

Legislative Assembly of Alberta

Title: **Wednesday, May 2, 1990 2:30 p.m.**
Date: 90/05/02

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

[Mr. Speaker in the Chair]

head: **Prayers**

MR. SPEAKER: Let us pray.

O Lord, grant us a daily awareness of the precious gift of life which You have given us.

As Members of this Legislative Assembly we dedicate our lives anew to the service of our province and our country.

Amen.

head: **Notices of Motions**

MR. MARTIN: I would like to give oral notice that at this time tomorrow I intend to introduce Bill 284, the Code of Ethics and Conduct Act, a new Bill which addresses conflict of interest.

MR. SPEAKER: Edmonton-Centre.

REV. ROBERTS: Thank you, Mr. Speaker. I'd like to give oral notice that under the provisions of Standing Order 40 I'd like to move the following motion:

Be it resolved that the Legislative Assembly acknowledge Mental Health Week in Alberta by commending all those who work in the mental health field, especially those in underfunded community agencies and those struggling to develop comprehensive programs for children with mental health needs.

head: **Introduction of Bills**

Bill 23

Agricultural Statutes Amendment Act, 1990

MR. ISLEY: Mr. Speaker, I request leave to introduce Bill 23, Agricultural Statutes Amendment Act, 1990. This being a money Bill, Her Honour the Honourable the Lieutenant Governor, having been informed of the contents of this Bill, recommends the same to the Assembly.

Mr. Speaker, the purpose of the Bill is to make some necessary amendments to the Hail and Crop Insurance Act, to the Livestock and Livestock Products Act, and to the Weed Control Act.

MR. SPEAKER: The hon. Minister of Agriculture has moved first reading of Bill 23, Agricultural Statutes Amendment Act, 1990. Those members in favour of sec . . . first reading, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. The motion carries. Almost slipped through second reading of a Bill.

CLERK: Bill 23, Agricultural Statutes Amendment Act, 1990, introduced by the hon. Mr. Isley, is now read a first time.

head: **Tabling Returns and Reports**

MRS. BETKOWSKI: Mr. Speaker, I'm pleased to table with the Assembly the annual report of the Alberta Association of Optometrists for the fiscal year ended December 31, 1988, and the annual report of the Glenrose Rehabilitation hospital for the fiscal year ended March 31, 1989. Copies will be made available to all members.

MR. DECORE: Mr. Speaker, I would like to table a letter from the dean of the Faculty of Social Work in Calgary indicating his agreement to assist in the social workers' dispute.

MR. R. SPEAKER: Mr. Speaker, I'm pleased to table four copies of the audited financial statements of the special areas trust fund for the period ended December 31, 1989.

head: **Introduction of Special Guests**

MR. GETTY: Mr. Speaker, I'd like to introduce to you and through you to the Legislature a group of 71 students from Stettler elementary school who are with us today. They are sitting in the members' gallery, and they are accompanied by their teachers Karen Hayden, Don Falkenberg, Malcolm Fischer, and Ron Komishke. In addition, the parents who are with them are Vivian Lowther, Val Wolansky, Donna Jacobs, Val Delker, and bus drivers Moe Miles and Fern Lamoureux. I'd ask them to rise and be welcomed by the Assembly.

MR. ELZINGA: Mr. Speaker, it's my pleasure, sir, to introduce to you and through you to members of the Legislative Assembly Mr. Bernardo Herzer, a businessman from Honolulu, Hawaii, who is researching business opportunities within the province of Alberta. He's joined by Stan Fisher. I would ask them both to rise and receive the warm welcome of this Legislative Assembly.

MR. SPEAKER: Edmonton-Centre.

REV. ROBERTS: Thank you, Mr. Speaker. On behalf of my colleague the Member for Edmonton-Highlands I'd like to introduce 11 people who are here today visiting us for the first time, from the Bissell Centre, which, as we know, is in the inner city of Edmonton. They're here with their teacher Karen Green. I'd ask that they please rise in the gallery and receive a very warm welcome from members of the Assembly.

MR. DOYLE: Mr. Speaker, it's my pleasure to introduce to you and through you to the members of the Legislature some 40 hardworking social workers in the province of Alberta who are here to draw to the attention of the government the need to go back to the table and negotiate a fair contract and add staff.

MR. SPEAKER: Hon. member, that's inappropriate for introductions. Perhaps the social workers would care to rise and be recognized by the House.

MR. SPEAKER: The Member for Edmonton-Kingsway.

MR. McEACHERN: Thank you, Mr. Speaker. It's my pleasure today to introduce six people from the Coralwood junior academy: four grade 10 students and their two teachers Anthony Reeves and Marilyn Nenninger. I would request that they stand and receive the warm welcome of the Assembly.

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

MR. DAY: Thank you, Mr. Speaker. The hon. Minister of Family and Social Services and myself are delighted to have with us today a group of students from Eastview school in Red Deer. They are seated in the public gallery, and we'd ask them to rise and receive the warm welcome of this Assembly.

head: Oral Question Period

Social Workers' Strike

MR. MARTIN: Mr. Speaker, to the Premier. This government is trying to paint the social workers of this province as uncaring lawbreakers. We've heard incredible, insulting rhetoric from this government about their so-called commitment to the collective bargaining process. The fact is that this government took away fundamental human rights from these workers in 1977, and the social services system hasn't been the same ever since. These employees don't have the legal right to withdraw their services. You have stripped them of any power in the collective bargaining process. As a result, social workers have sat by angry and frustrated while caseloads have gone up. Finally they're saying to this government, "Enough is enough." My question to the Premier: how can you accuse social workers of walking away from the collective bargaining process when you know full well that that process is grossly unfair and doesn't work?

MR. GETTY: Mr. Speaker, I don't know where the hon. member is coming from. As I said yesterday, these are valued employees. These employees withdrew from the bargaining process. I should draw to the attention of the hon. member that in fact the bargaining process works most of the time, 99 percent of the time. In fact, we've had a long period of time when the process works. The process has built into it a fair compulsory arbitration system that is perfectly capable of being used. I say that these are valued employees, that they should participate fully in the bargaining process, not withdraw from it.

The other thing: I make it very clear, as I did yesterday, Mr. Speaker – and I gather now the hon. Leader of the Opposition is joining the Member for Edmonton-Glengarry where they condone breaking the law, because that is clearly the position they are taking, that they are condoning breaking the law. Now, many people in this Legislature and, I suppose, throughout Alberta do not like every law within the province.

MR. TAYLOR: They don't even like the government.

MR. GETTY: Nevertheless, we believe as members of the Legislature that we must obey the law.

MR. SPEAKER: Order please. Thank you very much.
Supplementary.

MR. MARTIN: Mr. Speaker, every dictator in a police state hides behind regressive laws. That's precisely what this Premier is talking about. Talk about the law; what about the Oldman dam and building permits? You talk about the law.

My question, again to the Premier, is this: if they're valued employees, why don't you start treating them that way? You're threatening them with fines, jail, and all the rest of it. My question flowing from that: doesn't the Premier realize – even

he should realize – that these regressive laws are a joke and that the workers feel that they have no choice but to go to the streets at this particular time? Doesn't he realize that?

MR. GETTY: Not at all, Mr. Speaker, and I think, as I pointed out, that the bargaining process works and has worked 99 percent of the time. I say to the hon. member: does he just consider certain laws that should be upheld? What kind of judgment is that? What kind of Member of the Legislative Assembly, where laws are made democratically, could somehow be in a position of saying, "We will only have certain laws we feel should be obeyed"? I tell him that brings no credit to a member of this Assembly.

MR. MARTIN: Mr. Speaker, it brings no credit to this government that we have the worst labour laws in North America. That's what I'm ashamed of. My question then. Even the ILO of the United Nations has criticized the government for precisely this law. That should surely mean something to this Premier. I want to ask him again to do the honourable thing and stop making criminals out of social workers and repeal this regressive law and get back to the bargaining table. Will he do that?

MR. GETTY: Well, surely now we've just had a pile of rubbish. The government is making criminals out of social workers: what nonsense is that? Mr. Speaker, as I said, these are valued employees, and they withdrew from the bargaining process. I urge them, because they are valued employees, to return to the bargaining process, because there will be no bargaining with people who are breaking the law. I urge them to return and to work out a fair and equitable agreement.

I'd also point out, Mr. Speaker, that his comments regarding Alberta's labour laws are nonsense since we have the best labour/management record in Canada.

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

MR. MARTIN: This government really is living in the 19th century, let me tell you, Mr. Speaker.

Conflict of Interest Guidelines

MR. MARTIN: Mr. Speaker, let's go into another area. The proposed conflict changes in Judge Wachowich's report include setting out ethical duties of members. He says that Alberta needs a law that says every member has

a duty to exercise his office and powers in such a way as to maintain public confidence in the integrity of the institutions of government.

Section 32(c). Now, surely the Premier realizes the power that MLAs, and especially government MLAs, have in their constituencies. Every penny in government funding that goes to these constituencies is turned into a photo opportunity for that particular MLA. Over the years Albertans have learned that in Tory Alberta it doesn't pay to bite the hand that feeds you. My question, Mr. Speaker: as long as MLAs are handing out cheques for government moneys to communities, doesn't the Premier agree that there's a need for strict rules to prevent abuse?

MR. GETTY: Well, Mr. Speaker, the hon. member is mixing several arguments into his one question. I think the report from

the Wachowich commission, or the conflict of interest commission, is a very good report. They are people who were commissioned by our government. We asked them to conduct a report. The report is some 254 pages long. The report has many good things. The hon. member has just isolated one of them. We're not going to deal with the report in that kind of an isolated way; that's irresponsible. We're dealing with the total report so that we can bring the results of that report to this Legislature in the form of legislation.

MR. MARTIN: Now, Mr. Speaker, people in Alberta know who's irresponsible, and that's that Premier sitting right across there.

Mr. Speaker, the town of Smoky Lake is still saying that the MLA for Redwater-Andrew owes it over \$28,000 for his share of the cost of putting water and sewer services into his subdivision. Apparently, they've given up waiting for him to honour a gentleman's agreement. My question: does the Premier condone this sort of behaviour by an MLA when he is dealing with local governments?

MR. GETTY: Mr. Speaker, the hon. member is raising the private matter of a member of this Legislature.

MR. SPEAKER: I agree with the hon. Premier. It is totally out of order. Thank you.
Supplementary.

MR. MARTIN: Mr. Speaker, that's outrageous. He is an MLA in that area.

MR. SPEAKER: Sorry, hon. member. If you'd care to peruse *Beauchesne*, you'll see that it is out of order to be dealing with private matters of a member of the Chamber. Sorry.
What is the supplementary?

MR. MARTIN: Mr. Speaker, when does the public duty of an MLA stop then? Can you go around and say, "I'm a developer; I'm this and I'm that"? I ask the Premier this. You know, "I can do anything I want as long as I say I'm not an MLA." Is that the type of behaviour that we're condoning here? Is that what the Premier is saying? [interjections]

MR. SPEAKER: Order please. Let's hear the answer.

MR. GETTY: Mr. Speaker, certainly not, and the hon. member knows that this is not the situation here. I draw to his attention that you, sir, called him out of order on his question. I was not trying to dodge it. You said he was wrong.
So you're wrong. Accept it.

MR. MARTIN: Point of order, please.

MR. SPEAKER: Point of order. Thank you. While we're waiting for the point of order to transpire, perhaps the hon. member would like to look up *Beauchesne* 409(6). Thank you.

MR. MARTIN: You want to hide behind that?

MR. SPEAKER: Hon. member, order. [interjections] Order, hon. member. That's an inappropriate comment.
The Chair recognizes Edmonton-Glengarry.

Social Workers' Strike (continued)

MR. DECORE: Mr. Speaker, yesterday your ruling accepted the fact that there was a need for an emergency debate on the issue involving social workers in Alberta. I expected as a participant in that debate, along with many others from the opposition, to hear something from the government that would perhaps change my view as to whether the government's position was unreasonable or reasonable or whatever. Incredibly, the minister responsible sat and sat and sat and said nothing through that whole two-hour debate. All we heard was a comment from the Minister of Labour indicating that nothing would happen as long as the social workers were out. My question is to the Premier. Last time there was a serious strike involving public servants in Alberta, the Premier flew back from Palm Springs to show his concern. Would the Premier show that same concern by agreeing and committing to meet with the representatives of the union to just discuss the issue of overload of casework?

MR. GETTY: Mr. Speaker, the hon. Minister of Family and Social Services is managing and handling the illegal strike – make it very clear that it's an illegal strike that the hon. member is condoning – and is prepared to respond.

MR. DECORE: Well, I see he sits and he sits and he sits, and he still doesn't give any answer.

Mr. Speaker, I've tabled with the Assembly a letter from the dean of the Faculty of Social Work at the University of Calgary. He indicates in that letter that he's prepared to assist in this dispute and, particularly, I think, with respect to the overworking, to caseload. Would the minister agree to use the services of this expert, an expert that the government themselves have used, to try to resolve this strike? I think if the caseload issue is looked at quickly, this whole matter will be resolved very quickly.

MR. OLDRING: Well, Mr. Speaker, we're very anxious to see this thing resolved, and I think the first step has to be to have both parties back at the negotiating table. Inciting debate in this Legislative Assembly isn't going to solve an illegal strike. We're anxious to get on with that debate. I'd be interested in seeing the letter that the leader of the Liberal Party has brought forward. If there are some thoughtful suggestions there that can help to resolve the situation, we're receptive to looking at proposals; we're receptive to looking at alternatives. But the first step has to be social workers sitting down at the negotiating table. Now, they're telling us that talks have broken off, and I understand that happens sometimes in negotiations, so you bring in a mediator. Mr. Speaker, if they're not at least prepared to sit down and work with the help of the mediator, I don't see how we can resolve this situation. So the solution is meaningful discussions, meaningful negotiations. We're anxious to be a part of that. I just wish they were too.

MR. SPEAKER: Final supplementary, Edmonton-Glengarry.

MR. DECORE: Thank you, Mr. Speaker. I'm pleased that the minister is prepared to look at the letter and to consider this offer of help.

My last question is to the minister. It's my information, Mr. Speaker, that the Edmonton social services office has not been

asked for support. It's my information that there are no contingency plans, no special phone numbers, no ads: no anything that can tell Albertans where they can go with problems dealing with children or otherwise. I'd like to know specifically from the minister: for the third time, what are the details of his contingency plan to deal with this very serious matter?

MR. OLDRING: Well, Mr. Speaker, the leader of the Liberal Party is quite right. Obviously, services have been disrupted, particularly here in the city of Edmonton. All I can say is that we have a very dedicated team of managers and middle managers out there working extremely long, hard hours right now on behalf of Albertans, on behalf of children who require our care, on behalf of senior citizens, on behalf of the handicapped. We're doing everything we can to provide those essential and emergent services.

But no question, Mr. Speaker; these services have been disrupted substantively. I mean, the reason we have the legislation in place that we do is to protect those Albertans, those very vulnerable Albertans, that rely on those services on a day-to-day basis. The solution, again, is for cooler heads to prevail, for social workers to really think through the position they're in today, to come back to the negotiating table after they get back to work, and to provide those essential services that are suffering at this time.

MR. SPEAKER: Athabasca-Lac La Biche, followed by West Yellowhead.

Economic Development in the North

MR. CARDINAL: Thank you, Mr. Speaker. My question is to the hon. Minister of Family and Social Services. We have an illegal strike out there by Alberta social workers, and we have thousands of Albertans out there that will no doubt suffer because of the strike. I have raised the concern in this House on numerous times and even made specific recommendations to improve the delivery system by co-ordinating the services provided by Family and Social Services and Career Development and Employment and on the need to provide jobs and training as an alternative to the welfare system, the very jobs both the Official Opposition leader and the Liberal leader and their teams work every day trying to cancel. And they pretend to care for people on welfare. My question is: will the hon. minister give some assurance to this Assembly that his department will implement these innovative recommendations that will relieve some of the caseloads of the social workers and provide an alternative to people on welfare that . . . [interjections]

MR. OLDRING: Mr. Speaker, we're always looking for new ways and better ways and innovative concepts for addressing the . . . [interjections]

MR. SPEAKER: Excuse me a moment, hon. minister. All members have a right to be heard in the Assembly but hopefully one at a time, and in question period when someone gets a chance to ask a question, hopefully they get a chance to listen to the answer without having to engage in chitchat or some kind of verbal tennis match with other members on the same side of the House.

Hon. minister.

MR. OLDRING: Thank you, Mr. Speaker. The member asks a very important question. The member wants to know: what can we do to reduce the caseload as being part of the solution to reducing the number of cases that social workers have to handle? We are constantly looking for new and innovative concepts, new methods of delivering our services, new methods of helping those Albertans that find themselves on social allowance. Certainly this member has brought forward some good alternatives, some good suggestions, and certainly they're things that we're taking into consideration as we look at our social reform here in the province of Alberta. I would want to assure the member that I'm working very closely with all my colleagues in caucus and in cabinet but in particular with the Minister of Career Development and Employment. Together I'm sure that we will be able to continue to come up with new and innovative concepts that will help to take us into the '90s and will help us to address this societal challenge.

MR. CARDINAL: Now that the minister has committed the Minister of Career Development and Employment, my supplement is to the Minister of Career Development and Employment. Will the hon. minister give some assurance to this House that he will also implement these recommendations jointly with the Department of Family and Social Services?

MR. WEISS: Well, Mr. Speaker, I appreciate the representation made by the hon. Member for Athabasca-Lac La Biche and am pleased to advise him, and as well all hon. members of the Assembly then, that as the Minister of Family and Social Services indicated, we're working very closely with them and will continue to do so, with both the minister and the associate minister. I'm pleased to announce that we have several pilot projects under way at this time. As recently as yesterday I met with the Associate Minister of Family and Social Services and the hon. Member for Grande Prairie in reviewing a pilot project within that specific constituency as well. I will continue to review and assess and monitor the programs we have in place, and I will commit to undertake and report back to the hon. member with regards to his own constituency and see if we can help. The main objective of the Minister and Associate Minister of Family and Social Services is our objective as well: to reduce the caseload by, hopefully, creating positive work for those individuals. If we can provide the training and assistance necessary, we will commit to do so.

Millar Western Pulp Mill

MR. DOYLE: In the past few months, Mr. Speaker, the Official Opposition has received numerous phone calls, letters, and visits from the people of Whitecourt expressing frustration about the fact that this government is either stalling or refusing to release the test results done on fly ash from the teepee burner at Millar Western, which until recently was in the middle of town. Now, I know the Minister of the Environment is going to get up and say that the teepee burner was recently moved, but that's really not the point. The point is that the residents of Whitecourt and every Albertan have every right to know what the fly ash has done to that area and how it's polluted the air and the water of that community. To the Minister of the Environment, Mr. Speaker: given that there has been a delay in the release of the test results on the second sample of fly ash taken by Alberta Environment, is the reason that these tests

were sent for further analysis because they showed potentially dangerous levels, or do they have toxic substances?

MR. KLEIN: Mr. Speaker, there was no delay. There was a thorough examination, a scientific examination of the situation. [interjections] Now, just listen here; okay? Pay attention. My department received the report yesterday. I received it today. I've had a chance to look at a summary of the report. There is absolutely no danger to health. My officials will be going to Whitecourt tomorrow to meet with the townspeople to give them a full scientific explanation of the findings, and I'm sure that everyone will be completely satisfied that there is no danger whatsoever in Whitecourt or vicinity.

MR. DOYLE: I can't help but wonder, Mr. Speaker, why the minister would be so reluctant to release this unless the results of the two samples show the fly ash is really toxic. I wonder if the minister could tell Albertans and the people of Whitecourt when the fly ash results will be available for the public.

MR. KLEIN: Mr. Speaker, you know, this is sometimes a real exercise in futility. I just explained that my officials will be going to Whitecourt tomorrow with the report in their hands to explain to the people of Whitecourt the scientific findings. I can tell you, Mr. Speaker, just for some clarification, that the pollution samples found in Whitecourt are probably no different than the samples that could be found on this carpet in the Legislature, and I daresay that the pollution would be much more on that side.

MR. McINNIS: Point of order.

MR. SPEAKER: A point of order. Well, my goodness. Edmonton-Whitemud.

Lottery Funds

MR. WICKMAN: Thank you, Mr. Speaker. Let me file with the House six copies of a clipping from the *Lakeside Leader* pertaining to community facility enhancement project funding and six copies of a letter addressed to the Member for Calgary-McKnight from the minister responsible for lotteries. In the letter that the minister responsible for lotteries sent to the Member for Calgary-McKnight, it states, and I'll quote, "Although every attempt will be made to provide assistance on an equitable and province-wide basis, the prime consideration will be need." Again I'll stress: "the prime consideration will be need" in relationship to the allocation of community facility enhancement program funding. In a newspaper clipping, along with comments that were also publicly made by the members for Vermilion-Viking and MacLeod, the Member for Lesser Slave Lake has stated, and I quote, "My community facility enhancement program funds are pretty much committed at this point." Mr. Speaker, to the Premier: can the Premier tell me why Tory ridings appear to have specific allocations of community facility enhancement program dollars?

MR. GETTY: Mr. Speaker, it's unfortunate that the minister is unable to be here because of a dentist appointment. We'll certainly take the member's question on notice, and he'll respond to it when he returns.

MR. WICKMAN: Mr. Speaker, it's becoming extremely frustrating attempting to get some responses.

To the Premier, and I would ask the Premier to listen very carefully to this question: would the Premier direct the minister responsible for lotteries to report to this House whether the costs for the volunteer sweatshirts, the TV commercials featuring the Premier, the briefcases, and any such goodies came directly from the budget of the Wild Rose Foundation or did the funding come from other lottery funds, the community facility enhancement program funding, or some other more complex method of . . .

MR. SPEAKER: Okay, thank you, hon. member. [interjection] Thank you. This is starting to sound like a motion for a return.

MR. GETTY: Well, Mr. Speaker, I listened carefully, and now having heard it, I wonder why. Frankly, if the hon. member wants certain things produced in the Legislature, he knows that he should be putting a motion for a return on the Order Paper, and they'll be produced if the House wants them to be produced.

MR. SPEAKER: Bow Valley, followed by Calgary-Mountain View.

Impaired Driving

MR. MUSGROVE: Mr. Speaker, my question is to the hon. Solicitor General. Lately I've had several telephone calls from people who had been charged with impaired driving. They understood that they had a six-month suspension of their licence, and sometime later, after they felt they had served most of their suspension, they were informed that they had a 12-month suspension. My question to the minister: is it not possible to inform these people at the time they're in court the length of their suspension?

MR. FOWLER: Mr. Speaker, what the hon. member is referring to is the administrative suspension on drinking and driving charges. The courts can only sentence that which they have power to do within the Criminal Code on drinking and driving charges. That's six months on the first offence, one or two years on the second, and three years on the third. Administratively, under section 109 of the provincial legislation, the Motor Vehicle Administration Act, the sentences are actually prolonged to one year on the first offence, three years on the second offence, and five years on the third offence, if they are all committed within a five-year period. We have put out that information to as great a degree as possible. We believe it is the responsibility of defence counsel to point this out to their clients at the time of sentencing. However, we can discuss with the chief judge the possibility of explaining that at the time of the actual sentencing.

MR. MUSGROVE: Mr. Speaker, I would just ask the hon. Solicitor General if this differs from the way it's handled in other provinces.

MR. FOWLER: Mr. Speaker, I'm not aware of any other province that is as tough on drinking drivers as we are, and I have no personal knowledge at this time of provincial legislation which extends the period of disqualification from driving.

MR. SPEAKER: Calgary-Mountain View, followed by Westlock-Sturgeon.

Native Criminal Justice Inquiry

MR. HAWKESWORTH: Thank you, Mr. Speaker. Last week in response to my questions concerning the government's gag order on prosecutors making submissions to the native justice task force, the Solicitor General responded, and I quote from *Hansard*, "The truth is that none of the prosecutors have been told they cannot, in fact, appear before this inquiry." He went on to say, "We do expect and welcome individual prosecutors to bring forward their personal views to this inquiry as well." Yet the memo from the director of special prosecutions, Mr. Davie, to all chief Crown prosecutors states, and I quote, "It would be inappropriate for any single office or Crown Prosecutor to make submissions to the Task Force." Given the contradiction between these statements, not to mention the obvious confusion of the government on the issue, will the Attorney General undertake to send a clear and unambiguous message to Crown prosecutors indicating that they're free if they wish to make representations as individuals or on behalf of their district offices or, indeed, if they wish, on behalf of the Alberta Crown Attorneys Association?

MR. ROSTAD: Mr. Speaker, the only inconsistency is with the hon. member. We clearly said that any Crown prosecutor that wished to make a representation to the task force is available and can make it. They will not make a statement on behalf of the department. Those will be co-ordinated. The Attorney General is charged with the administration of justice in this province, and he will be the spokesman for the department.

MR. HAWKESWORTH: Mr. Speaker, the original request that went forward to Mr. Davie from the Wetaskiwin prosecutor makes no mention about requesting to represent the department. It was a request as to whether individual prosecutors can make written submissions. I wish to file five copies with the Legislature to support my contention.

Given the Attorney General's refusal this afternoon to lift these gag orders and given the unduly narrow mandate of the task force to hear submissions only from groups, organizations, and associations, will the Attorney General now agree that he will amend the terms of reference so that all interested individuals, like Crown prosecutors, can make free and complete representations?

MR. ROSTAD: Mr. Speaker, the task force is under the jurisdiction of the Solicitor General, so I couldn't make the change in the terms of reference if I so desired. I have made it very, very clear that anyone under the jurisdiction of the Attorney General can come forward and make their personal presentation to that task force. The chairman of the task force, Justice Cawsey, has made it very, very clear that there also he will as the chairman receive those representations whether they're from the police, whether they're from the Crown prosecutors or whatever.

Mr. Speaker, I usually like to respect the colleagues across the way, and the honourable attests to that. The only gag with the Member for Calgary-Mountain View is the one between his ears. [interjections]

MR. SPEAKER: Westlock-Sturgeon.

Canola Plant in Sexsmith

MR. TAYLOR: Thank you, Mr. Speaker. [interjections]

MR. SPEAKER: Westlock-Sturgeon, if he can be heard.

MR. TAYLOR: My question today is to the Minister of Agriculture. Most people know that since 1979 this government has poured \$60 million to \$63 million, possibly more, into their canola oil crushing plant in the Sexsmith area, represented by Senator Cleghorn over here, of the Peace River country. Now, this 100 percent taxpayer-owned plant announced on April 16 – and I table four copies of it – that they had appointed MacKay seeds their exclusive contractor to collect canola contracts but more importantly to grant interest-free credit to farmers or seed growers from seeding time till fall. My question to the minister is: why did the minister authorize the exclusive contract to print money, you might say, shutting out dozens of taxpaying seed-producing companies in this province, exclusively to MacKay seeds owned by Mr. MacKay and a Mr. Brian Moore, a very well known . . .

MR. SPEAKER: Thank you. [interjection] Thank you, hon. member. Let's not go on at such great length.

MR. ISLEY: Mr. Speaker, the first part of the hon. member's question I can relate to a bit. I can share with the House that his figures are wrong, and I'll get the accurate figures for him. The second part I will have to take on notice. I would remind the hon. member that Alberta Terminals Canola Crushers Ltd. is run by a board of directors. It is not run by the Minister of Agriculture, but I will take the question on notice.

MR. TAYLOR: Mr. Speaker, as a bit of preamble, the *Financial Post* announced in March 1988 that the provincial government had put \$61 million in. That's two years ago, so the total has now gone far beyond what I suggested.

Mr. Speaker, the final question, then, is: would he look into this matter? Would he give the assurance to the House now that the Alberta government through the Alberta terminals has no intention of giving an exclusive right to grant interest-free credit at the taxpayers' expense or to obtain contracts for canola seed?

MR. ISLEY: Mr. Speaker, that's rather difficult to do because the hon. member is now talking about Alberta terminals, meaning, I assume, Alberta Terminals Ltd., which is another operation run by a different board of governors. So I will have to read *Hansard* to see if I can understand what the hon. member is talking about.

Mortgage and Housing Corporation

MR. SHRAKE: Mr. Speaker, in the city of Calgary affordable rental housing stock is becoming more and more scarce. The city of Calgary in their infinite wisdom has decided at this time to shut down a lot of the nonconforming suites in the city of Calgary, and I guess the number of nonconforming suites runs into the hundreds. This is perhaps the most affordable housing, housing that's in the \$300 to \$400 range. Then the city, at the same time, is talking about putting up a couple of million dollars, has a surplus of a couple of million dollars to go into housing, which may build 20 or 30 units at best at today's prices.

I have a question for the Minister of Municipal Affairs, who's in charge of the Alberta Mortgage and Housing Corporation. Could he advise the Assembly: is he trying to gear up some kind of a program, has he got something going somewhere that's going to build some affordable rental housing in the city of Calgary?

MR. R. SPEAKER: Mr. Speaker, we have been working very closely with the Alberta builders' association, the city of Calgary, and also some of the groups that are assisting in affordable housing. At present to put housing on the market takes a period of time. The high interest rates of the federal government that we're facing at the present time have deadened the opportunity for new building units in the city of Calgary, so we're having a very difficult time with that. To the hon. member: I intend in the next couple of weeks to spend some time with the mayor of Calgary looking at not only the question of nonconforming suites but certainly other opportunities for affordable housing.

MR. SHRAKE: Supplementary question, Mr. Speaker. As these nonconforming suites are perhaps the most affordable housing in that city and there are so many of them, would the hon. minister please broach – I guess it's a very difficult topic because it's the city of Calgary's domain, their area to handle, yet it's so serious. I'm getting calls often and regularly now from people that are getting evicted with nowhere to go. Could you broach the subject with them? Could they possibly consider a moratorium on evicting these people out of the nonconforming suites until we get some housing going or something breaks or there's some ease up . . .

MR. SPEAKER: Thank you. Thank you. [interjection] Thank you, hon. member.

MR. R. SPEAKER: Mr. Speaker, to the hon. member. I think the point is very well taken under the circumstances where vacancy rates are very low and rental rates are increasing quite rapidly. I think it's a time of innovation, and that's certainly a good suggestion.

MR. SPEAKER: Edmonton-Centre.

Hospital Funding

REV. ROBERTS: Thank you, Mr. Speaker. Well, the Minister of Health can no longer delay or dodge or defer this very important issue about the inadequate funding this year for quality hospital services in light of a very well-deserved 13 percent raise for nurses in an agreement that was ratified by 97 percent of registered nurses in the province last night and ratified by the Alberta Hospital Association today. So I'm going to ask the Minister of Health if she will finally today commit to the people of Alberta and to those who work in the hospital sector that quality services for people will not be compromised with closed beds, user fees, longer waiting lists, and all the rest, because of the lack of adequate funding from this minister this year.

MRS. BETKOWSKI: Mr. Speaker, I applaud the work that's going on in the hospital and health sector across this province, and I thank them publicly for the support they are giving to this government to help us through the fiscal difficulties that exist. I will confirm for the hon. member today that because of the

ratification of the agreement last night, work can now begin on looking at the review that I promised last November, when I was first asked what the result would be of a ratified agreement. That review has commenced today. I will look forward to reporting to the hon. member in the coming weeks and months.

REV. ROBERTS: Well, here we go: reviewing and reviewing and reporting when the minister knew this was on the agenda and on the table at least since last January. So I want to ask the minister when she's going to stop reviewing the matter and come with her officials to sit down with the boards of the hospitals throughout this province and hear firsthand from them how they just can't keep up with inflation costs, salary costs, and the needs of sicker patients with only a 3 percent increase this year. When is she going to meet with them?

MRS. BETKOWSKI: Mr. Speaker, I meet with hospitals and health units and mental health clinics and workers across this province constantly, but I am not willing to stand in this Legislature and say that I will simply willy-nilly look at something without a very careful review in terms of spending taxpayers' dollars in this province. I will not do it. We are going to do a review. We are going to do a review of the settlement that has now been ratified by our nurses across this province. That will occur, but it will not occur within the time line that the hon. Member for Edmonton-Centre keeps demanding.

MR. SPEAKER: Stony Plain.

Education Funding

MR. WOLOSHYN: Thank you, Mr. Speaker. On Monday in response to school finance questions the Premier said that fiscal equity in education funding was a large part of the education budget, but in fact it's only 5 percent of the department budget. A concrete example of unequal access for students exists in the Fairview school division, which receives so little money that it will be forced to implement cuts in every program. In view of the fact that the minister has publicly assured the have-not boards that they will be brought into line with the so-called richer boards, what is he going to do to assist the Fairview school division this budget year to overcome their \$100,000 equity grant shortfall?

MR. DINNING: The hon. member can play games with the numbers, 5 percent. The fact is that it is \$68 million in taxpayers' dollars that are devoted to fiscal equity funding to some 130 school boards across the province. Quite rightly, the hon. member pointed out that the Fairview school division is in receipt of fiscal equity funding. That school division spends the average amount of money that's spent per student on Alberta students in this province, and we as a government will continue to support the fiscal equity needs of that school jurisdiction. But as I said in this Assembly in my estimates, Mr. Speaker, we have a responsibility to better meet those needs, and that is why I've laid out that commitment, why this government has laid out this commitment to find a better way of meeting the needs of those poorer school jurisdictions so that they can provide the best possible education to all of their students.

MR. WOLOSHYN: Mr. Speaker, this minister also suggested in this year's estimates that the first time he heard about the issue was in the School Art debate of 1988. Equity has been a

problem since long before that, and a few computers and fax machines, called distance education, just aren't going to make the difference. Is the minister prepared to assure the small, remote, rural boards that he will bring in a fair and adequate equity funding formula this year?

MR. DINNING: Mr. Speaker, provincial taxpayers contribute \$2.3 billion to the cost of education in this province. On average, in a classroom of 30 students, that is \$150,000 to each and every classroom in this province. That is a significant contribution by Alberta taxpayers, and we will continue to support quality education in this province through the fiscal equity program, through distance learning, and through the variety of school programs that this government proudly provides to the students of Alberta.

head: **Statement by the Speaker**

MR. SPEAKER: The time for question period has expired. Perhaps we could deal with a housekeeping matter at this time. Earlier today the Chair received a copy of a letter from the Government House Leader with copies to the House leaders for the New Democrats and for the Liberal Party. The essential element within this is a procedural thing with regard to the ending of question period, and the Chair concurs. Nevertheless, the Chair should read the item to the House.

Each party in the Assembly has already agreed to provide unanimous consent each day to complete his or her series of questions. It may be preferable to have consent to allow questions to be completed automatically. At the end of the series of questions, Mr. Speaker could then declare that Question Period is over.

In that regard, that's what we will indeed put into effect starting tomorrow.

We have two points of order with regard to question period. We have a Standing Order 40 request and another item or two. But, first, I wonder if we might have unanimous consent to revert to Introduction of Special Guests.

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried. Thank you.
The Member for Dunvegan.

head: **Introduction of Special Guests** (*reversion*)

MR. CLEGG: Well, thank you, Mr. Speaker. It is a pleasure today to introduce to you and through you to Members of the Legislative Assembly 12 students taking a transitional vocational program at Fairview College. They are accompanied by three teachers: Ken Freier, Sue Fox, and Maureen Wason. I believe they're sitting in the members' gallery, and I'd ask them to rise and receive the warm welcome of the Assembly.

MR. SPEAKER: Thank you.

MR. SPEAKER: Before dealing with the points of order, the Chair would like to point out that at least one member of cabinet, together with his wife, seems to have done more than beyond the call of duty with regard to the celebration of Education Week. So on behalf of the House I'd like to extend

congratulations to the hon. Mr. Dinning, the Minister of Education, and his wife on the birth of their son. [applause]

SOME HON. MEMBERS: Speech, speech.

MR. SPEAKER: Point of order. First is the Leader of the Opposition.

MR. MARTIN: If he wants to give a speech, that's okay.

Mr. Speaker, during question period you ruled one of my questions, I believe the second one, out of order and suggested that we look at 409(6), where it says:

A question must be within the administrative competence of the Government.

It goes on to say:

The Minister to whom the question is directed is responsible to the House for his or her present Ministry and not for any decisions taken in a previous portfolio.

Mr. Speaker, the whole thrust of what I was talking about had to do with the code of ethics and the conduct of MLAs in doing their business. We're trying to find out from this government when an MLA is an MLA and when they are not. It seems it reflects on all this House that we determine how people operate as MLAs. In this particular case that I was raising, it's an MLA that delivers cheques, operates with the local government, and owes them money at the same time. I was trying to relate that to the code of ethics Bill. That was very clear that that was one of the concerns Mr. Wachowich had. It's precisely what I was referring to.

I was trying to get to the Premier, who is in charge of all the government in his competence and certainly the roles of the MLAs, about what – I think the question was: does the Premier condone this sort of behaviour by an MLA when he is dealing with local governments? I suggest to you that I think it was in the competence of the Premier, who's in charge of the overall government and certainly in charge of how local MLAs conduct themselves.

MR. SPEAKER: Thank you, hon. member. The Chair has had occasion to review the Blues, and the difficulty is that in the hon. member's preamble he was speaking with regard to the town of Smoky Lake and the matter of a certain amount of money that is alleged to be in arrears with regard to services with regard to a piece of property. That was the portion of the preamble which was causing the problem which led to the matter then being ruled out of order.

There are indeed other citations within *Beauchesne*, and the real difficulty here, of course, is keeping it within a question being directed in this case to the Premier or in other cases to a cabinet minister dealing with something that's truly within their competence or responsibility to be able to respond to. So in addition to 409(6), one needs to refer to *Beauchesne* 410(10):

The subject matter of questions must be within the collective responsibility of the Government or the individual responsibilities of Ministers.

Dealing with the matter of whether or not a member has paid his taxes is really not within the responsibility of the government to have to be dealing with.

One should also look for a reference with regard to *Beauchesne* 412, which again deals with similar aspects of that.

However, within *Erskine May* there are a number of other citations to be made. One comes from page 285:

Questions addressed to Ministers should relate to the public affairs with which they are officially connected, to proceedings

pending in Parliament, or to matters of administration for which they are responsible.

Again, in reflecting upon the preamble that was offered by the hon. Leader of the Opposition, that really, then, would make the question out of order in that regard.

Again, on page 287 of *Erskine May*:

Personal reflections. It is not in order in a question to reflect on the character or conduct of those persons whose conduct may only be challenged on a substantive motion, nor is it permissible to reflect on the conduct of other persons otherwise than in their official or public capacity.

The Chair realizes that in the course of questions in the last two weeks with regard to the whole matter, there's been a very fine line that's being treaded by those raising the questions as well as those answering the questions, as well as the Chair having to deal with whether the questions are, indeed, admissible.

Again, *Erskine May*, on 289:

Ministerial responsibility. Questions to Ministers must relate to matters for which those Ministers are officially responsible.

Again that didn't seem to apply to the preamble that was offered. The Chair will not go on to quote from *Erskine May*, but would also offer the citations on page 290, subsection (3), and page 291, subsection (7).

The Chair also would bring to the attention of all members that on December 3 of 1987, this House indeed ruled on similar questions. The ruling was such that questions of a personal nature had been directed to the Premier, and again the Chair ruled that out of order because ministers are to be held accountable for matters officially connected with their public responsibilities.

Finally, if hon. members would be good enough to turn to *Beauchesne*, page 142, with the citation 484(3).

A Member will not be permitted by the Speaker to indulge in any reflections on the House itself as a political institution; or to impute to any Member or Members unworthy motives for their actions in a particular case.

That, of course, applies in many respects to the whole issue that's been before the House for some considerable period of time, but it also deals in particular with regard to the comments made in the preamble today with regard to whether or not a tax situation had any relevance here.

That's the reason why the ruling was given, in spite of hon. members shaking their heads.

Edmonton-Jasper Place. Is Edmonton-Meadowlark also having . . .

MR. McINNIS: Mr. Speaker . . .

MR. SPEAKER: I'm sorry, hon. member, but that's . . .

Edmonton-Meadowlark, do you also have a point of order after Edmonton-Jasper Place?

MR. MITCHELL: I have a point of order which I'd be happy to do before he does it.

MR. SPEAKER: I'm sorry.

Edmonton-Jasper Place.

MR. McINNIS: Mr. Speaker, section 495 of *Beauchesne* deals generally with the conditions under which documents cited in this Assembly must be tabled. Subsection (1) refers to ministers reading from or quoting from despatches. Subsection (2) I draw particularly to the attention of the Chair.

A document which has been cited ought to be laid upon the Table . . . if it can be done without injury to the public interest.

Subsection (5) elaborates this point very clearly.

To be cited, a document must be quoted or specifically used to influence debate.

Well, today the Minister of the Environment clearly used a document in his possession in an attempt to influence debate over the Millar Western fly ash issue. There are two sets of data, one from material handed in by the people in the community. That material has never been made available. They've been told, "Well, we're getting a second opinion." Then the second opinion comes, and today the minister refused to lay that document on the Table. My point would be that he cannot, under 495(5), use that document to influence the debate without laying it on the Table. It's very important data, and it's very important to the interests of people in the community. It's like if you went to a doctor, and they said: "We can't give you the results because we don't want to alarm you. We're going to have a second opinion." Of course you're going to be alarmed, and that's another reason for having the documents tabled. But 495(5) makes it quite clear on influencing debate.

MR. SPEAKER: The same point of order from the Liberal caucus? All right. Edmonton-Meadowlark.

MR. MITCHELL: Thank you. Mr. Speaker, I would like to emphasize the points made by my colleague from Edmonton-Jasper Place by way of agreement. I agree with his analysis. He is right.

I would also like to emphasize one further point, and that is that the minister seemed to be saying, "Well, everything's going to be okay because I'm going to release the results of this study tomorrow in the community." I want to underline what a vacuous statement that, in fact, can be.

The minister of Occupational Health and Safety said with respect to the first study that was done into that fly ash, the one requested by residents of Whitecourt, that he, too, would release those results. Well, what he did, in fact, was reinterpret those results through a press release. In fact, the document – the results, conclusions – done by Enviro-Test Labs in the first case was never released, and one of the critical pieces of information that we'd been led to believe existed in that document was never released and confirmed for public consumption. My fear is that the minister, who did influence debate by utilizing this document, will tomorrow say that he's released the document when, in fact, it's very unlikely that he will. If he's going to release it to people in Whitecourt, he should definitely be releasing it here today to us. There can be no argument against that.

MR. KLEIN: Mr. Speaker, I'm citing 495(3) of *Beauchesne*: "A public document referred to but not cited or quoted by a Minister need not be tabled." And referring to subsection (5): "To be cited, a document must be quoted or specifically used to influence debate."

At no time, Mr. Speaker . . . [interjections]

MR. SPEAKER: Order please.

MR. KLEIN: At no time, Mr. Speaker, did I hold in my hand and for the viewing of the members of the opposition or anyone else, for that matter, a document. [interjections]

AN HON. MEMBER: That has nothing to do with it.

MR. KLEIN: I said, Mr. Speaker, that I had received a document . . .

MR. SPEAKER: Order please, hon. minister. Hon. members: all, please.

Points of order . . . It's difficult enough to try to get things unraveled from time to time. Perhaps you'd be good enough to be quiet so that I could at least hear what the minister is saying. Minister.

MR. KLEIN: Thank you, Mr. Speaker. What I held in my hand was this piece of paper, basically, which contains some notes that I made very, very quickly because I haven't had a chance to read the report. I received a briefing from one of my officials, and I thought the best thing to do under the circumstances, in order that there's no confusion relative to the scientific evidence, is to have those officials – those scientists, those specialists – go to the town of Whitecourt and give the people the scientific explanation that they so deserve. I think that's the fair way to handle the situation. The document, once it's released to the townspeople in Whitecourt and vicinity, will in fact become a public document. I would suggest that if the hon. members want the document, or anyone else, for that matter, perhaps they should go to Whitecourt. [interjections]

MR. McEACHERN: What an incredibly stupid thing to say.

MR. SPEAKER: Order please. Order. Perhaps the Member for Edmonton-Kingsway would reflect upon what he has said, that it perhaps applies to himself as well.

Well, the difficulty, once again, is this. We've had it earlier this week. The Minister of Health made reference to a letter. The Minister of Health, in the opinion of the Chair, did not quote from the document, did not cite the document, just acknowledged the existence of a particular document. At that time the Chair then called for the Blues and compared what the minister had said in question period, compared that together with the document which was kindly supplied by the Minister of Health. At that time the minister did not cite, did not quote, but because the letter had been distributed to the media by the writer of the document, the matter was indeed brought to this House.

Now, in the opinion of the Chair, having sat and listened to what transpired in question period, the minister acknowledged that there was a document in existence. The Chair indeed will review the Blues, but it did not appear that the minister at that time was quoting from a particular document, was not citing – the word "citing" is a very interesting one if you go back to a dictionary, hon. members. It's difficult to determine what citing really does mean.

AN HON. MEMBER: But it influences.

MR. SPEAKER: As to influence of debate, that point as well. The minister has acknowledged that a document is there. The minister has undertaken that the document will be released to the people or some persons in the Whitecourt area tomorrow. The minister has stood up and said that he did not have the document in his possession in the House. Instead, he was referring to some briefing notes. Therefore, the Chair feels that the Chair will ask for a copy of the briefing notes, a copy of the documents to see if indeed there was citing done, or a quotation. The Chair would also like to see the original document, and the Chair will have to report back to the House tomorrow.

But it's indeed a very difficult area, and it's one on which the Chair has on occasion spoken to the House leader for the

government to caution members of cabinet that it is indeed a gray area as to when is a document being quoted, cited, referred to, used to influence debate. Thank you.

Now, for the purposes of the television coverage, you may regard your duties as at an end as of now. Thank you.

head: **Motions under Standing Order 40**

MR. SPEAKER: A Standing Order 40 request. The Member for Edmonton-Centre.

Rev. Roberts:

Be it resolved that the Legislative Assembly acknowledge Mental Health Week in Alberta by commending all those who work in the mental health field, especially those in under-funded community agencies and those struggling to develop comprehensive programs for children with mental health needs.

REV. ROBERTS: Thank you Mr. Speaker. Under the provisions of Standing Order 40 I'd like to move for unanimous consent for this motion.

It seems to be one occasion we need to increase awareness of, and in fact our own mental health, even in this Chamber, Mr. Speaker. This week has been set aside by many Albertans as a time for awareness of the needs of those who are mentally ill or suffering from mental distress. It's time to debate issues, it's time to bring those concerns here to the Legislature, and this motion I think does that.

It is, I think, needing unanimous consent this week, this day, because for too long community care, as a vehicle for delivering services to those with mental illness, has been very much neglected. The ratio that many ascribe to is that 85 percent of all mental health care dollars go to institutional care and less than 15 percent go into the community care side. Even officials from the Department of Health have traveled to the state of Wisconsin where they have a mental health system widely known about which has just the reverse ratio, with about 80 percent of the mental health dollar going to community care agencies and 15 to 20 percent going to the institutional side. So we can do that here in Alberta, and I know that the department wants to move in that direction. I think it's going to be an important shift, and to give it the unanimous consent of all members of the Assembly today during Mental Health Week will give it an even great impetus and even greater emphasis on the direction in which we need to go.

Further, Mr. Speaker, it's becoming increasingly distressing to me and many members of the Assembly – I know even to the Minister of Health, as she's mentioned that needs of children in the mental health area are growing beyond the services that can sometimes be necessary. Whether it's children with behavioural, emotional, cognitive, or psychiatric difficulties, a lot of kids are having a lot of problems in a very complex and changing world. To send out the message to those who are working in that area that we will give them our unanimous consent to work with them to deal with the needs of children with mental health needs is something I'd like to urgently ask all members to support by virtue of this motion here today during Mental Health Week in Alberta.

Thank you.

MR. SPEAKER: Under Standing Order 40, those willing to give unanimous consent for the matter to proceed, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: The motion fails.

head: **Orders of the Day**

head: **Committee of Supply**

[Mr. Jonson in the Chair]

MR. DEPUTY CHAIRMAN: Will the committee please come to order.

head: **Main Estimates 1990-91**

Technology, Research and Telecommunications

MR. DEPUTY CHAIRMAN: I'd like to call on the hon. minister to make opening remarks.

MR. STEWART: Thank you very much, Mr. Chairman. It is indeed a pleasure to present to the members the 1990-91 estimates for the Department of Technology, Research and Telecommunications. Joining us in the gallery are a number of the officials of my department and my staff, as well as officials from the Alberta Research Council and ACCESS Network who are responsible through this ministry. I just want to say what a great pleasure and, indeed, how fortunate it is for me to have the opportunity of working with these fine people. They do a fine job for all of the people of Alberta.

Last year, Mr. Chairman, I indicated to you my pleasure in having the opportunity to serve as minister in a department which is involved in such exciting, innovative, important, and rewarding work. I'm pleased because I have been given the opportunity to contribute, really, to the economic diversification of the province through the research, development, design, and manufacturing of advanced technologies. Today I can tell you that I not only have the same attitude as I did a year ago, but indeed that has intensified. It has intensified because I can see how much we have moved forward. I can see how much we have accomplished as a department and as a government in further diversifying our province. I can see, as we work together with business, industry, other departments, and other governments, that we are building a better economy and a better Alberta for all.

In the recent years we have all seen a dramatic improvement in Alberta's provincial economy, and while our two main economic engines, energy and agriculture, still have not regained their level of activity of former years, our economic growth has been remarkable. Diversification is working, and indeed the statistics prove it. In 1990 Alberta will have one of the fastest growing provincial economies, and the advanced technology sector will contribute significantly to that growth. In 1990 we anticipate close to 25,000 new jobs will be created in Alberta, and advanced technologies will contribute to those employment

opportunities. Diversification is working. A significant and growing share of the investment dollar is going to industries outside the energy sector. Investment in technology, research, and development is leading to a broadly based growth of our economy. To me, Mr. Chairman, this spells good news for all Albertans. Our economy is now on a solid path for growth. Science and technology is contributing to that growth more than ever before. As the Treasurer said in his Budget Address: "Alberta is the place to be in the 1990s."

So, Mr. Chairman, I ask: what will be our source of wealth in the future? How do we continue to create the wealth and the prosperity that Albertans have come to enjoy? How can we ensure that our provincial economy will support and sustain our standard of living? These questions are really critical to our future. To an increasing extent, wealth creation in the '90s and beyond will come from the research, development, design, and manufacture of high value-added goods: microchip fabrication, laser operated medical devices, advanced industrial materials, and space-age products, processes and monitoring systems, to name but a few.

I mention these in particular because during this past year we have seen significant new opportunities unfold in these areas. The Alberta Microelectronic Centre is involved in the development, design, and manufacture of microchips for present and future applications. LSI Logic works closely with the centre and industry in developing custom microchips for use in a variety of products. Together with the existing ATRC and the existence of companies such as NovAtel and Northern Telecom, Hughes Canada decided to locate its headquarters in Calgary and to develop its telecommunications centre.

Alberta companies have developed surgical laser equipment that can be produced cheaper and better than anything else available in the world, and they are now discovering the international opportunities to capitalize on that technology. Sherritt Gordon is becoming a world leader in the development of advanced industrial materials. The Westaim project is a \$140 million initiative involving Sherritt, the federal government, and the provincial government. Westaim will conduct market-driven, industry-led research and development. The goal is to research and produce metals, alloys, and advanced materials for this century and the next, for this generation and the future.

NovAtel is having the best year in its history, with analysts suggesting it will have a record-breaking year in terms of revenues as it solidifies its position in a number of foreign markets, competing successfully against the best in the world.

Intera Technologies of Calgary is Alberta's partner in the earth environment space initiative. The earth environment space initiative involves all four western provinces and four industrial partners coming together to develop better ways to monitor and protect the environment through the application of technology in space. The initiative has tremendous potential not only to protect the environment but because it could mean that we will get a foothold on the environmental aerospace business. It could mean up to \$100 million in contracts for western Canadian firms over the next five years. Mr. Chairman, I say "could be," because anytime we explore, anytime we walk a path for the first time, anytime we enter into unknown territory, there is risk involved, and the scientists and engineers, the technologists and the technicians, the businessmen and the marketing specialists, the venture capitalists and the committed governments all share in that risk. So we are all pioneers assessing risk and taking risk. If we don't take risk, we do not grow. If we don't take risk, we do not discover. If we don't take risk, we will not be able to

create those valuable products and services which are becoming the very foundation of our economy and our future. We have to create new products, sell them at a profit, and do it before others, better than others, and cheaper than others.

So you can see, Mr. Chairman, the incredible challenge we have ahead of us. We accept that challenge with the greatest sense of urgency, knowing that the people of the Pacific Rim countries are already committed to succeed and to compete in the world. We accept the challenge knowing that in 1992 Europe will come together to compete as it never has competed before. We accept the challenge knowing that we are facing global competition unduplicated in the history of our world and knowing that Alberta must meet that challenge head-on. So how do we meet that challenge? How do we prepare others to meet the challenge, and how do we guarantee success?

To start with, Mr. Chairman, we can never guarantee success, but we must always work towards it. This is an attitude that prevails in the advanced technologies sector, and it's the Alberta way. How do we meet the challenge and prepare others to meet the future tomorrow? It starts with letting Albertans know what is happening and what is about to happen. In our department we refer to this as building awareness. We are building awareness as we never have before, and you have seen evidence of that. Our Science City campaign is telling Albertans a simple story, a story about the advanced technology sector in Alberta. If Albertans know nothing else about science and technology, we would like them to know that in Alberta we have already 1,200 technology-intensive companies. Those companies directly employ in the neighbourhood of 50,000 people, and if we count the human resources required to support those people, we would create a city of almost 200,000 people. It would be Alberta's third largest city. We call it Science City, Alberta, and even though you can't find it in your atlas, it is putting Alberta on the map.

A number of activities and projects are going on in Science City this year to raise Alberta's awareness of the importance of science and technology and the impact on their lives. As well, those activities signal the opportunities that exist now and in the future for our young people, emerging enterprises, and investors.

Between May 26 and June 2, Alberta will hold its first ever Science and Technology Week, a week to celebrate our successes and a week to focus our attention on the challenges of the future. In May, Alberta will also host for the first time the National Forum of Science and Technology Advisory Councils. This national conference will bring together those men and women from science and technology councils from across the country.

This spring Alberta's new Premier's council on science and technology will meet for the first time. The council will draw attention to the major science and technology issues of our time, and will advise the Premier and the government on these issues. This spring for the first time the Alberta Science and Technology Leadership Awards will be presented for excellence in innovation, commercial achievement, and outstanding contribution. The ASTech awards, as they are called, have been made possible through the collaboration of business, industry, and government, with notable leadership from the Edmonton Council for Advanced Technology.

This year for the first time the department will introduce a grant program to encourage and promote the development and establishment of awareness projects and opportunities in Alberta. This year we have provided the Science Alberta

Foundation with funding to investigate the feasibility of establishing science centres in Alberta that would not only further our objectives of awareness and general interest in science and technology but would add tourism opportunities as well.

This year, with the help of the international journalists program administered by the Public Affairs Bureau, TRT hosted journalists from the United States and a number of the Pacific Rim countries. These journalists returned home to their readers, their listeners, and their viewers, telling about Alberta's high-tech success stories.

This year for the first time we joined the federal government in a national advertising campaign aimed at children between the ages of 12 and 14, showing them that science is a part of their lives and that science can be fun. The goal is to attract young people to courses and careers in science and technology. This year for the first time my department launched a corporate outreach project to link business, industry, and schools. The goal is to get teachers and students interacting with people in real-life science and technology careers.

And there is more. Our student awareness program provided grade 7 classes and teachers from across the province with career posters and lesson plans, a goal to explore careers in science and technology with their students. These students, Mr. Chairman, are our future. If we want the new generation to embrace science and technology careers tomorrow, we have to bring them the fun, the enchantment, and indeed the excitement of science and technology today. If we are successful in doing that, and we must be, we will prepare this generation for the challenges of tomorrow.

Those challenges of tomorrow will be an outgrowth of the challenges we are facing today. As a government we face a new and challenging fiscal environment. It is no longer acceptable for government in every circumstance to be the sole funding source of risk capital in high-technology ventures. Our economy is now on a solid growth path. Business and industry must do more and take more responsibility in driving economic expansion. We are not backing away from the table, but what we are saying is that when proposals come to the table, we look for evidence of private-sector support and evidence of other government support. We look for linkages with present industrial and infrastructural institutions. We face the challenge of developing and focusing on our infrastructural strengths, and we have to ask: how can we best build on those strengths?

Our universities, our industries, our department, and yes, our government, have to look more closely at strategic partnering. In the competitive world of global competition, few companies will be successful in competing in the world without that sort of strategic partnering. Joint ventures, new partnerships, and co-operative initiatives will test our negotiating skills and require us to realize our strategic goals in collaboration with others.

Technology, Research and Telecommunications has been working with others for close to five years now; 1991 will mark our fifth anniversary. In that five years we have shared phenomenal success with business, industry, universities, and our science and technology partners. Alberta's success rate for new advanced technology ventures is over 90 percent, almost twice the European average. The number of companies active in advanced technologies has grown dramatically, especially in the last few years. For example, one-third of Alberta's 130 electronic companies are fewer than five years old; over half are less than eight years old. In 1960 Alberta could claim fewer than 300 advanced technology companies. By 1970 the number had doubled, and by last year it doubled again. This success has

in part been helped along by the technology commercialization fund, which supports research and development in Alberta. Our \$8 million SPURT Investment Fund is the first venture capital fund in Canada designed solely to make equity investments in seed and early stage technology enterprises registered to conduct business in Alberta. Over \$9.3 million in the medical innovation program administered by the Alberta medical research fund has helped Alberta maintain its lead position in medical research development and commercialization.

It's a proud record, Mr. Chairman, and in my view it is an incredible tribute to the Albertans and to the men and women of my department and the related agencies and councils who give their best in the work they do on behalf of all Albertans. I have a high regard and a respect for their diligence, their enthusiasm, and their drive.

Mr. Chairman, in vote 1 the members are asked to support the important work the department does in the development and commercialization of technologies. The objective of the program is to design and implement programs and policies which encourage research development, transfer and commercialization of new technology to promote the diversification and growth of the provincial economy. Members will note an increase in this vote, an increase that's supported for very good reasons. The department has sponsored the establishment of a Premier's council on science and technology. The council's mandate is to advise the government on issues relating to the promotion and encouragement of science and technology in sustaining and enhancing Alberta's economy and quality of life.

The global experience of the past two decades has demonstrated that advances in economic wealth and employment are increasingly dependent upon strategic application of science and technology. Governments of virtually all major industrial nations use science and technology councils to advise them on science and technology policies, priorities, and strategies. Alberta has adopted a similar approach, not only for the sake of provincial interests but also to effectively integrate into the evolving national strategy. As well, funding is included in this vote for the National Forum of Science and Technology Advisory Councils.

Other increases in this vote include the establishment of a special awareness program for science and technology and the grant program which I mentioned earlier in my comments. At the same time, Mr. Chairman, as is the case with all government departments, we have cut hosting and travel costs by 5 percent.

Vote 2, Financing of Technology and Research Projects, is up slightly with the inclusion of the funding for the Westaim project. The development of technology products is funded out of vote 2 and includes various steps involved in the commercialization process: basic research, applied research and development, technology transfer, product developments, and, finally, commercialization. The department's strategies and programs are modeled to parallel this process, with identified priorities which include telecommunications, electronics, biotechnology, advanced industrial materials, medical products and devices, computing and software, environmental technologies, space-related technologies, and manufacturing technologies.

Mr. Chairman, any discussion of the estimates would not be complete without due recognition of the work of the Alberta Research Council, and estimates for the Alberta Research Council are contained in vote 3. This council was established in 1921. It was the first provincial research organization in Canada, and the ability of its people, its work, and its contribution to the

advancement of technology in so many areas is world-class. I know that my colleague the hon. Member for Pincher Creek-Crowsnest, chairman of the Alberta Research Council, wants to add a few comments with respect to the council today.

Mr. Chairman, vote 4 contains the budgetary estimates of Alberta's Educational Communications Corporation, better known as ACCESS. It's in its 17th year, and I do indeed feel fortunate to have the opportunity to work with an organization which is so dedicated to quality programming in its efforts to meet the educational, cultural, and informational needs of Albertans. As you know, ACCESS is very involved in the science field as well as many other areas of the school curriculum and general interest programming for Albertans. You have, I am sure, all heard about *Discovery Digest* and the popular *Homework Hotline*. ACCESS Network continues to have educational productions recognized within Alberta and abroad, especially in the United States. Just two months ago ACCESS Network was awarded the best educational and best motivational awards by the Alberta Motion Picture Industries Association.

ACCESS Network has taken a leadership role in Alberta in establishing the Alberta Music Project, which now includes 13 radio stations and provides Alberta music writers and performers with significant opportunities for awareness and exposure of their works on the radio stations throughout Alberta. To date 14 Alberta artists have recorded 34 selections of music which are featured on the participating radio stations. The extension of the ACCESS Network television service to serve schools and noncable homes in the immediate Calgary area by the installation of an off-air transmitter is yet another accomplishment ACCESS achieved in the recent fiscal year.

In 1990-91 ACCESS has identified some specific priorities. They are: to produce high-quality educational programming in support of the provincial educational system; to take a leadership role in creating co-operation between the three prairie provinces in the development, production, and distribution of education programming; to extend over-the-air broadcast availability of ACCESS Network television in the Edmonton area; and to improve CKUA-FM radio service. I know that ACCESS continues to be innovative in its approach to program development and delivery. It continues to be innovative in the delivery of its services to the community at large and has made several significant inroads this year.

Mr. Chairman, I do want to leave some time for the hon. Member for Pincher Creek-Crowsnest, but I do look forward to the comments, questions, and ideas from the other hon. members and would be happy to respond thereafter.

Thank you.

MR. DEPUTY CHAIRMAN: The Member for Pincher Creek-Crowsnest, to comment on the Alberta Research Council.

MR. BRADLEY: Thank you, Mr. Chairman. I welcome the opportunity to update the Assembly on the activities of the Alberta Research Council. As the minister has indicated, the Alberta Research Council is the oldest of the provincial research organizations, having been established in 1921. Today it is the largest, having approximately 600 employees, and has the largest support from a provincial government of any of the provincial research organizations in Canada. In this fiscal year, 1990-91, the proposed Research Council direct grant from the Alberta government is some \$26,095,000, an increase of 6.7 percent from the 1989-90 grant of \$24.45 million. This continued support

demonstrates the government's commitment to science, technology, and research.

A major thrust of the Research Council has been to be more responsive to the needs of the private sector. In 1986 about 85 percent of the Research Council's total revenues came from a direct provincial grant and from contracts from provincial government departments and agencies. As a result of the Directions document which was released last year, the thrust of the Research Council has been to increase contract revenue from the private sector while maintaining grant support from the provincial government at a constant effort level. For 1990-91 the Alberta Research Council projects that the provincial government grant and contract revenue will make up about 65 percent of the Research Council's budget, with the balance coming from the private-sector contracts. Thus growth in research areas in the Research Council will be driven by private-sector contracts, while maintaining core support from the provincial government through grants and contracts from provincial government agencies.

The 1989 Alberta Research Council annual report suggests two major challenges for the 1990s:

The first is to harmonize the development of our natural resources with full protection of the environment – to provide "sustainable development" . . . The second is to enhance the linkages between our resource industries and our high technology [industries] to [their] mutual advantage.

To meet these challenges, the Alberta Research Council has reorganized its structure. Mr. Chairman, the departments involved with resource technologies and environmental protection have been brought together under a new resource technologies division. Under the resource technologies division, the Research Council has the following departments: coal and hydrocarbon processing, forestry, the Alberta Geological Survey, oil sands and hydrocarbon recovery, and a new department of environmental research and engineering which is an amalgamation of the former departments of resource technologies and terrain sciences. The departments working in emerging technologies of strategic Canadian importance have been consolidated into a new advanced technologies division. Under the advanced technologies division are the departments of advanced computing and engineering, biotechnology, the Electronics Test Centre, and a new department of manufacturing technologies which is an amalgamation of the former departments of manufacturing and industrial technologies and the materials and testing department. With this reorganization, the Alberta Research Council is strategically placed to meet the challenges of the 1990s and to serve its public- and private-sector clients.

Mr. Chairman, I wanted to briefly comment on a few areas of Alberta Research Council activities. Firstly, in order to be more responsive to the private sector, we have been active in setting up an advisory structure of industry participants in our research areas to ensure that our programs are responsive to industry's needs. To assist small business, we have set up a toll-free technology line to provide technological information to Alberta businesses. That number is 1-800-661-2000 and, in Edmonton, 450-5000. This line received 238 inquiries in January of this year. To assist in technology inflow to the province, we've been active in developing strategic partnerships with agencies in other countries. We recently signed a memorandum of understanding with Eniricerche of Italy, whose parent, ENI, is 10 times the size of Imperial Oil. This is the first memorandum of understanding that Eniricerche has signed with any other research agency in the world. It is our belief that this agreement will not only be mutually beneficial to both parties but will also provide us with

a window into Europe 1992 for Alberta businesses. The Alberta Research Council has a technology officer in the Alberta offices in Japan to access the Pacific Rim. Other examples of technology inflow include a contract with the EPRI, which is the Electric Power Research Institute of Palo Alto, California, in the coal agglomeration area, and our biotechnology pilot plants contract with BIOSIS, a California firm, to scale up the production of nematodes as an environmentally safe, nonchemical pesticide. BIOSIS has plans to set up its production facilities in Alberta.

In closing, Mr. Chairman, I wish to briefly comment on the successful joint research venture program. One of the most difficult challenges that research organizations face is in the transfer of technology from the laboratory to a commercially useful product. We believe the joint research venture program is an excellent vehicle to transfer technology. Since its inception many Alberta companies have benefited from this program and have developed products ranging from developing software for the Edmonton-based Myrias supercomputer to the placing of a robot in Calgary's Standen's automobile leaf spring manufacturing plant.

Mr. Chairman, as the minister has indicated, the week of May 26 to June 2 is Alberta's first Science and Technology Week. During that week the Coal Research Centre at Devon is holding a public open house on Sunday, May 27, from 1 p.m. to 4 p.m., and our advanced technologies and engineering department in Calgary is hosting a business open house on Wednesday, May 30.

Mr. Chairman, I'd like to thank the management and staff of the Alberta Research Council for their dedication and commitment and in particular want to recognize the efforts of our president, Dr. Clem Bowman, who has just been a superb individual to work with and is well respected by, I believe, all employees of the Alberta Research Council.

In conclusion, Mr. Chairman, the Alberta Research Council plays an important role in assisting the advancement of the economy of Alberta through its research support for the activities of the private and public sectors. We look forward to the challenges of the 1990s, and I look forward to the members' comments and questions.

Thank you, Mr. Chairman.

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

MR. McEACHERN: Thank you, Mr. Chairman. It's interesting listening to the minister and the Member for Pincher Creek-Crowsnest. They make some good points and describe some of their programs quite well, and I appreciate that. They give, of course, the impression that everything is hunky-dory, everything is wonderful; Alberta has really, you know, grabbed the bit in its teeth and is heading over the horizon into a wonderful period of growth that will be sustained forever. While I have some sympathy with that dream and that idea – certainly we all want to be better off and continue to grow, and we do want to improve our technologies, and much of what you are doing is good.

I'll be specific in my criticisms. But a general criticism: I really think that you should stop and just take a little concern for the environment. I know you're saying that you're building that in, but you really should be questioning a couple of fundamental things. Is sustainable development possible in this world? A lot of people are starting to be concerned that maybe we just can't go on expanding the pie forever. I guess it's a little

bit like – maybe we should consider mankind and the animals and plants on this Earth as all living together in a fruit jar, because it's not too clear that we can get beyond this Earth in a way that will be economically productive: perhaps a bit of minerals from the moon. But for a long time we are in a finite universe, and it just worries me a little bit that there's the sort of total belief that we can always keep expanding the pie.

We do have a lot of people on this Earth that are not sharing very much in the pie that we've built so far. In fact, those of us in the more fortunate part of the world to a very great extent live at a high level of income because we rip off the poorer part of the world in a fairly major way. Almost all the trading patterns, almost all the arrangements between the developed world and the undeveloped countries is an unequal arrangement that draws from those nations into ours. Technology may help us overcome that, if I thought for a minute that that was the direction that we were talking about, but I don't really hear that. I have real concern for the basic direction and belief of the people involved in what you're doing. I don't say that we shouldn't be doing what you're doing, but maybe you need to stop and think a little bit.

It reminds me a bit of something I said last year. If we just push for technological change and if we just keep seeking for more scientific advancements, if that becomes a goal in itself, it just gets us onto a treadmill that decides that workers are really just like any other input cost. The purpose of that growth and buildup of new things seems to only belong to a very few people at the top who don't share it very well with the rest of the world. If you treat the workers like another piece of a computer that's now outdated and going to be thrown on the scrap heap of life by putting them on welfare, then you're really not achieving what mankind can achieve in this world. So I find what you're saying okay in a way, because we all want to live well and live better, but I don't hear anything in it that says that we are going to make a better world for all mankind by doing this. I don't hear anything that refers, other than some lip service, to concern about the environment. Can we really keep expanding forever? I mean, we know that we're heading toward disaster the way we're going now with the greenhouse effect and some of the other environmental concerns that have been well documented, quite apart from myself getting into them in some detail. I will come back to the environment a bit later.

But I just wanted to start with some of those general comments and say that I don't think the world is quite so rosy as you paint it. At the same time, I will grant you that the Alberta government is doing reasonably well in what it's doing in light of what its intentions seem to be. But I just would like to put that caution in that I expressed a minute ago.

Now, if we buy into your argument that we want to develop our technologies, then of course we have to be involved in research and development. I want to deal a little bit with research for a minute and look at it with some different views. It would seem to me that there was some suggestion on the part of the minister – and I agree with this – that there should be an emphasis on education, but I didn't hear it being nearly so important as I would make it if we're going to have research and development and high technology in this province and compete in this globalized economy of the world that you talk of. In order to be at the forefront of that, we will have to have a first-rate education system, not one that puts in an amount of dollars from the provincial government that makes it seventh according to all the provinces of Canada. We will have to have more money into the U of A for good computers. They cannot

compete in training people for the modern world with outdated computers. So the purpose of the education system has to be looked at. We all sort of agree with where we're going and what we want to do with it, but we don't give them the means to carry that out. I know this is not the Minister of Education I'm talking to; nonetheless, I think he has to have a little word with the Minister of Education if we're going to be at the top of science development in the world of the future.

Now, the development of education for science and technology through our education system raises some interesting questions. To some extent, of course, the departments developing the *sciences* and technologies will have to co-operate with industries, and we're always left with that problem as to who is going to lead and who is going to control. I think the minister should be aware that a lot of research, if it's controlled by businesses, is often not so much research as it is propaganda. You have to be very careful and cognizant of that danger. I see the Alberta government, by underfunding the universities, pushing the universities more and more to rely on gifts, donations, grants, and what have you from businesses. Big businesses that take up that challenge also then have a vast influence not only on what is researched but on the outcome of that research, making sure it's something that they would like to see that will be profitable for their company rather than necessarily pure academic research. So there may be a cost to tying yourself, in terms of your education development, to too much reliance on co-operating with or working with the business community.

So it would seem to me, Mr. Chairman, that it would be incumbent upon a government to see to it that our educational institutions are funded adequately with taxpayers' dollars. There is not much doubt that the people of Edmonton and the people of Alberta are prepared to pay for a good education system, and they're prepared to pay quite a lot of taxes to do it. It's not too many years since a survey was done in the city of Edmonton, and it showed that two-thirds of the people were willing to pay for a better education system even through increased taxes, and they came right out and said so. So I think the government has to be a little bit careful about pushing educational institutions to tie themselves to commercial enterprises. Of course, it would help if some of those commercial enterprises paid their fair share of taxes. The government of Canada has been remiss in this area and the government of Alberta even more remiss in terms of seeing to it that corporations pay their fair share. Then the dollars would not be tied to the research. The research would be able to go ahead in a purely academic way because the money would be collected in taxes by the government and given to the educational institutions with no strings attached.

Now, when you get to the other side, the development, then you cannot avoid being tied in with business, and that I recognize and accept. But, of course, it does leave the question: how much should taxpayers' dollars be used to try to commercialize or develop, if you like, the research to a commercial level, to make it into an industry that will have some dividends and pay back to the people? Of course, one's a little bit schizophrenic on this, I suppose, in the sense that one would like to see educational institutions be able to recoup some of the benefit of their inventions or their new discoveries. They should patent them, I guess, and hope that if they patent something new, then they should get some money back in for every new product produced. So patenting is one way of getting something back, I suppose, but of course the bigger problem really is: should the government put taxpayers' dollars into helping companies commercialize inventions? As the minister would

know, that's a pretty risky business. It's an interesting business, and we've had some success, I gather, in certain areas, and one must keep trying, I suppose.

I've been reading about these kinds of things and thinking about them. I looked back at last year's comments, and I listened carefully to your comments this time around, and of course there are no easy answers. You will have some successes and you'll have some failures, but I wanted to get into some of the pitfalls and some of the problems that I see in the government using taxpayers' dollars to help commercialize an invention from one of our research facilities or our universities or whatever.

Now, if you take the lessons learned in GSR, then you might say to get out all together and not get involved. I think there is a lesson to be learned in GSR, and I think it's that you shouldn't finance a company that's starting off with a new and a good idea like they did sort of in an ad hoc manner. I do believe there was one stage where quite a large sum of money was put in all at once, which one thinks might have at that stage got them off the ground and over the hump and into a commercial venture that would pay off, but it did not. So we continued to put in money on an ad hoc basis picking up the debt, with the company never really being able to get ahead and get out and commercialize its product. So eventually, then, we stopped putting money in. You pull the plug on the company, and the receiver takes over and sells the company for a song to some private enterprisers.

Now, one of my acquaintances suggested at the time this happened with GSR that it was almost as if the companies involved in that industry were in a position to sort of sit back and watch and wait for the government to get tired of putting money in and then pick up for a song some equipment and some intellectual ideas that were really quite valuable, having watched the government write off its \$30 million investment. So I think you have to watch for that kind of situation again. My suggestion would be that we would only fund companies at the very beginning and leave them pretty early, unless there's an awful lot of good reasons why you keep going. It would have to be some kind of long-term plan that would be made public, and explain to the public why you're prepared to put in those kinds of dollars over what period of time.

I guess another company I'd like to ask the minister to update us on is the Myrias corporation. It's been touted as one of our success stories, and I think that's great. I'm glad to hear it has been successful. I hope it is still being successful. I just want to remind the minister that a question that arises from the Myrias situation is that they got money from three or four different departments, and I find that a little bit worrisome. I've mentioned this before. He assured me that one person did know about all the different loans from the different departments. I hope that is true in all cases, that we don't allow any single company to apply to several different departments without somebody knowing what's going on in all departments.

I want to raise other examples because they raise certain basic philosophical questions. I want to mention Domglas, the glass plant down in Redcliff that was shut down when the Enfield Corporation found it could bully the provincial government of B.C. into more money than it could get out of the provincial government of Alberta. One of the dangers of getting involved in this whole game is that some company will come along and say to you, "If you don't give us money, we're going to shut this one down and go somewhere else because they'll give us money." So it's a rather awkward position to be put in. [interjections]

Well, that did happen. That company did shut down because B.C. outbid us.

I guess I'd also like to say that if you want to talk about the glass industry in a little broader context, if you looked across the border into the United States, by last spring two companies there had cannibalized two-thirds of the American industry, and there was nothing in the world, with the free trade deal in hand, to stop them from coming in and taking over Redcliff if we had put enough money into keeping it going a little longer. So the taxpayers' dollars could have in essence gone down the tube and benefited a foreign corporation instead of ourselves.

Now, I'm not going to talk a lot about the free trade deal. I would just mention that I'm not against the idea of free trade, but our party has always believed that you should do it through multinational organizations like GATT and not on a bilateral agreement with the United States. A small country like ours tied to a big country like the United States is going to run into the same kinds of problems New Zealand is running into with Australia. I have some stats for you on that which I will show at a later time in this Assembly if I get a chance, in either Economic Development and Trade estimates, if they come back, or Treasury estimates or some other time. It's a dangerous situation to be in, to try to integrate a small country into a bigger country, particularly when we have some dynamics that are peculiarly Canadian and do not fit easily into the American mold.

I had some doubts, as I've said, about getting involved in commercialization, and I think at best I would agree to two areas: one, the SPURT kind of thing, small amounts of finances for new companies just starting, the most innovative companies. Give them a little bit of a start, let them sort of get into the industry, and then if that idea isn't good enough to attract capital, I don't think it's the government's role to get involved in a big way. Now, there might be another occasion in which a government would get involved in the economy, and that would be in a monopoly situation like AGT. I intend to talk a bit about that. That's fine, because that can be considered a utility and a natural monopoly. Or on occasion, I suppose – and certainly in the past it's been the case that one might do it this way – the idea of developing megaprojects. I'm not saying that some projects aren't important enough or big enough that a government shouldn't get involved in a megaproject. But if they do decide to, they should do it on an equity basis rather than loan guarantees or some other way.

I don't think the minister or the Member for Pincher Creek-Crowsnest really talked enough about the environment or showed enough concern for it. It's all very well to sort of pay up service to it, as they did in passing. But it's a bit like this Bill 1, the Premier's commission on science and technology that is being set up. There isn't a word about the environment in that whole document, so I don't think I can take this government's concern for the environment very seriously. It would seem to me that if you're going to have a 28-member committee, certainly there should be a couple of environmentalists on that committee.

Now, I think the idea that science and technology can solve all problems is a bit of a problem in itself. David Suzuki made that point just the other day when he was in town. We seem to have this unshakable belief that we can always make it right by better science and better technology. I'm not sure that's always the case. I've already talked about the idea that Earth may be just a little bit like a jam jar, that we, not only mankind but the animals as well on this Earth, may be a little bit like the fruit

flies that can be put in a jam jar and end up polluting themselves to death before they've used all the jam. That's an experiment that is fairly common and repeated around the world. It just raises the danger that we may not always be able to have the technology that will rescue us. I do think one has to be aware that that's a possibility.

I think back to some different examples I've seen of things going on that sounded like great technological advancements, and I really wonder about their merit. Procter & Gamble, for instance, a number of years ago spent a lot of money in a couple of years of intensive research developing a toothpaste tube that was just wonderful. It was practically indestructible and better than the old sort of lead-zinc ones the paint peeled off every time you went to use them or roll them up. You know, they thought this was the greatest thing since sliced bread. Yet now in this day and age of the environment, who believes that indestructible toothpaste tubes that have to be thrown away are of any real merit? I mean, surely we should have a recyclable or reusable toothpaste tube.

I'm just saying that science and technology do not always stop to think through what they're inventing and why and the purpose of it. And another side of it from the commercialization point of view: who needs 47 different kinds of toothpaste in our society and half the world out there – well, more than half; two-thirds of the world – without any toothpaste, too poor to afford toothpaste. So science and technology and industry have not done too well at helping all of mankind to develop a civilized and reasonable society, taking into account the concerns for the environment and the long-term duration, we hope, for mankind and animals on this earth.

I think of tires as another great example. Science has done a great job of making tires so tough that you can't dent them. You can drive over glass and it doesn't blow your tires like it used to back when I was kid, because the tires are so good. But how do you destroy them? How do you get rid of them? You know, we stacked up something like 14 million of them, I believe it was, that caught fire the other day and caused pollution at an incredible rate down in Ontario. In fact, I just want to elaborate a little bit more on that. There was an interesting program on the *Journal* the other day, where they had a man from Goodyear representing the tire industry. A man who ran a company that had a cement kiln said he could burn those tires and turn them into energy; he could make up to 20 percent of his fuel source. But there was an environmentalist on there who had enough sense to see through both of their arguments and say: "No, why would you want to destroy that tire by burning it? It's not an efficient and effective use of that much of the earth's resources. We would be better finding other ways to put that used tire to use." She was right of course. She won the argument hands down when anybody sat and listened carefully to the different pros and cons put forward.

It brings up a suggestion that came in a conference we held, a symposium, on sustainable economic . . . We didn't use the word "development." "Sustainable economies" was the term I preferred to use, on the assumption that the question of whether we can keep expanding forever is sort of still a question. There was one speaker that said to us, "The simple and short answer for the environment is this, just like your mother always said: if you make a mess, you clean it up." That is essentially what this young woman said to the manufacturer from Goodyear. If you're going to produce those tires, you have to find a way to put them back into use in some productive way. You have to clean up the mess. You have to have a way of doing that. You

cannot just leave it to somebody else who might happen to say, "Oh well, I can burn them and get a little bit out of them anyway." That's not acceptable from the point of view of prudent use of the earth's resources and our environment.

Another thing. You know, Alberta has a lot of coal and a lot of oil and a lot natural gas. Of those hydrocarbon fuels, coal is the most polluting, oil is quite polluting, and gas is quite good by comparison. Of course, in the next 20, 50, 100 years – I don't know how long it will take – we'll see a drive toward cleaner energy like solar energy and wind energy and perhaps electrical energy, although we tend to generate electrical energy from coal in this province, which is not particularly good from the point of view of the environment.

One of the things that really scares me – and it isn't happening here in Alberta; it's more of a national problem – the Canadian Atomic Energy commission is coming out with all kinds of books these days bragging about "Nuclear is the way to go." I know it scares the hell out of me. They say they know how to totally dispose of it cleanly. Sure, they can bore holes down into the granite in the ground and stick the spent rods down there and hope they never come up again for 500,000 years; it's okay for you and me. But my understanding of this planet we live on is that it's going to be around for another 5 billion years, and I can't imagine putting radioactive materials down into the ground and then saying that somehow that's safe. Yet Atomic Energy is coming out and saying: "Listen; forget oil, forget coal, forget natural gas. Nuclear is the way to go. And oh yeah, we know how to totally dispose of it perfectly safely." It's just an incredible thought that we would buy into that argument.

I mentioned a little earlier the free trade deal, and I'd like to say it's added to the degree to which we are foreign owned. One of the things that bothered me about the Treasurer's budget when he brought it in and the discussions afterwards was all those nice little charts saying how wonderful everything is in Alberta. Of course, it avoided a number of statistics that could be useful in analyzing just how good things are in Canada – and Alberta is part of Canada, although often out of step, and I accept that. We sometimes have different sorts of things happening here compared to the rest of the country. Nonetheless, I have a set of statistics that is quite comprehensive, outlining some of the difficulties with foreign investments and how they limit you.

A colleague of mine said the other day – and I think it's true and the minister should consider this – that the more we are foreign controlled, and the free trade deal does make it easier for our economy to be more foreign controlled, the less we have to say about how our environment is protected. The attitudes George Bush puts forward these days are not very helpful, quite frankly, and as long as we're tied to that economy as tightly as we are, and getting more tightly tied all the time, we don't really have a lot of control over our environment. In fact, we don't seem to have a government that really is prepared to deal with the environment in a fair way.

Foreign ownership causes not only problems of looking after the environment but also problems of having local preference for procurement policies, employment opportunities. It makes you wonder about the sanity of subsidizing exports. When you think about trade with the United States and decide that either we must trade or we must get into the globalization market, I wonder why taxpayers of Alberta should help to sell our products cheaply to other people in other parts of the world. Now, if we're giving them cheap to Ethiopia because they need

some wheat to eat, that's fine, but I'm not sure we should produce cheap computers to sell to the United States, who can produce their own darned computers. So if we're subsidizing exports, it should be after very, very careful consideration and not very much and not very long, because it doesn't make any economic sense.

I want to just talk a little bit about the Al-Pac thing. Talking about technologies and new technologies, I understand from the Minister of the Environment that we've had a new Al-Pac proposal, one different from the previous chlorine bleach proposal. Now, my understanding also – and I could be corrected on this, of course, because we haven't seen the proposal. I mean, I'm not sure why it isn't before the people of Alberta. The Minister of Technology, Research and Telecommunications was talking about how open this government is and how it lets lots of information out, but you should tell that to the Minister of the Environment, because we would like to see that new proposal.

MR. DEPUTY CHAIRMAN: Order please. That's not really relevant to the estimates at this time.

MR. McEACHERN: Oh yes, because we're talking the technologies of the . . . You see, we're talking . . .

MR. DEPUTY CHAIRMAN: Hon. member, the reference to this minister having to tell another minister something: let's stick to the estimates, please.

MR. McEACHERN: I am in this sense. The point I wish to make here is that the new technology Al-Pac is proposing – and we're not sure of this because we haven't seen the document, as I mentioned. The new proposal, I believe, is to use some peroxide instead of all chlorine in the bleaching process. I guess it relates to the idea that technology can solve all problems. Well, in this case I'd like to say that the word we have is that it will take some 10 years for that technology to emerge and be really productive in making that switch. I guess what I also want to say is that if the government was really serious about using technologies to protect the environment, they would hold new environmental hearings for this new proposal, just like they did for the other one. That is the point I wish to make.

Now, I want to spend a fair bit of time and the last of my time, I think, talking about AGT. The government has proposed to privatize AGT, and I know they've disclaimed this, but I have a copy of the speech of the Minister of Technology, Research and Telecommunications to the Edmonton Chamber of Commerce on March 28, and while he says on page 10 that he does not intend to sell it, that the decision has not been made yet, if you read the whole document it's very clear that that's the intention of the government. Now, the funny thing is that earlier in the document he points out that Alberta Government Telephones has done the job it set out to do. It has provided cheap telephone service to all Albertans. In fact, we're in the process of seeing to it . . . (The member's speaking time expired)

MR. DEPUTY CHAIRMAN: Order please.
The Member for Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Chairman. I certainly do appreciate having the buzzer go off. It aroused me from a

sound sleep. Considering the dynamics of the previous speaker, it was hard to resist.

Nonetheless, I'm pleased to speak regarding Technology, Research and Telecommunications, because I am very impressed with the . . . Reflecting upon the department and the Premier's council Bill, which we had before the House not too long ago, the Premier's council is a new initiative that we see reflected in vote 1. As I looked down the cabinet there, I noticed that actually when you come right down to it, there are quite a number of departments that are interested, at least in part, in science. I think about the departments of Education and Advanced Education. I think about the Department of Energy, which is a science field; the Department of the Environment; the Department of Health; Forestry, Lands and Wildlife; the two ministers of Agriculture.

AN HON. MEMBER: Palaeontology.

MR. BRUSEKER: Palaeontology. Yeah. True. Good point. So there's a lot of science on that front bench. If only they could understand it, it'd be even more encouraging.

Nonetheless, the Premier's council, in vote 1, I believe is a significant step in the right direction. It is a tremendous, although long overdue, step toward rationalizing and promoting science in a logical fashion in this province.

There are some concerns, though, that I do want to express, in particular in vote 1. I notice that we're in the 1990 fiscal year, and it's an even year so Planning and Co-ordination has gone up again. Last year it went down. It was an odd-number year, so it went down in the odd-number year. It was up in the previous year. It seems to be going up and down with respect to odd- and even-number years. I wonder if the minister could address why it went up this year, down last year, and up the previous year. What's the rationale? I don't understand what's going on in that particular area.

Again, a comment I want to make about this budget – the same as other budgets I've commented on – is that there seems to be a real lack of information with respect to what's happening in a lot of these particular areas. For example, I've mentioned Planning and Co-ordination. Under vote 1 the minister read the objective of the program, which according to the budget estimates is

to design and implement programs and policies which encourage research, development, transfer, and commercialization of new technology to promote the diversification and growth of the Provincial economy.

As I look at that, it's certainly an impressive statement. But I wonder if the minister could elaborate: what policies, what programs? Now, this is on page 316 in the book. You know, it's a nice, broad, generalized kind of statement, but I'd like to know exactly what kinds of policies, what kinds of programs are being developed. My impression as I look back over the last year or so is that there seems to be a tremendous amount of overlap between this minister's department and that of Economic Development and Trade, and I'm wondering how the two departments differ in their policy generation. So in that particular area, it's related to Planning and Co-ordination. Going back to that vote 1.0.4, to which I referred earlier, it seems there is a certain amount of overlap there, and I'd like to know a little bit more about what's happening.

With respect to vote 1.0.5, Technology Commercialization, I wonder if the minister could rationalize for me why it is that in this particular vote we're seeing a reduction of some 5.2 percent,

which in and of itself is not a serious concern, but when I look at vote 2, which says primarily again Financing of Technology and Research Projects, and we have, in particular under vote 2.2, Commercialization of Advanced Technologies, we see in fact an increase of some 51 percent for vote 2. So, on one hand, there's a reduction; on the other hand, there's an increase. Both of them deal with the concept of commercialization of technologies, which ultimately has to be the goal of doing research in the first place. But what's the rationalization for going down on one hand and going up on the other hand, and where is the differentiation occurring in that particular area?

[Mr. Schumacher in the Chair]

With respect to the deputy minister's office, I notice that both of these . . . I understand the reason for the minister's office showing a slight increase. The deputy minister's office increasing some 6.3 percent one starts to question a little bit. The budget has not increased substantially for this whole department, it's a slight increase from last year, and I'm wondering why we're seeing a relatively large increase there. The same thing with Financial and Administrative Services: a 12.7 percent increase. Dollarwise the figures are not large in and of themselves, yet on a percentage basis they do raise some questions and some concerns.

With respect to vote 2, Financing of Technology and Research Projects, the question of concern with vote 2, financing of those technology projects: again, there's a real dearth of information. We talk about topical areas. For example, Biotechnology, vote 2.1.1, is getting nothing under Budgetary, but under Commercialization of Advanced Technologies it is. The questions I would have for the minister with respect to all of vote 2 are questions like: what are the industries in particular? If possible, I would like the names of the companies that are getting the funding. For example, under Electronics/Microelectronics, 2.1.2, is that \$2,373,500 going to one company? Is it going to half a dozen companies? Also, the next question that follows: how many jobs are being created or promoted for that rounded off \$2.4 million worth of money? What kinds of projects are they going to be doing? I'm curious to know what we're getting for that \$2.4 million. Similarly, questions on all of them. I don't want to repeat them all, but in that whole vote, 2.1 and 2.2, we're seeing money being allocated to subject areas. I'd like to know what it is we're getting for the moneys being expended. Percentage-wise we're seeing an increase of 51 percent, a some \$2.7 million increase. I'd like to know what the projects are.

A question springs to mind in this area of commercialization of advanced technologies. The environment, as we're all aware, is a crucial topic of concern, and I don't see in here anything pertaining to the development of environmental technologies. I'm sure the minister is well aware – I know he is for a fact – of the concern over pulp mills in the province. I'm sure everyone in here would like to have pulp mills, provided they can be done in an environmentally sound fashion. What that means is different for different members, but I think what we're all looking for, of course, is to promote jobs but not at the cost of our environment. Sustainable development, of course, is the catch phrase. So I'm wondering what the minister is doing to help promote that in that regard in this province, so we can have all the benefits we can.

I had a question on Infrastructure Development and Support. We see two different titles here. Vote 2.1 says Infrastructure Development and Support, and I'm wondering if the minister

could clarify the difference between that heading, Infrastructure Development and Support, and the vote 2.2 heading, which says Commercialization of Advanced Technologies. We see a split between these two, and I'm wondering why that is there. I'm not sure there is any particular reason for that.

It leads me to my questions about the overall philosophy of this department, Technology, Research and Telecommunications, for global funding for the development of high technology. Is there a plan? I referred in last year's estimates to the fact that there was a five-year development proposal that took us up to 1990. That is now ended. The white paper on science and technology – that period of time has passed. I'm not aware of any new proposals. Is there a new white paper giving the direction, or is that what the Premier's council is going to do? How are we going to fund our high-tech companies?

When I look down the list both in this and in the public accounts books, I see actually a fairly short list of companies which have received money, and I'm wondering how it is that those companies are selected to receive money. It seems there's a relatively small number. I'm thinking of LSI, GSR, Chembiomed, Myrias, all of which have been anointed with holy oil and seem to be able to do no wrong and keep getting more and more money. Of course, GSR now has had the plug pulled on it, and I'll talk about that just a bit more. The question I have is: are there performance standards? Are these companies monitored and in fact when they're given funding from this government they have to have a minimum performance rating or minimum standard of performance for that area, whatever their area is?

With respect to GSR, GSR received some \$31 million in government handouts. I notice that the minister did not make any comments about GSR in his opening remarks. We've invested the \$31 million. I'd like to know how much of that \$31 million we're likely to get back again, if any. I'd like to know how it is that the government rationalized putting that money in. I asked questions in the House during question period last year, during estimates debates. The minister assured us that GSR was a fine company and the prospects were bright, but now we don't see that to be quite accurate. So I'm wondering if the minister would care to comment on that as well. With respect to the other companies I mentioned – Myrias, LSI, and Chembiomed – are we going to keep putting more money into them? Have they come back for more money, and what rationale does the government have for providing money to those people?

With respect to diversification, the minister has made some claims with regard to diversification. I agree that diversification does appear to be working. The question is: is it as a result of government programs, or would it happen anyway? Nobody knows. It's a rhetorical question, I realize, but I thought I'd ask it. Within this area, Financing of Technology and Research Projects, there is one that I do want to comment about, and that is the Alberta Heritage Foundation for Medical Research. I think this is probably one of the bright moments that happened in government cabinet meetings. Someone came up with an idea that has proven to be well researched and well thought out, and I think it's proving to have benefits for the province. So I'm prepared to offer my congratulations to the minister in that particular area, because I think it's a well-thought-out and worthwhile program.

Looking at vote 2 in the estimates book, I notice that Grants has increased substantially, some 62 percent from last year to this year, from \$14 million to almost \$23 million, and I'm wondering if the minister could comment on that. How do you

justify or plan or allow for that kind of growth? Have there been demands or requests of government from companies for \$23 million? How do you come up with a figure of \$23 million in grants that are going to be provided under vote 2 to all these different companies? I wish the minister would address that particular issue as well, please.

Vote 3 is dealing with the Alberta Research Council, and I have a few comments to make about that. I'm not sure whether the minister or the chairman in charge of the Alberta Research Council would like to address the couple of points I have. I think the Alberta Research Council does do some very good work. I note that \$26 million is being allocated to the Alberta Research Council this year, and I've noticed in looking through the annual report for the Alberta Research Council that the operating costs generally speaking seem to be declining in terms of grants from the province of Alberta. The operating costs are going down, yet the grants being presented here under vote 3 are actually increasing. The operating grants shown in the book – the annual report for last year shows, in fact, \$23 million. Last year we gave them \$24 million.

It looks like the operating is going down for this year coming up, and I'm wondering if there is a long-range plan – and I hope there is – for the Alberta Research Council to be ultimately more self-financing. Hopefully over the long-term, if they're going to charge different industries, different companies for their services, in fact we will not have to put money into the Alberta Research Council. Not that I'm advocating the end of the Alberta Research Council; far from it. What I'm hoping is that they would become self-financing so that industry in fact would pay for the work the Alberta Research Council is doing. Is there a long-range plan to reach that end? If there is, what is the plan, and if not, why not? Having said that, I do believe, as I said, that the Research Council is doing some long-range and good planning and does fill a valuable service in the province.

Moving on to vote 4, Multimedia Education Services. This is the ACCESS Network, the Alberta Educational Communications Corporation. As a parent I can tell you my four-year-old loves the programs. It's a good program; it's a good network. They produce some very valuable programs and, as the minister mentioned, have received some awards. A question that does come to mind, however: with \$16 million being allocated for this particular vote, I'm wondering if there has been a cost/benefit analysis done on it. For example, I know other networks will do surveys and inquire how many people watch their programs, what is being delivered, are people in fact watching them or are they simply being aired with very little viewer readership, if you can call it that, or viewership or whatever the term is. Although ACCESS I believe does provide a very valuable service, I'm wondering just what kind of cost/benefit analysis has been done on that particular area.

Finally, with respect to Technology, Research and Telecommunications, there have been a number of comments through the media and questions in this House regarding the possible privatization of Alberta Government Telephones. I believe this is a very contentious issue for Albertans. I had the opportunity recently during our Easter break to go down to the southern part of the province where they've recently received their individual line service, and people there are very concerned with what's happening. They're experiencing change that they've never experienced before. They're having to purchase telephones. They're having to pay the \$560 less the \$110 rebate. But people are concerned about the possible sale of AGT. I

wonder if the minister might make some comments about that. Is it imminent? Are studies being done before any privatization might occur? Will he be tabling documents that may already have been or may be in the future prepared for the government so that all Albertans feel comfortable with whatever decision is made by this government regarding the privatization of AGT? We in the opposition and Albertans want to know: how is the government making their decision?

Now, having said all that and reviewing the department in total and reviewing the fact that we are in a budget crunch this year, I want to close simply with some suggestions on how we can reduce this budget and how we can, in fact, work towards a balanced budget and, as I've mentioned with other budget debates I've been concerned with, how we can reduce total expenditures.

When I look at this department, there are four votes. I'm going to work in reverse order. Vote 4 is ACCESS. ACCESS would continue. It could be rolled, for example, into Advanced Education, because I believe it's primarily an educational network. It says it right in the title. So education – it could either be in Advanced Education or it could be in the Department of Education. But it need not necessarily be within a department of its own. The Alberta Research Council, again, could be considered in a sense to be an Advanced Education centre. Perhaps that's stretching the concept a little bit, but it could fall under the Advanced Education department.

MR. CHAIRMAN: Order in the committee, please.

MR. BRUSEKER: When I look at vote 2, which is Financing of Technology and Research Projects, I notice a tremendous amount of similarity between the headings and the style there, with respect to what is occurring, as what I see in the Department of Economic Development and Trade. So in that regard, that leaves us back with vote 1, and vote 1 deals primarily with the development and commercialization of advanced technologies. It sounds very similar to me, again, to what I see in the Department of Economic Development and Trade, and I noticed not too long ago that in fact this department was part of the Department of Economic Development and Trade.

So if we deleted this department – not that this is a personal attack against this minister at all; I'm looking simply at trying to propose a means of balancing the budget. We could reduce expenditures significantly by rolling this department back in together with Economic Development and Trade. I have no idea what the new title would be; the title is irrelevant. But we could reduce one minister's salary; we could reduce a deputy minister's salary. In fact, we could probably reduce a good number of the expenditures that are occurring in vote 1.0.3, Financial and Administrative Services. We would only need to have one administration. We'd probably only need to have one planning and co-ordination department. It may need to be slightly larger than either one of the departments right now, but we could probably save some substantial amount of money there. Technology Commercialization that's occurring in vote 1.0.5 would probably need to continue, as would the Premier's Council on Science and Technology. But a good number of the other expenditures occurring under vote 1 could probably be reduced substantially, for perhaps a total saving of some \$4 million.

Now, \$4 million is not a substantial amount of money, but if we then looked at vote 2 and started to reduce some of our expenditures under vote 2, I believe some significant reductions

could be made in terms of the total budget. I would make similar suggestions, and in fact did do so, for the Department of Economic Development and Trade. Overall, the net result could be a significant saving of dollars to this province and of course ultimately, therefore, to the people of Alberta. So while it may seem to be self-immolation for the minister to suggest to his cabinet colleagues to eliminate his ministry, it is nonetheless one recommendation I would make, and I hope that he will take it under advisement.

Thank you, Mr. Chairman.

MR. CHAIRMAN: The hon. Member for Red Deer-North.

MR. DAY: Thank you, Mr. Chairman. My compliments to the minister on the job he's doing in an exciting portfolio. It is exciting, what's happening today in technology. I think I'd like to refer to a quotation by George Gilder in a recent chronology he's done on the history of technology. He says that the switches of both computers and telecommunications join to form the central nervous system of a new world economy. I think that's correctly analyzing that high technology is really what's happening today, and the businesses and the governments that can correctly tie in with it are going to be the winners.

I want to address some concerns I have just on the aspect of correctly tying into it. I think we need to be careful and realize that sometimes government policies can actually hinder the progress of technology. In our zeal we can come up with various policies and initiatives that can actually hinder technological development. Just let me give you a couple of examples, first of all, as it relates to television and television development. It's interesting that in this area the Japanese are about 10 years ahead of the U.S. I'd like to use some Japanese examples, some U.S. examples, and some European examples to show how we've got to be careful about what we mean by government intervention in high technology and high-technology initiatives.

The Japanese are about a decade ahead in terms of high-density television. That's a technology which has enabled them to overtake much of the market. But, in fact, experts are now saying that a lot of that market is already a dead and dying market. The future is in interactive, new video computers. Interactive video computers: that's where the future is. These are the solid-state machines that are tied to fully digital, low-powered, fibre-optic networks, and they'll be cheaper and capable of connecting to any digital data base in the world and far more powerful than television-based technology. Computer technology is where our strength is and where our opportunity is. I'm excited to see things going on in Alberta that point to a realization of that.

The U.S. has actually five times as many computers as those in Japan, but the question comes: why hasn't the new telecomputer burst onto the market yet? Why hasn't this dream of a fully integrated, digital computer happened? Well, part of the reason for that is because it depends on the continued wiring of North America with the necessary cables to accommodate this high technology that's available. And the telephone laboratories that are actually out there and developing the technology are being in some cases politically hindered, politically hindered by other lobby interests, large media interests. We can be talking about local monopoly of cable franchises, the monopolies of newspaper publishers.

These types of monopolies can actually hobble the companies that want to move ahead in terms of this new type of wiring that's needed, on the grounds that these telephone companies

are dangerous monopolies. But we've got to be careful – and I would suggest this to the minister in terms of the various lobbies that are out there – that we don't restrict the profits of phone companies that could be earned by wiring Alberta and wiring Canada with glass. The many cable firms want to hold back the digital wave and perpetuate their monopolies, and we've got to be careful of that, because for many of these cable companies it's Japan's vacuum-tube-ridden HDTV that's better. But we need to realize that we're on the edge of the integrated telecomputer, fully integrated network, and we've got to be careful that publicly dominated broadcast interests don't hinder this progress.

We need to commit ourselves to the vision of a fibre-wired Alberta, Mr. Chairman, I would say to our minister. You know, sometimes the rationale for government intervention in this particular industry is used by pointing to so-called Japanese successes in the high-tech area. But I think we need to dispel the myth that Japanese successes are a result of technological intervention. In fact, success after success has originated in the United States. Where the Japanese have dominated, it's due to their particular skills in the area of mass production, which obviously they've perfected over the last number of decades. It's interesting to note that Japan has 15 percent more engineers per capita than the United States but only about one-tenth the amount of lawyers. That's an interesting analogy there and might suggest why they have some freedom of movement.

But where true innovation has been strong in Japan, it has not been a result of massive government intervention. As a matter of fact, it's instructive to look at some quotes by a veteran of the government MITI laboratories in Japan, a Mr. Kikuchi, and he says something very interesting. He acknowledges that the Japanese government agency MITI has been a strong and intelligent advocate for government policies favourable to technical enterprise, but he goes on to say and he makes it very clear:

The driving force behind the growth of Japanese industry has been the human motivation and eagerness of industry itself, and not massive government intervention where they've had their successes. He says:

Whether or not a country can pull together and wield its collective strength depends upon the initiatives and fire of the people themselves rather than on the government.

This is especially true in this area of high-tech development.

We should also note that throughout the entire growth curve of the Japanese semiconductor industry, the key capital equipment came not from the Japanese government, not from their developments, but in fact from Tokyo Electron Laboratories. So it may sound ironic at times, but it is a truism that actual government involvement can hinder technological development and advancement, and we've got to be careful of that.

A couple of other examples of this happening – and where we've got to learn that, as has been said by a wiser person than myself, a government that targets a technology can become a target itself. A good example of this is the whole area of DRAMs, dynamic random access memories. That's a technology which Japanese and European governments targeted. The governments targeted those technologies. The only thing that really saved the Europeans' hide was the fact that this massive subsidization was failing so badly that they couldn't produce these DRAMs in volume. The Japanese conglomerates lost close to \$3 billion on that product alone between 1985 and 1987. But on the American side, the entrepreneurs in North America, unimpeded by government, actually were able to spin this technology off into a number of different areas and technologies,

many of which were profitable. At the same time, the foreign companies in Europe and the Japanese companies, where the governments themselves were targeting and subsidizing that area of the industry, suffered some pretty significant losses. Actually, it's interesting to note that the DRAM producer with the smallest chips and by far the cheapest process turned out to be the American company Micron, unimpeded by heavy government intervention and subsidization.

We see examples of government policies in North America that have been positive and others that have been really negative and actually have bled millions of dollars from the technological industries. For instance, it has cost billions of dollars to develop standards in hardware, software, network, and different interfaces, but it's actually a result of antitrust laws and some pretty weak enforcement of intellectual property rights that innovations which were resulting from the immense capital outlay in this area of development were sold at incredibly low prices and well below cost. It's been estimated, Mr. Chairman, that between 1956 and 1978, when most of the landmark discoveries were made, Japan paid about \$9 billion for American technologies that Americans had spent between \$500 billion and a trillion dollars to develop. So we need to be careful about how our policies can really add to costs, as an example of how governments can actually mess things up.

In fact, if you look at industries in which the Japanese prevail over the entrepreneurial side of American development, it is consistently because the Japanese succeeded in creating more companies in those particular areas and more intense domestic competition. As an example, the Japanese have three times as many shipyards as we do in North America, four times as many steel firms, five times as many motorcycle manufacturers, four times as many automobile firms, three times as many makers of consumer electronics, and six times as many robotic companies as are found in North America. Those successes are directly because there are more companies, more competition, and less direct intervention.

It's actually no surprise that the area the United States is ahead in is the development of semiconductors. The U.S. has approximately 280, to date, semiconductor firms right now compared to about 20 in Japan. And in computers and software the United States outpaces the Japanese by thousands. So it's no small surprise that the United States is miles further ahead in these two industries rather than in industries targeted by Japanese governments. Please keep these things in mind, I would suggest to the minister, as we look at continued development. Let government advocate and let government lay out policy, but let small firms and entrepreneurial drive do what they do best.

Just some quick questions if the minister has time to get back to us today or at some time in the future. These are applied to the Research Council especially. What does the Research Council expect the outcome of the Finnish consulting company, Jaakko Pöyry – did I say that right, Mr. Minister? What will the effect on the AI-Pac proposal be? Also, I've had some concern about the Research Council, why they locked Edward DeLong and Tigney Technology out of the Edmonton facility. It seems as if it prevented the development of an environmentally safe technology for making useful products from Alberta poplar, which the opposition might be interested in. If we could have some answers on that. Also I'd like to know what exactly is happening in the area of genetic engineering research as done by the Alberta Research Council. There are some concerns there.

In respect to some recommendations in the Hyndman report on health care technology, why is the government proposing to involve the oil boilers at the Research Council directly in the health care field? If the minister could get back to me on some of those.

Just some questions related to ACCESS, particularly in the Highwood area and the Calgary area. The ACCESS Network has off-air television transmission, and I'd like to know when schools and homes without cable will be able to receive ACCESS Network television signals. There's some concern on that. Related to CKUA FM, in certain areas in Edmonton they have difficulty receiving a quality signal. What's being done to improve that situation?

Mr. Chairman, given the hour, though I know there are members with more questions, we need to give a few moments to the minister. If he would like to do that, I will defer further questioning to the minister.

MR. CHAIRMAN: The hon. minister.

MR. STEWART: Thank you very much, Mr. Chairman. Indeed, the time is short this afternoon to adequately respond to the number of questions that have been posed, a lot of good questions, good suggestions and comments, which are always useful as we look ahead in a very exciting area.

One of the areas that has received some attention by a number of speakers and which I would like to respond to is the whole matter of the environment. I know the hon. Member for Edmonton-Kingsway and the hon. Member for Calgary-North West and others have mentioned that. Indeed, a lot is happening from the standpoint of advanced technologies in the area of the environment, because you have to look beyond the department itself and into the Alberta Research Council. Just taking the Alberta Research Council, for example, at the present time it is doing work in these areas: oil sands tailings handling and treatment, oil spill cleanup, pulp mill effluent treatment, groundwater contamination, soil conservation, waste disposal, and so on. A number of areas are covered. As well, as I mentioned in my earlier comments, the Earth environment space initiative is a very significant thing, from the standpoint of remote sensing, that will greatly enhance the opportunities to protect our environment. So there are a number of things happening; in fact, in other departments, of course, as well.

Mr. Chairman, it's difficult to know exactly where to begin from the standpoint of responding to the questions, and obviously we will undertake to do so in writing to the members should we not have the opportunity during this session and during our estimates. But I do want to, at the same time, recognize some of the specific questions from the hon. Member for Calgary-North West, particularly from the standpoint of some of the things that don't come through in the elements itself.

I just want to quickly review with him, because I think it's important to identify the type of things that appear in vote 2. It has two components, of course; it has the Infrastructure Development and Support in vote 2.1 and the Commercialization of Advanced Technologies. In the area of development and support we have the Alberta Microelectronic Centre, which is in an ongoing program of support, and the number there is about \$2.3 million. I think you referred to that, wondering just exactly what was involved in 2.1.2.

Telecommunications. Alberta Telecommunications Research Centre is doing a fabulous job as it interlinks with both industry sponsors as well as the university. It's one of the reasons why

Hughes Canada announced that it was coming to Calgary. The amount that's there is \$778,000, again an ongoing support system for this important part of our infrastructural research and development.

Advanced Materials. The Westaim project that I mentioned, a very significant amount there by way of capital for Westaim in the sum of \$10 million. In 2.1 the Alberta Laser Institute as well: another important part of our infrastructural components. C-FER is on an ongoing program; about a million dollars there; then the Alberta Foundation for Nursing Research, an ongoing \$370,000. Those are all in 2.1.

In 2.2 we have Westaim and operating, \$3 million on research projects that come forward on a project-by-project basis, not a blanket sum given but only when such research projects present opportunities. SPURT is in there and the general granting amount that is given to smaller companies that are making their way and progressing towards doing great things for Alberta. Also on the budgetary side, the medical innovation fund that provides a commercialization arm for the medical research foundation, a sum of \$2.3 million. So those are some of the elements that explain vote 2.

Mr. Chairman, I do recognize that this afternoon time is not going to permit getting out all of the answers to the very important questions that have been put forward. Again, I thank hon. members for their participation. We will get back to each and every question raised and respond in a way which hopefully will be satisfactory to all members. So with that I would move that the committee now rise and report.

[Motion carried]

[Mr. Speaker in the Chair]

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

MR. SPEAKER: Thank you.

Does the Assembly concur in the report?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried. Thank you.

Earlier this afternoon there were some points of order which were raised at the end of question period with respect to the possible citation of documents. The Chair has had opportunity to review the matter. The Chair has indeed a copy of the report. This document was not in the House in the hands of the minister at the time of question period; therefore, he was not able to quote from it. The Chair also has in its possession copies of a two-page comment draft, as supplied to the minister for purposes of question period, and in perusing the Blues, there indeed *is* no citing of the document, there is no quotation from the document, and therefore there is no need for that particular document to be filed. Thank you.

[At 5:28 p.m. the House adjourned to Thursday at 2:30 p.m.]

