

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Friday, June 30, 1989 10:00 a.m.**
 Date: 89/06/30

[The House met at 10 a.m.]

[Mr. Speaker in the Chair]

PRAYERS

MR. SPEAKER: Let us pray.

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

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

Amen.

head: PRESENTING PETITIONS

MR. FISCHER: Thank you. I wish to file three petitions, one from the 19 members of the Provost Lions Club, the second one is from 23 members of the Provost Lioness Club, and the third is 14 members of the United Church. They feel that the Alberta taxpayer should no longer be keeping Charles Ng; therefore wish to have him extradited to the United States as soon as possible.

head: INTRODUCTION OF BILLS**Bill Pr. 6****Calgary Research and Development Authority Act, 1989**

MR. NELSON: Mr. Speaker, I request leave to introduce Bill Pr. 6.

The Bill will clarify the charitable objects of the foundation and provide for the indemnification of its officers when carrying out their duties.

[Leave granted; Bill Pr. 6 read a first time]

Bill Pr. 7**Calgary Foundation Amendment Act, 1989**

MR. NELSON: Mr. Speaker, I request leave to introduce Bill Pr. 7, the Calgary Foundation Amendment Act, 1989.

Mr. Speaker, the Bill will effect a number of amendments to the constitution and administration of the authority and consolidate amendments passed in 1986 to give the authority a new Act.

[Leave granted; Bill Pr. 7 read a first time]

MR. SPEAKER: Member for Edmonton-Jasper Place.

Bill Pr. 11**Tammy Lynn Proctor Adoption Act**

MR. McINNIS: Thank you, Mr. Speaker. I request leave to

introduce a Bill, being the Tammy Lynn Proctor Adoption Act.

The purpose of the Bill, Mr. Speaker, is to provide for the adoption of an adult by her stepmother and her stepfather.

[Leave granted; Bill Pr. 11 read a first time]

MR. HORSMAN: Could I have the leave of the Assembly to revert to Introduction of Visitors to introduce a special guest in the Speaker's gallery?

MR. SPEAKER: All those in favour of the motion by the Deputy Premier please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed? Carried. Thank you.

head: INTRODUCTION OF VISITORS

MR. HORSMAN: Mr. Speaker, I'm pleased to introduce to you and through you to the members of this Assembly His Excellency James Charles Humphrey, high commissioner of Australia, who is visiting us in Alberta today. This is his first visit, having just assumed his responsibilities on behalf of our sister Commonwealth country a short while ago. I would ask him to rise and receive the warm welcome of this Assembly.

head: TABLING RETURNS AND REPORTS

MR. OLDING: Mr. Speaker, I wish to table the 1987-88 annual report of my department.

MR. SPEAKER: Member for Edmonton-Highlands.

head: INTRODUCTION OF SPECIAL GUESTS

MS BARRETT: Thank you, Mr. Speaker. It's a pleasure for me to introduce to you and members of this Assembly this morning 10 members of the English as a Second Language class. They're in the public gallery. They're accompanied by teacher Joan Farhall. I'd ask them to rise and receive the warm welcome of the Assembly.

MR. SPEAKER: Member for Edmonton-Centre.

REV. ROBERTS: Thank you, Mr. Speaker. I'd like to introduce to members of the Assembly 25 students from the Alberta Vocational Centre, who are visiting with us this morning with their teachers Stella Gammie, Bonnie Kupina, and Trish Leske. I'd ask that they please rise and receive a good Friday morning welcome from members of the Assembly.

head: ORAL QUESTION PERIOD**Support for Low-Income Women**

MR. MARTIN: Mr. Speaker, to the Premier. We hear this government crowing about a so-called vibrant economy, but the reality is that for many people more and more are falling, falling below the welfare trap, below the poverty level, and they're not

sharing in this so-called vibrant economy. This problem of poverty is especially severe for women. Fifty percent of Alberta's single-parent families headed by women live in poverty. They're not all on social allowance. We have thousands of working poor, most of them women in this province. My question to the Premier is: what is the Premier prepared to do, something concrete, to solve this growing problem, especially for women of the working poor, rather than holding conferences and talking about the family?

MR. GETTY: Well, Mr. Speaker, the government, of course, has been working on this matter very vigorously over the past three to four years. I should only point out to the hon. member that during that period of time this government has, in helping those in lower income status in Alberta, removed some 500,000 Albertans from paying income tax or has reduced their income taxes dramatically. Also, the government has helped those on lower income through the subsidies for their health care, the subsidies for their housing, the subsidy for their day care. And the government has assisted them to acquire training and then be able to upgrade their jobs and their income. In fact, this government has . . . [interjection] Now, listen, Mr. Speaker, I would draw to your attention that the hon. member's asked a question, and then the Member for Edmonton-Kingsway starts to prevent people from answering it.

I notice the hon. members have introduced some people today from schools. I would expect that when schoolchildren are here, they would conduct themselves with some kind of decorum, try and set an example. After all, they are not just children over there themselves. They should act like adults.

MR. MARTIN: Mr. Speaker, if the Premier doesn't want to answer questions, stop wasting the taxpayers' time. People want to know the answers to these serious questions.

Mr. Speaker, to the Minister of Family and Social Services, who wants suggestions. In our own civil service here in this province a starting clerk, a junior clerk, in the public service earns wages 20 percent below the poverty level and 30 percent for women with three kids: poverty in our own civil service. Is this minister, who wants a suggestion, now prepared to lobby his colleagues for a pay equity system in this province right now?

MR. TAYLOR: Give us a lecture on setting an example.

MR. SPEAKER: Thank you. We don't need Westlock-Sturgeon just yet. You're about 10th in the question period.

MR. OLDRING: Mr. Speaker, I think it would be helpful if I took the time to define what it is when we talk about the poverty line, because the members opposite would have us believe that if someone was living below the poverty line, they were lying frail on the streets and starving to death. The poverty line is defined, as I understand it, when 70 percent of your income is being spent on those essential necessities, being shelter, clothing, and food. Yes, there are a considerable number of Canadians who fall below the poverty line, based on that criteria.

Mr. Speaker, I think that the Premier outlined very effectively -- and I know that the members opposite didn't like to listen to it -- some of the things that this government has done in the past to address that problem. I should also say that the trend

indicates, fortunately, that the poverty rate is starting to decline, particularly in this province.

MR. MARTIN: Mr. Speaker, that's an absolute fib to this Legislature. We've talked about this. What a callous attitude.

I'm going to move over to the minister responsible for women, who at least should care about poverty with women. My question to this minister. Is she prepared to lobby her colleagues to at least deal with the civil service and start to bring in a pay equity program and deal with these problems seriously, Mr. Speaker?

MS MCCOY: Mr. Speaker, there's no question that we're concerned on this side of the House as well as other sides of the House and, indeed, in all Alberta with those women and men who are unfortunate enough not to be earning sufficient to support themselves. We have a number of programs to help people of that nature. When we're talking about pay equity, however, that is not necessarily the solution or the only solution. Pay equity would not solve the poverty problem. Pay equity won't even solve the wage gap. It is a quick fix, band-aid solution that has been bandied about by some who are interested in making politics on this subject. There is evidence to how and studies to show that of the wage gap, for example, only 5 percent of that is caused by discrimination. Pay equity is addressed solely to the question of systemic gender discrimination in an organization's relative pay scales.

Let me talk for one moment, Mr. Speaker, to the question of the civil service pay scales. In this civil service we have identified that the people who are at the low end of our scales by and large are in what we call the administrative support series. In that series you'll find clerks; you'll find secretaries; you'll find a number of administrative type jobs. We have taken initiative in that area in order to reclassify those, and in doing so, we will in fact be consolidating the classes so that there is a clear career path from entry level up to the top level and then across, with opportunities for people to improve themselves and get into even higher paying jobs. In doing so . . .

MR. SPEAKER: Thank you, hon. minister. That's sufficient.
Second main question, Leader of the Opposition.

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

Families on Social Assistance

MS MJOLSNES: Mr. Speaker, yesterday in this Assembly the Minister of Family and Social Services stated that his government will continue to make sure that the needs of individuals on social assistance will be met "as it relates to food, shelter, clothing." Last December the Department of Consumer and Corporate Affairs released figures outlining the costs of feeding and clothing children. To the Minister of Family and Social Services. Given that the amounts set out show that in some cases his department is only providing 70 percent of the basic required levels, how can this minister claim that the basic needs of children on social assistance are being met?

MR. OLDRING: Mr. Speaker, I've said on many occasions in this House that this government will continue, first of all, to monitor our support for those families that find themselves in an

unfortunate situation and find themselves on social allowance. We're going to continue to make sure that those essential needs are being met, being clothing, shelter, food, medical, dental, and optometric. We've met those needs clearly in the past, we have budgeted this year some \$660 million to meet those needs again, and we will continue to do that.

MS MJOLSNESS: Mr. Speaker, this report has been out since December, and the needs are not being met. I've asked the minister: how can this minister justify forcing these children on social assistance to survive on only 70 percent of what they require?

MR. OLDRING: Well, Mr. Speaker, I'm not sure what statistics or numbers that member is pulling out of the air, but again it's something that we watch very closely. We're very sensitive to it, and we are going to make sure, particularly, that the needs of the children in this province that are on social allowance are being met, and we'll continue to do that.

MS MJOLSNESS: Thank you, Mr. Speaker. This report is done by this minister's own government, and I would say: will this minister act immediately, increase the rates, and show that he truly supports children and their families?

MR. OLDRING: Mr. Speaker, I've answered that question two times already. Again I will underscore this government's commitment to making sure that Albertans who need our help are going to continue to receive our help and support.

Senatorial Selection Act

MR. DECORE: Mr. Speaker, in February the government introduced its flagship Bill, the Senatorial Selection Act. Much bravado came from the government when that was done. After the election the government talked about having the elections held at the same time that municipal elections were to be held, in October. Since then we have waited, and we have waited, and we have waited. We've had some minor tinkering with the Bill but nothing that would justify the delay we're now seeing. There's been ample opportunity for the Deputy Premier to bring forward the Bill for second reading, but it now appears that it's not probable that this Bill will be dealt with during this session. My question to the Deputy Premier is this: is the minister aware of how suspicious and phony it now appears that while he uses puffery to show support for Senate elections, he drags his feet on the matter, making it less likely that this session will deal with the Bill?

MR. HORSMAN: Mr. Speaker, talk about puffery and phony. I guess it's because the hon. Member for Edmonton-Glengarry is so new to the House that he doesn't understand the process, that he doesn't realize that when the Bill was brought forward for first reading, as it was this week -- where was he? I thought he was in the House. Doesn't he know? I thought he was a lawyer. I thought he knew these things. He went around the province saying he knew everything during the election campaign, and he comes in this House and demonstrates complete ignorance of the parliamentary process. I am just surprised.

MR. DECORE: Mr. Speaker, forget the shenanigans. Mr. Deputy Premier, when will you bring it down for second read-

ing? When will you do it?

MR. HORSMAN: Well, I do want to be kind to new members. I perhaps was unkind in my opening comments, because we must take some people and lead them by the hand through the parliamentary process, and it's obvious that the Liberal leader is in that category. In due course, Mr. Speaker, we will come to second reading with the Bill, and I look forward to support from all hon. members of the Assembly.

MR. DECORE: Mr. Speaker, I'd like to ask this of the Premier. Isn't the real reason for the delay in bringing forward second reading because you've had pressure brought to bear on you from your Conservative pals in Ottawa, who don't want this Bill to come forward?

MR. HORSMAN: Mr. Speaker, as the minister responsible . . . [interjections]

MR. SPEAKER: Order please. I know it must be Friday, and I know it must be before a long break.

Deputy Premier, please.

MR. HORSMAN: As the minister responsible for the Bill, I can assure all hon. members of the Assembly that when a Bill of this importance is brought forward at a reasonable time in the course of the legislative session, it is the intention of the government to proceed with it. Whether the hon. leader of the Liberal Party knows his way around here yet or not is questionable, but I can assure the members of the Assembly that it is the intention to bring the Bill forward for second reading, further debate. Then we take it to committee, and then we take it to third reading, and then it receives Royal Assent. So if the hon. member, the leader of . . .

MR. SPEAKER: Thank you; thank you; thank you.

And now along the same line, we will go on with question period. Olds-Didsbury, please.

Family Support Strategies

MR. BRASSARD: Thank you, Mr. Speaker. We all recognize the changing structure of the family, and our Premier in estimates last night highlighted Alberta's leading role in this recognition. Many of the social problems that we face today were at one time looked after by the church or the community at large, yet these same difficulties are being placed at the door of government for solution. To the Premier. Could he tell us what discussion took place with the other western provinces over this ever increasingly complex problem?

MR. GETTY: Mr. Speaker, I was extremely pleased that in a short period of time the government of Alberta has been able to highlight the importance of this foundation unit in our society and bring it to the attention of other governments and be able, in a short period of time, to have it as an agenda item at a Western Premiers' Conference -- and it will be moving to the annual Premiers' Conference -- and be able to have all the members of the Western Premiers' Conference endorse the leadership that Alberta is showing here and make a commitment as in communiqué 6, Strengthening the Family. Because they realize, as we realize, that with the pressures now existing in our society,

there are so many areas in which a government cannot provide all the answers, that members of our society must again turn to a foundation they can count on: the community, the church, and the family. I'm extremely pleased that my colleagues the Premiers of western Canada have endorsed Alberta's leadership, have expressed an endorsement of our Family Day, and recognize the importance that emphasizing the family will have in dealing with matters of social concern in the coming months and years.

MR. BRASSARD: Mr. Speaker, then could the Premier tell us what specifics were developed, if any, with these provinces for long-term solutions or even recognition of some of the problems encountered by these families?

MR. GETTY: Mr. Speaker, of course they have pulled together into a National Symposium on the Family in July in Saskatchewan. This is going to be supported by our government and of course attended, and all of the governments in Canada will be participating. As well, a focus such as Alberta is bringing to this issue through our Department of Family and Social Services and the creation by law of a Family Day, which should lead to a family week of celebration and attention in this province, but more than that, an awareness that sometimes eager governments wanting to help bring dollars, bring huge bureaucracies and huge budgets, can sometimes elbow out the family members, volunteers, community service people who can provide these services in pulling together, are the stresses in our social life these days. The family, I believe, is going to be the key in achieving this.

MR. SPEAKER: Final supplementary, Olds-Didsbury, followed by Vegreville.

MR. BRASSARD: Yes, Mr. Speaker. Recognizing all that the Premier has said, will he commit this government to take a leadership role at that symposium in Regina in July?

MR. GETTY: Yes, Mr. Speaker. I will; I do. Our government will be providing both funds and support from attendance. Our Minister of Family and Social Services may want to add to my answer, because he will be attending that conference.

MR. SPEAKER: Vegreville, followed by Edmonton-Gold Bar, then Bow Valley.

Loans and Loan Guarantees to Peter Pocklington

MR. FOX: Thank you, Mr. Speaker. I'd like to thank the Premier for helping to cure my insomnia.

Mr. Speaker, Albertans care about job creation and economic diversification in their province, and they're understandably concerned about this government handing out millions of dollars of taxpayers' money to Peter Pocklington to build a plant that isn't being built. They deserve to know what secret deals are being made or broken behind closed doors. Albertans have the right to expect answers and deserve better than what they got yesterday from the Minister of Agriculture, who said: "I'm not prepared to share with the House any discussions I've had with any processors in the province." My question to the Minister of Agriculture. Given his statement yesterday that there's sufficient hog slaughter capacity in the province at this time, what advice is he giving to his colleague the minister of economic

development about the \$6 million they've already spent to build a hog slaughter plant in southern Alberta? To build or not to build?

MR. ISLEY: Mr. Speaker, I tried to make it clear to the hon. member yesterday that the Department of Agriculture is not involved in any loans or loan guarantees with relation to these plants. I did indicate to the House, as the Member for Vegreville very well knows, that at this point in time all hogs that are produced in this province are slaughtered in this province with the exception of very few that cross the line into the United States. I did also indicate that I agreed that there was a need for further processing capacity in the province, and as the hog industry grows, there will undoubtedly be a need for new kill capacity.

MR. FOX: Well, if there's sufficient hog slaughter capacity now and there was a year ago, whose brilliant idea was it to commit \$67 million of taxpayers' money to Mr. Pocklington in light of these facilities?

MR. ISLEY: I believe I also indicated to the hon. member and to the House yesterday that there's an ongoing rationalization in that industry and that plants do become old, plants do become outdated, plants do need replacement, and I believe I also indicated that where that replacement occurred to a large extent depends upon the private sector, which responds to the agricultural demands.

MR. FOX: Well, the private sector with public money.

To the minister of economic development How does the minister justify his statement in the House on June 28 that this money is "to protect the some 1,200 jobs that are presently in existence within the Gainers organization," when the original announcement says that the projects are expected to create jobs in Alberta?

MR. ELZINGA: Mr. Speaker, it's important that one review the record as to when this loan guarantee was offered, and we underscore the words "loan" and "loan guarantee." Nothing has been given, and it's important, too, when we recognize the interest rate is 9.6 percent, plus a fee is charged which is higher than the money we do offer to the small business community through our small business assistance program and higher than the money that we do offer to our farming population.

It's also important that we review the record, Mr. Speaker, because when this loan guarantee was announced, it had the support of the president of the union at that time, and he indicated that this, contrary to what the New Democratic Party is saying, will secure and create jobs. It had the endorsement of both the union, recognizing the importance of jobs in the Edmonton area, contrary to the concern expressed by the hon. member, plus the endorsement of the pork producers themselves within the province of Alberta, recognizing the contribution it will make to their economic well-being.

MR. SPEAKER: Edmonton-Gold Bar.

MR. FOX: What's been done?

MR. SPEAKER: Edmonton-Gold Bar, not Vegreville, thank you very much.

Conflict of Interest Guidelines

MRS. HEWES: Mr. Speaker, earlier this month in a provincial courthouse in St. Paul the Sandy C Ranch Christian Counselling Society and two of its directors were found guilty of defrauding the government of Alberta of over \$100,000 in grant moneys. During the course of that trial some rather disturbing questions were raised about the role of the Member for Bonnyville, who was also minister of manpower, including the suggestion that he personally intervened to ensure that the Sandy C Ranch received funding assistance for a second time from the department of manpower. This happened after his own department officials had rejected the second application. My questions are to the Premier. Does the Premier not believe that a minister who intervenes to support an application from an organization on which he sat as an honorary director and to whom his department is providing funding is in a clear conflict of interest?

MR. GETTY: Mr. Speaker, the hon. member, of course, is raising a matter for which I do not have the details at my fingertips, so I would take the time, because of respect for the hon. member, to review the matter. I must say, though, to the hon. member that all of us are governed as to conflict of interest by certain matters and the Legislative Assembly Act. We as ministers of the Crown are responsible in certain ways as well to file disclosure of interest statements, any public companies, any proprietorships, any partnerships, family involvements. So, Mr. Speaker, I wonder if the hon. member is trying to cast a web here of some kind, and with innuendo that doesn't really do credit to this Legislative Assembly.

MRS. HEWES: Mr. Speaker, heaven forbid. I'm trying to restore some confidence here. I'm relieved to hear that the Premier has indicated he will investigate the matter. Will he undertake to the House to investigate the matter fully to determine the extent of the involvement of the Member for Bonnyville and to provide a full report to this House on the issue?

MR. GETTY: Mr. Speaker, I'll do what I said in my original answer.

MRS. HEWES: It doesn't sound as though we're going to see the reply. Mr. Speaker, again to the Premier. Will the Premier then undertake to review those conflict of interest guidelines that he spoke about to ensure that in fact an arm's-length relationship does exist when public money is being expended? Members of this House should be seen to be above this kind of action.

MR. GETTY: Mr. Speaker, I did touch on the conflict of interest guidelines, the Legislative Assembly Act which was passed by this House. But the member raises an important issue, and I will definitely -- as we should always from time to time -- review the guidelines. I in my responsibility as chairman of Executive Council do that from time to time. I believe it's appropriate to say to the hon. member that I will conduct a further review to make sure that our conflict of interest guidelines are always as up to date and as reflecting current modes of society as possible. I will make that review, and hopefully if there are improvements that can be made, we'll make them.

MR. SPEAKER: Thank you.

Bow Valley, followed by Edmonton-Belmont.

Enhancing the Quality of Rural Life

MR. MUSGROVE: Thank you, Mr. Speaker. My question is to the Premier. It is concerned with the Western Premiers' Conference, on enhancing the quality of rural life. Now, if I could be permitted to read a part of a paragraph from communiqué 5, it says:

Provincial strategies should aim at providing opportunities for local communities to work with provincial governments to define their respective roles in promoting regionally-based economic and social development

My question is: does this mean that in the future government agencies and Crown corporations will be moved into rural centres?

MR. GETTY: Yes, Mr. Speaker, that is something that we are always looking at and attempting to do. As a matter of fact, not just Crown agencies and government operations, but when there are projects that are coming to our government seeking provincial approval, in many cases we ensure that the corporations that are developing projects take a very good look and indeed are urged to locate throughout the province. One exceptional example of this is the petrochemical development -- I'm talking now in the area of the private sector -- that is taking place in the central Alberta area that without the government's urging would have all located in one spot in this province. That type of thing is an ongoing policy of the government of decentralizing opportunities throughout Alberta.

I must say to the hon. member that I am extremely pleased that another issue that the government of Alberta feels so strongly about -- that is, enhancing the quality of rural life -- has received such strong endorsement from the western Premiers.

MR. MUSGROVE: Mr. Speaker, the western Premiers are going to share their information and their success on their efforts to improve the quality of rural life and to ensure that westerners who live outside of major cities enjoy the same economic and social benefits as those who live in large urban centres. Does this mean that we will be working to improve the infrastructure in rural communities to accommodate this movement?

MR. GETTY: Yes, Mr. Speaker. The reason we are having this consultation process amongst the governments is that we don't have all the successful examples. Therefore, if our colleagues in British Columbia, Saskatchewan, or Manitoba have additional ways of supporting the quality of life in our smaller communities, then by exchanging views, we'll be able to move more quickly and more effectively in this area. There's no question that such things as the paving of the secondary highway system, providing a quality of life, access, transportation in smaller centres; distance education: those types of things as well, Mr. Speaker, are all important initiatives that we must follow up on.

MR. SPEAKER: Final supplementary.

MR. MUSGROVE: Thank you, Mr. Speaker. Looking at the economic side of it, would the Premier indicate whether this would cost the province money? Or would it save the province money to at least have our Crown corporations and government agencies outside of the major cities?

MR. GETTY: That's a tougher judgment. Obviously, Mr. Speaker, everybody will have to in a way make their own assessment of that. But there's no question in my mind that in our Agricultural Development Corporation, which operates from Camrose, our Alberta Opportunity Company, that operates from Ponoka, and other government institutions that are spread throughout the province, the employees always make a point of pointing out the quality of life. The difference of life in smaller centres is something they tremendously enjoy and in fact allows them to perhaps get a level of service, a level of efficiency, far greater than that experienced in the larger cities.

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

Armed Forces Cutbacks

MR. SIGURDSON: Thank you. My questions are directed to the Minister of Federal and Intergovernmental Affairs. Mr. Speaker, while governments in Prince Edward Island and Manitoba have been very concerned and indeed very vocal about job loss as it relates to the federal government's decision to close or reduce in size the military bases in Canada, this government, true to form, has been reluctant to criticize their Conservative cousins in Ottawa. Hundreds of jobs and perhaps millions of dollars are going to be taken out of the economy of central Alberta. I would ask the Minister of Federal and Intergovernmental Affairs to advise the Assembly what interventions have been made in the attempt to save jobs at CFB Penhold.

MR. HORSMAN: Mr. Speaker, the question's rather surprising coming from the NDP. I thought they wanted to close all the military bases in Canada.

MR. FOX: Oh, nonsense.

AN HON. MEMBER: That's right.

MR. SPEAKER: Order please.

MR. HORSMAN: That's what we've been hearing from the hon. Member for Edmonton-Avonmore.

MR. MARTIN: Want to bring them back from Europe to here.

AN HON. MEMBER: It's the chemical warfare . . .

MR. HORSMAN: That's right. Yes. Close them all. Get rid of our national defence entirely and just be there laying ready and willing to be taken over by anybody.

MR. MARTIN: Come on; answer the question.

MR. SPEAKER: Order please.

MR. HORSMAN: The fact of the matter is that in the overall, the budget presented by the government of Canada relative to military expenditure has increased substantially in Alberta. It's regrettable that part of the defence budget had to result in the downsizing of the Penhold facility. But overall within Alberta there's a substantial increase in the defence expenditure and in the number of personnel who will be located here, particularly at

Canadian Forces Base Namao and in Edmonton. So it's surprising to me that this question could come from a member from Edmonton, which will benefit from the budget in a very substantial way.

MR. SIGURDSON: Mr. Speaker, the decision of the federal government has nothing to do with disarmament; it has everything to do with . . .

MR. SPEAKER: The supplementary question, please.

MR. SIGURDSON: Yes. Thank you, Mr. Speaker. To the Premier. The workers at CFB Penhold have requested a meeting with the Premier, and the response from his office has been that time permitting, there might be a meeting. I'm wondering if the Premier is concerned enough about the quality of life in small town Alberta and about the loss of 250 jobs to advise this Assembly that he will meet with the president of the union of national defence workers.

MR. GETTY: Mr. Speaker, it's a policy of mine to meet as soon as I can -- and the member may say, "Time permitting"; obviously that's one of the factors -- with anybody who requests a meeting with me. I must say that the hon. member should be aware that there are members of the Legislature representing the area who are meeting with the affected people, as the hon. Minister of Family and Social Services has held meetings with the groups involved. I will meet with the people who asked me for meetings. I'm not familiar with the particular request; it hasn't worked its way to my desk, if it's been in fact made. But I meet with everybody who asks for a meeting, Mr. Speaker, as quickly as I can.

MR. SPEAKER: Final.

MR. SIGURDSON: Thank you, Mr. Speaker. Given that members in the surrounding area have said that they're waiting for a plan before they will intervene with the federal government, I'm wondering what specific plans this government has to assist workers who face layoff and potential long-term unemployment.

MR. HORSMAN: That question might best be addressed to the Minister of Career Development and Employment, who works together with the federal government to address displaced workers as a result of decisions made either in the private sector or by government. There has been a very successful program instituted between Canada Manpower and Career Development and Employment to establish adjustment committees. Those, I would assume, would be considered for the Penhold situation. Perhaps the hon. minister would like to supplement the answer.

MRS. OSTERMAN: Well, Mr. Speaker, the Minister of Federal and Intergovernmental Affairs has accurately described our adjustment committees, and certainly with the appropriate contact and timing such a committee would be set up, especially if it were requested by the workers in the area.

MR. SPEAKER: Member for Westlock-Sturgeon.

Education of Native People

MR. TAYLOR: Thank you, Mr. Speaker. My question is to the

Minister of Advanced Education. In view of the fact that the federal government has announced that they're going to cap or cut down funds put into native education, in spite of the fact that this quite clearly means they're copping out of the legal agreement they signed with the natives many years ago to educate them up to the standard to compete and make their living in the marketplace, and given also that StatsCan figures show that the average amount of money given to a native in postgraduate education was \$35,000 and also show that the average lifetime welfare paid to a native is \$300,000 -- the cost of both paid out and administration -- clearly then there's a tremendous economic advantage to making sure the federal government honours their commitment. My question then to the minister is: in view of the tremendous cost that will fall back onto the provincial government if the federal government does not go through with educating all those that wish to have a postsecondary education and the consequent fallout in our cities, has the minister made a representation to the federal government asking them to keep their commitment on postsecondary education for natives?

MR. GOGO: Mr. Speaker, clearly this government has set education as the number one priority for all citizens of this province. The policy of the government of Alberta, as the hon. member may be aware, is not to fund postsecondary education in areas where the government of Canada has sole responsibility, and that's on reservations. This government is strongly supportive, however, of the commitments of the government of Canada dealing with the native people, and that is funding the students and programs in their own jurisdiction; i.e., the reservations.

MR. TAYLOR: Mr. Speaker, though, in view of the fact that you've said you're a strong supporter, I still would like to hear an answer to whether or not you've made a presentation to the federal government. Has the minister, for instance, made any sort of an estimate on what the cost will be to Albertans if the federal government goes ahead with their plans in cutting back the funding of postsecondary education for our native population? What will we be required to dig out of our pockets to make up to the federal government?

MR. SPEAKER: Thank you.

MR. GOGO: Well, Mr. Speaker, perhaps I was not abundantly clear. When the situation developed with regard to post secondary education and reservations, the government of the province of Alberta, through Advanced Education, offered to become involved in that process. This government was told, perhaps not so politely, by both the government of Canada and the native people of Alberta to stay out of the issue. It was an issue between the native people and the government of Canada.

MR. TAYLOR: Mr. Speaker, this is what we always suspected. When the federal government tells you to butt out, you butt out. The natives want you in there fighting for them. We want you in there fighting for them. Can he give a reason why he took the federal advice to tuck his tail between his legs and take off? Why didn't he fight back?

MR. GOGO: Mr. Speaker, the hon. Member for Westlock-Sturgeon is talking about my predecessor. Unfortunately, he's not here to defend himself. The hon. member obviously can't

hear. I just stated, and I say again for the hon. member, that the native people of this province -- and they're the people this government's concerned about -- had asked Alberta not to become involved in the issue between the native people -- treaty Indians -- and the government of Canada. This government obeyed their wishes.

Metis Employment Initiatives

MR. CARDINAL: Mr. Speaker, my question is directed to the hon. Premier of Alberta. For generations now the Metis people of Alberta have been struggling socially and economically. This really shows up in my riding, because I have a riding that has 95 percent of my constituents that are on welfare of Metis origin.

REV. ROBERTS: The legacy of Tory governments.

MR. CARDINAL: In fact, if we listen to the socialist policies of the opposition, more of them will be on welfare.

MR. TAYLOR: The government says you're not interested.

REV. ROBERTS: They've been in government 15 years.

AN HON. MEMBER: No, for 18 years.

MR. SPEAKER: Order please. Order. Let's have a little more courteous reception of the House, please.

MR. CARDINAL: The Metis people from that constituency are ready for a change, and we deserve it. My question to the Premier is: what action is he taking to address this serious issue?

MR. GETTY: It's interesting that the hon. members first started to interfere with the answers to questions, now are trying to prevent an hon. member from even asking the question. They ought to be ashamed of themselves. The member is representing his constituents, and he has every right to ask the question. I should say, Mr. Speaker, that the hon. member is doing it very effectively in the House. I congratulate him.

Mr. Speaker, I am looking forward to meeting with the members of the Metis settlements federation tomorrow on their 50th anniversary, to sign with them in Kikino an historic accord. We would be able to sign it in principle, which will set out a procedure for these very proud Albertans to move to a position of independence and full involvement in the future growth, both economic and social, in Alberta.

MR. CARDINAL: My second question to the Premier is: what action has he taken to address the issue of the balance of the Metis people of Alberta? That number's, I believe, over 40,000 now.

MR. GETTY: Mr. Speaker, through the guidance and assistance of the hon. Attorney General we have been able to put in place a framework agreement which will allow the Metis people who are not involved with living on the settlements to also work with the government in a very co-ordinated, co-operative way to bring themselves as well -- they have the initiative, and we will provide the assistance and the co-ordination to allow them to also play a greater and greater role and become an independent, healthy part of a growing Alberta.

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.

Athabasca-Lac La Biche, final supplementary.

MR. CARDINAL: My final question to the hon. Premier, Mr. Speaker, is: will the Premier assure this Assembly that he will continue with his plans on economic diversification for this province so we can get these people off welfare, the jobs the opposition doesn't want?

MR. GETTY: There's no question, Mr. Speaker, that when you assist people to reach a certain level of participation in society, as we've talked about before in this Assembly, you must help and guide. But at some point as the training concludes and the independence has been gained, there must be a very key thing, and that is jobs and opportunities. This government has been working very hard, particularly in the areas that the hon. member so effectively represents and other parts of northern Alberta, to make sure there are stable, long-term, exciting job opportunities for the people of northern Alberta. I would urge all hon. members in the Legislature to support these initiatives because they allow a new hope, a new excitement, and a new opportunity for strength and growth in the northern part of our province.

ORDERS OF THE DAY

head: COMMITTEE OF SUPPLY

[Mr. Jonson in the Chair]

MR. DEPUTY CHAIRMAN: I'd ask that the committee please come to order.

head: Main Estimates 1989-90

Federal and Intergovernmental Affairs

MR. DEPUTY CHAIRMAN: These estimates are located in the estimates book starting on page 199, vote 1, and in the elements book on page 81 with vote 1. Does the hon. minister have any opening remarks?

MR. HORSMAN: Thank you, Mr. Chairman. I do have a few remarks to open the discussion on this department of government. It is an important department in government. While small in size and budget, it still has an influence which is important in terms of its co-ordinating role with other departments and our relationships with other governments in Canada and abroad.

I'd like to touch on a few of the events that have occurred since my last report to the Legislative Assembly by way of an estimates discussion and point out to members that 1988 and '89 was an eventful and important fiscal year for me and for the department.

Federal and Intergovernmental Affairs staff worked effectively with other departments, provincial governments, the fed-

eral government, foreign governments, and the private sector to co-ordinate Alberta's intergovernmental activities and interests. One of the major activities was my and my department's work on the historic Canada/U.S. free trade agreement, which was implemented on January 1 of this year. My participation involved dozens of presentations to groups within Alberta, across Canada, and in the United States, as well as the participation in ministerial meetings as the minister responsible for international trade negotiations. I would refer hon. members to the report tabled yesterday in the Assembly relative to the western ministerial working group in which I participated and which I will now chair for the ensuing year as the minister of the host province to the most recent Premiers' Conference.

In addition, my staff was involved in discussions and negotiations throughout Alberta and Canada as we finalized the agreement's implementation and informed Albertans with respect to the opportunities and challenges that the agreement creates. We are very pleased that the free trade agreement was implemented according to schedule, and we are confident that this historic agreement will help secure Alberta's economic future.

As we pointed out at the Western Premiers' Conference in Camrose, all the western provinces wish to be involved in the upcoming negotiations on subsidies and countervail and the dispute settlement mechanism. Myself and my officials will work this year to secure Alberta's involvement in these processes, because we have to keep in mind this: the federal government and the provinces agreed in Halifax at the First Ministers' Conference that we would have full provincial participation in the process. We remind hon. members that that is the firm commitment and we intend to make sure that it happens.

Related to the free trade agreement is my department's involvement with the General Agreement on Tariffs and Trade, the multilateral trade negotiations. I attended the midterm review of the GATT along with officials. That was held in Montreal last December. I was somewhat discouraged at the progress made there; nonetheless, subsequently there was progress and a tremendous amount of work yet to be done in order to make the Uruguay round a success, particularly in the area of agriculture and the definition and elimination of agricultural subsidies.

We are going to make sure that Alberta's concerns are addressed as part of Canada's overall strategy with respect to the General Agreement on Tariffs and Trade negotiations.

Perhaps the most ambitious project for myself and the department was the work we did to advance the Triple E Senate. In October of last year, as a result of the agreement of all Premiers -- a unanimous agreement of all Premiers; they aren't that hard to achieve -- at the 1988 annual Premiers' Conference our government formed a task force that led discussions on this issue across Canada. With myself as chairman, including members of my department, fellow MLAs, and private citizens, this task force undertook a cross-Canada mission, meeting with every provincial government, the federal government, and various media, academic, and public groups, trying to encourage public participation and debate on this matter of intense interest and concern to Albertans.

From our discussions, I can say that Alberta's model for Senate reform is gaining both increasing recognition and acceptance across Canada, and I'm confident that when we meet at the constitutional table to discuss this issue, we will be discussing Alberta's proposal for a Triple E, Senate. Our task force will con-

tinue our mission, traveling to the Territories next week during the break, and will report to Premier Getty before the August Premiers' Conference in Quebec, where he will in turn report on our progress to all Canadian Premiers.

To further advance the cause for comprehensive Senate reform, my department had developed Bill 1, the Senatorial Selection Act, and the amended Bill 11, which were introduced into the Assembly. The Bill, when passed, will allow Alberta to be the first province in the history of Canada to democratically select its Senators, and this is a truly historic event for our province. I look forward to this first senatorial election, knowing that it will forever change the face of the Senate in Canada. As I had mentioned, the amended Bill, Bill 11, was recently introduced into the Assembly, and I welcome our deliberations and discussions which will take place on this important Bill.

The Department of Federal and Intergovernmental Affairs is responsible for the policy issues of programs involving federal/provincial co-operation. Two of these are the Western Diversification Office and the economic and regional development agreements. Albertans were encouraged when the Prime Minister announced the creation of the Western Diversification Office in August of 1987. Our department has taken steps to establish an effective working relationship between our department, the Department of Economic Development and Trade, and this new federal office, and we're beginning to see the results. We will continue to pursue western concerns with Ottawa as they relate to diversification strategy. We intend to capitalize on this strong mandate, and over the coming year we'll work with other provincial departments in communicating Alberta's diversification priorities to the Western Diversification Office. My department also is responsible for initiating programs under the economic and regional development agreements. Three subsidiary agreements exist in the areas of agricultural processing, tourism, and northern development. The agreements complement the western diversification initiative, and I've indicated that Alberta places a high priority on the agreements as an essential inter-governmental instrument. Through them we can harmonize programs to businesses and communities.

The last fiscal year also saw several developments in other areas of my department, including Alberta's special relationship program in the operation of our six foreign offices. My department is currently involved in three very successful sister province programs: with Heilongjiang in the People's Republic of China -- and all hon. members are aware of our concerns with what has been taking place in China, and we are pleased that reports we have indicate that our sister province was not involved in the disturbances and subsequent problems which have occurred, while we are monitoring that closely -- also with Hokkaido in Japan and Kangwon province in the republic of Korea. These special relationships, considered to be the most active of their kind anywhere in Canada, are based on the striking similarities of our climate, geography, and resources with these provinces, all of which are located in the Asia-Pacific region, an extremely important and growing market for Alberta. Now, these relationships have resulted in the development of numerous exchange programs and international co-operation involving thousands of Albertans in areas such as science and technology, trade, education, culture, athletic training, agriculture, and medical research.

In January I undertook a major mission to Asia to review the programs currently under way in the region and to open our new office in Seoul, Korea, which is an extremely progressive and

important step for our province, and to investigate other Asian regions, particularly Thailand and Singapore, as potential markets for two-way trade and investment and other exchanges. My mission was extremely educational, and my department is following up on my discussions with officials from these regions to advance the Alberta presence there. I'm confident that new ties can be forged, new trade opportunities seized, as we enter into these rapidly expanding and diversifying economies. Just last week, Mr. Chairman, we had the heads of a mission to Canada of six members of the Asian nations, representing 300 million people in southeast Asia, here meeting with us in Edmonton, and all were encouraged by the opportunities that exist for greater exchanges, not only in terms of commodities but in terms of understanding and education and science and technology and research and medicine and all those things which bring us together as peoples of the world and therefore strengthen the opportunities for peace and understanding.

With respect to our existing special relationships, several activities took place during the last fiscal year. I could go on and list them all, but in the interests of time, I shall pass on to comment this way. All the national governments involved have recognized the value and importance of these linkages in the development of bilateral relations, and we hope to continue in the growth and successes experienced this far.

Our foreign offices also play a vital role in promoting the province's international interests. The offices work in conjunction with Alberta's private sector, government departments, and Canadian embassies and consulates on a wide range of projects and activities. While each office has a somewhat different mandate, all six share a few primary objectives. First, each office works together with Albertans, promoting the sale of Alberta products and services in their regions. In addition, our foreign offices work to encourage and secure investment and, where appropriate, business immigration that will contribute to Alberta's economic development, diversification, and employment. They also provide intelligence and information on developments and competitors in their respective regions, and this information contributes significantly to the formulation of Alberta's trade and investment strategies.

Finally, these offices enhance the awareness and understanding of Alberta and thereby help to market Alberta in the broadest sense. Most of the offices also have an active and important role in promoting Alberta as a tourism destination, in identifying high-technology products and services that could be of potential benefit to Alberta, and in assisting with cultural and educational activities. As my outline of their activities indicates, the role of our foreign offices in expanding our markets and enhancing our existing markets is vital.

This current year has also shown us that our foreign offices provide other vital services as well. We are all well aware of the tragic violence that shook and continues to shake the People's Republic of China as pro-democracy demonstrators are crushed by the Chinese government. During the siege on Tiananmen Square, our Hong Kong office, with help from the private sector and my department, arranged for the safe transport of 28 Albertans and 60 others from other provinces and six countries from Harbin and Dalian into Hong Kong. I commend my department and our Hong Kong office for their efforts and am grateful for our citizens' safety. In addition, our Hong Kong office and my department made every effort to inform Albertans in China as well as their families in Alberta what was happening in Beijing. It is interesting to note that we in Canada were in-

finitely better informed than most Chinese due to the strict control of the media in that country, and of course we've seen evidence in recent days of how that is being further doctored.

I might point out that I understand today that the Hon. Joe Clark, Secretary of State for External Affairs, is announcing a comprehensive package with respect to the Canadian response to the situation in the People's Republic of China. I hope that information will be available to all members of the Assembly, and as soon as it is in our possession, it will certainly be shared with all members as a result of the intense interest there is in this Assembly and in Alberta with respect to how we are going to now deal with the People's Republic of China. It is our view as a government that our special relationship with the People's Republic of China through our twinning relationship with the province of Heilongjiang and the other twinning relationships between cities in Alberta and other relationships there should be directed toward improving upon rather than cutting off those relationships. But we're going to have to watch it very carefully, Mr. Chairman, as to how we deal with that. It would seem to us at this stage that we should try and use that relationship in a positive way to try and change, if it's possible, the approach being taken by the central government in Beijing.

This current fiscal year has already been an eventful one, touching on many similar and some new issues affecting our province. As you know, Camrose has just finished hosting what was a very successful Western Premiers' Conference. My department worked very hard with the community and representatives from the other western provinces to co-ordinate the conference, and I commend them for their efforts. This conference saw the establishment of a new strategy for the sustainable development of western Canada, and my department will work hard to assist the Premier and other government departments in implementing and communicating this strategy in Alberta and the west. We will continue to work on several key issues that were our focus this past year, including Senate reform, Meech Lake, western diversification, and the various trade issues under the Canada/U.S. free trade agreement and the GATT multilateral trade negotiations.

Mr. Chairman, the implementation of the agreement on January 1 of this year did not see an end to the development of that free trade agreement. Obviously, it stretches over a 10-year period and many, many issues are yet to be resolved, including the definition of what is meant by a subsidy: a challenge, a major challenge, that will face all governments, not just the federal government of Canada but the governments of all the provinces and the United States, in order to come to grips with that very difficult issue.

In addition, we will undertake several new intergovernmental issues. We will continue to pursue our interests as they relate to issues between our province and the federal government and other provinces. In the area of the national sales tax and the current high interest rate policy, we will continue to voice our strong opposition to these policies which will potentially harm the economic growth of our province and the overall prosperity of our citizens. At a vitally important time for Alberta's efforts to expand and diversify our economy, we want to ensure that the confidence that exists in Alberta today is not shaken by these made-in-central-Canada policies. Now, our Premier was instrumental in gaining all the Premiers' support to oppose the high interest rate policy, support that was reiterated at the Western Premiers' Conference, and we will continue to do whatever we can to see a reduction in these rates.

I want to pay special attention for a moment, if I can, to the work undertaken in my department with respect to the settlement and completion of a number of aboriginal land claims. My department has played a very useful role in working with other departments of government to tackle what has been a long-standing problem in this province, primarily in the north but nonetheless throughout Alberta. We have set forward with a comprehensive and determined plan to come to grips with several major issues. The settlement earlier of the Fort Chipewyan land claim, up to that point actually the largest land claim entitlement in Alberta, was settled -- settled effectively and by an overwhelming vote of people in the Fort Chipewyan Band. And you know, that didn't receive much attention, but in fact it was a significant development and will, we believe, bring about incredible improved opportunities for the people of that band and for Fort Chipewyan.

We have engaged as well in working closely with other departments to move forward to a settlement of the Sturgeon Lake and the White Fish Lake outstanding land entitlement claims, and we're very close to settling those outstanding claims. We work closely with our Premier, as his initiatives proved that we can get the Lubicon Lake Band claim moving forward in an effective way. Finally, there are other outstanding land claims, and we will be tackling those in conjunction with the federal government. I must say a new spirit of co-operation is beginning to develop, I think it's fair to say, with the federal government, and having gained the confidence of the native peoples, we will move forward to settle those claims in a reasonable, fair manner so they can themselves build upon their own strengths and develop lives for their citizens which will bring them into full status with all Albertans in terms of their economic development opportunities and growth. Every Albertan should be entitled to the same standards. We mean that. We not only mean it; we do it and have done it.

The Metis settlements which have been referred to and the developments with regard to the Metis who do not live on the settlements: those are steps which my department is working very closely with other departments of government to ensure we'll see those Albertans move forward and get off, as other members have said, the treadmill of welfare and substandard existence. We don't want to have it for any Albertans.

Another federal/provincial issue that is becoming increasingly important is jurisdiction over the environment, particularly as it relates to our diversification efforts. We will work very hard to ensure that Alberta's constitutional responsibilities are not infringed upon, and we are committed to carrying out our constitutional responsibilities. That is what we have to do as a government, and we will do that. We ought to ensure that the development of our resources remains clearly where it belongs, and that is in the hands of the people and the government of Alberta. Alberta maintains some of the most stringent environmental standards and practices in the world, and we will continue to work with the federal government and the other provinces to protect our environment.

Internationally, we will embark on a new initiative with the Russian Soviet Federal Socialist Republic. I will be traveling to Moscow in October to finalize this important protocol. This agreement is viewed as a significant vehicle for the enhanced sale of Alberta's goods and services to the Soviet Union and particularly as an important means for identifying joint-venture opportunities for Alberta companies. I would think, in view of the developments which are taking place now in the U.S.S.R.

relative to glasnost and perestroika and the opening of Russia and the other republics within the Soviet Union, that this is a good step to be taken at the right time for the development of better understanding and relations with our fellow citizens of this planet, and we look forward to building upon that opportunity as well.

Well, as my estimates indicate, the overall budget for my department will increase less than 1 percent in this current fiscal year. As I have indicated in providing a background of the initiatives my department will be involved in over the coming year, my role as minister often requires active participation in various conferences, meetings, and presentations. So I will continue -- it is my job -- to travel extensively within the province, to other parts of Canada, and internationally as required to best serve the interests of Albertans.

Thank you, Mr. Chairman.

MR. DEPUTY CHAIRMAN: The Member for Edmonton-Highlands.

MS BARRETT: Thank you, Mr. Chairman. I listened with interest to the comments of the minister, and I respect that his department's increase is but .9 percent. But I do wonder about the nature of the increase with respect to Alberta offices being up 8.2 percent. The reason I wonder is not to question the validity or authority of the jobs they do but in the context of noting that the Economic Development and Trade offices in the Americas are up 54 percent and overseas are up 22 percent. I would have thought perhaps the minister would explain this, that there is some co-ordination between those offices. When I read the description of the work involved between those offices, I can't tell the difference between FIGA's and economic development. So I'd be interested in knowing a little bit more about the overlap between those offices and whether or not they're really doing the same job and it's just an opportunity to expand appointments to locations for friends of the government, which is an issue that has come up in this Assembly on more than a few occasions in the past.

The minister announced that he will continue his hard fight against the high interest rates and the imposition of the national sales tax in Canada. I must ask, which is something I keep asking and don't get an answer to, why it is that this minister and several of his colleagues in cabinet keep saying this when we know, first all all, that they refused to make this an issue during the federal election while they spent half a million dollars or more producing this document called Straight Talk on Free Trade -- a multicoloured newspaper, by the way, which is not cheap to produce -- distributing this to every household in the province telling people why it is, during a federal election, that Alberta taxpayers should pay for this document and then go out and support the free trade agreement. And by the way, I note that this document is remarkably similar to a document that was sponsored by the Canadian Alliance for Trade and Job Opportunities -- what a euphemism, if ever I've heard one -- also called Straight Talk on Free Trade.

Now, first of all, I don't believe there was a coincidence with respect to these two publications. But secondly, I find it very difficult to swallow the line that those people on the Conservative side of the House are serious about fighting high interest rates and the value-added tax when they didn't do so at the prime opportunity during the federal election and chose to hold their breath, not talk about it, spend my money and your money,

Mr. Chairman, and everybody else's money in the province advertising their support for the free trade agreement. I believe this is the ultimate in hypocrisy, and I have no confidence whatsoever that the minister or any of his colleagues are really serious about this fighting of the high interest rates or the value-added tax. I remind you, Mr. Chairman, that the Premier's so-called fight at the commencement of the unwarranted provincial election caused on February 20 was to hop on a plane, go to Ottawa after he stuck up his dukes for one of those famous photo ops, and come back home a day and a half later and say: "Well, I couldn't fight Ottawa. They wouldn't listen to me, so I'm dreaming up this new system. I'm going to use Alberta taxpayers' dollars to subsidize the profits of the banks," most of which are located in central Canada, most of which are not reinvesting in Alberta, as was recently exposed by the New Democrat Member of Parliament for Edmonton East, Ross Harvey. It's down to the tune of \$9 billion, and this Conservative government says taxpayers' money from Alberta should be used to subsidize their profit rates. I say shame on this government.

On the subject of Senate reform, I can at least declare that the minister has come through with what his government attempted to do on the shortest ever session of the Legislative Assembly of Alberta -- that is, February 17, 1989 -- when they at least tabled what was then called Bill 1, the Senatorial Selection Act. I remind you that is not an "election," because we don't have the right to elect Senators yet. I say that despite his attempts -- and I'm glad he's come back with this Bill, at least because it proves for once that they're able to keep a promise. It's not very often, quite frankly. But I say that if they were really serious about this, they'd convince their federal counterparts in the Senate to resign their seats so we could have a proper election in this province in the first instance. I'll ask the Liberal leader, the man who acknowledges that the Liberals are full of patronage as well, if he'd get his counterparts in the Senate to do the same in Alberta and make this thing real, because I'm not convinced it is real at this point, Mr. Chairman.

Now, the minister spoke briefly about the Meech Lake accord. Well, I remind the minister of what happened here in Camrose, which by the way should have been Edson -- another broken promise from the Alberta Conservatives. Nonetheless, at the western Premiers' conference a few days ago in Camrose where the subject of the Meech Lake accord came up, it was Don Getty, the Premier of Alberta, who said, "It's all or nothing," basically guaranteeing nothing will happen on this agreement, instead of exercising a little bit of flexibility and a sense of co-operation in the mood that is shared by many Canadians and many Premiers in the country by agreeing to a system that will allow a parallel accord to be considered. This minister, I believe, has probably got greater flexibility on the subject than his Premier does. So I'd ask the minister to do his bit to lobby the inflexible Premier and get him to go back to the table and say we are ready to go for a parallel accord to satisfy the concerns of Canadians. At the same time, do the honourable thing, and that is having a willing co-operative partner in Quebec in the Constitution.

Now, Mr. Chairman, I'd like to devote most of the rest of my comments to the subject of the free trade agreement. I realize that the minister only referred to it in passing. I'm not surprised. If I were the minister responsible for this type of fiasco having been hauled in, I wouldn't want to talk about it for long either. He did talk about the major subsidy challenge that's going to come up. It's more than a big subsidy challenge, I

would argue, that's going to happen between Canada and the United States during the next 10 years. I would remind the Federal and Intergovernmental Affairs minister that we're already seeing job losses in Canada as a result of this deal, not the least of which was announced this morning with the Coleman company stating that they're going to shut down their Canadian offices and relocate to Kansas. Now, I don't know about Kansas laws. Quite frankly, I don't know what their minimum wage rules are and what their laws are. But I wouldn't be a bit surprised to find very little difference between Kansas and the state of Georgia, which advertised in the *Globe and Mail* during the federal election 138 reasons to do business in Georgia. Amongst their observations about why you should shift your business from Canada to the United States they say: we haven't raised our corporate tax rate since 1969. They ought to be ashamed to say that sort of thing publicly, Mr. Chairman. I certainly would be. They also go on to say that their labour force is not particularly well organized, and what they say precisely is that fewer than two in 10 workers belong to a labour union, as if that's something to be proud of.

Now, I note that very recently upon the announcement of the closure of the glass factory in Redcliff, Alberta, owned by Consumers Packaging Inc., one particular advocate of the free trade agreement, the chairman of the Chamber of Commerce free trade task force, said that our high labour rates here are causing this sort of problem. Well, if our high labour rates are so bad, then why is it that the Conservatives will argue that having money in the pockets of consumers is a good thing? I think there's a real level of contradiction here. I believe the international representative for the Aluminum, Brick and Glass Workers International Union, the union that represented those workers in Redcliff, when he says it's the eagerness of Consumers Packaging Inc. to shut down that plant before import duties are reduced by way of the free trade agreement that is to blame for the loss of 496 jobs in Redcliff, Alberta. This is just one example. There are many. Coleman, as I said earlier, announced this morning that they're going to go to Kansas, probably in pursuit of cheaper labour and, if it's anything like Georgia, lower expectations with respect to the environment and other regulatory authorities.

MR. SIGURDSON: They just want to visit Toto.

MS BARRETT: "They just want to visit Toto," says the Member for Edmonton-Belmont. That is probably appropriate.

But this is one in a series of closures I point out to you. A major paint manufacturing plant shutting down, Gillette shutting down, Wardair -- Max Ward saying publicly that it was a good idea to sell Wardair to Canadian Airlines International because with the FTA you're going to have to be even bigger to compete with those big leaguers. Well, let me remind this minister, the nature of the economy in North America and in other industrialized countries on the globe is not into job creation anymore; it is paper exchanges that create no work at all. In fact, what we're going to see time and again and increasingly is one plant or one manufacturer gobbling up another. It creates no jobs. In fact, it tends to reduce jobs. It makes good profit on paper for a few -- and relatively fewer over time -- megacorporations at the expense of the overall economy. Ninety-five percent of what is euphemistically called foreign investment but which I call foreign ownership in Canada in the last three years has been corporate takeovers not creating jobs. Where is the benefit of that,

and how does this minister plan under the FTA to limit that sort of tiling? In fact, he cannot plan because the FTA won't allow him to do that, and it won't allow his federal counterparts to do the same either. Already we have more than 30 percent of the Canadian economy being foreign owned. Now, Japan, which is a healthy industrial economy, has less than 2 percent foreign ownership.

We're facing, I think, a crisis during the next 10 years because of this government's blatant support of the free trade agreement. You'll notice, Mr. Chairman, that I'm wearing a badge that shows the merging of the American and Canadian flags, and underneath it's got the comment "No, eh?" Some of my colleagues in the Assembly are wearing this as well. That's because we at least were out fighting on this issue during the federal election campaign -- and not just this issue, I want to tell you. We had fact sheets about what a value-added tax would do to Alberta. We had fact sheets about the high interest rates. We went door to door while this government used our money to advertise not their position on the value-added tax, not their position on high interest rates, but selectively their position on the FTA, which ultimately is going to cause problems for this province and, in fact, has already started to do so.

I don't hesitate a moment to speculate that one of the reasons the minister for grains and oilseeds wanted oats taken out of the authority of the Canadian Wheat Board is to precisely accommodate that free trade agreement, the result of which is going to be driving down our prices, Mr. Chairman, driving down the economy of Alberta in the context of high inflation being caused by John Crow and his fellow cohort in the campaign to 'third worldize' Canada, the Finance minister of Canada himself, Michael Wilson.

I remind this minister about the first 10-year agreement between Hawaii and the United States. It was supposed to be a temporary deal. Then they renewed it for another 10 years because Hawaii was so dependent on the sugar exports to the United States. Ultimately, the United States was able to annex that country. I have not changed my mind a bit about the implications for this deal, and I do not understand how the minister can be proud of his participation, his government's participation, in winning enough Conservative seats to make sure that it got through. I remind the minister that a majority of Canadians actually voted against Conservatives. A majority of Canadians voted against free trade, and this minister should spend another half million dollars to go out to the public and apologize for the abuse and waste they showed during the federal campaign and remind Albertans that they should not vote in favour of an extension of this agreement when the next federal election rolls around.

MR. HORSMAN: How about Albertans? How did Albertans vote?

MS BARRETT: Albertans, fortunately, remembered to vote at least in one instance for a New Democrat, who's the only Member of Parliament in Alberta who's speaking up for the interests of Albertans, I notice, Mr. Chairman. It was Ross Harvey, New Democrat Member of Parliament for Edmonton East, who pointed out that it's the central Canadian banks, supported in their profit ratios by this government's insane program, that are ripping Albertans off, taking deposits out of here and not reinvesting in Alberta businesses. And they have the right to get away with it. Shame on them.

Mr. Chairman, I think it's been very clear that the Alberta government has also lost in the fight against Ottawa on environmental standards. What they went in saying was, "You have no right to play in our garden," after proving there was nothing but weeds in the garden. Now they come back a few days ago with a modest improvement on one plant and say: "See? We're the good guys. See? We're clean." Well, I say they've demonstrated amply that the federal government in some instances will have no choice but to exercise jurisdiction in Alberta unless these guys decide that they're going to come up with a policy that allows for fair and real public hearings on the implications of projects, most particularly pulp projects -- and I note not pulp and paper; just pulp -- in the province.

So with those comments, Mr. Chairman, I think the minister is well aware of where I stand on the issues. I would ask for some detailed information respecting the foreign offices and the overlap between those two departments. I tried to get in to question this very issue when the Economic Development and Trade minister's estimates were in front of us on two separate occasions and couldn't get to ask that question, so maybe the minister will enlighten us as to what overlap there is. I don't expect him to explain away the very large increases in the Economic Development and Trade offices that are abroad, but I would like to know the relationship between the FIGA offices and the Economic Development and Trade offices to see if there's something there more than just appointing buddies to exotic and fun locations.

Thank you, Mr. Chairman.

MR. DECORE: Mr. Chairman, perhaps I could start by again commending the minister on his actions with respect to China. I think it was important to be calm and under control with respect to our actions insofar as China was concerned, and more particularly Heilongjiang province. I'm glad we didn't succumb to the position of that suggested by the member who just spoke, of getting too excited and transmitting the wrong messages to China, which could have put students in great peril, students that were in Heilongjiang province. We've had a very good working relationship with the officials in Heilongjiang . . .

MR. SIGURDSON: That's why you supported it the second time.

MR. DECORE: Well, after you start shooting some people in the head, I think then you start to look at other initiatives. But I'd like to remind the hon. member that if we had been too quick on the trigger, those students may not have gotten out of China, and you may have been the reason for that, sir.

So I commend the minister for the action he's taken, the calmness he's shown towards this particular issue. I continue to believe, Mr. Chairman, that we have friends in Heilongjiang and that those friends will do much to put pressure on the central government that their actions were wrong. I believe that I know those people well enough and I think the minister knows them well enough to believe that's the case.

Now, Mr. Minister, last time I stood up and asked questions of a colleague of his, I wondered if he could provide answers to questions put in sequence. Would he be prepared to give detailed explanations of figures? For example, I'd like to inquire about a breakdown of the moneys allocated in 1.0.3, Intergovernmental Affairs. Can you give the Legislative Assembly a total breakdown of that figure at the moment, and then could I

go to the next sequence? Would the minister be prepared to do that?

MR. DEPUTY CHAIRMAN: Hon. member, you now have the floor and time to use as you wish. There is no obligation in the rules for a back and forth exchange, question and answer.

MR. HORSMAN: I would prefer to have the questions put, and then I'll try and deal with them in total.

MR. DECORE: All right. Then let's start with reference 1.0.3, an allocation towards Intergovernmental Affairs. Mr. Chairman, I would like the minister to provide to this Assembly, at his earliest possible time, a total breakdown, a complete breakdown, of how that \$2,368 million has been allocated. I'm particularly interested to know how much moneys are going to be allocated out of that fund -- and I think this is the fund, or the program -- towards an action with respect to the national sales tax, the imposition of the national sales tax on Alberta. I'm also wondering, Mr. Chairman, whether this program in the last budget is the program from which the minister drew funds to pay for the free trade document that the hon. Member for Edmonton-Highlands alluded to just moments ago. Specifically, I'd like to know the exact moneys that were spent by the government in whatever program -- that program or whatever program in his department moneys came out -- to look after that tabloid on free trade and any other costs that were related to it; for example, costs that pertain to PR assistance, to consultants that may have been brought in to do the mock-ups or to give the government advice. All of the costs that were involved in the makeup of that tabloid I would ask the minister to provide.

Then I would ask the minister, in this designation of 1.0.3, to indicate what his program will be with respect to the national sales tax. Is there a tabloid that's contemplated? Are there public relations initiatives on television or on radio or whatever that are contemplated? What exactly is being budgeted for an initiative to stop the federal government from imposing that national sales tax on us?

Mr. Chairman, the next issue I wish to address is 1.0.4, Alberta Offices. The point the previous member made is a good one: what's the difference between economic offices and these Alberta offices? But I'd like to go a little further. I'd like to have the minister tell us what the benchmark is. How are we able to determine whether one of these Alberta offices should continue to be in existence? There must be some kind of benchmark or formula from which we started when those offices were first established. For example, if the office in Hong Kong was started in year one, what was the expectation, what was the formula, what was the benchmark in terms of quantifying success? How is that benchmark reviewed each year to ensure that the existence of that Hong Kong office makes good sense? And is there a method or a policy of then taking that information and assessing it against the office in London or the office in New York? Is there some method of then assessing whether or not an office should be taken out of a particular spot and put in, say, Singapore, because there seems to be greater movement in the Singapore area? In other words, are we creating a bureaucracy? Are we creating a status quo, that we don't go back and review and assess and quantify and determine the efficiency of that particular office and allow a bureaucracy to get out of control?

REV. ROBERTS: Mary LeMessurier's doing a great job.

MR. DECORE: Mary LeMessurier's doing a great job? Well, I'd like to hear about that success.

Mr. Chairman, the other issue I wish to ask the minister to address relates to our relationship with Ottawa, and he's alluded at great length to that. One of the reasons for the discontent in the western provinces and particularly in our province towards Ottawa, the unhappiness that we have, is because we see there's an economic disparity that results in us not getting what we think we're entitled to. This area has been dealt with in terms of a quantification of that statement of that truth. There are two professors in Alberta, one by the name of Mansell in Calgary and another by the name of Percy in Edmonton, who did an assessment of what was paid by Albertans in taxes and excise taxes and corporate taxes, everything that went out of Alberta to Ottawa to the central government, and then an assessment of what came back to Alberta in goods and services, in UIC payments or baby bonuses, whatever. Whatever came to Alberta was quantified. Those two professors concluded -- and this is set out in the *Globe and Mail*, I think the minister probably is aware of it -- that in a five-year period, I think it was 1980-1985, Alberta was getting the short end of the stick. We were paying in more to central government than central government was giving back to Alberta; this in contrast to Ontario that was paying in less than they were getting back. They noted that Alberta was in the throes of a very serious recession, whereas Ontario wasn't in that kind of difficulty.

The other observation I wish to draw to the minister's attention were the observations made in the Macdonald commission when they noted that if Alberta left Confederation -- and we'd never want that to happen; but if Alberta left Confederation in 1981, I think it was, the researchers of that commission determined that the income of Albertans would rise by \$21 billion and the income of people in Ontario would fall dramatically. I think it was somewhere in the vicinity of \$18 billion per year. Now, I take it that the minister must have some kind of experts that have looked at this issue, looked at this matter; that this matter has helped the minister and the government to take a strong position for Senate reform. I would like to know if the minister has updated the position, the observations that have been made by the Macdonald commission or by these two professors? Are we getting worse treatment from Ottawa or are we getting better treatment from Ottawa? Does the argument continue to hold that we are being treated in a disproportionate way to the rest of Canada? I think this is important because it's important for the government, for this Assembly, to give information to Albertans that really has them understanding why it's so important to pursue this issue of Senate reform that I, and I think everybody in this House, is committed to. So I wonder if the minister would mind pursuing that.

Mr. Chairman, the issue of the fight on the high interest rates. I talked about that somewhat already. I take it that moneys have already been expended on that, and I would ask the minister to tell me what moneys from whatever program have been spent with consultants or given to consultants or anybody else in helping to build the case against this imposition of this tax -- lawyers or whatever. Where have moneys been allocated?

With respect to the outstanding Indian claims, I commend the government for the action that they've taken on Lubicon.

MR. HORSMAN: Mr. Chairman, could I have something clarified? I may have misheard the hon. member. He was ask-

ing about the high interest rates issue, and then I think he may have switched to a tax. Was he referring to high interest rates or the sales tax issue?

MR. DECORE: I meant the sales tax. I'm sorry, Mr. Minister.

I wonder if I could now go to the matter of Indian claims. I commend the government for their initiative, the Premier on his initiatives with respect to Lubicon. I'm sorry and sad that the federal government doesn't show the same kind of enthusiasm to the solving of that problem.

I'm also pleased with the way the government has dealt with the claims of the Metis. I'm anxious to see the agreement that comes forward, the detail on that, and I reserve, of course, the right to be more critical when we see that agreement come forward. But my question to the minister is this. There are many land claims other than Lubicon. What's the mechanism that the minister has set up to deal with those other Indian claims? How much money has been allocated to deal with those other Indian claims? What specific mechanism have you set up? I'm reminded of the fact that in Saskatchewan there was a mechanism clearly defined on how to deal with other land claims. I think when the Devine government came in that was changed, but the previous government had such a mechanism. Do we have that mechanism? And I'd like to know the specific details of it.

Mr. Chairman, I thank the minister for his consideration.

MR. DEPUTY CHAIRMAN: The Member for Innisfail.

MR. SEVERTSON: Thank you, Mr. Chairman. First of all, I'd like to congratulate the minister on his reappointment to this important portfolio. I feel that as the years go by this department becomes more and more important. With communication and travel, the world seems to be a lot smaller, evidenced with the international twinning of provinces, how important that is.

I would like to relate to the minister and to the people in the Assembly that my involvement with Heilongjiang is that I was on the Olds College board when we twinned with a college in that province, and the benefit to ordinary Albertans that this project has. We had a staff exchange with a sister college in China, and we also had students come to Olds College. The benefit to the average student in Alberta is tremendous when they have associations with people from all over the world. And the same with the staff; they bring the knowledge of another country. I think it's very important to building blocs in a world of nations. I'm sorry to see what's happened in China, and I have to agree with the Member for Edmonton-Glengarry and commend this government on how we reacted to the events in China.

I also would like to mention a little bit on free trade. I'm very pleased that this government got involved and advertised the importance of free trade in the election. I wasn't part of the government. I feel it was a very important progress for Canada as a nation and particularly this province to grow, for jobs and opportunity in businesses. It's very important for agriculture, the free trade agreement, agriculture being one of our main industries and one of our biggest job creators in the province. We'll be able to grow and continue growing with the free trade agreement in the cattle industry and the by-products.

The Member for Edmonton-Highlands mentioned how bad it was and mentioned oats has got caught in the free trade agreement. I'd like to mention to the hon. member: oats amount to 1 percent or less of the Canadian Wheat Board's trading, and the western provinces are the only ones that are involved in the

Canadian Wheat Board. The rest of Canada -- B.C., Ontario, Quebec -- have free access to the oats market without going through the Canadian Wheat Board. In my opinion, the Canadian Wheat Board hindered the trading of oats, not helped. The market has increased and the price has increased because the high price of oats is in the States. I'd like to mention here, too, that canola has never been under the Canadian Wheat Board, and that particular crop has great potential with the free trade agreement. So I feel that it's very important that the government spent the money to advertise the benefits of free trade for this country and this province.

Another area that I feel is very important in this department is involvement in the GATT trade agreements. This province and agriculture suffered tremendously in the last three, four years in the subsidy war in agricultural products between the United States and Canada. It's cost this Treasury hundreds of millions of dollars to subsidize the farmers in a trade war because of the lack of a good agreement in the GATT.

The Member for Edmonton-Highlands mentioned the interest shielding program and said that the banks receive all the money and that it goes down east. This interest shielding program, I'd like to mention, goes into the pockets of Albertans who have borrowed the money, who otherwise would have to be paying the interest charges of 12, 14 percent. So the government money is not going to the banks; it's going into the pockets of Albertans.

Another important area this department will be working with, I feel, is the Senatorial Selection Act, which was introduced here last week and will become an important step in the reforming of the Senate, I believe. This department will be working with the federal government as we proceed with this Bill.

[Mr. Moore in the Chair]

Ladies and gentlemen, I did mention a little bit about the twinning of provinces with China. I would like to see this continue even more. We have Japan and Korea. I'd like to see this expanded. To me it is a very important way to building an international community for the betterment of all of us.

I'd also like to just say that I'm fully in support of these estimates and commend this department. Thank you.

MR. ACTING DEPUTY CHAIRMAN: Edmonton-Jasper Place.

MR. McINNIS: Thank you, Mr. Chairman. I'd like to refer the minister to communiqué 2 of the western Premiers' meeting concluded recently this week in Camrose, the communiqué on the environment. I think it's a very important matter, and it's a good thing the Premiers were able to discuss the environment at some point in their agenda, because I can't help but notice that when this government talks about economic development they seem incapable of putting environment and the economy together in one sentence. I heard the Premier last night talking about diversification of the economy and economic strength, but he somehow couldn't get the words "sustainable" or "environmentally friendly" out.

The key point in the communiqué and the one I'd like the minister to respond to are the words:

The Premiers called on the federal government to respect . . . provincial jurisdiction in the application of environmental assessment procedures in order to reduce duplication, confu-

sion, and unnecessary regulation.

Well, I can certainly understand the confusion, because we have a situation in the province where environmental policy is in a state of enormous confusion. Only this week the Minister of the Environment flew up to Peace River with some legislative colleagues here, to announce that the Daishowa company is going to have to meet the terms of guidelines imposed seven months ago. Why it was necessary to reannounce seven-month-old guidelines would be a matter of confusion for the uninitiated. Unfortunately, if you understand that the minister himself worked himself up into a state of confusion in the early part of May, suggesting that perhaps this company wouldn't have to meet the guidelines and perhaps something else could happen, then it begins to fit in place.

Now, I think perhaps we could stop some of the confusion by putting a muzzle on the Minister of the Environment. But I think the statement of the Premiers' club, meeting in Camrose, deserves a little bit of explanation, and I'm hoping that the minister can offer it, because the public doesn't take exactly the same view that the Premiers do. If you want to get a Premier excited, all you have to do is talk about the federal government moving into his jurisdiction, and that appears to be what happened. But I think it's very important to realize that we're in a much different situation than we have been historically fighting for the jurisdiction of Alberta. You know, back in the 1970s, when we were fighting the energy war with Ottawa, it was pretty clear where Albertans stood, because it seemed that the federal government was trying to move in and confiscate an asset or revenue or regulate in an area where Albertans felt very clearly that we wanted to run our own show, but I don't think it's quite as clear at all in this situation. The public is more concerned today that the environment be looked after, and if it's a case of attempting to protect slipshod and halfway regulations, halfway environmental impact assessments, I'm afraid the Premiers are on the wrong track, and I'm afraid this government is on the wrong track as well.

We're in a whole new ball game in our country as a result of the Federal Court of Canada decision in the case of the Canadian Wildlife Federation, Gordon Geske, Joseph Dolecki, the Minister of the Environment, and the Saskatchewan Water Corporation -- otherwise known as the Rafferty-Alameda decision. The court has said, very clearly, that the era of backroom deals in environmental policy is over. No longer can the provincial government sit down with the federal government and strike a deal to say, "You keep your hands off our projects; we'll keep our hands off yours." That's a thing of the past. I think we're into that to some degree with the Premiers hunkering down and saying they want the federal government to respect provincial jurisdiction in the application of these environmental impact assessment procedures on the grounds of reducing duplication and unnecessary regulation. Leave the question of confusion for the Minister of the Environment since he's so good at it.

The question of unwarranted duplication was dealt with by the court in the case of the Rafferty-Alameda dam, and I quote for the minister:

I agree that unwarranted duplication should be avoided but it seems to me that a number of federal concerns were not dealt with by the provincial environment impact statement

He goes on to say:

As such, I do not think that applying the EARP Guidelines Order would result in unwarranted duplication but would fill in necessary information gaps.

MR. HORSMAN: Could I just ask a question?

MR. ACTING DEPUTY CHAIRMAN: Point of order?

MR. HORSMAN: Just a question. The hon. member said "the minister." He was quoting from a ministerial statement. Was he referring to a judgment?

MR. McINNIS: My apologies; I was referring to the judgment. Sorry. The statement of Justice Cullen in the decision.

MR. HORSMAN: Thank you.

MR. McINNIS: I'm glad you're listening.

Now, in so doing, I want to make it clear that the justice was merely following the clear wording of the federal environmental assessment review process guidelines order, June 22, 1984, which says:

5.(1) Where a proposal is subject to environmental regulation, independently of the Process [that is the federal process], duplication in terms of public reviews is to be avoided.

And there's further elaboration in terms of how the duplication is to be avoided.

So we've got a situation where the federal process is not going to come into play at all so long as the questions are looked after. I think in Alberta we're in a situation where, in terms of protecting the environment, we're in a use it or lose it situation. If we use the jurisdiction, if we use it wisely, there's no question of losing it, because the federal government is prohibited by law from entering into a situation where they duplicate another process. Nobody wants to see duplication. We get into problems when projects are approved with no environmental impact assessment, with slipshod environmental impact assessments, and with inadequate environmental impact assessments. I think the minister has to acknowledge at some level at some time that that's the situation we're in today.

The Daishowa project: there was not one public hearing held on the Daishowa project as part of the environmental impact assessment process. There was no opportunity for any local individual or any individual elsewhere in the province to question the information put forward by the company and accepted ultimately by the government. I think there are plenty of grounds for suggesting the environmental impact assessment was inadequate as to scope. It certainly didn't cover all of the downstream impacts, the ones that the federal government is currently concerned about and is grappling with how they are going to deal with this situation, because the court is saying to them that they have no choice. They can't sit back and say, "Well, the provincial government has their process, and we'll let them go ahead with what they do," because the court has said that they will be failing to meet their jurisdiction if they take that approach.

[Mr. Jonson in the Chair]

The Al-Pac project is another case in point. We're about to go into admittedly a new process because the government obviously appreciates that it's in some difficulty, at least politically, on environmental impact assessments. It changes the process for the Al-Pac mill almost every time the minister speaks about it, so there's some evolution in the provincial position, perhaps

reflecting some understanding of the difficulty they're in.

I think also we may find federal intervention will extend right down to the regulatory process itself, moving beyond the environmental impacts, because we don't have any type of standards for pollution control of certain deadly chemicals coming out of these pulp mills. I refer specifically to dioxins and furans. The federal government is right now involved in trying to put together national standards for control of the flow of effluent into river systems. In Alberta we have no such standards. We have a press release that says: leading-edge technology. Leading-edge technology turns out to be whatever the minister agrees to on a particular project on a particular day of the week.

I heard him plead at a news conference to have room to manoeuvre on the issue of what constitutes leading-edge technology. Well, can you imagine the Solicitor General standing up and saying, "We have a guideline that drunk drivers should use the leading-edge approach to avoid smashing into other people when they're drunk on the highways, and if they don't, we'll sit down and discuss it." Of course he doesn't take that approach; he takes the approach that there's a law. Certain things are allowed. Certain things are not allowed. If you exceed the law, he says that he's going to get you. Well, there's no way the Environment minister or this government is going to get anybody for polluting our river system because as the task force on environmental law enforcement pointed out 18 months ago, Alberta's environment laws are virtually unenforceable.

My question to the Minister of Federal and Intergovernmental Affairs is: how can he hope to preserve jurisdiction when they pass laws that are unenforceable, when they produce no regulations that are comprehensible, that are understandable? When they run environmental impact assessments, they're inadequate. As long as the jurisdiction is exercised in such a slovenly fashion, you're just inviting the federal government to come along. It has nothing to do with duplication or unwarranted regulation. It has to do with confusion. I think the confusion is probably in the minds of the government more so than anyone else, the confusion being that somehow you can prevent somebody else from protecting the environment when you're not prepared to protect it yourselves. That's the bottom line.

It seems to me that we're in the happy situation that we could avoid federal intervention were we as a province and were this government to take seriously its role, tighten up the environmental standards, make the law somewhere near enforceable at least so that the prosecutors would be able to take a shot at it, and make the environmental impact assessment deal with some of the areas which are of concern not just to government, not just to Premiers who have meetings, but to people who live in our environment.

I plead with the Minister of Federal and Intergovernmental Affairs not to interpret this issue as an opportunity to make war with the federal government over the question of incursion but rather to join together with the federal government to try to work to improve environmental protection, to try to improve the access that people have to environmental decision-making, and to avoid federal intervention by cleaning up our act here in Alberta.

MR. DEPUTY CHAIRMAN: The Member for Edmonton-Avonmore.

MS M. LAING: Thank you, Mr. Chairman. I would like to convey to this minister and ask this minister to convey to the

federal government the concerns that many Albertans have in regard to the use of Alberta's space to contribute to the continuation of the international arms race, particularly as these actions are at variance with the initiatives we see at the international scene. In passing, I would just mention, in view of the fact of the recent actions in China, that I recently received a letter from a company that was boasting of support from the Alberta government. It was called Canadian Professional Munitions Limited, and they trade munitions with China. I think we have to be very careful about what we trade and with whom.

Anyway, I've heard from many Albertans their concerns about the continuation of cruise missile testing, the recent announcement that we will have low-level bomber flights, and certainly great concern about the chemical and biological warfare research and development that is going on at the Defence Research Establishment in Suffield. In regard to the work that is going on at Suffield, last summer Albertans were outraged at the revelations about chemical and biological weapon research at DRES, and in fact there was a demonstration last August there. The defence department tried to rationalize this research as defensive only, but researchers in the area and even military personnel say that you cannot distinguish between defensive and offensive research. We share our findings with countries, with nations, particularly the U.S. and Great Britain, who are developing offensive weapons and, in fact, are committed to the development of binary weapons, chemical weapons of a new order.

We also have great concern about the use of human subjects and the release of toxic substances into the atmosphere during open-air testing. We have heard that mustard gas was released in 1983, 1984, and 1988, when 4.4 kilograms were released into the atmosphere. In addition, other extremely toxic gases including tabun, sarin, and soman have been released. The concern raised by Albertans last summer resulted in an investigation into activities at Suffield, which was conducted by William Barton. I would ask the minister to demand the federal government require the department of defence to rigorously adhere to the recommendations contained in the Barton report, including environmental impact assessments and audits and the safe destruction of the toxic materials stored at DRES. We would also ask that the minister convey to the federal government Albertans' abhorrence at our complicity in the escalation of the biological and chemical weapons arms race. This is a most dangerous form of warfare. It is compared to nuclear arsenals. We share the results of our tests with the United States.

Similarly, Mr. Chairman, the majority of Albertans and indeed Canadians oppose our continued testing of cruise missiles over our land. I would note that these missiles may be used to deliver chemical weapons. We are often told that we allow cruise missile testing as part of our commitment to NATO, but indeed it is a commitment through a treaty with the United States.

Finally, Mr. Chairman, we have recently received news of low-level military flights being planned for northern Canada, including Alberta. Environmental impact studies reveal the deleterious effects on peoples and other life forms in the flight corridor. Concerns arise over the noise levels. The noise levels, as stated in this environmental impact study, range from 105 to 124 decibels. Normal hearing is damaged by noise levels above 85 decibels, and the pain threshold is 130 decibels, only six decibels above the decibel level reported coming from these kinds of flights. This noise level elicits a startle response at both

a physiological and psychological level that interferes with normal biological functioning. I would point out that life forms never adjust to these noise levels so that there is a repeated startle response which disturbs physiological and psychological functioning. It has been suggested that there may be as many as 40,000 such flights over Canadian territory in a year, including night flights and simulated dogfights.

In addition to the concern raised over noise levels, we have heard concerns about the emissions from the burned fuel and how it may collect in water and in fog, never mind the danger that may occur from crashes and accidents. So I would ask that the minister convey to the federal government the opposition that has been raised by native groups, peace groups, and environmentalists to these flights, as well as opposition to Canada's attempt to win the right to do all NATO low-level military flight testing, something that other nations don't want over their populated areas. In all of these -- in cruise missile testing, low-level flight testing, and the research and development into chemical and biological warfare -- Canadian space is being used to serve the United States military purposes. We have to oppose these initiatives not only on environmental grounds but because these initiatives reflect the 1960s, '70s mentality. We have seen in the late 1980s a movement towards peace and disarmament on the international scene, initiatives unfortunately opposed by the military industrial complex. So the world still is held hostage by the threat of war. I think we have to recognize that the threat of war is the greatest threat to the human race at this time.

We have heard, also, of the Department of National Defence closing bases, including the base at Penhold. In the wake of these and other endeavours we see that closures have nothing to do, really, with disarmament, but they do create job loss. A cynic would say that bases are being closed in areas that are particularly dependent on the jobs provided by the military, rather than bases that are not needed, so that we will have an outcry against the closures. We would ask that this minister convey to the federal government that they act responsibly, as any good employer does, that the opposition is not to the closure of bases but to the job losses, and that a good employer ensures that those people displaced by such a closure would be relocated or retrained to take their place in other activities. So I would urge this minister to convey our concerns to the federal minister that the government of Canada act responsibly in this matter.

In conclusion, I would ask that this minister convey to the federal government the concern of Albertans that we work towards peace and disarmament, consistent with the initiatives that are going on at the international level. Thank you.

MR. DEPUTY CHAIRMAN: The Member for Edmonton-Meadowlark.

MR. MITCHELL: Thank you, Mr. Chairman. I would like to confine my comments largely to the question of this government's and therefore this minister's ability to negotiate with the rest of this country, particularly with Ottawa. I must say that as I make a checklist of issues that have been critical to this province over the last several years, my evaluation of this minister's success in directing our negotiations leads me to say that he has been very, very unsuccessful in doing that. I would like to discuss a number of issues that I think are critical to my evaluation and my caucus' evaluation of this minister's ability to negotiate with the rest of this country. If he has any reason for being in

this cabinet and if this department has any reason for existing at all, it is that it should be successful in negotiating with the rest of this country.

Senate reform. There is no question that Senate reform is critical to Alberta's place in Confederation. It has implications at many levels, but in particular it has implications for redressing economic imbalance in this country. Three years ago this government agreed that it would negotiate the Meech Lake accord, which meant that it would meet each of Quebec's demands under constitutional reform, and then after that was done, this government was prepared to accept Mr. Mulroney's commitment that we would begin to discuss what we wanted: Senate reform. There is no question that having Quebec in this Constitution is important to this country. But there is an equally important issue at that level, and that is the issue of regional imbalance.

There are a number of things that can be done, none more important than Senate reform. Therefore, it is unacceptable and very, very difficult to understand how any minister or any government intent on negotiating successfully would go to Ottawa, would go to Quebec, and give away the only leverage that it had in successfully negotiating Senate reform. So it's said to Mr. Bourassa and it's said to Mr. Mulroney: "Yes, we will do exactly what you want us to do. We will sign Meech Lake, and then we will ask that you come back and talk about Senate reform." In fact, we had leverage. Mr. Bourassa had campaigned on bringing Quebec into this Constitution. Mr. Mulroney wanted to campaign in the 1988 election on being a statesman and bringing Quebec into this Constitution. And we said that we'd give away that leverage; we'd sign away and say, "We'll give you whatever you want, Quebec, and then we'll talk about Senate reform." You know what we should have said instead? We should have said: "Yes, Quebec; we want you in this Constitution and in this country as a full and equal partner, but there are two issues. The other issue is Senate reform, and we're not going to sign the Meech Lake accord until exactly the time you sign for Senate reform." Instead, he threw that away. That left us with a fallback position, one fallback position to elect a Senator, to therefore put pressure on Ottawa to begin to consider the option of electing Senators.

But you know, Mr. Chairman, even that option was not an option that was created or identified or developed originally by this government. It was an option that came from our caucus, from Nick Taylor, the Member for Westlock-Sturgeon. So it's a fact that the government first of all gave away initial leverage, couldn't structure a negotiating strategy that would so obviously rely upon the fact that we had leverage over Meech Lake in bringing Quebec into the Constitution. And then having made that mistake, having missed that historical opportunity, it couldn't even develop the fallback position itself, which is to elect a Senator. That was an idea that had to come from somewhere else. Seeing that, Mr. Chairman, makes it very, very difficult for me and for my caucus to support the kind of money we're discussing in the estimates of this department.

Value-added tax. Again, the value-added tax is a tax that is very harmful and, I believe, particularly harmful to provinces like Alberta. The argument can be made that it is in fact representative of classic east/west politics. There are certain advantages in a value-added tax, the way it is structured today, for Ontario and Quebec. There are nothing but disadvantages in that value-added tax for Alberta. Let me explain. The value-added tax will replace the manufacturers' sales tax, which is

somewhat higher. We all know that most of the manufacturing in this country is done in Ontario and Quebec. Therefore, there will be an initial advantage to Ontario and Quebec, because whatever tax is left under this value-added tax will be lower than the manufacturers' sales tax. Up goes Ontario's and Quebec's economy, relatively speaking.

It's also a fact that Ontario and Quebec will benefit from this value-added tax, because they will be able to piggyback their sales tax and generate greater income: classic east/west politics. Ontario and Quebec will get some advantage from this value-added tax, and you know how we're going to keep these taxes revenue neutral, to use Mr. Wilson's statement? We're going to keep it revenue neutral by spreading this value-added tax across those features of our economy which are extremely important to our future diversification. We're going to be taxing certain features of our energy products, energy industry possibly. We're going to be taxing agricultural products. We're going to be taxing high-technology products. We're going to be taxing services. We're going to be taxing music lessons.

Now, faced with that kind of problem, one would expect to see a government that mounted an adamant and aggressive campaign against that value-added tax. Instead, what have we seen? We have seen this government campaign for the very federal government that is bringing in this value-added tax. Instead of going out with \$500,000 of Albertans' money and supporting Mr. Mulroney's government in his election campaign, this government should have done things like talking to each and every Conservative Member of Parliament candidate and saying, "What is your position on value-added tax; are you for it or are you against it?" and then after that election, after they were elected, going back to them and saying: "Now will you please tell us what is your position on value-added tax? What are you doing about it? We are going to publish that position in every newspaper in this province so that people can see and can compare what you were saying during the election to what you were saying after the election." Instead, they allowed themselves to be co-opted, and again they lost an important feature of leverage which was at their disposal during that federal election in November of 1988.

High interest rates: a further problem for this province. At least in this case the minister and the Premier have got the right idea. They're taking the right position. We're aggressively opposed to high interest rates. I should point out under value-added tax that not only was the strategy not all that aggressive, but even at that the government wasn't certain about its position. There was a time in January when the Treasurer actually spoke to a group in Edmonton and said that while he was ambivalent about that value-added tax, maybe it had some advantages. At least with respect to interest rates this government is adamant and focused in its opposition, clear in its opposition. It doesn't want them.

But what isn't clear is what the government is doing about fighting that high interest rate. It's not enough just to stand up and say: we don't want it. I believe that this government and this department in fact should be co-ordinating the issues, should be researching alternatives, so that we can make a case based on facts, on the possibility of alternative monetary policies, on the possibility of offsetting fiscal policies that could be utilized by this federal government. I would like to ask the minister whether he is undertaking such studies to develop these alternatives that could become part of a substantive position that we can take to Ottawa to resist high interest rates.

And fourthly, environmental jurisdiction. I believe that it is a great failure, a significant failure on the part of this minister that he was not monitoring the jurisdictional issue involved in these major environmentally significant projects -- the pulp projects, the dams, and so on -- that he would allow that circumstance to get away from his department, to get away from himself, and not take anticipatory action to ensure that what has occurred now, where we are risking a significant federal intrusion into this particular jurisdiction, didn't have to occur. And that comes down to this: if this government had been doing environmental impact assessments properly in the first place, then it wouldn't have been necessary for the federal government to move in and begin to do them properly in the second place.

Why this is particularly distressing now is that I believe the minister does not have the support of Albertans, nor should he, because people in this province are quite happy that at least there is a second chance for another government to come in and do environmental impact assessments properly. It's not like the '70s and the '80s, when there was a clear consensus in this province about what to do about energy pricing and so on. It is fundamentally different now. The minister is not in a position to mount the case after the fact that he could have mounted by insisting that his Minister of the Environment, his government, his Ministry of the Environment, conduct environmental impact assessment processes properly.

Mr. Chairman, four extremely significant issues for the future of this province, four issues that have to be contended with successfully in the federal provincial issue, and four issues that have been fundamentally dropped and poorly undertaken by the minister and by this government. I must say that in the past I had been concerned that the minister was spread too thin, that being the Member for Medicine Hat as well as the minister of intergovernmental affairs, as well as the Attorney General, as well as the Deputy Premier was simply too much for one person. It is obvious, when one looks at the results of these four issues, that that is the case. I hope, although I am not encouraged, that in the future, with reduced responsibilities, this minister will be able to live up to the challenge and to the responsibility that is so critical to the successful governing of this province.

MR. DEPUTY CHAIRMAN: The Member for Smoky River.

MR. PASZKOWSKI: Thank you, Mr. Chairman. At this time I would like to take this opportunity of commending the minister on the actions that this province has taken regarding China and the developments in China. I think this government should be commended. They did not react in a frightening way, and I think it was very, very commendable the way this government responded to some of the unfortunate happenings in China.

I think it's important that we recognize the fact that we have a lot of Canadians, a lot of Albertans who have heritage ties, language ties, and relations in China, and that's something that we have to be responsive to. As a country we have a great deal invested in our relationship with the Chinese republic. We have to realize that a quarter of the world's population lives in China.

We also have to appreciate that the accepted standards in China are not exactly the same as they are in Canada. This government has done that and, Mr. Minister, I commend you for that. I certainly recognized in my experiences and travels through China that, indeed, their life-style and their expectations are not what we have here in Canada. For that reason, I com-

mend you in that you have recognized that as well.

I think it's important that we value the friendship between our two countries and not become anti-China, and this government has done that. I think it's important that we don't allow ourselves to become overreactive and allow ourselves or Canada to do that. I think also that we should be very careful that we don't create an atmosphere which pushes China into legislating and doing things that will be even more difficult on their people.

Fourthly, I think we should try to maximize the impact, whatever measures we adopt, with a co-ordinated approach with the federal government and with the whole world. It's important that we treat the Chinese in a fair and diplomatic fashion. It's also important that we don't give accreditation to the hard-liners. I think that whatever we do, in whatever way we respond to the difficulties the Chinese government is living with or created today, we shouldn't assist the propaganda process in China. We can do that in various ways, but I think we have to be careful that we don't support the military in China or the propaganda process.

There are ways that I think we can continue working with China. I'm not sure whether the minister is dealing with that or not, and perhaps he can give us some insight as to just what the status of this is. That is by continuing working with the people as such, continuing working with the facilities like community colleges, some of the interrelationships that we have developed with the twinning projects and the likes of that, by being carefully selective that we don't give accreditation or don't assist the military process, that we don't assist the propaganda process, that we do assist the people-to-people type of relationship that we can indeed work with. That's the way we are going to be able to truly assist the overall democratic process of a democratizing China.

I think we should be careful that we not involve ourselves with some of the projects that indeed we have been involved with in the past; television, for example. The television process in China is being used for a specific purpose, for the propaganda process, and that of course is not in the best interests of democracy. I really appreciate that this government, this minister have seemed to be able to recognize that the important thing is the people-to-people contacts that exist.

The one last issue I am a bit concerned about is the status of the Chinese students who are now in Canada. I think what we have to do is strive to make their work conditions easier. I think it's important that we make it allowable that they can stay in Canada without the difficulties that could be created if we ignore them. I further think that it's important that we try and recognize that these students have families, and these families will no doubt be under pressure if the students decide to stay with us here in Canada. Perhaps we can work with these students to bring the families back to Canada.

With that, I'll close. Again, I just want to commend this government for the actions they have taken with China. I think it's been a very, very good approach. It has not been a strong reactionary approach, and I would encourage that we stay with the process we have developed.

MR. HORSMAN: Mr. Chairman, I think it would be useful to respond at this stage to some of the questions which have been raised by various members in the Assembly. Perhaps it would be useful, since the issue of China was raised earlier by the leader of the Liberal Party and just now by my colleague, to point out -- as I indicated in my opening remarks today that the

Secretary of State for External Affairs would be making a statement in Ottawa, I think it would be helpful to point out that he has done so and that copies of that statement should be made available to members of the Assembly.

I have had an opportunity, difficult as it has been, since I've been wanting to pay very close attention to all the questions raised, to glance through what is a five-page statement. It would appear, quite frankly, to coincide quite closely with the views of our government relative to our continued relationship with our sister province of Heilongjiang, to not try and cut back on those but at the same time not to entertain any high level exchanges such as, for example, the one which had been proposed earlier with the governor of Heilongjiang coming to Alberta this summer.

Likewise, it has covered in quite considerable detail, and with the supplementary material as well, the situation with respect to Chinese students who are studying in Canada, to make sure that governments and the private sector are encouraged to make them feel welcome so that we are not forcing them back into circumstances which would be dangerous to themselves or to their families, at the same time, however, not wanting to encourage them to sever their ties with their own country. So it's a delicate balance which has to be achieved, and I think it would be useful for members to make note of this document which has now been issued by the federal government.

I must say as well that those steps we did take earlier will remain in force. We will continue to express our outrage at the repression which took place, not only in the heated days of Tiananmen Square but at the subsequent very serious persecutions which have resulted in loss of life. I guess really we who live under a justice system which while not perfect certainly provides an opportunity for individuals to be heard and to be defended. . . . To observe what is taking place is really a mockery of our concept of justice, and we want to register our very serious and major disagreement with what is taking place there. But we would continue to build upon existing links that we have as a government, in terms of the private sector, academics, medical, educational, and other opportunities for exchange between our peoples.

I make that comment without being able, I must say, to fully expand upon the statement made earlier today in Ottawa by the Secretary of State for External Affairs, Mr. Clark. Just to add this, though: throughout this whole period the exchange of information and discussion between the two orders of government has been quite remarkably good. I have spoken on several occasions to Mr. Clark to express our concern as a government. He knows and understands it. I would think that quite frankly they've responded in a measured and reasoned way and will be taking some additional steps in the United Nations, which is outlined in this statement and which, I think, is an appropriate forum in which to raise concerns of this nature. So I just make that point. I hope that the members will take that into consideration.

Let me then turn, if I can, Mr. Chairman, to some of the concerns raised by the hon. Member for Edmonton-Highlands and others relative to the issue of how the department functions with respect to other departments of government and other offices. There are offices now located in London under the direction of an Agent General. Under that department there is an Economic Development and Trade official. There is representation there from Tourism. It's proposed, once again, to add some additional staff from Career Development and Employment in due

course.

Now, the role of the Agent General is to supervise the function of the entire office, and therefore only part of the budget for the operation of the foreign office appears in Intergovernmental Affairs: those related to the overall direction and administration of those offices. That is true in London, Tokyo, Hong Kong, and New York. The office which we have opened in Seoul is staffed by a gentleman who is under the direction of the Tokyo office and the Agent General there but reporting to Federal and Intergovernmental Affairs. We have, as of the end of May, closed the office in Houston and transferred that function to the office in Los Angeles, which is an office where we do not have an Agent General but the Department of Economic Development and Trade are represented there. So I hope that helps clarify this situation.

What appears in the budget for this department with respect to the foreign offices relates to the overall administration through agents general and the provision of administrative support in other offices such as Los Angeles. Therefore, to really get the whole picture, you have to look at the departments of Economic Development and Trade and Career Development and Employment, with particular emphasis there in Hong Kong obviously with respect to immigration matters, and I think that is something that we obviously have to keep in mind.

I can perhaps at the same time respond to some of the concerns raised by the hon. Member for Edmonton-Glengarry in which he asked the question as to how we decide how to staff and change and make appropriate decisions and decide allocations with respect to our offices. Obviously, it's not a decision made solely by the Department of Federal and Intergovernmental Affairs but in consultation with the departments where there are representatives. Those are primarily Economic Development and Trade, Career Development and Employment, and Tourism. We also consult with Agriculture, because agriculture is obviously a very important aspect of dealing with our international trade. We do it in consultation.

In this current budget, as I've indicated, there is a provision for bringing the Houston office function to an end at the end of May. Obviously, in view of what has taken place over the last decade in terms of our relationship in the energy sector, it is in our view not necessary to maintain that particular function in that office. At the same time, in California, because of the growing interest in Alberta in terms of our energy sector, particularly with regard to natural gas, it has been decided to shift some of that funding into the California operation in Los Angeles. That is done as a result of changes; likewise with respect to the New York office.

I should point out that this budget -- and this was referred to by the Member for Edmonton-Highlands and, I think, peripherally as well by the Member for Edmonton-Glengarry. There was a shift from vote 1.0.3, where there was a decrease of 13 percent, to vote 1.0.4 -- that is, from Intergovernmental Affairs to Alberta Offices -- a substantial amount, due to the fact that when the function of the trade representative's office, which we had in place in conjunction with the federal government and all the other provinces during the negotiation of the free trade deal, came to an end, it required an increased presence in our New York office relative to the location there of a senior international trade counsel so that we could then expand our operations with respect to what is taking place with the implementation of the free trade agreement with particular reference for that counsel to work out of the New York office and into

Washington. So an additional position was added there. That is why you see a decrease of 13 percent in the one element and an 8.2 percent increase in the other element. That is really what happened with respect to that transfer.

Now, the Member for Edmonton-Highlands took the opportunity during the course of her remarks to refight the federal election campaign. It was an interesting battle. I enjoyed participating in it, strongly supportive as I was and our government remains of the free trade agreement with the United States of America. We make no apologies for having participated vigorously in that campaign in Alberta on behalf of our federal counterparts. The expenditure by government, not directly by my department, in support of the document which the hon. member brought into the House -- Straight Talk on Free Trade was an excellent document, welcomed by the people of Alberta and supported by the people of Alberta at the polls. [interjections] Mr. Chairman, whether the hon. member didn't like the results of the election campaign for Alberta, the fact of the matter is that the parties supporting free trade in Alberta -- and there were two parties supporting free trade at the federal level -- received well over half the votes in Alberta. Now, it may not have been true in the rest of Canada, but it was true here. So whatever the hon. members across the way may think about that particular document, it was effective, and it was clear. It was concise, and it was the truth about the free trade deal.

MS BARRETT: I like it when you fight, Jim.

MR. HORSMAN: Now, the hon. Member for Edmonton-Highlands has had her opportunity to refight the federal election campaign. I'm only too happy to do it here again, but I'm going to move on to the next topic, which is the Senatorial Selection Act and the questions of Meech Lake and Senate reform, because those have been referred to by other members as well.

On the subject of Meech Lake it was, as has been pointed out several times in this Assembly, passed unanimously. I should have added today in my answer to the question raised by the hon. leader of the Liberal Party, from Edmonton-Glengarry, when I went through my exposition with him as to how you go through first reading, second reading, committee, third reading, and so on, that there's another element. I should tell him that when the bells ring, you come into the Assembly to vote. Since he's a new member of the Legislature, he might educate his caucus who were there a year or so ago, when they didn't know what the bells meant. In any event, I just make that comment in passing.

Meech Lake was passed unanimously in this Assembly. The question has been raised today as to why we don't embark upon accepting a parallel accord. Well, we don't know what it means. That's quite simply why we are not prepared to embark upon endorsing something that isn't even there. I don't believe in ghosts; I really don't. I don't believe in horoscopes, you know, and I don't believe in a parallel accord until I see what one is. We have heard that both Manitoba and New Brunswick may be developing them and may be proposing them when their task forces and special select committees report to their particular Assemblies. Quite frankly, until such time as something emerges, I think it would be very, very unusual to start endorsing what we don't know anything about. [interjection] Well, some members of the Assembly may want to embark upon that, but I'm not prepared to recommend that to my colleagues in this Assembly.

We have brought forward the Senatorial Selection Act. We will be debating that in the Assembly. It is part of a strategy which we developed obviously to encourage Senate reform to take place, because we know this, Mr. Chairman, that under Meech Lake there are many elements, the first of which and the one which we obtained was recognition in the preamble of the principle of equality of the provinces. That is an extremely important clause, and I never hear a member of the Liberal Party in this province referring to it. Maybe they don't know it's there. Well, let me tell them that it is there, and it's there because Alberta fought for it and got it.

Let me also say this with respect to Meech Lake, Mr. Chairman. We know that it provides an opportunity for ongoing constitutional discussion, which was never there before. We have a unanimous commitment by the parties that signed Meech Lake that the next round of constitutional reform, which must take place before anything else, will be Senate reform. I want to just say this. I don't want to get too speculative on this, but if a parallel accord were to be brought into effect which would in any way have the effect of kicking Senate reform down the list or off the list of things which must be done, this government would strenuously and totally oppose such a move.

So how do you get to the constitutional table as an equal partner in Confederation without Meech Lake? The ones who want to sweep Meech Lake aside, the Liberals in this Assembly, are prepared to put Alberta in a second-class provincial status. Quite frankly, that is the status we would be in discussing Senate reform without that principle of equality and the absolute necessity that Alberta has placed upon being an equal partner at the constitutional table with the federal government and every other province. I'm not prepared to give that up.

AN HON. MEMBER: Not unless Brian asks you to.

MR. HORSMAN: Pathetic, aren't they, some of these interjections.

Now, we've had a few comments about free trade, and I won't get back into that. We've heard classic protectionism arguments, and I'm just not going to respond to those.

Questions were asked . . .

MR. DECORE: Mr. Chairman, I wonder if the minister would permit a question.

MR. HORSMAN: Sure.

MR. DECORE: What kind of a timetable, Mr. Minister . . .

MR. DEPUTY CHAIRMAN: Just a moment. Whether he permits it or not, you have to be recognized. Order please.

The Member for Edmonton-Glengarry.

MR. DECORE: Mr. Chairman, I wonder if the minister would give us the timetable on what he wants to see happen with respect to Senate reform. That Meech Lake agreement talked about a meeting that would be convened by a certain date to deal with Senate reform. That meeting has not taken place. What happens if you don't reach your timetable? What are you prepared to do, and what is the timetable?

MR. HORSMAN: The hon. Member for Edmonton-Glengarry should read the accord. He knows that when it becomes a part

of the Constitution, there must be a constitutional conference convened every year until Senate reform is completed. It will be Alberta's Triple E Senate on the table.

MR. MITCHELL: Well, what happened in 1988?

MR. HORSMAN: It will be Alberta as an equal partner insisting that we will not have any cosmetic changes in Senate reform jammed down our throats, which could happen if we abandon Meech Lake and the requirement for the principle of equality. [interjection] Now, I hope you understand that. I hope Edmonton-Meadowlark understands that, because he has never given any perception of understanding the issue.

There were some technical questions asked that I will respond to in writing relative to the Member for Edmonton-Glengarry. I would like to have discussed some of the other issues. Time has run out, however, and I would therefore move that the committee rise and report.

[Motion carried]

[Mr. Speaker in the Chair]

MR. JONSON: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions, reports progress thereon, and requests leave to sit again.

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

HON. MEMBERS: Aye.

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

At this moment the Chair would like to recognize the fact that one of the pages working with us will not be back. This is her last day. I hope you will accord best wishes to her as she undertakes military training this summer. Nancy Mah.

MR. HORSMAN: Mr. Speaker, I would move that pursuant to Government Motion 10, passed earlier this week by the Assembly, this Assembly stand adjourned until July 12, 1989, at 2:30 o'clock.

MR. SPEAKER: Having heard the motion by the Government House Leader, those in favour, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

AN HON. MEMBER: No.

MR. SPEAKER: The motion carries. Anyone who said no is welcome to stay as long as they want. In the meantime, the Chair wishes you all happy days and also safe traveling. The House stands adjourned.

[The House adjourned at 1 p.m.]