat to the Canadian and Alberta public to now privatize for a quick fix of cash injection that which Alberta and Canadian people themselves have built and now own. The reason it would be a cheat is because, for instance with the example of roads, but it could be in the instance of Alberta Government Telephones or any number of the corporations that were under discussion this afternoon, no private company will ever pay for the accumulated worth of that massive long-term investment. No one will.

What they will argue is that it would be purchasable only on the basis of current market value, and they would argue that the depreciation of, say, the capital investment and all the years of human investment -- that is, labour -- don't count. What they would argue is that they themselves would have the right to name the price. But in the sphere where there is no natural competitor -- such as AGT, for instance -- in the private sector, naming the price would be arbitrary. In fact, it would be left to the individual or group of people bidding for the company. That would hardly be fair. You'd get a few bucks back for something that you've invested in over a period of 50 years. It doesn't make much sense to me.

But secondly, Mr. Speaker, and I say this knowing the economics of natural utilities, I think it would be a dangerous precedent to start privatizing natural utilities. I've spoken on this issue before in the Assembly under consideration of other members' motions. The fundamental problem is that it is not that the private sector cannot do the job; obviously, the private sector can. But when you have a monopoly -- that is, a single controller over the supply of a good or service -- that monopoly has greater opportunity to set a fairly high price. Now, they obviously are not going to set the price so high that people will not use the product or service, but they will set it just under that price of inflexibility, just under. That is the natural tendency. Remember, I mentioned that people aren't in business for philanthropic reasons; they're in business to make money, and they will maximize their opportunities to make money given the opportunity.

In this instance, in the instance of all public utilities, and one only has to go to a basic economics text to understand the case I'm making, the case is such that demand is automatic to a certain level. For instance, people by and large need their telephones, and people by and large will make X number of long-distance phone calls a year out of necessity. Whether it's calling mom on Mother's Day or calling your best friend on her birthday or making a business call, chances are that, you know, an individual or a business will make XYZ number of calls per year on the toll system. Now, they don't have much choice in that, you see, so those aren't calls that would be necessarily eliminated by overpricing the product or, in this case, the service.

The problem, then, is known as gouging, price gouging, which is why we have bodies such as the Public Utilities Board in Alberta, which is why we have bodies like consumer and corporate affairs departments, and which is why we have bodies that have time and again told Ma Bell in Ontario and in other provinces: "Give back that money; you're gouging the consumers." And remember, that's a private company, Mr. Speaker. I don't see the merit of inviting a Ma Bell into Alberta to start gouging the Alberta consumers, given that it's Albertans that have spent the investment in the first place in building up what I know to be one of the most sophisticated and productive telephone companies in the world. And the reason I know that is because 16 years ago I used to work for them. At that time, you know, we talked as if it were a science fiction future that a procedure called TOPS was going to come into place. We were the first in Canada with that system, and, in fact, I think only one state in the United States had that system prior to its introduction here in Alberta. AGT, in fact proved itself to be innovative and started developing research that would lead to it becoming a major competitor internationally in the selling of telecommunications systems and equipment.

Now, I think that's something to be proud of. I don't see why the Member for Calgary-McCall wants to bash all public employees as being empire builders when, in fact, they've shown that they can be leaders in one of the most important emerging sectors in the global economy. So there's the broad case for not ever privatizing what are natural monopolies.

I'd make the case on behalf of those who are information oriented and sensitive to the importance of culture in Alberta and the importance of linking culture, multiculturalism, and education together that CKUA is one of the last things in the world you'd ever want to privatize, Mr. Speaker. I'd love to hear the Minister of Culture and Multiculturalism stand up and say to the contrary.

CKUA has historically offered a radio transmission system that reaches every corner of the province and which provides an opportunity for people everywhere in the province to listen to music that is not your usual AM clutter. Now, it is true; I don't listen to AM radio, aside from CKUA and CBC. It's been that way since 1967 when I accidentally discovered CKUA before my father got home from work. I was fiddling with the radio, taking it off his favourite radio station, looking for something decent. That was the year, Mr. Speaker, that this working class kid discovered jazz, opera, baroque, classical music. That was the year I discovered information and educational programs transmitted on the airwaves. That was the year I discovered CKUA. I would say that it helped change my life. Most working class folk don't go to opera; they don't like jazz. They might not like a lot of these other forms of culture because they're not pop culture, and the reason they might not like them is because they don't find them accessible. Well, CKUA has made them accessible, as has CBC radio, especially the FM network. I'm really glad of that. I think CKUA should be proud of the heritage and tradition it has established over the last 50 years in this province since its first charter from the University of Alberta.

I would hate to see CKUA be privatized because I don't believe that any private operator who's operating for monetary reward would continue to offer the educational programs that are now available, both co-ordinated through Athabasca University and broadcast and rebroadcast at different times throughout the week on ACCESS radio. People can learn different languages if they want. They can also take various courses. One of the ones I found the most interesting -- but being a person in her 30s, I would -- was the history of rock 'n' roll, a year-long program that was offered through CKUA. It was a fascinating documentary on the social fabric changing in North America and in Europe, which resulted in the development of a unique type of music which at that time people said was bound to die but is still with us. And an important part of our culture, I might add, a really important part of Canadian culture. Parachute Club, for instance: I mean, there's a good rock 'n' roll group that's Canadian. You know, we think rock 'n' roll is just -- well, that's something teenagers listen to. Well, I like the Parachute Club. I'm not so crazy about Bryan Adams, but you know, Bryan Adams is big business in this country. Let's not sell out the history of rock 'n' roll, and let's not sell out the endeavours of CKUA and the ACCESS radio when they attempted to show how rock 'n' roll first of all reflected a social change and then became a major business, which it has done in North America and around the world.

People have the opportunity to listen to poetry and novellas and short stories being read over the airwaves. Not too many places you're going to find that. Me, Mr. Speaker, I like my Friday night shot of the theatre between 7:30 and 8 p.m. on CBC, but even that's unique unless you get to listen to *Morningside* in the daytime, which I don't get to do.

Radio plays in another example. Do you know of any private-sector radio stations that offer you radio plays? Not me; I don't. I'm not sure that that slack would be taken up by them. Because, in fact, being trend followers as opposed to trend establishers, they're after their part of the market share, which they always want to expand, and rather than be leaders, in order to get that greater and growing part of the market share, you have to be a trend follower.

Well, I think there's need in our society for government, at a very minimal cost, I might add, to be a trend leader. I point out

that if it had not been for the decision under the previous minister, the news ability of CKUA would also not have been trimmed as drastically as it was three years ago. There was, I think, a decision made to invest heavily -- ask for more money and invest heavily -- in a television satellite system, which really did cost a lot of money. But the money had to come from somewhere, and CKUA found itself in the position of having to reduce its staff in the newsroom.

The CKUA news. For an Alberta perspective -- and I don't mean a Conservative or New Democrat perspective; I mean an Alberta perspective, an unbiased perspective -- you still can't beat CKUA news, especially if you're working on the farm. That's where you get an awful lot of information about what's happening and what is projected to happen. It still can't be beat for a regional network, Mr. Speaker. I would make that argument.

Now, with respect to Alberta Mortgage and Housing Corporation, it seems to me that the problem there is the political decision as to what it is supposed to do -- that is, defining its mandate -- as opposed to the fact that it exists. I'm not convinced that the mover of this motion has really sorted out whether his purpose is to get a whole bunch of cash for the government quickly or if his purpose is to argue that the government is dissatisfied with the direction of the Crown corporations. But in this instance I would argue that AMHC has not been given a mandate that is the most useful. One may argue that it was directed to compete in an already highly fueled environment for supplying opportunity for acquisition of real estate at the height of both inflation and, of course, inflation within the real estate industry. That's true; that was a problem. I remember listening to Grant Notley talking about that in the '70s and in the '80s. I think he was right. But Grant was never saying, "Sell AMHC." He was saying, "Make it work in the best interest." You have a history of investment built up in this body. What you should do is give it the best possible mandate so that you get the best compromise between the public sector and the private sector.

That, by the way, I think needs to be the overriding theory of a modern economy: to understand that even though you may be ideologically committed to a totally laissez-faire economy, no matter what your IQ I think you have to recognize that that's a part of history. It's not coming back that way.

Now, I'm not arguing that more intervention is necessary, Mr. Speaker. I don't ever argue for bigger government. What I argue for is better government; that is, give it a direction that makes it more useful. If you don't like what AMHC is doing, then tell it to do something differently. For instance, if I were in cabinet, I would argue that its mandate should be re-emphasized to allow for more social housing in the nonprofit sector where neither the private sector nor, evidently, the public sector have been willing to work: in a way that prevents the ghettoization of low-income housing. That's a real sore issue, and it was this very member, I believe, who a few weeks ago was talking about how it is that social housing has reduced the property values in neighbourhoods that he knows of. That was the Member for Calgary-McCall, I believe. Well, I got up then and I get up now and I say: "Tough luck. If you don't like it, then learn from history, for heaven's sake. Learn from Los Angeles and Detroit. Learn from European systems."

Don't put all of your social housing in one community; scatter it around. Allow it to exist on a not-for-profit basis so that individuals who are low income don't ever pay more than 25 percent for their shelter. At the same time, you don't erode

property values, which seems to offend the Member for Calgary-McCall, but what you do is provide for an economic mix in all communities, which is the smart way to do things. It's the way to avoid elitism at the one end, at the high end, and it's the way to avoid ghettoism at the low-income end. It seems to me that that's the politically smart thing to do. Anybody who thinks that right/left polarization in this regard is smart I think should go back and read some history books, Mr. Speaker. It doesn't work, and it doesn't pay off for a Conservative government to provoke that, either.

MR. DOWNEY: Thanks for the advice, Pam.

MS BARRETT: You're welcome. The member who is moving the motion thanked me for the advice. Well, I'm not trying to be partisan on this issue. I'm trying to point out that there are balanced ways to have a look at what's wrong with the system and have a look at redefining what it is that you want to accomplish with your Crown corporations. I think that's important, Mr. Speaker. I mean, we get to play partisan politics all the time in here, and I could do it right now except that I think we should have the broader interest in mind; that is, doing what's right on behalf of Albertans who own these Crown corporations and on behalf of the people who have benefited from their existence.

I wanted to talk a little bit more about the notion that privatizing necessarily leads to better management. See, that's actually not a provable thesis. I've struggled for years, even in academic papers, attempting to prove the productivity rates in public versus private sectors. What you inevitably come up with is a barrier, because it turns out that the public sector, Crown corporations aside, is a lot more capital intensive than is the private sector by and large, and that does skew the figures. You know, road building takes an awful lot of capital, Mr. Speaker, and it's just not fair to compare that to IBM. It isn't fair, and that's why economists are still fighting about the issue. But I think most of us agree that that's not a provable case, because we are talking about apples and oranges, two different things.

Finally, Mr. Speaker, I'd point out that anybody who thinks that the British example of privatization under the wonderful Maggie Thatcher . . . They should have a look at the monopolization of the air industry that she, in fact, promoted. What happened is that the British public used to own BOAC, which was later renamed British Airways. About two years ago, I believe, Margaret in her infinite wisdom . . . Remember, I lived there; I know what it's like to live under Margaret Thatcher's rule. I prefer Alberta. Can you believe that? I prefer Alberta to that. Anyway, what she decided to do was sell off British Airways. I remember -- because I still read *The Economist* regularly, and it was front page news for weeks and weeks and weeks -- that she argued, "Not to worry, because there's still British Caledonian, and you'll still have your private-sector competition." So what do you think happened, Mr. Speaker? It's a story just like the PWA story except it led to complete monopolization. The little carrier ate up the big carrier, and now there's only one carrier in the United Kingdom. Now they have the ability to be the price setters, and unless it comes to international competition -- that is, for flights between the United Kingdom and other countries -- they've got the monopoly.

Again, I point out to you that a lot of the flying that is done is necessary. A lot of it has to do with business, of course, but a lot of it -- and I know, because I've seen this happen -- has to do

with situations of sheer anguish for individuals whose family members far away might have fallen ill or even died and they have to go home to attend to that person. All you have to do is go out to the airport and have a look and see who's crying. They're not being greeted by somebody and crying out of joy; they're crying because they're going somewhere else for an unhappy occasion. Now, those people aren't going to say no, no matter how much you raise the airfare. They have to go, as do a lot of the businesspeople, as do those ordinary Albertans and Canadians who want to preserve their sanity by once a year taking a vacation, if they can afford it. Well, it seems to me that you want competition in that environment, Mr. Speaker. Prior to the announcement of Air Canada, I don't think you ever heard any social democrat say, "Oh, nationalize Canadian Pacific too." That's not the point. The point is to have an important leverage in a competitive environment to help make sure that the social concerns are also being met while not curbing the competitive environment.

I have yet to hear an argument that would prove any of the positions I've related wrong. They may disagree with them in some part, but I don't think they're wrong, Mr. Speaker. I think that by and large we have a fairly balanced environment in which private and public sectors work together. Ultimately, it seems to me that if you don't like what the Crown corporations are doing, then give them a better political direction. That's always the prerogative of this Legislature. It seems to me unfair that after years of the Lougheed dynasty, which created a lot of these bodies, I'd like to remind you, Mr. Speaker -- after years of that and after years of giving them political mandates, which were, I think, either too weak or misdirected, now they want to blame the people who work there for those problems.

If you really want to make this issue a matter of political courage, put some motions on the Order Paper that redefine the directions those corporations are supposed to take, and those members might be surprised at how this opposition caucus votes. You never know; we might vote with them, Mr. Speaker.

Thank you.

MR. DEPUTY SPEAKER: Hon. Member for Lacombe.

MR. R. MOORE: Thanks, Mr. Speaker. I rise to speak in support of this motion. It might be a surprise to my socialist friends across the way that I would do such a thing, but I am. I think the hon. member who moved this motion missed a couple of words in his motion. When he said the need for a strategy, he should have added "and timetable," because I think that's important, that we have a timetable in there as we move towards privatization of Crown corporations.

Now, when we think of Crown corporations, Mr. Speaker, we're talking of operations run or operated by the government; arm's length or otherwise, they're still operated by the government. Now, when the government comes in to do anything in any given area -- it doesn't matter if they're a free enterprise government or socialist governments -- they do it from an area of where it will benefit them the most. The first concern of government usually is that they look at the social impact on an area. That's their number one concern, number one concern definitely of this government. I don't know about the ones across the way. The number one concern, and that's what I'm familiar with, Mr. Speaker, is the social impact.

The number two concern with government is the political impact. What votes is it going to get? That goes on both sides of the House. We're on that.

The third consideration of government, unfortunately, is the economics of the whole situation, that basic fact of life of government and government operations.

So we look at our Crown corporations that this motion addresses that should be privatized. We take an operation; we look at the social impact. That's the first thing. We build these corporations because we look at the unemployment in that area, and we'll set it up because it addresses unemployment strictly -- not whether it can pay its way or not; that doesn't matter. It addresses a social impact or a minority group or whatever it is; that's that social area.

The next thing we look at really is political: whether it should be located in Winnipeg or in Montreal. We've seen that. It's the political impact of a Crown corporation. Well, these are the things that happen. But that's part of a Crown corporation. That's the second consideration. Economics never enter into it.

I've had firsthand experience with a lot of this, Mr. Speaker, because, unfortunately, I was a bureaucrat for a few years in management. I can remember up in the Slave Lake area -- I'll use that as an example -- in the '60s with the highest unemployment rate in Canada. So what did all the governments do? They said: "We have to set up all these businesses in Slave Lake. Don't worry about the economics of it. We got unemployment up there." So they took millions of taxpayers' dollars, which were taken off of legitimate businesses, to set businesses up here to run in competition on an uneconomical basis. You know the result? I can name them all if you want, Mr. Speaker. There were many -- many -- and many millions of dollars went in there because of the social impact and they all went broke. There's none of them that ever lasted more than five years, if they got that far. But they sure spent the dollars. But that's no concern. They were Crown corporations anyway. There was no concern for the taxpayer who had to foot the bill, unfortunately.

Now, I've heard a lot of concern spoken about the impact on the civil servant. When we talk privatization, we've heard it from the unions, we heard it from the civil service associations. You know, the jobs: we've got to worry about that. I think everybody here, especially on this side of the House, is concerned about people's security and people's jobs. But the fact is that when we talk privatization, we aren't concerned about the jobs of those civil servants? I can't understand it. You know what that says to me, Mr. Speaker? It says to me that that civil servant and that Crown corporation or the unions that he's working with or the socialists across the way that have brought the same subject up know something that I don't know. They must know that that individual can't compete in the private sector, that he's going to lose his job.

Well, Mr. Speaker, I haven't got that opinion of the civil servants in the Crown corporations. I think they're good, productive people. They have nothing to worry about. I'm sure any employer would want to have good, productive civil servants working for them as Canadian citizens. Now, the socialists and the unions that are raising so much concern over the future of those civil servants and those employees under privatization, they'd better get some confidence in those employees. I have. I know they can make their job out there, and I have no concern about them losing their jobs whatsoever. In fact, they'll be better off because they'll be paid on a productive basis. For what they produce, they will be paid, and that's all anybody can ask.

Now, somewhere along the way, Mr. Speaker, we got into entertainment, ACCESS radio. I heard the hon. Member for Edmonton-Highlands talking about -- she listened to some play

at certain times on CBC. It was terrific because it brought the Alberta perspective. You know, somehow, someplace, CBC and ACCESS were the only ones that could put the Alberta perspective. Well, I can tell you that I think we should all come awake over there, because I can listen to the TV any night in my hotel room up here, right here in the fine city of Edmonton, and I can see plays that range all the way from the cruel world of Avonmore to the delightful world of Alberta today, right on our TV right here in Edmonton. I see nothing that isn't there. There's a wide perspective, and to say that can only happen under CBC is garbage, absolute garbage, Mr. Speaker. That's what I think of CBC, too, and some of the programs they put out. I want to put it in that way.

Now, I say, "What's wrong with profit?" I heard them say, you know, that you can't take this out of the Crown corporation where the taxpayer is footing the bill because somebody might make some profit. I want to say, "What is profit?" Profit is the difference between your revenue and your expenses. Unfortunately, the Member for Edmonton-Highlands isn't there right now, but I would say to her if she was there, because it's an answer to her talk about profit. . . . She is now. I want to tell her what profit is. It's the difference between revenue and cost and I can assure you that she loves the difference between her pay and her expenses. That's profit. And if she was to go in a non-profit area for just a short while, she'd be a very excited person. She'd say, "I'm on the poverty line," and she would be saying: "Government, subsidize me. Please subsidize me because I've got no profit in my life." What's wrong with profit? It's tremendous. I love it. Everybody loves it. It's what runs this country. I'm telling that you it does.

Anyway, Mr. Speaker, I'd just like to see us come to a vote here at this time. I call the question.

[Mr. Speaker in the Chair]

SOME HON. MEMBERS: Question, question.

MR. SPEAKER: Edmonton-Kingsway. [interjections]

MR. McEACHERN: Mr. Speaker, I will yield the floor so that we can have a vote on this motion, I guess, if we don't have time for a few comments first.

MR. SPEAKER: There's a call for the question.

On Motion 210 as moved by the Member for Stettler, those in favour of the motion, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: Well, the Chair will announce the vote, but when there are members popping up and down like popcorn in a popping oven, it's a bit difficult. The motion carries.

[Several members rose calling for a division. The division bell was rung]

[Eight minutes having elapsed, the House divided]

For the motion:

Adair	Drobot	Reid	Against the motion:		
Ady	Hyland	Rostad	Barrett	Hawkesworth	Mjolsness
Alger	Johnston	Russell	Ewasiuk	Laing	Pashak
Anderson	Jonson	Schumacher	Fox	Martin	Piquette
Betkowski	Kowalski	Shaben	Gibeault	McEachern	Sigurdson
Bogle	McClellan	Shrake			
Bradley	Mirosh	Stevens	Totals:	Ayes - 42	Noes - 12
Brassard	Moore, R.	Stewart			
Cassin	Musgreave	Taylor	[Motion carried]		
Clegg	Musgrove	Trynchy			
Cripps	Nelson	Webber	[The House recessed at 5:36 p.m.]		
Day	Oldring	West			
Dinning	Payne	Young			
Downey	Pengelly	Zarusky			