

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Monday, June 26, 1989 2:30 p.m.**
Date: 89/06/26

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

[Mr. Speaker in the Chair]

PRAYERS

MR. SPEAKER: Let us pray.

At the beginning of this week we ask You, Father, to renew and strengthen in us the awareness of our duty and privilege as members of this Legislature.

We ask You also in Your divine providence to bless and protect the Assembly and the province we are elected to serve.

Amen.

head: INTRODUCTION OF VISITORS

DR. WEST: Mr. Speaker, it is my pleasure to introduce to you and to the Members of the Legislative Assembly a four-member sports exchange delegation from Alberta's sister province in the Republic of Korea, Kangwon. The delegation, who are seated in your gallery, Mr. Speaker, signed a sports exchange earlier today which recognizes the mutual friendship and co-operation of our provinces and our countries and promotes improvement in sports. I would ask that each member of the delegation rise as I call his name and that Members of the Legislative Assembly hold their recognition until I am finished.

The delegation members are: Mr. Cho, director general of planning and management, former mayor of Kwanju and other cities in Korea for 11 years, and the delegation leader; Mr. Shim, subhead of the sports section; Mr. Chong, managing director of the office of the world jamboree support -- and I may add that in 1991 the World Boy Scout Jamboree will be held in Kangwon province -- and Mr. Nam, assistant director of Kangwon veterinary services lab. He was also the interpreter, as he is now, for the Kangwon delegation during the visit to the 1988 Winter Olympics in Calgary. I would ask that all members join with me in extending a very warm welcome to the Legislative Assembly.

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

MR. SPEAKER: Member for Banff-Cochrane.

MR. EVANS: Thank you, Mr. Speaker. Pursuant to Standing Order 93 the petitions for private Bills which have been received by the Assembly have been taken under consideration by me as the chairman of the Private Bills Committee, and all of the petitions received have complied with standing orders 86 and 89 with the exception of the following: the petition of the General hospital (Grey Nuns) of Edmonton for the General Hospital (Grey Nuns) of Edmonton Amendment Act, 1989, and the petition of Jerry Dan Kovacs for the Jerry Dan Kovacs Legal Articles Act.

The Private Bills Committee, Mr. Speaker, has had these two petitions under consideration and recommends to the Assembly that the deadline for completing advertising pursuant to Standing Order 89 be extended to July 18, 1989, in respect of these two petitions to enable them to be considered. Mr. Speaker, I request the concurrence of the Assembly in this recommendation.

MR. SPEAKER: All those in favour of concurrence, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. So ordered.

head: INTRODUCTION OF BILLS**Bill 11****Senatorial Selection Act**

MR. HORSMAN: Mr. Speaker, I request leave to introduce Bill 11, the Senatorial Selection Act. This being a money Bill, Her Honour the Honourable the Lieutenant Governor, having been informed of the contents of this Bill, recommends the same to the Assembly.

Mr. Speaker, this Bill is substantially the Bill which was presented as Bill 1 to the last session of the Legislature, on February 17 of this year. Amendments have been made, which the hon. members will be apprised of, primarily to make the Bill more compatible with the option of providing an election process in conjunction with the municipal election procedures to take place this October.

[Leave granted; Bill 11 read a first time]

Bill 248**An Act to Amend
the Limitation of Actions Act (No. 3)**

MR. WRIGHT: Mr. Speaker, I request leave to introduce Bill 248 standing in my name. An Act to Amend the Limitation of Actions Act.

The purpose of this Bill is to facilitate the recovery of large sums of money wrongfully extracted by the banks from borrowers.

[Leave granted; Bill 248 read a first time]

head: TABLING RETURNS AND REPORTS

MR. ANDERSON: Mr. Speaker, I'm pleased to table the annual report of the Automobile Insurance Board for the year 1988.

MR. ELZINGA: Mr. Speaker, I wish to file with the Assembly copies of a news release which I issued earlier today concerning the new Alberta capital loan guarantee program and the Alberta small business interest shielding program.

I also wish to file with the Assembly the response to Motion 173, which, by the way, is already public material.

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. WRIGHT: Mr. Speaker, may I introduce to you and through you to other members of the Assembly two special guests in the public gallery: Mr. Larry Whaley and Ms Dorothy Mandy, who is Mr. Whaley's partner in the Borrowers' Advocate Ltd.

MR. ELZINGA: Mr. Speaker, it's my pleasure, sir, to introduce to you and to Members of the Legislative Assembly 72 students from the Mills Haven school in Sherwood Park. They're joined by Gwen Ditzian, Ety Cameron, and Wayne Mayes. I regret that I was unable to have a photograph with them, but I'd like to leave them with the assurance that we are going to get them each an individual photograph. I would ask that they rise to receive the warm welcome of the Legislative Assembly.

MR. SPEAKER: Member for Edmonton-Beverly.

MR. EWASIUK: Thank you, Mr. Speaker. It's a pleasure for me today to introduce to you and to Members of the Legislative Assembly 39 students from Belmont elementary school, located in the constituency of Edmonton-Beverly. The students are accompanied today by their teachers Mr. Wodinski and Mrs. Paziuk. They are also accompanied by a parent, Mrs. Wolansky. I'd ask them to rise and receive the welcome of this Assembly.

MR. GIBEAULT: Mr. Speaker, I'm glad to introduce to you and the other members of the Assembly this afternoon a group of 23 students from St. Clements school in the constituency of Edmonton-Mill Woods. They're here this afternoon with their teacher, Mr. Len Tannas. They're in the public gallery, and I'd ask them to rise now and receive the warm welcome of the House.

MR. DINNING: Mr. Speaker, it's my pleasure today to introduce to you and to members of the Assembly a friend and colleague, Mr. Harry Chomik, from Vegreville. Mr. Chomik is serving as the past-president of the Alberta School Trustees' Association, and I'd ask him to rise and receive the warm welcome of members.

head: **ORAL QUESTION PERIOD**

Financial Assistance for Forestry Development

MR. MARTIN: Mr. Speaker, I'd like to direct my question to the Minister of Forestry, Lands and Wildlife. The Premier of British Columbia says that the Alberta government is engaged in a bidding war to attract forestry companies to Alberta. Mr. Vander Zalm's comments reflect a concern of many Albertans that this government has put up too many taxpayers' dollars to get these projects going: over a billion dollars in loan guarantees, grants, and other assistance. Mr. Speaker, these companies need this virgin timber, and people are wondering why we had to give over a billion dollars of corporate welfare to these companies, because they're going to make the big profits. My question, flowing from that, is: why is it necessary to give \$1 billion to these companies? In other words, why are we involving ourselves in corporate welfare of this magnitude?

MR. FJORDBOTTEN: Mr. Speaker, the overall development of the forestry resource in Alberta is one that we aggressively went out and looked for around the world, because we have a resource here that is a quality resource that wasn't being utilized. In the companies that came forward, there are certain advantages and disadvantages for locating in Alberta. The advantage to locating here is the resource we have, a stable political climate, and a stable labour force. They took all of those factors into consideration. Some of the negatives were, of course, that we don't have a seaport at Banff or St. Albert, and there are infrastructure costs that are difficult.

These projects could have gone anywhere in the world, Mr. Speaker, and we attracted them here, not with subsidies but with infrastructure assistance that also has public use. If I might use the Daishowa project as one example, because of the public-use aspect a bridge was put in that cost \$20 million: \$10 million by us, \$10 million by them. As far as the guarantees, we aren't putting up guarantees that are spending taxpayers' money; it's a guarantee that's secured, and we get a fee for that guarantee. So it is a good business deal all the way round for Albertans as well as the company for now and in the future.

MR. MARTIN: The reality is that for those loan guarantees, we don't share in the profits. So it's not that great a deal, Mr. Speaker.

My question is because the minister talked about the infrastructure. Seeing that they are going to make the profits, why is it that we have to pay for the infrastructure? Why aren't the companies paying for the infrastructure? Why didn't he negotiate these?

MR. FJORDBOTTEN: Mr. Speaker, a significant portion of the infrastructure -- and I'm talking about outside the plant gate -- is provided by the companies in the forest management agreement: the roads that are necessary and other factors. One of the parts of the infrastructure that we had to spend the entire amount on was the rail. Because we're a landlocked province and rail is important and we couldn't get CP or CN to put in the rail, we had to make those moves or else the mills would not have located here.

We have no apologies, and we wanted to make sure, in all of our negotiations we had with each one of these companies, that we didn't want any accusation to be able to be leveled at Alberta that we were unfairly subsidizing our industry in any way that could be made into a countervailable issue. So for each one of these projects, as you look at it, you can't say in any way that we were putting the taxpayers of this province at risk.

On the other side, Mr. Speaker, frankly what we're doing is creating jobs and a future for many of the Albertans that didn't have that opportunity in northern Alberta.

MR. MARTIN: Mr. Speaker, what we have to do is take the minister's word here that this was the best possible deal. If that's the case, then, and he's proud of this deal, why doesn't he release the secret reports that they left with the minister so we can make a choice about it?

MR. FJORDBOTTEN: Mr. Speaker, I'm getting sick and tired of hearing all the comments about secret reports. [interjections] The woodpeckers are at it again, Mr. Speaker.

Frankly, the reports and everything, the information that's there: it's clear and in black and white. If you want to know the

questions, ask them, and we're happy to provide. The information is out there with respect to the infrastructure and the financial assistance that was provided. It was made public on the date the projects were announced. There's nothing hidden, no secret meetings or anything that would be secretive, contrary to what they're trying to outline for the House.

Interest Rate Policy

MR. MARTIN: Mr. Speaker, to the Deputy Premier. We're having the Western Premiers' Conference, and I expect they'll be talking about the high interest rate policy. I want to point out that since the current Premier took office with this government, the Bank of Canada rate has increased by 40 percent, from 8.77 to 12.31. Now, the government told us in its budget speech that it "has repeatedly stressed its opposition to the high interest rate policy of the Bank of Canada." Mr. Speaker, Albertans want to know where this government was during the federal election, when they could have had some impact on issues like this. During the provincial election I saw the Premier holding up his fist as he went down to Ottawa to get TKO'd in the first round.

My question is, because the government said that they're against the high interest rate policy: why has this government been so absolutely ineffective in dealing with the federal government in this important issue?

MR. HORSMAN: Mr. Speaker, obviously the issue of high interest rates is one which has affected Alberta and has affected Canadians very adversely. We have made it very clear that the policy, which we believe was wrong, was made to deal with an overheated Toronto-area economy in Ontario. I might add that that was not an economy which extended very far out into Ontario, so many other parts of Ontario were adversely impacted as well. Our Premier sought and obtained the unanimous support of all Premiers of Canada in opposition to the high interest rate policies of the federal government, and during the course of the next two days in our meetings in Camrose we will continue to hammer home that point.

We do not set interest rate policies, however. For the hon. Leader of the Opposition to suggest in the preamble to his question that somehow or other our Premier was responsible for a 40 percent increase in the rate of interest is so ludicrous and so stretching the point that it hardly warrants an answer, but I will give it to him anyway. We will fight and continue to fight against that policy, which we believe was wrong and harmful whether it emanated from a Progressive Conservative government or one in which the Liberals and the NDP conspired together against the province of Alberta in the NEP.

MR. MARTIN: Mr. Speaker, to this minister. During the federal election this government sat on its hind legs and didn't do anything when they could have. The point is that they can say all the fighting that they want; the fact is they've been an abysmal failure. Other than rhetoric, what concrete political action is this government going to do in the next little while to put some political pressure on the Mulroney government?

MR. HORSMAN: I just answered the question, Mr. Speaker.

MR. FOX: How about refusing donations from [inaudible] in the election?

MR. HORSMAN: Well, the hon. Member for Vegreville, as is usual, tries to shout down the person who is answering a question. And if the hon. Member for Vegreville thinks it's funny or cute, let him go ahead. But the fact of the matter is that I would like to have the opportunity of answering a question without this constant interruption from the Member for Vegreville, who is the worst offender.

The fact of the matter is . . .

REV. ROBERTS: How about Westlock-Sturgeon?

MR. HORSMAN: Oh, he's even outdoing the Member for Westlock-Sturgeon. I have no idea, Mr. Speaker, why he wants to assume those laurels.

But in any event, the answer I have already given is that during the course of the next few days in Camrose, working with the other Premiers in the spirit of co-operation, we will move on from there to make our views known to Ottawa that the policy the federal government has adopted is wrong. And I might add this to that point, Mr. Speaker: it is obvious that this message is getting through to such an elite body as the finance committee of the House of Commons. That committee, led by a Conservative, I might add, from the Toronto area, has taken the same position the Premiers have taken. Certainly they are listening to what we are saying, and we will continue to make that point clear on behalf of all Albertans.

MR. MARTIN: Mr. Speaker, Mr. Wilson made it clear what he thought of them. If this government wants to move beyond rhetoric, would it, as Mr. Nystrom did, our finance critic, demand the resignation of the governor of the Bank of Canada, Mr. Snow, if he doesn't change his policies? Would they do that, Mr. Speaker?

MR. HORSMAN: Mr. Speaker, I know the hon. Leader of the Opposition likes to get excited during question period, but the fact of the matter is that the governor of the Bank of Canada is Mr. Crow, not Mr. Snow. But nonetheless, that's just a slip of the tongue.

Mr. Speaker, the demand for the resignation of the governor of the Bank of Canada has come from many quarters. We will see whether or not that would be a reasonable and rational solution to come out of the meeting in Camrose, although quite frankly I would think that our message is best put this way: from government and governments to the government of Canada. It would then be for the government of Canada to decide whether or not the governor of the Bank of Canada is appropriately carrying out his responsibilities.

Arrest of Protesters at Legislature Grounds

MR. DECORE: Mr. Speaker, on Friday evening two citizens who have been on the steps of the Legislature for a number of days and who have been complaining about actions by the Workers' Compensation Board, who were peacefully demonstrating, were arrested and jailed. They were denied bail and were taken to the Edmonton Remand Centre for the remainder of the weekend. The really unbelievable part of this story is that they were denied visitors because apparently they hadn't made arrangements during the week for visitors to visit them.

My question to the Attorney General is this: would he look into the circumstances of this kind of paltry charge where bail is

denied to citizens, forcing them to stay in a remand centre the whole of a weekend? Would he examine the situation to see if something better could be done?

MR. ROSTAD: Mr. Speaker, I'd be pleased to look into the situation. Every accused that's brought before the court has an application for bail. It is the independent judiciary that hears that application and metes out the penalty, not the Attorney General, but I'll certainly look into the case.

MR. DECORE: Mr. Speaker, this is surely a policy matter. I wonder if the Attorney General would examine the regulations that pertain to visits at a remand centre whereby a wife or family is denied the right to see a spouse or father or close kin in the way this matter developed. That's surely policy.

MR. ROSTAD: Mr. Speaker, I'd have to refer that to the Solicitor General. The Solicitor General has total jurisdiction over any of our penal institutions.

MR. FOWLER: Mr. Speaker, I'm not aware of the fact that these two people were denied access to visitors, but I will make an inquiry and advise the hon. member accordingly.

MR. DECORE: Mr. Speaker, I would like to know whether it's going to be a continued policy on the minister of public works' part to continue to be as draconic as he has been and jail people for peaceful demonstrations in front of this Legislative Assembly. Is he going to continue being as rough with people . . .

MR. SPEAKER: Order please. One question is enough. Thank you.

MR. KOWALSKI: Mr. Speaker, I understand that charges were laid over the weekend against two individuals who had violated a statute of the province of Alberta. Those charges were laid, in my understanding, by the city of Edmonton police department, and there was absolutely no involvement whatsoever by the Minister of Public Works, Supply and Services in this matter. Mr. Speaker, those charges, I repeat, were laid by the city of Edmonton police department. It's my understanding that a date has been set aside for a hearing in court for the trial.

MR. SPEAKER: Member for Olds-Didsbury, followed by Edmonton-Strathcona.

Programs for Small Business

MR. BRASSARD: Thank you, Mr. Speaker. We touched on this issue very briefly a few moments ago, but when the Premier announced the interest shielding and capital loan guarantee program several months ago, there were mixed reactions in my constituency. In light of the minister's announcement a few moments ago of these two programs, I would like the Minister of Economic Development and Trade to address these concerns. First of all, just what impact does the minister feel these two business programs are going to have on business when business loan rates are only at 13.5 percent today, and they have to be in excess of 14 percent even to be able to access those programs?

MR. ELZINGA: Mr. Speaker, we feel very confident that they are going to inject security, predictability, and a real sense of

stability within the small business community. The reason we announced these programs was to ensure that they did have that predictability for a period of two years.

I should point out to the hon. member and all hon. Members of the Legislative Assembly that even though the prime rate is 13.5 percent, the borrowing by the banks exceeds that by anywhere from 1.5 to 2 percentage points. So there is already a level of protection within the program that we announced this morning as a follow-up to our election commitments, the Speech from the Throne, and the budget debate, whereby we want to inject stability within the small business community.

MR. SPEAKER: Supplementary.

MR. BRASSARD: Yes, Mr. Speaker. Could I ask the minister just why he feels obligated to pick up what clearly should be the responsibility of the federal government in issues of this kind?

MR. ELZINGA: Mr. Speaker, unlike other parties in this Legislative Assembly we don't only believe in rhetoric; we're going to follow through with our commitments. Hon. members opposite can yell and shout about what we are doing. We indicated, as the Deputy Premier has indicated, a forceful position on interest rate policy. We acknowledge that we have turned the economic corner within this province, we recognize that we led the other provinces in economic growth, and we want to make sure that that growth is maintained. That is why we have come forward with these two substantial programs for the small business community, so that we can continue with that strong, economic climate within the province of Alberta.

MR. BRASSARD: Mr. Speaker, many times we've heard from this minister and others just how buoyant our current economy is here in Alberta. I'd like to know just what impact he feels these programs will have on business and growth development over and above what is currently in place.

MR. ELZINGA: Mr. Speaker, we are delighted with the buoyancy of the economic activity that we experienced last year. As I indicated, we led all other provinces. It is projected that again this year we are going to lead all other provinces as it relates to economic growth. That is why we introduced these programs, so that we can have that stability, that assurance being left with the small business community that when he projects as to what his spending will be over the next number of years, he will have that level interest rate on which he has to pay for his capital demands.

Bank Overcharges

MR. WRIGHT: Mr. Speaker, my question is to the Minister of Consumer and Corporate Affairs. Recent court cases have shown rather clearly that millions, perhaps billions, of dollars have been unlawfully extracted by way of unlawfully charged interest by the banks from Canadian citizens, a sizable proportion of whom are in this province. My question to the minister is: what is the minister doing about this?

MR. ANDERSON: Well, Mr. Speaker, clearly while I and nobody on this side of the House are friends of overcharging individuals for bank interest or other services that would be unfair or incorrect, the topic which the hon. member raises is within

federal jurisdiction, under the Bank Act. If that is what he's talking about, perhaps he could clarify in his supplementary.

MR. WRIGHT: It's exactly what I'm talking about, Mr. Speaker. While the Bank Act is under federal jurisdiction, the Limitation of Actions Act is not. My question to the minister is: since this is the almost sole impediment in most cases to recovery, what steps has the department taken or is it going to take? Or has the minister in mind to amend that Act to enable this?

MR. ANDERSON: Mr. Speaker, with respect to the issue which I believe the hon. member is alluding to, the department is more than willing at any time to meet with individuals who feel they've been wrongly dealt with, through our consumer affairs offices around the province.

With respect to the Act the member addresses, I'll be interested in seeing what he has introduced in the House today. But it is my understanding that the legal judgment with regard to the six-year time period that is attached to that Act is unclear in terms of whether it applies from the date an individual in fact becomes aware of an alleged breach of their particular circumstance or whether it begins from the date when the transaction took place, or when the contract was signed. So the results of that case, the results of that legal judgment, will be important with regard to whether or not there's consideration given to changing this Act.

MR. WRIGHT: Mr. Speaker, can we then expect from the Minister of Consumer and Corporate Affairs an undertaking that he will clear up that lack of clarity in the law, which I agree exists, so that the citizens of Alberta who have been the victims of this reverse stickup by the bank of its customers can get their just due?

MR. ANDERSON: Mr. Speaker, in my previous answer I spoke to the particular feelings I have with regard to that Act, though I might add that there's another minister who has responsibility for that particular area, and he may wish to augment the answer in this regard. The hon. member can certainly be assured that if it's clear there have been problems for individuals that are not properly dealt with, if it's clear that there are parts of our legislation which hamper and which do not in fact allow for a consumer to properly progress with claiming redress as a result of improper actions on the part of a financial institution, then we will look at the legislation and make appropriate changes. I'll make such recommendations to my colleagues who may be responsible for that.

MR. SPEAKER: Edmonton-Meadowlark, Rocky Mountain House.

Civil Servants in Forestry Associations

MR. MITCHELL: Thank you, Mr. Speaker. Two senior employees of the forestry department are presidents, respectively, of two private-sector forestry organizations lobbying for forestry development. My question is to the minister of forestry. How could it possibly be coincidence that two senior employees of his department are not just members but in fact presidents of two significant private-sector organizations lobbying for forestry development in this province?

MR. FJORBOTTEN: First of all, Mr. Speaker, I'm surprised that the opposition would raise the question of public servants' involvement in activities. The other day they were encouraging them to be involved.

In this case the Alberta Forestry Association has been around for some 40 years. During those 40 years they have made presentations in schools. A number of the people involved are of course foresters, and a number of them are in my department. During my term as minister I encourage people to become involved, and certainly in this case I neither encouraged nor discouraged, but I'm happy that they are involved.

The association is a private association, and there's that opportunity within there. Hopefully the cream rises to the top, so I would assume that they have risen to senior positions because of their competence levels. I compliment them for their efforts.

MR. MITCHELL: Could the minister please confirm that at this time, given the sensitivity of the forestry development issue in this province, the roles of these two employees are at worst a conflict of interest and at best a demonstration of extremely poor judgment?

MR. FJORBOTTEN: Mr. Speaker, no. I don't believe it's a conflict of interest, and I don't believe it's poor judgment on their part either. There have been times in the past that there have been individuals in my department that have been in senior positions, and then the next time around when they have elections, it's changed. At this point in time to try and cast any aspersions on the Alberta Forestry Association and the excellent work they do, that they're some kind of lobby effort, just is not true.

MR. MITCHELL: My third question, Mr. Speaker, is to the Minister of the Environment. Given that the forestry department supervises the forest management agreements for pulp mill projects in the north, for example, how can the Minister of the Environment have any confidence whatsoever that in light of this clear conflict of interest, environmental compliance under these agreements will be done properly and objectively?

MR. KLEIN: Mr. Speaker, to answer the question again and again and again. The assurances will be done under the environmental impact assessment process, which is being reviewed and which is being strengthened. Hopefully, when all is said and done, we will have in place projects that not only relate to forestry but relate to the pulp mill developments that will be in place, to abide by the highest standards in the world. It's as simple as that.

MR. SPEAKER: Rocky Mountain House, followed by Edmonton-Avonmore.

Senatorial Selection Process

MR. LUND: Thank you, Mr. Speaker. This government has been following the wishes of its people and leading the country in Senate reform. Of course, one of those reforms is the method by which the Senators are selected. To the Minister of Federal and Intergovernmental Affairs: has this government been in contact with the municipal authorities as to their input and their thoughts about holding the election on the same day as the municipal elections?

MR. HORSMAN: Mr. Speaker, since the Bill was introduced back in February, there were discussions undertaken with municipal authorities as to whether or not the senatorial selection process could be carried out in conjunction with municipal elections. As a result of those discussions, there have been a number of changes, not substantial in content but a number, to improve the Act, to make sure that in the case of Edmonton, for example, where voting machines are being instituted for the first time, we'd be able to make the Act compatible with that type of procedure.

In addition to that, on Friday I spoke to a conference of municipal elected officials in Red Deer, brought the subject up and received support there, and met on Saturday with the president of the Alberta Urban Municipalities Association, who assured me that while they wouldn't like to see this as a regular process, they recognize that it would be a possibility during the course of the elections which take place this fall. It is an option that the government continues to include in the legislation, and we would think that the most recent discussion by the AUMA and with the county and municipal councillors that I had on Friday would indicate that there is support there for proceeding in the way the Act would propose to do.

MR. SPEAKER: Supplementary.

MR. LUND: Thank you, Mr. Speaker. To the same minister. Have any of the logistics been worked out; that is, things like are we going to use the same poll and what happens if there's acclamation in the municipal election?

MR. HORSMAN: Mr. Speaker, that indeed has been taken under consideration, and the possibility of elections not being required in municipalities in Alberta as a result of acclamation procedures is provided for in the legislation. As well, in the particular case of the city of Lloydminster, which holds its municipal elections in conjunction with Saskatchewan, the provision has been made for a poll to be undertaken there under the authority and direction of the chief electoral office should this option of going for the senatorial election process at the same time as municipal elections be the option which is ultimately chosen. Of course, we'll have to await the outcome of debate in this Assembly as to the passage of the legislation in time for that to take place.

MR. SPEAKER: Edmonton-Avonmore, followed by Calgary-North West.

Violence Against Women

MS M. LAING: Thank you, Mr. Speaker. Last week in this Legislature I described an incident wherein the police had failed to lay charges against a man who had assaulted a woman in the course of what was termed a domestic dispute. At that time the Solicitor General attempted to defend his inaction by stating, and I quote:

In every circumstance the police must have available to them proper witnesses and testimony in which they can properly prosecute that charge.

My question is to the Solicitor General. In light of his statement of the requirement for proper witnesses, is the minister then saying that as long as men confine their assaults on women to the privacy of their own homes, this government will not be de-

manding that police lay charges?

MR. FOWLER: Mr. Speaker, that is categorical nonsense. That is not what I said at all. What I said was that the police required evidence to present to a court which would back up a charge, and that does continue to be the case in this instance.

MS M. LAING: Mr. Speaker, I would suggest the Solicitor General read *Hansard*.

In the case I outlined last week, the victim was in fact able to produce a medical certificate attesting to the fact that she had been beaten. Given that the police in that case still refused to lay charges, will the minister please tell this Legislature the specific degree of injury that a woman must suffer before her word is considered good enough for the police to lay charges?

MR. SPEAKER: Order please. Solicitor General. The difficulty of the question is that we're getting precious close to legal opinions and interpretations, and that is not the direction of question period.

Supplementary, Edmonton-Avonmore. [interjections] We're not asking legal opinions, according to *Beauchesne* or our own Standing Orders. Edmonton-Avonmore on a supplementary, thank you.

MR. McEACHERN: We're talking policy.

MR. SPEAKER: Edmonton-Avonmore, not Edmonton-Kingsway.

MS M. LAING: With all due respect, I suggest the Solicitor General read the Criminal Code of Canada.

Given that 1978 research indicates that in 85 percent of spousal homicides, police had prior knowledge of wife assault and that men charged and convicted of assault are 40 percent to 70 percent less likely to repeat the offence, will the minister instruct the police to lay charges in all incidents of spousal assault?

MR. FOWLER: The police have already been instructed. It is their job on an ongoing, 24 hour-a-day basis to bring offenders of any law, particularly the Criminal Code, to court. This they will continue to do. However, Mr. Speaker, a mere document presented by somebody or anybody as to what may or may not have been an injury proves nothing other than that an injury has occurred, and the question in court is still, "Who created the injury?" That is what must be answered and evidence given.

Via Rail

MR. BRUSEKER: Mr. Speaker, Via Rail cuts are likely going to be implemented before the end of the summer, and the Tourism Industry Association of Alberta has come up with a policy document. Their number one policy, and I'd like to read it and quote it, is that

the Government of Alberta work vigorously to ensure that passenger rail service is continued and upgraded to become more viable.

A previous study has shown that the Alberta lines are economically viable.

My question is to the Minister of Economic Development and Trade. Why hasn't this minister organized the

municipalities and other interest groups along the two rail lines in question to lobby the federal government to retain Via Rail service through Edmonton and Calgary?

MR. ELZINGA: Mr. Speaker, I indicated to a number of the opposition members in this Legislative Assembly on a number of occasions that we have actively pursued this with the federal minister, and our departmental officials have actively pursued it with individuals within the National Transportation Agency also. We are working in a very forceful manner to make sure that those lines are maintained.

MR. BRUSEKER: My second question, then, is to the same minister. Why has this government not undertaken their own study, a recent study, to show what economic benefits to the province will be and are provided by these lines currently? Why wait for the federal?

MR. ELZINGA: Mr. Speaker, it was indicated in the House, again some time ago, that quite some time ago studies were done jointly with a number of departments within this government as to the economic impacts the rail lines do have on the province and the tourism industry. I must admit to the hon. member that there are conflicting figures as to the amount of economic impact that it does have, with studies that have been taken by ourselves, the economic development group within the city of Edmonton, and various municipalities along the line itself. We know that there is a significant economic impact, and that's why, as I've indicated in the past, we are going to do everything within our power to make sure that those lines are maintained.

MR. BRUSEKER: Well, my third question then. The minister has given us indication that some commitments have been made. My question is: what commitments have been made, to whom, and when will they be implemented?

MR. ELZINGA: Mr. Speaker, as the hon. member is aware -- and I'm not sure what he is referring to by way of commitments -- I've indicated to him, and I'm happy to reinforce it, that we're going to do everything within our power to convince the federal government that those lines are essential to the economic well-being of this province. If the hon. member has any suggestions as to how we can be more forceful in pursuing the interests of the province of Alberta with our federal counterparts, I'm happy to take those suggestions. I would also suggest to him, though, that it is under federal jurisdiction, and I would be curious to know as to whether he has made any representation to our federal counterparts.

MR. SPEAKER: Member for Smoky River, followed by Calgary-Mountain View.

Coal Industry Development

MR. PASZKOWSKI: Thank you, Mr. Speaker. The coal industry is a significant part of Alberta's energy and is very important to specific communities in the western part of the province. Can the Minister of Energy advise the House of the importance of the program that he announced on the weekend in conjunction with the Rt. Hon. Joe Clark?

MR. ORMAN: Mr. Speaker, the hon. Member for Smoky River makes an important point, and that is that the coal industry plays a very significant part in the Alberta economy. We have very vast reserves here, notwithstanding that our emphasis tends to lean towards oil and gas.

I should point out that the federal government, along with the province of Alberta, has entered into a joint agreement with Smoky River Coal in the Grande Cache area to the tune of about \$8.6 million that will deal with moving from the research stage to a pilot project that will deal with extracting coal at 20-foot thick seams that heretofore have only been able to be extracted at about 14 feet. It will also deal with the continuous conveyance of coal. I should say that this is an exciting technology, and if it's successful in the pilot project at Smoky River, it will have wide application and impact on the coal industry throughout the province of Alberta and other provinces in this country.

MR. SPEAKER: Supplementary, Smoky River.

MR. PASZKOWSKI: Thank you, Mr. Speaker. Coal has been identified as a major source of sulphur dioxides, carbon dioxides, and other emissions which are particularly of an environmental concern. How are these environmental issues being addressed? Again to the Minister of Energy.

MR. ORMAN: Mr. Speaker, I believe that the initiative by President Bush in the United States dealing with low SO₂ emissions has a particular impact on low sulphur coal in this part of the province, in the Grande Cache area particularly, where the coal has low sulphur impacts. I should say that the reason for its attractiveness is because this low sulphur coal in fact emits less SO₂ than bunker C fuel oil, heating oil. Therefore it makes it more attractive to these particular markets.

We would not say that it solves all of the problems on the environmental concerns for coal. There are still some concerns about CO₂ emissions, and this low sulphur coal has higher levels of CO₂ in the atmosphere than bunker C oil. But we have a number of projects going on in this province in other initiatives where we will be dealing with that aspect to try and make this particular coal more competitive and reduce the CO₂ levels so it's competitive not only in the Ontario market but in Asia-Pacific as a whole.

MR. PASZKOWSKI: My final supplementary is to the Minister of Energy as well, and that is: has this government any other initiatives or any other programs to promote the development of the coal industry in Alberta?

SOME HON. MEMBERS: No.

MR. ORMAN: Mr. Speaker, I'm surprised that the NDP would react in that way to this very important industry. This industry has been hurt in this province. They have an MLA from the part of this province that should be asking these questions, and I think we should listen to the Member for Smoky River ask his questions, and to the answers.

I should say, Mr. Speaker, there is an action committee on western Canadian low sulphur coal to Ontario that makes up British Columbia, Alberta, Saskatchewan, and the province of Ontario, along with the federal government, and we are looking at other initiatives. This government has \$16 million committed over four years to deal with the competitive nature of coal. We

have signed an agreement with the [federal government] on moving from a table-top experiment to putting a coal slurry -- something that has been worked on for a number of years in this province -- through an oil pipeline. If we can continue to work hard, and we will, we can, I believe in the near future, make Alberta coal competitive and a high utilization factor in the Ontario market. We have other initiatives, and I'll be discussing those in my estimates before this House some time this month.

MR. SPEAKER: Calgary-Mountain View.

Funding of World Blitz Chess Championship

MR. HAWKESWORTH: Thank you, Mr. Speaker. The Solicitor General is no doubt aware of some of the circumstances surrounding the collapse of a now-defunct chess tournament in Calgary. The province has lost \$100,000, the city of Calgary another \$70,000, of taxpayers' money, and many private creditors remain unpaid. To the Solicitor General: will he confirm whether the RCMP are investigating the loss of this money to determine whether charges ought to be laid?

MR. FOWLER: Mr. Speaker, I've heard the questions over the course of the last 10 days or past week in this House from the hon. Member for Calgary-Mountain View, but the actual direction of prosecutions, investigations, are not the prerogative of the Solicitor General. I would ask that the Attorney General respond.

MR. ROSTAD: I apologize. With the page coming by and that, I didn't catch the full import. If I could have the question again, please?

MR. HAWKESWORTH: Mr. Speaker, I'm just wondering whether the RCMP are investigating the loss of this money around the chess tournament in order to determine whether charges ought to be laid.

MR. ROSTAD: Mr. Speaker, I can't answer directly as to whether there's an investigation going. Once the investigation is completed, it would come to the Attorney General on the recommendation of whatever investigating force for the determination as to whether there has been a breach. I can't advise that at this stage. I'm more than happy to look into it and get back to the member.

MR. SPEAKER: First supplemental.

MR. HAWKESWORTH: Thank you, Mr. Speaker. Mr. Jon Emr was the subject of an NBC documentary some months ago about an alleged multimillion dollar scam in the United States. Given the fact that this same individual was a key participant in this proposed chess tournament in which public funds have gone missing, would the Attorney General agree with me or be satisfied, as I am, that a need exists for the RCMP to investigate?

MR. ROSTAD: If the hon. member has evidence that can show that in this particular instance, not on the basis of somebody's reputation or alleged reputation, there is reason for an investigation that should be brought forward to the particular investigating body, be it the RCMP, or if it's in securities, it's Securities

-- under that basis, an investigation would be undertaken. As the Attorney General I do not have it in my power to tell the RCMP. Somebody would have to bring forward the evidence. I have not yet seen concrete evidence that would show that there is a reason for the investigation. If that can be brought forward, I'm sure the RCMP would be more than happy to do that.

MR. HAWKESWORTH: Well, there have been plenty of questions raised. I'd like the Attorney General, given his answers so far, to tell us how he responds to those members of the public that believe an investigation should take place. How does he convince them that their fears are groundless or that the RCMP are taking their fears seriously and are in fact responding?

MR. ROSTAD: Mr. Speaker, on the basis of the evidence that's been tabled in this Assembly and on the basis of the information that is available in *Hansard*, I see nothing that is criminal. There may be some confusion in how an application was handled or how the parties were involved in that particular instance, but I see nothing on the surface. If there is something that can be brought forward, that can show there is a basis for a criminal investigation, such would be the case, and I'd be more than happy.

MR. SPEAKER: The Member for Stony Plain, followed by Calgary-McKnight, West Yellowhead, and Cypress-Redcliff.

Mill Rate Increase

MR. WOLOSHYN: Thank you, Mr. Speaker. Municipal legislation requires 30 days' notice before municipalities can implement tax penalties on July 1. When last asked about this issue, the minister assured this Legislature that municipalities would not be required to dip into their own coffers. In light of this, can the Minister of Education explain how municipalities that received School Foundation Program Fund requisitions as late as June 5 are expected to collect the money after tax notices have been mailed out?

MR. DINNING: Mr. Speaker, the order in council prescribing a 15.9 mill rate was passed by cabinet on May 24, Her Honour the Honourable the Lieutenant Governor signed the order on May 25, and information was provided to all municipalities on May 31. As I've said in this Legislature, as recently as June 16, that I regret the delay in advising municipalities of this .4 point increase in the mill rate, but we will be expecting municipalities to provide those dollars to the School Foundation Program Fund in order for the provincial government to then be able to grant a 5.5 percent increase to all school boards across the province.

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

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried.

MR. WOLOSHYN: Given that the minister's department failed to notify the municipalities before their own May 1 deadline, will the minister agree to refund the additional cost of collection, if not in fact rescind the proposal for the increased mill

rate?

MR. DINNING: No, Mr. Speaker.

MR. WOLOSZYN: Mr. Speaker, are there penalties for not remitting the funds to the provincial government on time? If so, will the province forgive until next year, when they can legitimately collect the taxes, any late payment penalties for municipalities which do not pay?

MR. DINNING: Mr. Speaker, I am not aware of any municipality who would be late in providing those dollars, and I would expect that there would be no such late payment.

MR. SPEAKER: Thank you.

First, the Chair would like to extend congratulations to the hon. Member for Edmonton-Meadowlark and his wife on the birth of their son, Grady Charles. [applause]

ORDERS OF THE DAY

MR. SPEAKER: Might we have unanimous consent to revert to the Introduction of Special Guests?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed?

The Chair recognizes Drayton Valley, followed by Smoky River.

head: INTRODUCTION OF SPECIAL GUESTS (reversion)

MR. THURBER: Yes, Mr. Speaker. I would like to introduce to you and through you to the members of this Assembly about 40 young people from grades 5 and 6 at Alder Flats in the beautiful west country of Alberta. They are accompanied here today by teachers Heather Brown and Jere Geiger and parents Gary Brown, Wendy Poudrier, and Joan Elmont. Would those people be kind enough to stand and receive the traditional welcome of this House, please.

MR. SPEAKER: Smoky River.

MR. PASZKOWSKI: Thank you, Mr. Speaker. I would like to introduce to you and through you to the members of the House 68 bright-eyed students from the école Héritage at Jean Côté near the banks of the mighty Smoky River. They are accompanied by four teachers, Dominique Jean, Delorès Nolette, Larry Lynch, and Sophie Savoie; parents Louise Bruneau, Patrice Savoie, and Nicole Lepage; and bus drivers Robert Despains and Robert Boissonneat. I'd certainly like to ask the House to recognize the group; I'd like them to stand and be recognized by the House.

head: GOVERNMENT MOTIONS

9. Moved by Mr. Horsman:
Be it resolved that July 2 and 3 be declared Canada/United States Days of Peace and Friendship, in Alberta, symbolizing the bond that exists between our two nations and in particular recognizing the warm relations Alberta

enjoys with our border state of Montana, which is celebrating its centennial this year.

MR. HORSMAN: Mr. Speaker, I am pleased today to move Motion 9, which would proclaim July 2 and 3 this year as days of peace and friendship between our province and the state of Montana. It is significant that this motion should come forward this year in view of the fact that our only border state, the state of Montana, is celebrating its centennial. For this event, while it's actually being held throughout the year, the actual day of celebration will be called Admission Day, and that is on November 8. There will be a wide variety of gala events that day, including a statewide ringing of bells at 10:40 a.m. and a centennial ball hosted by the governor. Now, this is only a small part of the celebrations which will take place.

I should point out to the Assembly, Mr. Speaker, that a similar resolution was moved by the state of Montana in 1987 and a proclamation issued by the governor of the state then, Ted Schwinden, who was a very good friend of the province of Alberta and who was a guest of ours on many occasions. Mr. Speaker, that particular request had come to us. Unfortunately, we were unable to comply, because of timing, in that particular year in getting the resolution before the Assembly, but this year I would certainly want it to come forward and be accepted by members of the Assembly.

I also note, Mr. Speaker, that the same year, two years ago, a similar motion was introduced into the House of Commons, and there supported unanimously by the members of the House of Commons, recognizing that those two days, July 2 and 3, fall between the two national birthdays of our two great countries: Canada on July 1 and the United States on July 4. Therefore, Mr. Speaker, it is appropriate that our Assembly recognize the long-standing relationship which we have between Canada and the United States and, indeed, the importance of the relationship which we have with respect to the state of Montana.

I think it's significant to note as well, Mr. Speaker -- and not all members of the Assembly may be aware -- that the most recently elected governor of the state of Montana, Stan Stephens, is actually a native Calgarian. He was born and raised in the city of Calgary and resided there for a number of years before moving to the state of Montana, particularly to the city of Havre, where he was engaged in the oil and gas industry, and eventually became an American citizen. Havre, being very close to Medicine Hat, with links -- not the best links, I might add, to the minister of transportation; nonetheless, a link by overland -- has a special relationship with the city of Medicine Hat in southeastern Alberta. For a number of years Stan Stephens served as a Senator in the Montana state Legislative Assembly. On one occasion that I was asked to be in attendance in Montana, I addressed both Houses of that Legislature, and I can assure hon. members that the feelings which are held by Montanans towards Albertans are very warm indeed.

I would like to, as well, just point out that this Assembly in 1985 authorized the formation of the Alberta/Montana Boundary Advisory Committee under a resolution sponsored by the hon. Member for Cypress-Redcliff on March 18, 1985. The previous year, it's my understanding that the Montana state Legislature authorized the creation of that boundary advisory committee, and that was signed into law by the governor at the time, Ted Schwinden, whom I've already mentioned. Under the auspices of that advisory committee, which has met three times since its inception -- in Helena, Montana; in Medicine Hat, Al-

berta; and in Great Falls, Montana -- that committee was co-chaired by myself and the then Lieutenant Governor of Montana, George Turman. I should indicate that the new governor, who was elected last November, has indicated that he wished to take over the co-chairmanship of that committee, and the next meeting we are planning for this fall. The two state Senators and two members of the Montana House also belong to the committee, along with the directors of several state departments.

So we have had a very close working relationship with the state of Montana, and as I've indicated, Mr. Speaker, that state is our only border state. Indicating the breadth of Montana, it also includes part of Saskatchewan and part of British Columbia, and therefore is significant in its size and its impact upon Canada. Therefore, in view of the long history that has existed between Alberta and Montana in particular and between Canada and the United States in terms of our relationship, and in keeping with the unanimous resolution passed to this effect in the House of Commons two years ago, I'm delighted today, Mr. Speaker, to move the resolution of behalf of the government of Alberta.

MR. BRADLEY: Mr. Speaker, I wanted to speak briefly to the resolution introduced by the Deputy Premier today. I think it's most fitting that in this year of the Montana centennial we are now endorsing this resolution in our Assembly.

I wanted to add a brief piece of history to the motion today. The concept of having a Canada/United States Days of Peace and Friendship originated as part of discussions taking place during a unique hike in August 1985, which was sponsored by the superintendent of Glacier National Park, Mr. Bob Haraden, on the occasion of Glacier's 75th anniversary, and Mr. Bernie Lief, the superintendent of Waterton Lakes National Park on the occasion of Canada's 100th anniversary of the Canadian parks system. As a result of those discussions, discussions that took place over that hike, which was from the top of Logan Pass in Glacier National Park and was to go along the Continental Divide and end up at the Waterton townsite, but due to a storm, a snowstorm in August, the participants in that hike adjourned to Lake McDonald lodge -- discussions took place about the idea of having these Canada/U.S. days of peace and friendship on July 2 and 3, which falls between our two national holidays.

I wanted to pay particular attention to Mr. David Boyer, who was of the National Geographic Society and who worked hard after that particular August in 1985 to bring this motion to the floor of the U.S. Congress, and Mr. Blaine Thacker, a Member of Parliament from Lethbridge-Foothills, who worked with the Canada-U.S. Interparliamentary Group to have this motion introduced into our House of Commons.

Mr. Speaker, I wanted to include for the record the names of the other 17 persons who participated in that hike which has brought forward this motion today. They were: Mr. Bernie Lief, the superintendent of Waterton Lakes National Park; Mr. Bob Haraden, superintendent of Glacier National Park; U.S. Congressman Pat Williams; and Mr. Blaine Thacker, the then Member of Parliament for Lethbridge-Foothills -- he now represents Lethbridge in the House of Commons. Other participants were: Mr. Lowell Georgia of *National Geographic* magazine; Joanne Speelman, editor of the *Kalispell Weekly News*; Lori Dowling, marketing consultant with Travel Alberta; Duane Barus, chief interpreter of Waterton Lakes National Park; Mr. David Boyer of *National Geographic* magazine; Ray Baker of the Tamarack Mall of Waterton Lakes National Park; John

Flink, press secretary for U.S. Senator Max Baucus; Bob Frauson, retired district ranger of Glacier National Park; Brian Kennedy, editor of the *Hungry Horse News*; Charlie Russell, a rancher from Twin Butte, Alberta; Michael Drew, a reporter for *Alberta Report* magazine and *Mountain Standard Times* of Lethbridge, Alberta; Jo Ann Meisser of the Kootenay Bayshore Hotel in Waterton, Alberta; and myself. It was certainly a unique experience.

We share many things with our neighbours to the south. We share one of the longest undefended borders in the world. We've had very peaceful relations between our two countries. It should also be noted that Waterton Glacier serves as the first international peace park. It was established by the Rotarians in the 1930s.

So I'm very pleased to participate in this debate today. I'd like to congratulate the citizens of Montana on their centennial, and may the co-operation and goodwill between our peoples continue for many years and centuries to come.

MR. SPEAKER: On the call for the question with regard to Motion 9, those in favour please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. Motion carries; let the record show unanimously.

10. Moved by Mr. Horsman:

Be it resolved that when the Legislative Assembly adjourns on Friday, June 30, 1989, at the normal adjournment hour of 1 p.m., it shall stand adjourned to Wednesday, July 12, 1989, at 2:30 p.m.

MR. HORSMAN: Mr. Speaker, I wish to advise the Assembly that there were discussions between House leaders relative to a somewhat shorter break which would have gone from June 30 to July 10. However, on the basis of requests from members of caucus respecting events on July 12 of some significance in southern Alberta, it was decided to add that extra day, and then, because of the fact that cabinet would not be meeting in the week of adjournment, to have a full-day cabinet meeting on July 11, which is normally a private members' afternoon, and that may be of concern to some private members. But, in any event, the extra two days we do not believe will inconvenience the members of the Assembly anyway from carrying out their responsibilities.

I would urge all hon. members to support this in view of the fact that by the end of this month we will have been in session for 30 days, a full month. I think everyone in the House, everyone, deserves an opportunity for a small chance to spend time with their families, particularly those of us who have teachers as spouses and family members who cannot otherwise avail themselves of summer holiday opportunities.

MRS. HEWES: Mr. Speaker, I don't support this motion. I spoke on it last week, Thursday, on a point of order which, unfortunately, was not acceptable to you.

MR. SPEAKER: Thank you, hon. member. That's completely out of order, to make that comment. Please withdraw.

MRS. HEWES: My apologies, Mr. Speaker. May I continue?

Mr. Speaker, the whole purpose of House leaders is to assist the House in functioning smoothly. This requires co-operation and fairness and thoughtfulness and common courtesy. I suggest that, yes, we did in fact have a meeting and did discuss a week's adjournment, which was acceptable to all of us. Consequently, members of our caucus, and I'm sure others, made arrangements for it. It was quite a surprise therefore, Mr. Speaker, when I picked up the Orders of the Day on Thursday and found a motion that is contrary to that understanding from the Government House Leader.

Mr. Speaker, this is the kind of action that I think does not build confidence in members of the House or in the public. It does reinforce the notion of a secretive government that can and will do whatever it wants to do without consultation, at its own whim. I believe that it even could be described as high-handed. It certainly, in my view, is lacking in common courtesy, which I thought was the foundation for how the House leaders would meet and why they would discuss problems together.

So it gives rise, then, to the next issue: is there another agenda? Is there something else working here, some reason other than those given? Now, the Government House Leader has indicated to us that it's to allow for members of the government and otherwise to participate in the Stampede and for a particular meeting of the Conservative members. Well, I don't accept those arguments, Mr. Speaker. I think there well might be another agenda. We are all reminded that when the Principal companies were closed down, it too was on a long weekend. It seems to me that there is just too much coincidence in this. The government, in fact, by not meeting Monday and Tuesday, I suppose in its own mind can save itself some embarrassment; heaven only knows they may have need to. But this is a repetition, Mr. Speaker, of the same actions that preceded the whole inquiry on the Principal Group.

Mr. Speaker, Albertans don't like these kinds of actions. I don't like, and members of my caucus don't like, unilateral decisions when there is an agreed to, understood, courteous process available to us. I stated *Beauchesne* 200, Mr. Speaker, which indicates very clearly what is anticipated and expected of House leaders. I don't accept the arguments. Nobody shuts down this House for Klondike Days so that we can go. I mean, let's not fool ourselves. This is not being done to accommodate -- or if it is being done to accommodate members attending the Calgary Stampede, then I think that's not a good reason for it.

Mr. Speaker, why on earth bother having House leaders? Why bother doing it if in fact the government at their own whim, at their leisure, high-handed and arrogant, can ride roughshod over the agreements of the House leaders any time they please? Mr. Speaker, I do not support this particular motion by the government.

MR. SPEAKER: Member for Edmonton-Highlands.

MS BARRETT: Thank you, Mr. Speaker. Three House leaders in a row and three different views on the same issue. I guess this shouldn't surprise us.

Mr. Speaker, it's my recollection that the Government House Leader approached me on Friday, June 9, as we were leaving the House to ask if a week's adjournment would be in order and specified the first week of July, to which I replied: "Sounds fine. I'll just check with caucus." Now, I don't believe that there really was an agreement at that point. I certainly wrote back to the Government House Leader proposing an alternative

week. I don't know what the House leader for the Liberals did in response, but quite frankly I'm not sure that there was ever an agreement. Now, I'd like to have that on record, because I think it's important to understand that there are probably three different views of this issue on this floor, and if we'd had a chance to get together last week, we could have sorted this out beforehand.

Nonetheless, I'm also faced with the problem that the extension of the first week of July for the House not sitting does cause us a problem, not inasmuch as, you know, one week versus another, but insofar as it's an extension of the overall adjournment. We obviously would have preferred to have the adjournment in the second week of July as opposed to in the first week. So I, too, have to speak against the motion, although I do recognize, and I would like to say, that insofar as that meeting on June 9 went, I believe the reporting mechanisms were stipulated by the Government House Leader. I for one, at least, met that responsibility.

Thank you, Mr. Speaker.

[Motion carried]

head: **GOVERNMENT BILLS AND ORDERS**
(Second Reading)

Bill 223
An Act to Amend
the Emblems of Alberta Act

MR. MOORE: Mr. Speaker, I'm proud to introduce Bill 223, an Act to Amend the Emblems of Alberta Act, for second reading. And I'm proud not just as an individual; I'm proud as an Albertan to do it, because it symbolizes what we in Alberta are proud of. I'm proud of Alberta and I'm proud of the things that will show the rest of the world the things we stand for. We have the Alberta rose as our official flower, as all people know. We're all very proud of that. I notice that by the number of people that wear it in their lapel pins and on the various things that are produced for tourism to go around the world. We have the great horned owl as our provincial bird, and it, to a lesser degree, is well known around the world and projects Alberta and what Alberta is.

When I look at the bighorn sheep, it's a very unique native Alberta animal. I say "unique" because the largest herds of bighorn sheep are found in Alberta. To give you a little history to show just how unique an Alberta animal it really is, there are prehistoric remains found in most of the river valleys across Alberta, showing that at one time the bighorn sheep roamed the entire province. The first recorded place in history was made by David Thompson west of Rocky Mountain House when he recorded the first sighting of a Rocky Mountain House sheep, and that was back several years ago. So you know it is an Alberta animal.

It's an animal that's in harmony with the environment around it. When we look at other animals, we have animals just as majestic. We have the cougar, for example, a very graceful animal. However, it lives on other animals; it's not in harmony with other animals around it. We can look at other species. At one time or other they looked to the government or the people to support them. I was mentioning in the case of deer and elk that every now and again we are asked to come to their aid when there's a snowstorm in the wintertime. Also, the bighorn sheep

is recognized as a trophy among animals, and that's recognized the world around. It's recognized because it's a proud independent animal, a very majestic animal, and I say to you, Mr. Speaker, that it's a majestic animal for a majestic province.

[Mr. Deputy Speaker in the Chair]

Now, I'd like to talk about the selection of it, where it arrived from and how we came to this point. Many years ago when I first saw a bighorn sheep, it was in Banff, and I was impressed by that animal. That stayed with me through life, and I thought at the time when we brought our provincial tree forward in this House: why haven't we got a provincial animal? And the bighorn sheep is one that really exemplifies that. So the first process was to take my idea to the local fish and game association in Lacombe, who endorsed it, and we put it to the fish and game associations provincewide. We received over the next year and a half the unanimous support of Alberta fish and game people.

At that point in time I introduced the Bill for the first time into the House, a couple of years ago. The response from the public was spontaneous and it was, well, overwhelming, the letters that came in in support of that choice. They came from all walks of life, Mr. Speaker, right down to a bridge club in Calgary that happened to listen to it on CTV the night that it was on national news, and they wrote a letter saying, "We support it" We had it from big game outfitters, we had it from a senior citizens' lodge in Calgary which wrote, and they all signed their support for it. So it's widespread, the public support for it.

The next step in making this truly an Alberta selection was that we went to the schools of Alberta. Every school in Alberta was contacted, close to 3,000 of them. The response back was just staggering. They came in by the hundreds of letters. Some schools made it a school project for their grade 5 and grade 6 classes. The end result was that over 90 percent of the replies from the schools were in favour of the bighorn sheep. There were other choices in that other 10 percent, and I would relate one letter to you that I thought was fairly unique that I got back. It was a young lad from up north, and he wrote: "My name is such and such. I'm 12 years old, in grade 6." He said: "We've no sheeps up here. We just got geoses. I think you should make it a goose." So I think some unique ideas came out of that survey of the schools. It was just a very worthwhile process, and we did receive, as I say, the overwhelming support of the schools. At this point I'd like to say my thanks to those schools for the part they played in this selection process.

Mr. Speaker, we now have before you a Bill that would make the bighorn sheep the official mammal of Alberta. I must clarify that: mammal. We've been talking about animals, but it's the official mammal of Alberta. It's there not only because Ron Moore thought of the idea a few years -- that's not part of it. It's because it's now an Alberta choice. It's the choice of our public, it's been an overwhelming choice of the schools, and the fish and wildlife people, as well as the Fish & Game Association, support this selection.

I ask my colleagues on both sides of this House to give their support in this second reading of Bill 223.

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Jasper Place.

MR. McINNIS: Thank you, Mr. Speaker. It's the intention of

the Official Opposition to support this legislation brought forward by the hon. Member for Lacombe. There is a reservation, and we may deal with it in some length later on. I did want to correct a couple of items in the member's research though. I'm always anxious to promote good research in the parliamentary system because that's my background, as a researcher.

The first observation of bighorn sheep was, in fact, by the Spanish explorer de Coronado in the southwestern area of the continent somewhere between 1540 and 1552. It is correct to say that the David Thompson expedition ran into bighorn sheep on November 30, 1800. It was not, however, David Thompson himself but a fellow by the name of Duncan McGillivray, who worked for David Thompson. It stresses my contention that working people don't get the respect they deserve out of this particular government. In fact, it does seem to me that when discussing the question of official mammals, we should note in passing that human beings are mammals, and sometimes it seems that working people could use the protection that an Act like this might require. However, I think the choice of the bighorn sheep has other benefits, and for that reason we're going to support it.

Wildlife protection is a very important matter in our province. There are a number of species which are threatened from one perspective or another. The mammal that's the most threatened at the moment is the mountain caribou, which lives in old-growth forests in the mountainous regions of our province. Those old-growth forests are rapidly being wiped out by logging operations, and it's probably much closer to extinction than the bighorn sheep. It's a problem worldwide. I'd just like to point out to hon. members that among tropical species alone something like 17,500 are eliminated every year, a rate of approximately 48 every day, against a background rate of only one every year.

In any case, back to the bighorn sheep. The bighorn sheep was a very prevalent animal in the foothills, in the grassy regions of the mountains, what are popularly known as alpine meadows, throughout the North American Rocky Mountains region. The animal was first named by Shaw, the famous biologist, following the encounter with the David Thompson expedition, and given the name *Ovis canadensis*. The second half of the 19th century was not good to the bighorn sheep. It suffered massive population loss, in part due to hunting and the encroachment of settlers but also through a number of diseases, some of them transmitted by domestic sheep and cattle in their regions. The population appears to have stabilized over the last 20 or 30 years. There were somewhere in the neighbourhood of 20,000 animals counted, of which 5,000 to 6,000 are in the Canadian Rocky Mountains region, most of them in Alberta.

The member has referred to the breathtaking characteristic of a bighorn sheep with the massive spiral horns. Few people can forget them when they see them. It's certainly something that's associated in many peoples' minds with a very beautiful region of the province of Alberta, and for that reason I think deserves this type of recognition.

Unfortunately, though, when you look at the behaviour of the bighorn sheep, it's not exactly a model of domestic responsibility, according to *Collier's Encyclopedia*:

Although bighorns are herd animals, the males and females do not mix except during the mating season. At this time, the rams vie fiercely with each other for possession of the ewes. In January the mating season is over, and the rams join together again in a harmonious flock.

So it seems like the rams and the ewes don't spend time together except for that particular time of the year.

I thought the member might mention the mating ritual of the bighorn. They are famous for the crashing of horns, which I'm told is often heard as far as a mile away. I don't know how they stand that particular approach to the business at hand, but they do. There are certain things about the rutting period, though, that do, I think, personify this government in many ways. I'd like to refer to a quotation from *Mammals of Canada*:

During the rutting period, the ram's neck becomes swollen; he walks stiff-legged, grunting regularly, and assumes a truculent air.

And I think there are times when the similarity is rather obvious.

So as I said, Mr. Speaker, the opposition is supporting this legislation because of the beauty of the bighorn sheep and the habitat that it assumes in the hope that these things will be preserved for the future of many generations of Albertans.

I guess this matter will be dealt with further in committee study, but I want to serve notice to the Minister of Culture and Multiculturalism, who administers the Emblems of Alberta Act, that there are a number of existing municipalities, associations, and businesses which incorporate the bighorn sheep as part of their visual identity or their logos, and the Act does give the minister the authority to make regulations on the use and display of provincial emblems. I would hope this particular legislation wouldn't be used to take away from someone or an organization or a municipality which has historically used the bighorn sheep as a symbol, and I'm hoping that in committee study we can get some indication of the government's direction as far as regulations under the Act are concerned.

Having said that, though, I'd like to indicate our support for the legislation.

MR. DEPUTY SPEAKER: The hon. Member for Olds-Didsbury.

MR. BRASSARD: Thank you, Mr. Speaker. I, too, would like to rise and speak in support of this Bill. My constituency goes right up into the foothills, and because of that we have a great deal of hunting and guiding and outfitting in my area. Aside from the hunting of some of these great, magnificent animals, we are now getting into more and more photography of our wildlife. Anyone who has attempted to hunt or even photograph some of these Rocky Mountain bighorn sheep is impressed with the agility they display. But I have enjoyed many photos of a successful capture of these animals on film with many of my constituents, and listened to their description of the hunt and the stalking and so on and so forth.

Personally, I've ridden a great deal in the mountains, Mr. Speaker, and I've enjoyed many times the exhilaration of watching one of these huge, magnificent animals in relief against the skyline, animals that go as large as 350 pounds and carry a set of horns that itself weighs 80 pounds. I feel that these animals stand for freedom, independence, confidence, strength, agility -- I could go on, Mr. Speaker. I think they're just a tremendous symbol of a very proud animal, and one that's a true survivor. They are without exception a challenge to hunt and only very seldom can be bested. I feel that the bighorn sheep is an honourable official representative of our animal wildlife here in Alberta, and I would urge every member of this Assembly to support this Bill.

Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: The hon. Member for Westlock-Sturgeon.

MR. TAYLOR: Thank you very much, Mr. Speaker. In rising to support the motion, I'd also like to compliment the tremendous lot of work and perseverance. It's probably -- if you don't mind me homing in on your reputation -- as resilient and tough as the Liberals in surviving. I know the hon. Member for Olds-Didsbury said that it was nimble, it was quick, and had been painted back into a small area of Alberta but then was increasing in numbers; it was resilient and it was tough, and I had some difficulty in trying to restrain my whole caucus from standing up and taking a bow.

But if we were going to get an animal that more reflected the government party, Mr. Speaker, I would have thought we would have gone with the gopher. I think this is one of the reasons why I have to compliment the Member for Lacombe for not going with the gopher, which is a rodent, hard to extract, and is everywhere across the province. It goes underground if you put any heat on it. Consequently, I think it took a great deal of resourcefulness from the Member for Lacombe to rise above picking the gopher as the national mammal when it so exemplifies the party and group he belongs to, and going to such a high, wonderful animal as the bighorn, that occupies the high peaks of our province.

I did notice he's had time puzzling out the report sent in by the young school member from the north who wanted to pick the goose. Well, I would think he was a very astute young person probably, and had been reading the history of Alberta the last 10, 12 years and was quite familiar with the goose. He meant the public had been taken. So I can see why he would want to suggest that that be the national animal. But the goose not being an animal, we slid out of that one.

It does occur to me though, Mr. Speaker, that although the gopher wasn't adopted by the government, now that the hon. Member for Lacombe's quest, his Holy Grail, for a mammal is finished, he'd look for a reptile. The dinosaur, I think, is one that would fit very well, and he would be able to recoup what losses, what he has slipped up on in picking the bighorn sheep for the party, by coming up with a national reptile. After all, it is a big one. Some of them ate meat. Most of them ate vegetables, and what's so significant about it, Mr. Speaker, is that they did not adapt to change in a modern society and they had to disappear.

Now, all joking aside, I do think the hon. Member for Lacombe needs some accolades for filling in what has obviously been a hole in our escutcheon, if you want to call it that, or something missing from our coat of arms. So I have no qualms whatsoever in throwing the Liberal Party's support behind this bill.

Thank you.

MR. DEPUTY SPEAKER: The hon. Member for West Yellowhead.

MR. DOYLE: Thank you, Mr. Speaker.

I stand with great pride in supporting this resolution by the hon. member, mainly because a municipality of my riding was treated favourably over the weekend by the Minister of Energy in the coalfields. The town of Grande Cache can be very pleased that the government is adopting the same emblem that the town of Grande Cache has. With great reason, Mr. Speaker,

West Yellowhead is host to some 4,000 to 5,000 of these Rocky Mountain bighorns. So I have no problem supporting the resolution.

MR. ANDERSON: Mr. Speaker, I briefly, too, would like to rise in support of this particular Bill on this historic day, and to congratulate the hon. member who has so steadfastly presented this concept to the Legislature and has achieved what few of us can say we've achieved in this Legislature, by for all time making this very noble animal a symbol of our province. Those congratulations are heartfelt and I am sure on behalf of all of us, and something his constituents should be proud of in terms of the representation that he's made in this Assembly.

Mr. Speaker, I also can't resist recalling the remarks of the hon. Member for Edmonton-Jasper Place when he indicated, quite rightly, that we are both mammals and we are humans. I felt inside there must be some plea for a recognition of human endangered species. May I say that I would not oppose recognition of the political party that he's part of, should extinction take place, though I can't promise that I will work towards preservation to the same degree I would do with the animal that we're talking about today.

My congratulations to the hon. member, my definite support for this bill.

MR. DEPUTY SPEAKER: The hon. Member for Banff-Cochrane.

MR. EVANS: Thank you, Mr. Speaker. I, too, would like to begin by congratulating the hon. Member for Lacombe for his perseverance. This is a particularly important issue for the people of Banff-Cochrane, and my comments may be interpreted as self-serving. But as most of the hon. members here who have traveled in the Banff-Cochrane constituency will know, the bighorn sheep is the "local" animal in our constituency. It's a majestic animal, as has been indicated by other members of this Assembly. I would encourage members of the Assembly to take a brief trip, if they are up in the Banff-Cochrane constituency, on Highway 1A between Exshaw and Canmore. You can regularly see prime examples of the bighorn sheep, both genders and the young, on this piece of roadway.

I again lend my support to this motion, and I congratulate the member.

[Motion carried; Bill 223 read a second time]

Bill 6 Securities Amendment Act, 1989

MR. ANDERSON: Mr. Speaker, I'm pleased to move second reading of the Securities Amendment Act, 1989, and in doing so would like to make a few comments since this is an important Bill, an extensive Bill, and to some degree a complex Bill.

It should be considered by hon. members in the context of the discussions we had the other evening on the estimates of the Department of Consumer and Corporate Affairs, in which I indicated to the House that the government is now engaged in taking a number of steps on a never ending stairway towards dealing with this whirlwind of change that we find ourselves in in the financial marketplace, and in ensuring above all that we have a fair and honest marketplace in which our citizens can participate.

These particular amendments that are before this House today relate to the marketing of securities and deal with some important concepts, particularly with respect to the rights of the minority shareholder, the individual who may be involved in our marketplace and may be looking to invest. They follow on the heels of changes that have taken place over the past years with respect to our Securities Commission, where this Assembly passed a Bill that saw the commission split in two so that the judicial functions and the administrative and investigative functions would be two separate ones and thereby serve the marketplace to a greater degree under our quickly evolving, moving market than perhaps was the case in the past, and a number of other decisions that have been taken by the commission to strengthen our securities market, to ensure that there is fairness, to require disclosure, and again to make sure that that fairness and that honesty exist in our market which is evolving in our province as a vehicle for investors and for companies to obtain the capital necessary for our continued economic well-being.

Mr. Speaker, with respect to this particular Bill, the one area of it that I would call the most important relates to insider trading rules, those rules which govern the way in which we can ensure that people don't misuse the information they have when trades take place of securities between companies. The Bill that's before you significantly increases the definition of special relationships, special relationships being those that would give an individual information about a company which is trading. We expanded that, first of all, by making the person chargeable who is a 'tipee' or one who would receive a stock market tip, so that that individual, too, is responsible for making sure that they don't misuse information, that they work properly and fairly in this fair marketplace.

We expand further the definition to include other insiders, if you will, affiliates and associates of

(ii) a person or company that is proposing to make a takeover bid . . .

(A) to become a party to a reorganization, amalgamation, merger . . . or

(B) to acquire a substantial portion of the property of a publicly traded company, under this Act defined as a "reporting issuer." This special relationship category is very much expanded so that citizens in Alberta and those planning to trade on the stock market should now know that they are not allowed by law or by ethics to, in fact, use that information that they would have gained from some inside source and, therefore, distort the marketplace for those individuals fairly adjudicating the kinds of investments they would make.

Mr. Speaker, another main portion of that is a dramatic increase in the fines that would be meted out to those who contravene sections of this Act. Under the existing Act those fines are \$5,000 for individuals or a jail term of up to one year, and \$75,000 for a company. This Bill proposes to change that to a maximum of \$1 million or three times the profit made, whichever is the greater, and/or a five-year jail term at a maximum. I might indicate that on the latter portion, the five-year jail term, we're now working with the Attorney General's department to make sure that there's no contravention of the Charter of Rights provisions with respect to the various jurisdictional issues related there, and we may deal with that further in Committee of the Whole.

Mr. Speaker, parts of the Bill also expand those definitions of "insiders" and those who would be chargeable in terms of the

ability of someone who has been disadvantaged by their actions, that they may take civil action to gain redress for what may have harmed the individual by that misuse of insider knowledge. And there's another significant section of the Bill that deals with issuer and takeover bids -- in other words, with that company or those individuals who may wish to take over a company, or the company itself, in terms of the issuer bid who may wish to buy back shares -- and therefore the Bill outlines the method in which that can take place.

At the moment, to have an insider takeover bid, to have a bid that is between individuals, there's a maximum of 14 who can be involved in that respect before they have to begin to make that offer to all of those who own shares in a given corporation. We are proposing to limit that to five. At this current time there is also no limit on the offer that might be made under that private arrangement between individuals and an offerer, but we propose that that should be limited to only 15 percent greater than what other shares are selling for, thereby ensuring that there isn't an inside arrangement which unduly affects the minority shareholders.

These provisions, I might indicate, are in tandem with, are comparable to, those that have been set in place in the other jurisdictions in the country. Alberta has been at the forefront in trying to ensure that we do work together, and where possible our rules and regulations compare with those in other jurisdictions because, as I stated the other evening, we know that money flows quickly between jurisdictions. Stock markets aren't exclusive to one area, particularly now, as our market begins to move along. At the same time, we have to ensure that our rules, our regulations, deal with Alberta's specific concerns and the evolution of our market and fairness here in Alberta. We believe that this Bill does that. These particular sections I'm speaking of, as I indicated, are very similar to those that other jurisdictions have.

Mr. Speaker, there are a number of other sections of the Bill. Those are the two major ones. There is indeed an early warning system, if you want, put into the Bill, where now, when a company or individual moves towards the takeover of a company, they would have to, when reaching 10 percent ownership, make sure that all of those involved who own shares are informed of that takeover. Each 2 percent thereafter that is taken over, they would have to put out an information bulletin on, so that information is available for all who might be involved in the marketplace.

We have as well established some rules which ensure that for the period of 20 days following a takeover bid or 90 days prior to a takeover bid, there are not other private offers that can be made, so that one can't misuse the system by making a secret, private offer earlier and then again taking over a company or trying to take over a company, disadvantaging the minority shareholder so that they're not in a position to gain similar benefits or to evaluate properly how they might invest in the marketplace.

There are a number of other specific sections, though I suppose the most important other major principle involved with this Bill, since it is the principle we're discussing in second reading, is with respect to enhanced powers for the Securities Commission itself. In the past, as members know, the Securities Commission has been able to issue a cease trading order and a denial of exemption order. Those have been, primarily, its remedial powers under the Act. We now are proposing to extend the powers, extend the remedial action that the Securities Commis-

sion could take with respect to companies by, not all-encompassing, but by the following: restraining the distribution of documents and advertising from a company; requiring amendments to be made to documents or advertising; directing a person or company to comply with the takeover and issuer bid rules; restraining any person or company from contravening the takeover and issuer bid provisions of the Act; and directing senior officers and directors to comply with the requirements of the takeover and issuer bids.

Mr. Speaker, this is very important legislation; important, again I say, for a fair and an honest marketplace, important to ensure that amidst the whirlwind of change that takes place in our financial markets and the quick movement that's there between stock markets and commissions, we have the rules that make our investors continue to feel comfortable about our market, our economy, and their investments.

I believe that this Bill, together with other actions that the government has taken and is planning to take in the near future, very much moves in that direction, and I ask for the support of members in second reading of Bill 6, the Securities Amendment Act, 1989.

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Strathcona.

MR. WRIGHT: Yes, thank you, Mr. Speaker. It's hard, some people would say, to get all that worked up about the machinations of capitalists in the marketplace, and therefore would question the protection we should afford these people. However, it's not as simple as that, because in, for example, takeover bids, the proposed bidder gets a large place in the shareholdings of the victim, and the victim must reply by buying out those shares in one way or another at an enhanced price. And who, then, has to pay? Why, the customer of that company, or the public, when the company has to recoup its profits. Besides, there are lots of people who just quite harmlessly invest their money in the marketplace, and they must be protected anyway.

So I say this Bill's a good Bill in principle and in detail. We can reserve our opinion on one or two parts of it; I haven't had time to go through it in great detail, Mr. Speaker. I do think that perhaps the minister could look at something that could avoid a repetition of the trial we saw recently in a neighbouring province, where, assuming that the defendants in that case were guilty -- and I don't say they were, Mr. Speaker; but assuming they were guilty -- it would be difficult to prosecute them, and was in fact difficult to prosecute them because there was no presumption there of guilt that arose as a result of the very closeness in time to the rejection of that particular sale of shares. So I think there is place in legislation of this for some presumptions. It doesn't mean that the defendants are automatically guilty. The onus is on the defendant if there is great propinquity in time and place, the limits of which can be spelled out, doubtless, so that the defendants then have to give an account of themselves in order to show that they are innocent. Now, there are some Charter difficulties with such a provision, but there are reasonable limits in the Charter too, and this would be one of them, I would suggest. So that's one thing, when it comes to the principle of the Bill, that the minister might look at.

Another thing that he perhaps might look at in the way of principle -- which is disclosure, maximum disclosure -- is to make it simpler for the buyers of securities to establish, to come to an informed opinion about, the financial worth of the com-

pany by letting them see the relevant documents -- and I'm not talking about a huge mass of documents -- at the place of business where the shares or other securities are issued instead of some more complicated way of going to the corporations register or companies branch, whatever it's called nowadays. But in general this Bill should be supported, Mr. Speaker.

MR. DEPUTY SPEAKER: The hon. Member for Calgary-Buffalo.

MR. CHUMIR: Thank you, Mr. Speaker. I'm rising to support this legislation as well. It's well conceived in principle and intended to beef up the rules which protect investors with respect to insider trading and protect minority shareholders in the case of takeovers. However, as the Principal Group affair has demonstrated very dramatically, legislation itself won't do the job if the enforcement mechanism is not there. Accordingly, we will need a very strong and vigilant Securities Commission and a very alert Alberta Stock Exchange in order to make the very best rules work.

There's also another dimension which merits mention, and that is that securities trading has now taken the very broadest of global dimensions. We as a province must not and should not hunker down in a fortress Alberta posture. We need to recognize the interdependence of financial markets and the need to co-operate nationally and internationally. As the Member for Edmonton-Strathcona has alluded, the recent example of the prosecutions in British Columbia and Ontario show the potential difficulties when there are overlapping and competing jurisdictions provincially with respect to insider trading. Indeed, the lessons can and should be learned on a much broader basis than just their relationship to the particular aspects of securities legislation that are dealt with here.

So I would urge the minister and his government to work to ensure that Alberta does its best to develop the fullest degree of co-operation between all of the provinces and the federal government in order to develop a workable system which protects investors most efficiently and effectively with a minimum of conflicting rules and a minimum of competing administrative empires.

[Motion carried; Bill 6 read a second time]

Bill 9 Parks Towns Act

[Adjourned debate June 19: Mr. Ewasiuk]

MR. EWASIUK: Mr. Speaker, I want to rise and make a few comments relative to Bill 9. Initially, let me say that we support it, although with some degree of caution. A caution to be referred to, of course, is that we are in the process of charting new waters.

I must congratulate the citizens of the town of Banff on their achievement. I think that securing the status of a town from a townsite is significant and very important. Banff is now going to become the 109th town in the province of Alberta, and I suppose that's of some significance. It's unique because it is, of course, the first townsite to become a town in the national park. The only other possibility of that occurring would likely be the townsite of Jasper.

I do want to say, however, and I said initially, that we sup-

port it with some degree of caution, and of course I think Banff is a sensitive area for development. I'm sure a lot of people that are interested would like to develop there, and I think Parks Canada have done a pretty good job up to this time in ensuring that there's proper planning and proper development taking place in the townsite. I would therefore ask that the newly elected council practise vigilance to ensure they are not pressured by development lobbies to exceed the kind of development that I think needs to be regulated in that town.

The town will have the ability to do their planning. In fact, they will be setting up a master plan for the town. I'm pleased also to note that any bylaws adopted by the town will have to be in conformity with that of Parks Canada and the management plan for the park. I think that's important, and that suggests to me that there will be a kind of check to ensure the council are not swayed or pressured by developers to expand and grow and develop the town in a hurry and, quite often, in unplanned ways.

As I said, Banff is the first town in a national park to become a town under regulations of the municipal Act of the province, but I would hate to think that somewhere down the road Banff also might become the first city in a national park. We'd hope that wouldn't happen. I think we must guard the integrity of the park and the town as it is now.

The other major concern that I have as well: we have the Bill before us, and I understand there's a need to expedite the process in light of the fact that a civic election will be taking place later this year. The kind of formal negotiations with the federal government, as I understand it, have not been concluded and agreements have not been reached. In fact, now there's merely a rough draft of the agreement. While I don't cast any aspersions on the negotiators, I think it would have been proper had we had some background material with this Bill in order that we could make a decision on it based on facts and information and the type of agreement that's been reached between the province and the federal government. However, lacking it, I think the citizens have expressed the desire. The vote that was conducted in the townsite indeed gave it a majority, that's what the people want, and I think I and the party I represent are in agreement that we must go along with the wishes of the people.

So with those comments, I would say that we will be supporting Bill 9, the Parks Towns Act.

MR. DEPUTY SPEAKER: The hon. Member for Calgary-Forest Lawn.

MR. PASHAK: Thank you, Mr. Speaker. I just wanted to reinforce a concern that was raised by my colleague from Edmonton-Beverly. We do agree with the Parks Towns Act, Bill 9, and we are going to support it. The Member for Banff-Cochrane in introducing this Bill stressed the fact that control of land ownership will remain with the federal government, and that's the nub of my concern. I guess I'm somewhat from Missouri. I don't think that point can be stressed adequately enough. I don't want to see an extension of commercial development in the parks, and I don't think most Canadians and, in fact, most Albertans want to see an extension of commercial development.

I got particularly concerned when I heard the remarks of the Member for Banff-Cochrane during the debate on Occupational Health and Safety. I'd just like to quote his remarks at that time. He said:

That results in our ski industry and our tourism industry charg-

ing a higher rate, and when we are in a situation today where we are having a very tough fight with areas such as Whistler in British Columbia to attract that skiing dollar, I think it's a concern we must look at very seriously. I'm sure the minister will have some comments on that

The point I'm trying to make: there seems to be a contradiction here possibly, in the sense that we would like to see parks remain as pristine and environmentally secure as they can be, and here, on the one hand, is the member arguing for continued federal control, which would provide for that, but at the same time in another debate he's arguing that there should be opportunities for ski operators in the national parks to compete with the more commercial ski operations such as Whistler. I just want to flag the point. I think it's really an important point, because the national parks are for all Canadians and they're to remain as un-sullied as they can possibly be.

MR. DEPUTY SPEAKER: Would the hon. Member for Banff-Cochrane like to conclude debate?

MR. EVANS: Thank you, Mr. Speaker. Firstly, with respect to the comments made by the Member for Edmonton-Beverly, I appreciate the support of the member. I would point out that the Act itself is enabling legislation, and the very points that were brought up by the hon. member concerned with the agreement are the reason the agreement is referred to in the Act. There will be nothing that takes place and initiates more than just the enabling aspect of this legislation until that agreement is a fait accompli. So I agree with the concerns of the member, but they have been addressed in the legislation and the control mechanism is there.

With respect to the comments made by the Member for Calgary-Forest Lawn, with all due respect, Mr. Speaker, the reference to the ski areas that I made, as is recorded in *Hansard*, was with respect to Workers' Compensation Board claims and the amounts that have to be paid by the ski industry. My concerns were that all members of the ski industry have to pay at the same rate, whether they're in a high-claim part of the industry or whether they're in a low-claim part of the industry. The comments were not in any way, shape, or form referring to expansion of the ski industry. I merely reflected upon the fact that we do have seven ski areas in our Banff-Cochrane constituency, and my constituents are concerned that the rates that are charged to that industry for Workers' Compensation Board amounts do create some problems, and it's a difficult thing for these businesses to compete with areas outside the province of Alberta.

Thank you.

MR. DECORE: Mr. Speaker . . .

MR. DEPUTY SPEAKER: I must say that the debate is concluded, hon. leader, on this matter. Is the Assembly ready for the question?

HON. MEMBERS: Question.

[Motion carried; Bill 9 read a second time]

head: **GOVERNMENT MOTIONS**

(continued)

11. Moved by Mr. Horsman:
Be it resolved that the Legislative Assembly grant permission to Yonsie University in Korea to reproduce and

publish any part of the 1985 report of the select special committee to examine the role of the Upper House in the Canadian federal system, on a nonexclusive basis, with credit being given to the Legislative Assembly of Alberta, Canada.

MR. HORSMAN: Mr. Speaker, I'll just explain briefly that this is a copyright issue to permit Yonsie University in Korea to deal with aspects of a select committee report, to publish them. We've done this before at the request of other people who wish to use parts of the select committee report of the Assembly, and it would be just a simple matter to deal with.

[Motion carried]

MR. HORSMAN: Mr. Speaker, in view of the alacrity with which we've moved the business of the House today, it would appear we're going to get some extra desk time. I would advise the members of the Assembly that this evening it is proposed to deal in Committee of Supply with the estimates of the Department of the Environment. By way of notice to members of the Assembly as well, tomorrow evening it would be the intention to call the estimates of the Department of Transportation and Utilities. I would therefore move that the Assembly now stand adjourned until such time as the Committee of Supply rises and reports and that . . .

MR. McEACHERN: Mr. Speaker, my understanding from Friday's announcement was that Motion 4 would now be called, and I'm just a little surprised that the member is adjourning the Assembly.

MR. HORSMAN: Mr. Speaker, if there are members who wish to participate in Motion 4, I would be happy to go on to that. It was my understanding that that had been dealt with, and I'd be happy under those circumstances to withdraw the motion which I was about to put, and we can deal with Motion 4 until 5:30 if that's the intention of the Assembly.

MR. DEPUTY SPEAKER: Thank you, Government House Leader.

4. Moved by Mr. Johnston:
Be it resolved that the Legislative Assembly approve in general the fiscal policies of the government.

[Debate adjourned June 16: Mr. Lund speaking]

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Kingsway.

MR. McEACHERN: Thank you, Mr. Speaker. It was announced . . .

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

MR. DEPUTY SPEAKER: The Government House Leader on a point of order.

MR. HORSMAN: The Orders of the Day indicate that the debate was adjourned with Mr. Lund speaking.

MR. LUND: Thank you, Mr. Speaker.

Mr. Speaker, as you can see, there is a great diversity of interests and needs among my constituents. As a result of this diversity, the residents of my constituency have a vested interest in the endeavours of every department of this government. With this in mind, the task of representing my constituents is a very big responsibility. Fortunately, I have some very fine examples to follow. The residents of the Rocky Mountain House constituency have sent to this Legislature some of the most prominent Albertans.

[Mr. Speaker in the Chair]

A.J. Hooke, a pioneer in this Legislative Assembly, was a member of the Social Credit government who served as the MLA for 35 years, from 1936 until 1971. His successor, an even more prominent Albertan: after Mr. A.J. Hooke, the residents of my constituency chose to be represented by the Hon. Helen Hunley. She was a member of the Legislature until 1979. Her appointment as Lieutenant Governor was just one of her many pioneering accomplishments for women in Alberta. It is a true honour to carry a torch once held by such a great person. Earlier this year Jack Campbell retired after serving from 1979, a 10-year term in which he served the people of Rocky Mountain House very faithfully. I hope I can live up to the standards set by my predecessors and serve the people of the Rocky Mountain House constituency and of Alberta with the dedication and excellence of those in whose footsteps I follow.

In conclusion, Mr. Speaker, I'm proud and honoured to serve in this government during such an exciting and challenging time. Given the strengths of our people, our government, and our resources, I look forward with optimism to the years ahead.

Thank you.

MR. SPEAKER: The Member for Edmonton-Kingsway followed by Calgary-North West.

MR. McEACHERN: Thank you, Mr. Speaker. It has taken about two and a half weeks, but finally I get a chance to reply to the budget. The budget, Mr. Speaker, shows . . . [interjections] It's true. I've been trying to get in on the budget debate, and we haven't had very many. So finally here we are. I'm pleased to get my turn to make some comments.

The budget estimates show expenditures of \$11.67 billion. When you add to that the heritage trust fund capital projects expenditures of \$140 million, that leads to \$11.81 billion in expenditures, and revenues of only \$10.18 billion are anticipated. Mr. Speaker, the obvious major fact about the budget is the size of the deficit. So I want to spend some time going back over some figures, laying out the different numbers that have been put forward at different times by the government, analyzing them, and adding them up to show pretty well where we stand on a provincial level with the finances of the province.

The government, it seems to me, prior to the election pretty well boxed themselves in in terms of having any room to manoeuvre. In other words, as part of the election they promised that there would be no increase in taxes. They broke that in a couple of instances, but basically no big increases in taxes. And they said that there would be no cuts in services, so that really meant that for this budget they had to pretty well eat the deficit. Now, the taxes they raised, of course, just on cigarettes, but also the medical premium, must be considered a flat tax. Therefore, they did break that promise. But it was on the size of

the deficit that they really gave a lot of wrong information and a lot of wrong signals. The Premier even said at one stage that there would be no deficit. The Treasurer knew better, but he did claim before the election that he was on target and he would not have a deficit bigger than anticipated in his fiscal plan, which was to be a deficit of \$500 million for this fiscal year we are now in and for which we are talking about the budget.

Now, Mr. Speaker, even by his own numbers it's much bigger than that, so I just say to the people of Alberta that they got taken in in this election and what they really need to do is watch out for next year. Next year the government will be trying to recover that deficit. By the time I'm outlining all the deficit numbers for the last three or four years and adding them up, you know that this government isn't going to suffer another big deficit next year, that they're going to do something about it. They're going to raise taxes and cut services and start doing something about the deficit.

Now, Mr. Speaker, on December 6, 1988, the Treasurer released an update on the estimate of what the deficit would be. If you consider that, okay, he reminded everybody that the deficit as estimated in the original budget for the '88-89 fiscal year was \$835 million. He had miscalculated slightly, and there were some \$690 million of oil revenues that had not come in and a number of other items he added and subtracted here and there, and he came up with a projected deficit at that stage -- or a forecast, he liked to call it -- of \$1.371 billion. At the time I said: well, that's counting the \$270 million he expects to get from Ottawa, that he probably isn't going to get, and he has no right to count it until he knows he's going to get it. That would have made it \$1.64 billion. But we let that ride and basically believed the Treasurer was telling us the true picture of the province at that stage, with that one qualification.

However, on looking back now and getting more information at this stage, the Treasurer admits in his budget speech that the deficit -- now, here we're talking, and I'll define the terms fairly carefully, about a combined deficit. By "combined deficit" I mean budget deficit plus the capital projects expenditures of the heritage trust fund. He now has figures in his budget. . . . Oh, he tried to hide it; he had to change the accounting procedure from last time. Nonetheless, when you look at the figures carefully, the combined deficit will be \$1.9 billion. Now, I submit that in December the Treasurer was not telling the people of Alberta exactly what he knew, because the price of oil went up considerably right after that and stayed up for the last quarter of the year. That would mean that the amount of oil money the Treasury would take in would increase in the last three months more than he had the right to anticipate. Yet, even so, he underestimated the deficit by a half billion dollars, by \$500 million.

I submit, Mr. Speaker, that he knew what the real figures were and put out lower figures to convince the people of Alberta that things weren't as bad as he knew they were. It was just before an election, so you know, then, that he was really trying to placate the people of Alberta so they wouldn't get too excited about the deficit and he could go on promising there would be no increase in taxes and no cuts in services. So a lot of the promises the government made in a sense were based on false figures that were projected by the government and left the people, who could reasonably expect that those numbers should have been accurate, to believe things wouldn't be so bad as they've now turned out to be after the election when you start adding up the real numbers.

Now, Mr. Speaker, the Treasurer, when he brought in his

budget, made a glowing speech and talked about the wonderful programs of the government and how great the economy was and all kinds of things like that, but at the same time he slipped some numbers into the Budget Address that were changed from the way he did it back in 1988. If hon. members would care to turn to page 23, they will see this not so subtle change. The 1988 document, page 23, which has the summary financial plan of the province, showed the expenditures of the budget and the expenditures of the heritage trust fund added together along with the debt servicing costs. They showed on the revenue side the general revenues and the heritage trust fund investment revenues. But then, when you go to the 1989-90 budget, the current year we're now in, the new one, the Treasurer has somehow forgotten to count the expenditures in the capital projects division of the heritage trust fund in his summary financial plan. So the debt for this year, on page 23, is understated for his summary financial plan by \$141 million, if you were to use the same process as they used the year before. At the same time, he rewrote last year's figures in the new document and said that the deficit for last year would only be \$1.738 billion, again just accidentally, I guess, forgetting to count the capital project expenditures of the heritage trust fund.

Mr. Speaker, if you look back on page 22, he makes a little statement that says, "As of March 31, 1989, the province has borrowed nearly \$6.6 billion for these two funds." No, that's not the statement I wanted. The next one: "The expenditure of \$141 million under the capital projects division will be financed from the heritage fund." Well, where does he think it's going to be funded from? That's where it's been funded from year in and year out, yet this year all of a sudden he thinks making that statement means he doesn't have to count it in his deficit. That is just nonsense, Mr. Speaker, and purposely geared to give a false impression of the size of the deficit of this province.

The Treasurer not only grossly underestimated just before the election the amount of deficit from last year, but in fact he has not had a very good record of estimating the deficit any of the last four years since I came into this Assembly. In 1986-87 the Treasurer estimated for that budget we passed in their first session \$2.33 billion. It turned out, Mr. Speaker, to be \$3.44 billion, almost a 50 percent mistake. In 1987-88 he said it would be \$1.93 billion. This time, fortunately, he was wrong on the right side. It was better than he thought it would be and turned out to be \$1.06 billion, again a 45 percent error in judgment. I'm glad it was on the right side that time at least. Then last year he said the deficit would be \$835 million, and it turns out to be \$1.90 billion, a mistake of 127 percent.

Now, I maintain that in December, when he put out his update, he knew it was going to be nearly \$2 billion and just wasn't willing to tell people that just before an election. The year we are now in, if he had shown it correctly -- here we're talking about the combined deficit, being the budget deficit plus the heritage trust fund expenditures. I mean, after all, we count the heritage trust fund revenues. Why shouldn't we count the heritage trust fund expenditures as part of the expenditure plans of this province? The deficit for 1989-90, even by using his own figures, should be shown at \$1.63 billion, not \$1.49 billion.

Now, Mr. Speaker, we also need to not just look at the combined deficit figure, which is what we tend to focus on at budget time, but having been on the Public Accounts Committee now for a couple of terms and having been Treasury critic prior to this session, I've come to realize that the consolidated deficit figure is also something one should take a look at. So I want to

go back and look at the last four years from the point of view of a consolidated deficit. I am going to give the combined deficit and the contrast in each case, because it sets up the numbers I need to estimate what the deficit will be at the end of this fiscal year, given the things we know up to this point.

In the 1986-87 fiscal year the combined deficit was \$3.45 billion, and that's an actual figure already recorded in public accounts. The consolidated deficit was \$4.05 billion, another \$600 million higher. The consolidated deficit includes things like some of the revolving funds, some government agencies of one kind or another, some commercial enterprises, a number of items that are not included directly in the budget, and then the heritage trust fund expenditures. In the 1987-88 fiscal year, the actual combined deficit was \$1.06 billion, but the consolidated deficit, Mr. Speaker, was \$1.39 billion, over \$300 million higher. In 1988-89 the combined deficit will be \$1.9 billion by the Treasurer's own figures. The consolidated deficit will probably therefore be \$2.3 billion. I admit that's an estimate, but I would insist that if anything, it's a little bit on the low side.

The 1989-90 year, that we are just now in: by the Treasurer's own figures, the combined deficit will be \$1.63 billion, and therefore the consolidated deficit, in my estimate, will be just over \$2 billion. Now, that means that by next March the combined deficit of this province will have accumulated in the last four years to just over \$8 billion, and the consolidated deficit will be just under \$10 billion.

Mr. Speaker, the government often talks about the heritage trust fund and how it has all this money in it and it's a great savings account and that sort of thing. So I want to turn my attention for a few minutes to the heritage trust fund and talk a little bit about what we've got there and how one should really look at it. As of December 31, 1988, the quarterly statement shows that the heritage trust fund had financial assets of \$12.443 billion. It has some deemed assets of \$2.873 billion. The government sometimes talks about us having \$15.3 billion in the heritage trust fund. Fortunately, most of the time they don't, because that would be quite misleading. The Auditor General and almost everybody agrees that you can't count the deemed assets. That's not to say that those assets aren't valuable. We are talking about things like Kananaskis park, the Walter C. Mackenzie hospital, the medical foundation, some of the dams that were built, and so on. So there are important assets included in that \$2.8 billion in the deemed assets. But as the Auditor General rightly points out, none of those assets are recoverable back to the government; therefore they cannot be counted as assets of the government.

If we go to the figure of \$12.4 billion as being the financial assets of the heritage trust fund, then you might say: "Gee, we've still got a little leeway there. We've got nearly \$12.5 billion in the heritage trust fund, in our savings account, and by next spring we're going to have this general revenue deficit of some \$10 billion, so we're still a little bit in the black." Well, Mr. Speaker, I want to examine the \$12.4 billion figure in a couple of different ways. First, I want to say that it is down from the highest value of financial assets we had, which was \$12.7 billion, on March 31, 1987. That is when the financial assets of the heritage trust fund got to their highest point. Since that time, they've been eroding slowly because we spend a certain amount of money each year on the capital projects division, and we've put no new money into the heritage trust fund since the 1987-88 fiscal year. So as well as there being fewer dollars there, those dollars are also worth less because of inflation. However, that's

not my main concern. The \$12.4 billion figure is still, on the face of it, the number we should work with.

There are a couple of reasons why that figure doesn't make a lot of sense. I'm going to first put forward a little argument that is put forward by some accountants; that is, if you borrow money out of your savings account and just put in a promissory note, an IOU, saying you're going to pay it back out of your general revenue account, that somehow you haven't touched that account, that doesn't make any sense. Accountants won't allow you to do that when you're evaluating your assets. Yet the Alberta government has done that. We have taken just over a billion dollars out of the heritage trust fund in borrowings and put in an IOU note and said: "Oh, we didn't touch the heritage trust fund because it's got that IOU note and we're good for it. We'll pay it back. Therefore, we still have \$12.4 billion in the fund." Accountants don't allow you to count that, okay?

That's not a major concern for me, because as long as you have the assets counted in the heritage trust fund, then you count a deficit on the general revenue side, so that is still telling the true picture of the province, when you look at both figures anyway. So that particular accounting problem doesn't bother me. However, the one that does bother me is that \$4.3 billion of these \$12.4 billion in financial assets are in three Crown corporations, the Alberta Mortgage and Housing Corporation, the Agricultural Development Corporation, and the Alberta Opportunity Company, which have been losing money since 1981. I don't think you can count financial assets that have been losing money since 1981 as income-earning assets. You can set up a rather silly triangle and, in a sense, cook the books all you like so that you can brag about how much money is in the heritage trust fund, but in the long run you don't have what you said you have.

Mr. Speaker, what the government has done is set up a little triangle: the general revenue account subsidizes the Crown corporations, who then pay out their obligations to the heritage trust fund, and then they brag about how much money we get out of the heritage trust fund. In the 1987-88 fiscal year the government bragged that it got \$1.35 billion from the heritage trust fund, the equivalent of a 6 percent sales tax. Well, about half a billion of that -- maybe even over half a billion; \$540 million of that, according to the numbers in the annual statement -- would have come from those three Crown corporations, which were losing money since 1981. So in truth the heritage trust fund has just over \$8 billion of income-earning assets that it makes any sense to claim are in any true sense of the word income-earning assets. So if we've got about \$8 billion in the heritage trust fund and by next spring our consolidated deficit is going to be close to \$10 billion, Mr. Speaker, it means we have already blown the heritage trust fund in this province. We've had an incredible amount of oil wealth come and go in this province, and we have very little to show for it.

Mr. Speaker, I just wanted to put those numbers on so that anybody who wants to analyze just where the province stands can read that through carefully and show me where I'm wrong, if I've made any errors, but in fact this province does not have a net asset position as of next spring in any meaningful sense of the word. I think the Auditor General will show in his public accounts for the spring of 1990, when they are finally shown, which will be sort of in the spring of 1991, that there are maybe just a few dollars left, but it will be because of the postponing of some of the debts on the debt side, related mainly to those three Crown corporations I'm talking about. That's why he will at

that stage still show perhaps \$1 billion or \$2 billion net assets by the spring of 1990.

Mr. Speaker, I wanted to make just a few comments in a slightly different vein, and then I will let somebody else get in on this debate. The Treasurer talked a lot about how the expansion and the boom of the economy that we had last year is going to carry on this year, and it'll be this great economic expansion and diversification that will pay off the deficit, that he's not going to have to increase taxes and cut programs next year. I wish I could be so optimistic. For one thing, as I was pointing out in the Economic Development and Trade debate the other day, some of the programs of the government are somewhat contradictory. For instance, they try to diversify the economy, but at the same time they go into free trade. Anybody knows that the theory behind trade is that you become more specialized, not more diversified. What you really agree is: "I won't produce product A; I'll buy it from you. But I will produce more of product B, and you'll buy that from me." That's the whole theory behind more trading. So a free trade deal is not going to diversify the Alberta economy. In fact, we've already seen how it's going to cut us out of the glass industry in Alberta, and probably down the road the whole of the Canadian industry will be taken over by foreigners.

So the diversification aspect of the government's programs is struggling along trying to maintain itself in an atmosphere where the government is turning to big multinational corporations from outside the province and to a free trade deal that is, in fact, going to do a lot of them in. So I'm not nearly so optimistic as the Treasurer that we've got the right handle on how to deal with the deficit and the economy in this province. It does not seem to be expanding as fast as it was last year, and all predictions are that it will be much slower.

One thing occurred to me when I was listening to *Venture* last night. They were interviewing a member from the former government of Quebec. He talked about how the province of Quebec had built a really solid economic base over the last 20 years and how from that solid base they could then go out into the free trade world and compete and were not worried too much about competitors from outside Quebec because they had such a good solid base to work from. Now, Mr. Speaker, the Alberta government has not built that base here, at least not with Alberta money and Alberta financing. We have tended to rely almost totally on outsiders. You think of the oil industry. It has almost always been dominated by big corporations from outside this province. Yet we seem to think that what's good for Imperial Oil is automatically good for us.

I would just say to the members opposite that it was 1986 when Imperial Oil, along with two other major corporations and the American government, talked Saudi Arabia into lowering the price of oil to \$8 a barrel. Now, that was okay for OPEC, because what they were doing was, of course, trying to shut down some of the frontier industries and some of the higher priced oil that had come on the market and was flooding the market. You might ask yourself: why would Imperial Oil want a low price for a barrel of oil in 1986? It does seem rather an extraordinary thing for them to do. But I would remind you that they laughed all the way to the bank that year with the highest profits ever. In 1986 Imperial Oil made a mint on the downstream side of the oil industry. They left the price at the pump the same, and because they had lower input costs, they made a killing along with all the other big multinationals.

What happened to the Alberta government coffers? That

was the year of our big deficit. We had a \$3.5 billion combined deficit. We had a \$4 billion consolidated deficit. We laid off 50,000 workers in the oil patch. Yet the government continues to believe that what's good for Imperial Oil is good for us. Now, Imperial Oil has their own agenda. They and the big multinationals, along with OPEC, have their own agenda. That does not always coincide with what's best for the workers in the oil patch, for the small companies in the Alberta oil patch, and that we need to learn, Mr. Speaker.

If you go back to the Quebec example for a minute, a company called Lavalin was started up by the government of Quebec. They actually talked some people into forming a company and then said, "Here, we're going to give you the contract to oversee the James Bay project." They didn't have the expertise, of course, so they had to subcontract to Bechtel. But the thing they made Bechtel do was teach those people how to do that job and to pull together the people who were then controlled by Lavalin. Lavalin has gone on to become a worldwide company in all kinds of construction all over the world and is competing fine. But you see, we don't do that in Alberta. We end up letting foreigners do it without extracting anything from them that will be permanent for us and help develop our economy and allow us then to go out and compete on a worldwide basis.

So we've gone into the free trade deal in a manner that is going to be detrimental to the long-term interests of this province. We've allowed our province to sell its resources at fire-sale prices and at the whims of the international markets with no real long-term plan of where we're going and what we're doing. Just before Christmas, Mr. Speaker, we find ourselves heading for another election, and we ad hoc give away vast tracts of land to huge Japanese forestry companies and say, "Here it is, boys; come and help yourselves," and then think we're going to gain by that. I just tell you to look back at what happened in the coal industry and see how much we gained by that.

So, Mr. Speaker, this government needs to reconsider the direction it's going economically, and it is going to have to deal with that big deficit. One way of dealing with that deficit is to bring in a fairer tax system. So far, we have not insisted that the foreigners who have been developing our oil industry pay their fair share of taxes in this province. We have given back to the oil industry an average of \$2 billion a year between 1982 and 1988.

AN HON. MEMBER: Put that in context.

MR. McEACHERN: Twelve billion dollars, Mr. Speaker, would have wiped out this deficit, yet we said, "Okay, here it is."

Yes, I should put it in context. I'll put it in the context of this. Imperial Oil in 1986 was one of the ones that helped talk Saudi Arabia into lowering the price to \$8 a barrel, and we immediately scrambled to see how many incentives we could give them to keep the oil industry of Alberta going, while they were laughing all the way to the bank. That's the context, Mr. Speaker, of being manipulated by big foreign corporations that know how to look after themselves and have a different agenda to what's in the best interest of the people of Alberta.

MR. SPEAKER: The Member for Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Speaker. I stand today be-

fore this Assembly to deliver my maiden address. I know that I've had some questions before the House, but I've . . . [some applause] Thank you. But I've not had a chance to make my maiden address. So I would beg the indulgence of this House to perhaps digress a little bit, as others have in the past.

First, Mr. Speaker I'd like to congratulate you on your election to the Chair and also on your recent marriage, a very exciting time for you. I'd also like to congratulate the Deputy Speaker and the Chairman of Committees on their appointments to their respective positions.

Mr. Speaker, I know that you were here when I first had occasion to enter this House, and that was at the swearing-in ceremony for the Liberal Party, which was held on April 20. I would just like to comment that at that time I was most deeply struck by the responsibility all 83 MLAs are given once we are elected to act as representatives of the people of our respective constituencies. I thought it was a most moving ceremony.

Mr. Speaker, I have an advantage today that other, shall we say, rookie MLAs have not had, in that I have had the opportunity to listen to other MLAs give their maiden speeches. The one that springs to mind, of course, is the Member for Banff-Cochrane describing his beautiful constituency, which is just down the road from Calgary-North West, describing the mountains and the lakes which form part of his constituency. I have to admit that I think Banff-Cochrane is probably more attractive than Calgary-North West. We've also heard the Member for Stony Plain describing the twinning of highways, the Member for Clover Bar describing his constituency, the Member for Calgary-Foothills describing her constituency, and a number of others. So given that inspiration, Mr. Speaker, given the descriptions, since I am in an urban constituency, I have written for you a traffic light by traffic light, stop sign by stop sign homily that you'll find quite fascinating, I'm sure.

Upon reflection, Mr. Speaker, I don't think that would be appropriate, so I think I'll save that for another day. My reason is very simple, aside from the fact that I don't think it's terribly important to describe that. Rather than mountains or highways or trees or even traffic lights, I'd like to talk about the reason why I'm here, and that is the people that voted for me. I think that's the important part in my constituency of Calgary-North West.

Calgary-North West, as the name suggests, is located in the very northwest corner of the city of Calgary. It's a very young constituency. There are approximately 42,000 constituents of all ages; 32,000 of those are voters: young families, small families, new people moving into the area. When you look at the people in the constituency, many of them are professional people. They have progressed beyond grade 12. They've got degrees in a great number of areas: doctors, lawyers, teachers, a great number of professional people. We also have a great number of people who have pursued business interests, Mr. Speaker, and I'll talk a little bit more about that in just a moment.

It's a young constituency. One of the advantages I had as a candidate in the last election was that many people could relate to me, both in terms of age and in terms of family relationships. My wife and I have two small preschool-age children, and as I went around door to door, there were many people who had the same kinds of concerns.

The constituency is a growing constituency, Mr. Speaker. It's located in the northwest corner, it's growing northward and westward. Homes within the constituency cover a whole range, from subsidized rental homes right through to homes that would

sell in excess of half a million dollars. The majority of them are middle-class homes, and the people who live in them are middle-class people. I would say that these people form the backbone of our society.

I know that we're here to debate the budget speech, but it comes out of the throne speech, and I would like to make a few references to the throne speech. The people of Calgary-North West, I think, would take strong exception to a statement that says "so strongly endorsed by Albertans." Mr. Speaker, I think the very fact that I am here today as opposed to the previous member for Calgary-North West, who was a government member as opposed to an opposition member, suggests that the constituents of Calgary-North West do not endorse the policies or the budget of this particular government.

This was a question I was asked many times: why am I running? I said, "Well, I'm a school teacher; I'm concerned about education." I'm concerned about health care was a second reason. A third reason was that I was concerned about small business. People in my constituency related to that, and they were concerned and voted for me to be here.

Within volume 1 of the throne speech there was a statement to the effect that the government considers education and training of our young people as our most important responsibility. Mr. Speaker, I don't think anyone in this House on either side of the Assembly would disagree with that statement. It's certainly very, very important. But I think back to the early part of the year 1980, to May, when the Calgary board of education, with whom I was employed, went on strike. This government hired an analyst to do some research into teaching conditions and conditions within schools. His name was Dr. Arthur Kratzmann. He proposed that there be only 20 students in a classroom, because he felt that 20 students was a more optimal size of class and was better for the learning of the students involved than class sizes of 30 and 32, with which I've got personal experience. He also suggested that teachers only stand in front of a classroom for 20 hours, not that they only be in school for 20 hours but that they actually only teach for 20 hours. That would give the teachers more time to keep up with curriculum and be current and so forth. We still see no indication of implementation of that program in the throne speech, nor in the budget estimates do we see allowance for that.

In the budget estimates and in the throne speech there are some interesting developments. The prospect of distance education: I would encourage the government to try and make this program more effective, Mr. Speaker. The program currently boasts a success rate of only some 15 percent, where people who enter the program actually leave the program with a high school certificate or a diploma. So it certainly needs a little more effort.

There was another statement in volume 1 of the throne speech about "more education spaces" being provided in the three major universities: an excellent idea and, I think, something certainly to be applauded. But I start to question some of the directions when I see phrases like "inner special needs" and "rural-based voluntary associations." I'm not sure what these things really mean, and the constituents of Calgary-North West are starting to question the doublespeak that's coming out of some of the government documents.

Mr. Speaker, in Calgary-North West health care is a concern, and this relates directly to the budget. In the budget estimates we see spending of approximately \$3 billion for health care. My constituents are saying: why are we spending so much

money on health care? Three billion dollars is a lot of money. The constituents of Calgary-North West are also concerned about the Foothills hospital, which, although it's not within my constituency, services my constituents. They're concerned that there seems to be a reduction in the number of beds general practitioners are allowed to use for admitting patients.

The third area of concern was the development of small business, and I understand now we're going to see some new programs being implemented. One of them that was mentioned earlier today is the small business interest shielding program. Well, when I talk to people in the banks, they say that currently you can get a loan at about 15 percent, and the small business interest shielding program will only protect people above 14 percent. So a 1 percent differential is almost inconsequential. If the interest rates continue to fall, as they have done recently, the differential will be nonexistent and the program will have absolutely no impact. Although that, on the face of it, may be negative, I would suggest that if the Tories could find other programs that are similarly successful in controlling expenditures, being that there would be no expenditure, perhaps they could finally get the deficit under control.

In the throne speech, volume 1 and volume 2, we see a goal to quadruple the tourism industry by the year 2000 from \$2.5 billion to \$10 billion. That's a scant 10 years away, Mr. Speaker. It's a noble goal. It would create jobs; it would diversify the economy, provide leisure activities for the people of the province. I think that certainly it's an excellent concept, but if we look at the budget estimates, they are going to reduce the spending in Tourism by almost 4 percent. Now, it doesn't seem to make a lot of sense to me that if you're going to promote something, you cut the spending on it. It seems to be working counterproductively. So if this is in fact a goal, I would encourage the government to put their money where their mouth is, so to speak, and let's work on this a little bit better.

I'm concerned that tourism developments are environmentally sound. A perfect example of that is the proposal that was put forth by Mr. Scurfield, the Sunshine expansion proposal, which initially looked good but once analyzed by Parks Canada officials was in fact denounced as being environmentally unsound. So I think what we need to do, Mr. Speaker, is be concerned that tourism developments are in fact environmentally sound, and let's work on increasing them.

On the topic of the environment, I think we must consider some of the debate we've heard about proposed developments or implementation of developments in the forest industry. The statement in the throne speech that is the most remarkable of all is "the explosion" -- and that's the word used -- "of investment in the forest industry." Given the federal government's reaction to our environmental assessment process, I think there may in fact be an explosion, but unfortunately it might be in someone's face. The new pulp mill standards supposedly take into account the latest technology, yet the federal government is not very laudatory of them. So one must start to wonder about that.

In the budget, related to environmental assessments, we see an increase of 6 percent for environmental impact assessment studies. I applaud that move, Mr. Speaker. I think it's an excellent step in the right direction. But when we look at the total dollars, it's only \$4.5 million being proposed to be spent for environmental impact assessments for this next year, and that is to cover a study that will cover almost the entire northern portion of the province. I would suggest that a really responsible government would put more money and more time into studying the

environmental impact assessment process and making sure we know what's going to happen before those developments occur.

Another one of the areas which I have been assigned as a critic is Technology, Research and Telecommunications. Both throne speeches, Mr. Speaker, talk about "stimulating economic growth and diversification through advanced technologies." That is something I can applaud and agree with. The Department of Technology, Research and Telecommunications, however, has been cut by 13 percent. Again, how do we propose to improve the development of something if we're actually cutting it? So we need to be aware of those kinds of things. If we're going to develop something, we have to develop it, I think, with some actual dollars.

There's a statement, Mr. Speaker, that most puzzled me. It says in throne speech, volume 2, that the government wishes "to improve our quality of life through modern conveniences." Now, as I went around the constituency of Calgary-North West, I noticed that most homes had telephones, and I assume many of them already had flush toilets, so I'm wondering what kind of modern conveniences they're talking about here. I think what we need, rather than cotton candy, which people of Calgary-North West don't buy at the Calgary Stampede and they're not going to buy in a throne speech, is some hard evidence of what they mean by modern conveniences.

Mr. Speaker, diversification of the economy has been mentioned on a number of occasions, and I would certainly endorse that we maintain the concept of diversifying the economy. There have been many comments in the House about a glass plant in Redcliff closing down. Now, I'm very concerned about that glass plant closing, as you're no doubt aware. Not only is it of concern with respect to the number of jobs that will be lost, but also it is of concern because it represents in a single plant the entire industry of glass recycling. So I would suggest that

we need to put dollars into diversification of the economy, and we need to put our backs into it.

There's a statement in volume 1 of the throne speech, which I guess we're still endorsing here, that says they "will assist the greenhouse industry to improve productivity." Well, Mr. Speaker, given the government's track record in terms of financial management, perhaps I could suggest to them: I understand there's a greenhouse in Newfoundland which might be purchased at a reasonable price. Rather than looking back, we need to look ahead into other areas.

Mr. Speaker, I still have a number of comments which I would like to make, but given the hour, perhaps I could move at this point that we adjourn debate to another time.

MR. SPEAKER: Having heard the motion by the Member for Calgary-North West those in favour, please say aye.

HON. MEMBERS: Aye.

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

MR. GOGO: Mr. Speaker, I move that when members assemble tonight, they do so as the Committee of Supply.

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

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed? The motion carries.

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

