

## Legislative Assembly of Alberta

Title: **Thursday, June 14, 1990 8:00 p.m.**

Date: 90/06/14

[The Committee of the Whole met at 8 p.m.]

[Mr. Schumacher in the Chair]

MR. CHAIRMAN: Order please. It is now past 8 o'clock.

### head: **Government Bills and Orders** **Committee of the Whole** **Bill 44**

#### **Dental Disciplines Act**

MR. CHAIRMAN: The Chair has had notice that there are amendments to be proposed by the sponsor of the Bill, the hon. Member for Calgary-Glenmore. The Chair would invite the hon. Member for Calgary-Glenmore to introduce those amendments and make any other comments she may deem necessary.

MRS. MIROSH: Thank you, Mr. Chairman. I ran to get here on time, so I'm short of breath. Are we doing Bill 44? Oh, good. I'm not only short of breath.

The amendments to this Bill have been distributed, and I'd just like to make a few comments. These amendments are basically minor errors that were made in the initial Act. Section A: 1(g) is just changing the name to be consistent; we have the "Society of Registered Dental Technicians" listed in there, and it should be "Association of Dental Technicians." Section B: 3(4) is amended by adding "from a dentist or a person listed in the regulations" after "prescription"; in other words, only a dentist or a medical person can prescribe to the dental technician for dentures. Section C: 16(1)(a) is amended by striking out "an approved dental program" wherever it occurs and substituting "the approved dental program required for membership in the Association"; in other words, we don't want the dental technicians joining the association of the dental assistants, nor the dental hygienists; they all have to remain within their own association. So that's just explaining that.

Then D: section 75(2)(a) is amended by striking out "regulations" and substituting "by-laws." We made a little mistake there; it should be reading "by-laws." Section 80 is amended by striking out "that a certified intra oral dental assistant" and substituting "that that individual"; in other words, it's more specific.

Then F. The following is added after section 85: that the Dental Disciplines Act will no longer require a dentist to sit on that health disciplines committee; "and 1 person who is a member of The Alberta Dental Association" will be struck.

Thank you, Mr. Chairman. Those are the amendments.

MR. CHAIRMAN: Are there any comments or questions relating to those amendments?

HON. MEMBERS: Question.

[Motion on amendments carried]

[The sections of Bill 44 as amended agreed to]

[Title and preamble agreed to]

MRS. MIROSH: Mr. Chairman, I'd like to move that the Bill be reported with the amendments.

[Motion carried]

### **Bill 45**

#### **Professional Statutes Amendment Act, 1990**

MR. CHAIRMAN: The hon. Member for Calgary-Glenmore.

MRS. MIROSH: Thank you, Mr. Chairman. Bill 45 has no amendments. It is, again, making amendments to the Nursing Profession Act, the Occupational Therapy Profession Act, the Pharmaceutical Profession Act, and the Physical Therapy Profession Act. With only one area of guidelines for development of policies and procedures, the administration of medication was submitted with the Nursing Profession Act.

Mr. Chairman, I'd like to move that Bill 45 be reported by the Committee of the Whole.

MR. CHAIRMAN: The hon. Member for Vegreville.

MR. FOX: Thank you. I'm just wondering if the member moving this Bill would perhaps explain to the committee in a little bit of detail the reason for some of the things included in section 4 here. Referring to the Occupational Therapy Profession Act: "section 36(3) is repealed and the following is substituted." I'm just wondering: what is it that prompts the change in practice regarding hearings before the discipline committee? I'm hoping the member could explain that to members of the committee.

MRS. MIROSH: Mr. Chairman, that was in the other Act. There are no changes with the health disciplines with regards to occupational therapy. We're at Bill 45.

MR. FOX: Bill 45, Professional Statutes Amendment Act, 1990, page 2.

MRS. MIROSH: Page 2?

MR. FOX: Section 4.

MRS. MIROSH: Oh. "Proceedings before the Discipline Committee or the Council shall be held in private." I'm sorry. I thought you meant it was under the Health Disciplines Act.

This particular proceeding before the discipline committee or the council will be held in private if there is a disciplinary procedure, where a member is being disciplined.

MR. CHAIRMAN: Hon. Member for Vegreville.

MR. FOX: Thank you. I'd like to ask the Member for Calgary-Glenmore: why the change? It's repealing section 36(3), which does provide for hearings before the discipline committee. It's being changed in this Act, and I wonder if she can tell us why it's being changed. What prompted the need? Who prompted the change?

MRS. MIROSH: Mr. Chairman, we have a new policy in place now that – on the next page, (5.1) under that Act:

A hearing before the Council shall be open to the public unless, in the opinion of the Council, the interests of any person other than the investigated person would be detrimentally affected.

In other words, it's the new policy that we have adopted for all professions with regards to discipline hearings being open. It's a new policy change. The current Act did not have that in there, so this substitutes it to bring it up to date with our new policy.

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

MS M. LAING: As I read – oh, I'm sorry; I'm looking in the wrong place. Sorry.

[The sections of Bill 45 agreed to]

[Title and preamble agreed to]

MRS. MIROSH: Mr. Chairman, I'd like to move that Bill 45 be reported.

[Motion carried]

#### **Bill 46 Legal Profession Act**

MR. EVANS: Mr. Chairman, I believe that the concerns of the opposition and also the concerns of government members have been addressed at second reading. If there are any further questions, I'd be happy to answer them.

MR. CHAIRMAN: Are there any comments or amendments to be offered?

HON. MEMBERS: Question.

[The sections of Bill 46 agreed to]

[Title and preamble agreed to]

MR. EVANS: I'm delighted, Mr. Chairman, to move that this Bill be reported.

[Motion carried]

MR. STEWART: Mr. Chairman, I move that the committee now rise and report progress.

[Motion carried]

[Mr. Speaker in the Chair]

MR. SCHUMACHER: Mr. Speaker, the Committee of the Whole has had under consideration certain Bills. The committee reports Bills 45 and 46 and reports Bill 44 with some amendments.

Mr. Speaker, I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

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

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? It is so ordered.

#### **head: Government Bills and Orders Second Reading**

#### **Bill 52 Natural Resources Conservation Board Act**

[Adjourned debate June 7: Mr. Orman]

MR. ORMAN: Mr. Speaker, I am pleased to begin again the debate on Bill 52, the Natural Resources Conservation Board Act. The bulk of my comments were given on June 7, when I introduced this Bill for second reading. As I indicated, there are some points that I'd like to bring out that I did speak to. Since then there has been some discussion and there have been questions with regard to this Bill, and I thought that I might touch on a few, flesh out some of the comments that I did make.

Firstly, I want to indicate to hon. members, as I did on June 7, that the Natural Resources Conservation Board Act incorporates the views of many, and I acknowledged present and former chairmen of the Energy Resources Conservation Board as well as the Deputy Minister of Executive Council. There was a number of outside advice that we received, Mr. Speaker, from law firms that are active in this particular area and from individuals that we thought had some reasoned input and certainly took into consideration a number of views.

One document, Mr. Speaker, that I found extremely useful was the report and recommendations of the Alberta Environmental Impact Assessment Task Force, March 2, 1990. It was a task force commissioned by the Minister of the Environment to look primarily at the environmental impact assessment process. Within the examination of the EIA process the task force also looked at the possibility of a board of this nature and made recommendations in this connection. Many of the comments and suggestions they made are incorporated in this legislation.

Mr. Speaker, the environmental impact assessment, per se, as you know, is in the purview of the Minister of the Environment. We know that, as the minister has indicated, before the end of this session of the Legislature he will be presenting to us his thoughts and considerations of an environmental enhancement and protection document that will lead to legislation in another sitting, and the primary focus of the EIA process by hon. members should be constrained to that legislation. This legislation before us will actually be a definitive linkage to the new EIA process incorporated in the Minister of the Environment's new legislation.

Mr. Speaker, we are, as indicated, breaking new ground. This legislation may not be perfect in the views of all, and that's primarily because we don't have a model on the North American continent. I don't know if there's a model elsewhere in the universe, Mr. Speaker; there may be. We were only able to examine and search out other jurisdictions in North America to determine whether or not a board of this nature, with its width and breadth of jurisdiction and a quasi-judicial nature, existed, and we found that it did not. However, we're going to monitor the progress of this board. I think it's much like the Wright brothers, Mr. Speaker. They put together a flying machine, and I suppose that in their considerations they could have carried on for days and months looking at modifications and adjustments to try and make it more perfect, but sooner or later you've got to determine whether or not the sucker's going to fly. I'm sure that Orville and Wilbur made that decision. So sooner or later, Mr. Speaker, we have to get this board up and running, and if it requires some modifications, if it requires some adjustments

as it moves through its responsibilities, then we'll certainly give it full consideration.

The key ingredient, Mr. Speaker, is people, and that's for a number of reasons. When I say people, I mean the people that will be working with the natural resources conservation board and primarily the board members. First, they must have the ability to dispatch common sense. Secondly, they must be able to work with people. Thirdly, they must recognize the weaknesses, if any, in the legislation and the regulations, and make recommendations for change. Fourthly, they must be able to draft meaningful and succinct rules of practice and intervenor funding and other regulations that are pertinent to the functioning of this board.

Mr. Speaker, we've had many suggestions as to how we should approach the formation of this board, the development of the legislation. We have the Member for Edmonton-Meadowlark, who has made it clear that this legislation should proceed as soon as possible so that we can begin to assess environmentally sensitive projects and not, in absence of this legislation, stifle sustainable development in the province. I believe that that is potential and to some extent has already occurred. I subscribe to the Member for Edmonton-Meadowlark's point of view: I believe we should get this legislation moving as quickly as possible, having regard for due consideration in this Legislature.

Others have suggested that we hold this legislation over, that we table it and let it die on the Order Paper and allow for another session of the Legislature to consider discussions and consultations that may occur between now and then. I guess if it were a perfect world, we would consider doing that, but it is the government's belief that it is important to get this legislation up and moving and get it in place so that we can continue with meaningful and sustainable resource development in the province of Alberta. As I've indicated previously, Mr. Speaker, I don't believe we do proponents of projects any favours by not having this type of process; I don't believe we do intervenors a favour by not having this type of process. The only conclusion I can come to is that the people who would suggest that this board not proceed as soon as possible have another agenda, and that agenda possibly is to have zero economic development in the province of Alberta in our natural resource area. And fair enough. That's a point of view, but it is one that we totally reject as a government. This legislation deals with the balance between environmental protection and sustainable development. It's embodied in this legislation, and I think it speaks loud and clearly to those principles.

So this is our approach, Mr. Speaker. We've looked at all of the approaches. We've taken input; we've had advice. Our caucus played a significant role in the shaping and development of this legislation, and as I've indicated, the bottom line is: let's not do something that stops sustainable development but let's do something that protects the environment; let's fry and develop an authority, a conservation board that allows both to go forward hand in hand in a way that is acceptable to the people of Alberta. That's why we've modeled it after the Energy Resources Conservation Board, because for some 40 or 50 years that board has been able to monitor the development of the nonrenewable energy resources in this province in a way that's very forthright and acceptable to Albertans. Mr. Speaker, I think it's remarkable that a board such as the ERCB is able to deal with energy resource development in this province with as little problems as we've had from an environmental point of view over the years. That's why we have taken the principles and the history and the credibility and the integrity of the ERCB and

drafted this legislation that is shaped, in many ways, following suit.

So, Mr. Speaker, that is the conclusion of my remarks. I'm anxious to hear comments from hon. members, and I encourage them to support second reading of Bill 52.

MR. SPEAKER: Thank you.

Edmonton-Meadowlark.

MR. MITCHELL: Thank you, Mr. Speaker. I would like to begin by stating that in fact there are some positive features to this Bill, and I would like to congratulate the minister to the extent that he has been able to ensure that these features are in this Bill.

I should perhaps step back a minute and say that yes, I do want to see this Bill passed in this session of the Legislature, but that's not to say that I want to see it passed at any or at all costs. There are conditions that I believe must be met before this Bill is adequate and before the process which it outlines will be as effective as it must be and as it can be, in spite of the fact that there are some positives in this Bill already.

First of all, it is very important, I think, to acknowledge that the minister and the government are right to establish a permanent board. One concern I had would be that the government would establish a series of ad hoc boards on a project-by-project basis. That would not allow for the development of expertise, for the development of depth of experience in reviewing these kinds of projects, and that would be a detriment to any kind of environmental assessment process. It would be a detriment to any kind of board process or panel review process that might be established. So it is good that there will be a permanent board.

It is also good to the extent that this board will be allowed to review any given project, and I say that with a certain degree of caution because there will be limits to what it can review. Once empowered to review a project, the board will have the power not simply to recommend but in fact to approve. That is very positive, and I am pleased to see that. To the extent that the board will be able to exercise it at its own discretion, of course, remains a question, because the board will have little discretion in determining those projects which it will have the power to approve in the first place.

Thirdly, it is important to note that the Bill provides for public intervenor funding. To make the process of reviewing projects fair, it is essential that public groups and individuals have access to intervenor funding to express their interests adequately, forcefully, in what is, of course, a difficult adversarial process. Clearly to this point the proponents of major industrial projects, of any kind of industrial projects, generally have resources that individuals, volunteer groups, and the public simply do not have, and it is very important that they have access to public intervenor funding.

Those would be three of the positive features of this Bill. I must admit that as debate progresses, questions in the Legislature over the last several weeks, and as I have seen actions by this government over the last several weeks relating to this Bill, I am becoming less than convinced that there is a strong commitment. I'm not saying that it is a given minister's fault, but I believe that there is a turmoil or a debate within that caucus that is limiting the effectiveness of this kind of legislation and specifically of this piece of legislation.

We saw two weeks ago the minister not being clear on whether or not Al-Pac would be included in a review by the NRCB, and it seems to me – and I don't want to put words in

the minister's mouth – that to the extent that we're not being clear, we're being vague. If we're being vague, there's a reason for that, and that is because the worst is probably what's going to occur: Al-Pac won't be reviewed; it will be excluded from this process. Similarly Daishowa. The licences were issued – what? – two or three weeks before this Bill came to the House: a cynical move, I would argue, to avoid review of that important project under the auspices of this board. Today we see the Minister of Tourism saying that no environmental impact assessment has been ordered for the six golf projects planned for the Bow corridor. Well, it's critical under this legislation that an environmental impact assessment be ordered before this board could review those projects. I don't accept that this government hasn't made a decision on those projects, having been around as long as they have, having been on the table as long as they have. I believe they have made a decision. They've made a decision not to order an environmental impact assessment. [interjection] If that's the case, hon. member, then please confirm it. But it seems to me that if ever there were tourism projects that require the review of a board like this board, the NRCB, then it must be those six golf courses and related tourism infrastructural projects for the Bow corridor.

It conjures up what is my first major concern with this Bill, and that is that in spite of the fact that it's a permanent board and in spite of the fact that the board will have the power to approve, this Act allows the government far too many ways of curtailing the power of that board, in the first place, to choose – it can't – to determine what projects it might want to review. I just mentioned, of course, that one stumbling block is that in a number of cases for many projects the government must order an environmental impact assessment. Well, that gives the government huge power to determine for which project there will be an environmental impact assessment and for which project there won't, in which *case* it gives the government the power to say what the NRCB will do and what it won't do. That power is bolstered, is supplemented by the provisions under which the government will determine what is a reviewable project. So there may be projects that haven't been contemplated in the list – and of course there will be – and the government could determine to have this board review them or determine not to have this board review them. Al-Pac, Daishowa, possibly the Bow corridor case are cases in point. Those two features of this Bill are very, very corrosive to the effectiveness of this particular board.

If this board is to be effective, I believe it must have that important feature of its powers, and that is to determine what projects it would like to review. This isn't a surprise. This isn't inconsistent with practices in this province already. The ERCB, under section 22 of its Act, has the power to determine without the authority of government, without the authority of cabinet, what projects within the purview of its legislation it will determine to review. I read:

The Board may, and at the request of the Lieutenant Governor in Council shall, at the places, at the times and in a manner it considers advisable

- (a) make inquiries and investigations and prepare studies and reports on any matter within the purview of any Act administered by it.

That seems to me to be a key feature of the ERCB's powers. I think there are very few people in this province who would dispute that the ERCB has in most respects, in many respects been a model of a review panel process. So to take that power away from the NRCB, which would parallel the ERCB in many respects, is to me illogical at best and perhaps cynical at worst.

It seems to me that we have had a good experience with the ERCB in many respects. Why would we be afraid in the case of environmental reviews of allowing the NRCB to have the same kind of discretion as the ERCB does?

So my point here is that I believe the NRCB should have the power to determine what projects it will review within the broader purview of its legislation. Given that the NRCB may decide that it doesn't want to review a Sunpine or a forest products project in the Rocky Mountain area, for example, or it might not want to review a smaller wood sawmill or review the need to remove a teepee burner from Whitecourt to 22 kilometres outside of Whitecourt when perhaps some of those projects should in fact be reviewed, there needs to be another mechanism, and that is a mechanism whereby the public can request officially and formally in a public forum that a given project be reviewed. Clearly the public does not have the provision for that kind of input in this Bill.

It's also the case that we require clarification on how it is that forestry projects are defined. One of the obvious problems will be that this Act would define next year's Daishowa project, because we've grandfathered and will exclude last year's Daishowa project – next year's Daishowa project would be automatically reviewed by this board if that were a new, freestanding facility, a new pulp mill somewhere else in northern Alberta, but if Procter & Gamble, as it is proposing to do, wants to double the size of its existing pulp mill, its expansion will in fact be almost as large in capacity as the new Daishowa plant is. Who's going to define whether that is a forestry facility as defined by this Act? Or will it simply be discarded or swept under the rug and excluded from NRCB review because the government will say, "Well, it's merely an expansion of an existing facility"? At what point and how will the board be allowed to exercise its authority even under that first and all important section of the Act, 1(d)(i)?

(d) "forestry industry project" means a project

- (i) to construct a facility to be used to manufacture pulp, paper, newsprint or recycled fibre.

Precisely, my question is: does an expansion constitute the construction of a new facility or of a facility under that particular provision of the Act? If so, at what level or at what magnitude does that expansion then become the subject of the discretionary action of the NRCB?

It's also the case that there are many kinds of projects and many kinds of reviewable circumstances, if you will, that are excluded from the list of projects that would be reviewed by the NRCB one way or another. Forestry management agreements and forestry management areas are simply not referenced in this Bill. It would mean that, of course, the NRCB will not have the authority to review them. Now, even if we accept the answer of the Minister of Forestry, Lands and Wildlife to that particular observation: well, we're not going to review 69,000 square kilometres all at once; we'll review the cuts each year – of course, if we were doing that, we'd be doing some reviews now because we're doing some cuts this year, and we're not. But even if we accept that we're going to review the cuts each year, what more appropriate vehicle for reviewing this year's cuts for a given company in a given forestry project than the NRCB? I believe that it would be appropriate, that it would be logical.

There's certainly a force of argument to say that at least the annual cuts and cutting areas should be reviewed by the NRCB in advance of foresting, timbering being undertaken. At the very most – and I would argue this – the entire forestry management agreement should come under the scrutiny of the NRCB. In fact, that's not a surprise either. The government's own Alberta-

Pacific review panel recommended very strongly that forestry management agreements should be under the purview of a board like the Al-Pac panel, should be under the purview of a board, therefore, like the natural resources conservation board.

So my greatest concern *is* with the effect of this Bill in curtailing the powers of the NRCB. While I'm not arguing that the government should certainly have the authority to specify that a given project is reviewable, I am arguing that the public should have a role in requesting formally that a given project be reviewed, and the NRCB should have the prerogative consistent with what the ERCB has: to determine on its own accord at its own discretion to review a given project if that falls within the general purview of this legislation.

Not only are FMAs excluded from this list, but there are many other kinds of projects that are not specified in this list; for example, major transportation projects, agricultural industry projects, meat packing plants, chemical plants: those kinds of things. I would be concerned if the government is contemplating a third process still. So we have the ERCB to review the environmental consequences. We have the NRCB to review the environmental consequences of those projects specified in its Act, yet there are all these other projects – as I say, transportation, chemical plants, meat packing plants – and they are excluded. Clearly the government under this Act could specify that these become reviewable projects, but again too much is left to government authority, to discretion outside the purview of the NRCB.

That brings me to a point. I am concerned that we are creating with this Act, a dangerous duplication, in fact an unnecessary triplication. I raised this question in the Legislature several weeks ago to the minister. We will have the ERCB reviewing the environmental implications of energy projects, we will duplicate that expertise in the NRCB, which will review a series of other projects, and it seems that there will be an ad hoc or some other process to review everything else. It seems to me that that is patently inefficient, that it runs contrary to any sense of fiscal responsibility, good management, strong management in government, and that it runs contrary to the very premises upon which this government would presumably pride its ability to manage a bureaucracy. I would argue, and I will be presenting amendments to this effect, that the NRCB should be the focus, should be the single body that reviews the potential environmental impact of projects of any nature and consequence in this province.

So I would ask this Legislature to consider taking away the environmental responsibility from the ERCB and ensuring that projects that aren't specified in this Act now would be specified in this Act, so that any project that requires environmental review is undertaken to be reviewed by this board and that that duplication, that triplication is not allowed to muddle the process, to confuse industry, to cost the people of Alberta money that they need not spend, due to unnecessary duplication and inefficiency as a result. I believe that is a point that is very, very important and should be very consistent with a small "c" or even a large "c" conservative philosophy.

The objectivity, the quality, the expertise of appointees to the board will, of course, be very important to the effectiveness of this board. There are two elements, I think, of profound and equivalent consequence to the effectiveness of this board. One is the political will of this government to manage this process in a way to ensure that important projects aren't excluded, and the second one is to ensure that we have the best possible people involved in appointments to this board.

The federal jurisdiction is very clear under its EARP guidelines about the qualities that they require of people who are appointed to federal environmental review panels. I've read this in the House before, but I'd like to repeat it: they specify that members must be free of potential conflicts of interest or political commitments and have special knowledge or relevant experience that is useful for reviewing the anticipated effects. I'm not saying that this minister or this government won't make every effort to appoint people of the stature of a David Schindler or a Bill Ross to this board, those people who have profound expertise and credibility in this area, people like those. I'm not saying that they won't do that, but I would feel much more secure that they would be inclined to do that if the criteria of objectivity and expertise were specified in this Act.

The minister said in answer to my question several weeks ago that what we can be sure of is that these people will have common sense. Well, just because you've got expertise and just because you've got objectivity doesn't mean that you don't have common sense. I agree: specify common *sense* as well. But let's specify objectivity and expertise as being of paramount concern and of paramount interest to ensure that this board can operate effectively. If one were to review the appointees to the Ontario environmental impact assessment board, I think we would all be very impressed with their backgrounds. I'm not saying that they have to be only environmental scientists; I'm not saying that at all. If you look at the makeup of the board in Ontario, you have established people in a variety of areas. For example, you have very senior municipal officials, and clearly this board might be in a position to review some important municipal projects. People of that nature would bring something to a board that might otherwise be lost.

It is important, and I should have mentioned this earlier, that the government specify that this board will have the authority to review the social, economic, and environmental effects of the projects. It would be wrong, and the government acknowledges that, simply to have them consider environmental effects. The interrelationship between environmental effects and social effects is very, very clear and powerful, and it's also true that it's difficult to assess the environmental costs if you can't assess against that the economic benefits. So section 2(b) is certainly a start and a step in the right direction in this Act, but I would like to see that section and the principles that are embodied . . .

MR. SPEAKER: Forgive me, hon. member. Just a reminder: it's second reading. We're not into the details; it's the principle of the Bill.

MR. MITCHELL: I was just getting to that, Mr. Speaker. It is a principle that this board will review social, economic, and environmental effects. I want to see the principle that's embodied in that particular section of the Act expanded with a further specification that cost/benefit analysis will be the mandate of this board, that the assessment of comparative economic effects of other potential economic pursuits in that area or with that given resource would be the mandate specified for this board, and that in the Act the board – and this is very, very critical – would be charged with assessing the no-go alternative to ensure that it isn't simply a given assumption, that it isn't simply a given that this project must go ahead, that this project is going to be considered in a vacuum.

Pulp mills may not be the absolutely best economic initiative for a northern community, but instead it may well be that for tourism projects, expanded recreational facilities that would enhance those tourism projects, recycling initiatives, or other

kinds of initiatives would be better sustainable economic enterprises in the long run, in the short run even. It seems to me that the nature of this board, the vigour with which it can address social and economic considerations that parallel the environmental questions will be enhanced if cost/benefit analyses, the assessment of comparative economic prospects, and the assessment of the no-go alternative are all specified very clearly in this Act as features of the mandate of this board.

One problem that weakens my resolve in even addressing this Bill at this time is that it must be considered in light of features of the environmental enhancement Act that's to be tabled soon. It's very difficult to know whether certain gaps in this Bill are there because they're anticipated to be compensated for, accounted for in that other piece of legislation. So we are hampered somewhat in our ability to discuss this as comprehensively as we might.

One place that I think is very, very important to be addressed is the definition of an environmental impact assessment, the specification of terms of reference for environmental impact assessments. In the Ontario legislation – in fact in the legislation that I presented to this Legislature last session and this session, we've been very careful to outline, admittedly in general terms but certainly to outline in those terms at least, what features should comprise a proper environmental impact assessment. It isn't inconceivable that the ability of this board to operate effectively could be potentially eroded if, for example, the government in initiating or ordering an environmental impact assessment in a given case doesn't do that in a comprehensive way. It limits the terms of reference. So the NRCB can now review that project but may be limited somewhat to the review of a scope and a breadth that is limited by the scope and the breadth of the environmental impact assessment. I would like to see and my caucus would like to see the environmental impact assessment process itself defined, if not in the environmental enhancement Act, then certainly in this Act. I'm willing to wait to see if it's in that other Act; hopefully it will be. But even if it is, there's going to be an 18-month to two-year delay and gap, because that Act is not going to be passed, as we know, for a good deal of time.

It isn't enough simply to specify the environmental impact assessment terms of reference in any piece of legislation. As we all know, each of these projects has a nature of its own, has specifics of its own, and they're as varied as the number of projects that this board will consider. Therefore what we need is a scoping process, and in certain jurisdictions the public and interested stakeholders sit down prior to a review and say, "This is the scope that we would like to see considered." That would have been very relevant, for example, in the Al-Pac case, where the Al-Pac review panel was limited in its ability to consider cumulative effects of all the pulp mills in a given river system. It was limited somewhat by geographic breadth as well, because it didn't have the resources or the time or really the power to review the effect of that particular pulp mill on the Athabasca River delta. So scoping and a process to have public input into that scoping, I believe, is very, very important.

Public hearings, talking about the public: nowhere in this Act does it specify the hearings that this board has the power to undertake – for example, in section 6 that is defined – must be public. Now, I admit that there will be cases where a given hearing or parts of a given hearing would, reasonable people would agree, be better undertaken outside of a public process; that is, in a nonpublic way. It may be that there's a technical process involved for which there is proprietary information, for which there are not proper patents yet; I don't know. So it

might be that a certain section in reviewing that process shouldn't be public. In a hypothetical sense I think that has to be addressed, but I would like to see that the onus is on this board to be public, and then if they feel they shouldn't be, then the onus is on them to defend that decision. There could be a way in which exceptions can be established to the public nature of hearings, but nowhere is public specified in this hearing process.

Nowhere does it state that baseline studies should be a consideration of this board. Baseline studies are different than environmental impact assessments. Baseline studies are extremely important and must be done in places like the Bow corridor and must be done in northern Alberta if we are ever to assess and monitor progress or erosion of environmental standards against some absolute starting point. Well, again, those baseline studies should be assessed by this natural resources conservation board to ensure that they've been done effectively, to ensure that they've been done comprehensively, to ensure that the public has input into that process so that there is public satisfaction and a sense of certainty about that process. Again, the NRCB seems to be limited under this legislation. Certainly baseline studies are not specified and are not called for.

The enforcement question is also very important, and this Bill is silent on it. This is a point – and there have been others that I have referred to – that was raised by the Environmental Law Centre in a letter to the minister which was dated June 14. They make the point that there's no provision for enforcing board orders or directions beyond restraining orders which would stop a given activity, and those are very, very cumbersome. There is no penalty specified in this Act if whoever it is that's been asked to do something doesn't do it, and while none of us want to get into a great deal of the detail and complexity, I guess, of those kinds of regulations, I believe that now, today, the state that we find ourselves in, the nature of the environmental issue, we do have to address penalties. What happens if nothing happens, or what happens if the wrong thing happens? How does this board enforce its orders, and clearly restraining orders or stop orders simply are not . . .

MR. SPEAKER: Thank you, hon. member.  
Calgary-Forest Lawn.

MR. MITCHELL: Mr. Speaker . . .

MR. SPEAKER: That's 30 minutes. Thank you.

MR. MITCHELL: Thirty seconds?

MR. SPEAKER: That's 30 minutes; sorry.

MR. PASHAK: Thank you, Mr. Speaker. On our side we think that this Bill is a step in the right direction. I think we will have no difficulty with supporting the Bill in principle at second reading, although our Member for Edmonton-Jasper Place will probably have a series of amendments that he'd like to introduce to the Bill. There are flaws within the Bill.

In terms of my quick review of the Bill it seems to me that it is essentially modeled on the Energy Resources Conservation Board, and the people who were instrumental in establishing the Energy Resources Conservation Board had, I think, a considerable amount of influence in the preparation of this particular Bill. To the extent that it's modeled on the ERCB, I

think there are some inherent difficulties within the Bill in principle.

Over the last number of years I've had an opportunity to sit in on some ERCB hearings, particularly the ones that had to do with the removal of the surplus test, hearings that had to deal with ethane policy – or at least I've read their reviews and reports – and similarly with the whole issue of core market concept. I've always felt that although we have this image that the ERCB is quite a neutral board, in fact it could be argued that the board is an instrument of government policy to a certain extent, and I think that's important when it comes to looking at this legislation. It's really very, very important, if the public interest is to be served, that this board be truly as neutral as it possibly can be and completely removed, as much as that can be done, to separate the board's decision-making processes from the influence of government. So it has to be seen as a completely neutral board to the extent that that is possible.

As I've said, I have some concerns about the ERCB. In my judgment, in my experience many of their decisions that have come down have not necessarily been reflective of the public interest, but rather their decisions have reflected government policy. So that is a concern. I think it's a very important concern, a very vital concern: that this board not only be neutral, but that it be seen to be neutral and that it be seen to be making decisions that are clearly in the public interest. So it's very important that the board be at arm's length as much as it possibly can be from the government.

However, there are a couple of sections within the Bill that would suggest that that is not going to be the case. Section 22 suggests that the Lieutenant Governor – i.e., the cabinet – will give final approval to any "persons having special, technical or other knowledge" that would be permitted to sit with the board. I think the board should have a power independent of the cabinet to call those kinds of expert witnesses to sit before it.

Similarly, Mr. Speaker, section 43 of the Act limits the powers, the kinds of situations that the board will be able to investigate. It limits them in the sense that the cabinet through the Lieutenant Governor will be able to determine which projects are reviewable and which projects are not reviewable. I think the board itself should have the power to determine which projects it wants to review. As a matter of fact, the Bill only provides for certain projects to have a mandatory review, as I understand it at least. Those are forestry projects or water management projects.

Now, that in and of itself is good, and I can see where if this Act had been in place some years ago, we may not have gotten into what I consider to be some extremely wasteful expenditures that the province is embarked on at the moment, such as the Oldman River dam, which we've debated on a number of occasions in this Legislature. That dam is going to wind up probably costing the taxpayers of the province some half a billion dollars. There's no certainty that it will hold water, and there's certainly lots of evidence, Mr. Speaker, that the concerns of the residents of southern Alberta could have been met in a less costly way and that environmental concerns of people could have been taken into account much more effectively had the dam not been built and they'd looked at offstream storage and this kind of thing. There is some evidence for that and a lot of experts have argued that case. The only point that I'm trying to make, whether that argument is right or wrong, is that if we'd had a board in place at that time like the one that's being proposed here, perhaps we could have been safeguarded not only from the expense of that project but from all of the environmental risks that are potentially associated with a dam of that nature.

There are other areas that are of importance to an environmentalist that I think could have been included in this Bill. Given that only forestry projects and water management projects are subject to mandatory review, the Bill is very limiting. I think that a board such as this should have had the power to review projects like the Cargill meat plant, for example, or the magnesium plant down in High River: what are the impacts on water quality in those areas? I think there should be a requirement that projects of that nature should be investigated.

As a person representing an urban riding in a fairly large city, I'm concerned about issues that have to do with urban sprawl. Most of the good city of Calgary tends to expand eastward, gobbles up lots of good farmland, prime farmland at that. I think a review board should have the power to review even questions like that to make sure that we retain as much of our good agricultural land for that purpose as can possibly be retained. So I think that there are unfortunate limitations, Mr. Speaker, in terms of the powers that would be granted to this board.

A major environmental issue at the moment has to do with air quality, and it's especially important to Albertans because we contribute substantially to the production of CO<sub>2</sub>. Now, our energy industry is very important to us. It's especially important to the citizens of Calgary. I would estimate that at least half the people in the city of Calgary either directly or indirectly obtain their livelihoods from the production of natural resources, oil and gas in particular. It's important that we keep that fact in mind when we look at environmental issues.

However, on the other side of this equation, we have a very difficult global environmental problem on our hands. Many scientists are concerned that when we consume fossil fuels, we produce carbon dioxide, which adds to the greenhouse effect. I know that the scientific evidence and the consequences of the greenhouse effect are not completely shared by all scientists in the community. In other words, there is still a lot of uncertainty as to what the true nature of the production of CO<sub>2</sub> into the atmosphere is, but there seems to be a fairly significant body of scientific opinion that says that it is a serious problem, that there are global warming trends. Again, it's the province of Alberta that in some significant way, both through the production of natural resources and then later on in the consumption of those resources in Canada, contributes substantially to this effect.

Now, the minister in his remarks referred to the need to look at a concept that's called sustainable development, and I've always personally had some problems with that concept. Sustainable development seems to suggest that the development should go ahead at all costs and you tinker with it. You may make a bad development and adjust it so that you can sustain production in that area. Given the kinds of environmental problems that are facing the world today, I don't think that's quite good enough. On the other hand – and I want to repeat this – I recognize that we have a province that's abundantly blessed with oil and natural gas resources and that it's important that we continue to produce those resources because it's in the interests of all Albertans. After all, the bulk of our provincial economy is based on the development of those resources. So I think there are some issues here that are really highly critical, are very important to Albertans, and I would hope that perhaps this Bill could be amended in such a way that a natural resources conservation board could begin to look at this very, very difficult and troublesome issue that is before Albertans at this point.

Thank you.

MR. SPEAKER: Edmonton-Jasper Place.

MR. McINNIS: Thank you, Mr. Speaker. I would like to indicate that this Bill 52, Natural Resources Conservation Board Act, is very important legislation. It's legislation that establishes important, new, and substantive principles in the area of environmental impact assessment. This is for all intents and purposes environmental impact assessment legislation. It has to do with the conduct of environmental impact assessment over certain kinds of projects.

It is more than a little unusual to have environmental impact assessment legislation which is not in the hands of the Environment minister. In fact, I've been searching to try and find another jurisdiction where another minister has responsibility for environmental impact assessment legislation, and I haven't been able to find one so far. Now, it could be that the research is incomplete, but it does seem fairly likely that in most jurisdictions the environment minister has the responsibility for environmental impact assessment legislation, which is not the case before us today. Instead, we have the receiver/manager of the Environment department, the Minister of Energy, bringing environmental impact assessment legislation before the House.

The idea of having a board, an agency, to conduct public reviews of environmental impact assessment legislation is a good one. For that reason, the Official Opposition will be supporting this legislation on second reading. However, the Bill is deeply – one might say almost fatally – flawed; however, we're going to take a very positive approach on this. We're going to fix it up for the government. We're going to bring in amendments. We're going to show them clause by clause, section by section how this legislation could be made into model legislation, made into the kind of legislation that even the Minister of Career Development and Employment can be proud of, the kind of legislation he can take home to his riding and say, "We've got something here, something that's good, something that will help secure everyone's right to a healthy future in Alberta for many, many centuries to come."

However, Mr. Speaker, we're not there yet, and I think we should perhaps go through some of the principles contained within Bill 52 just to set the stage for the fixing-up process, which hopefully will take place in committee. Now, my fond hope is that that process will go fairly quickly because the government will be able to see in black and white how the legislation can be fixed up, and we should be able to get through that in one committee sitting. If, on the other hand, the government chooses to try to ram through a bad Bill or a flawed Bill, such as this one, then I suspect the process may take a little longer, but that's entirely up to the government. It's not something that's within my control.

[Mr. Deputy Speaker in the Chair]

I think the best place to begin this discussion is to refer to some recent court cases dealing with environmental impact assessment, in particular the Rafferty and Alameda case and the Oldman River dam case. Those two cases together set up the Canadian judiciary's test for what constitutes a decent and proper environmental impact assessment. You know, up to now certainly people in this government and others have made the mistake of assuming that a document that's called an environmental impact assessment is an environmental impact assessment. It's not. I mean, that document is more properly called an environmental impact statement. You begin an environmen-

tal impact assessment process; somebody with credentials, somebody with expertise, attempts to define the impact of a given project. Now, most of the time we talk about environmental impact assessments in terms of projects because that's been the most frequent application up to now, but it's quite possible – in fact, it's highly desirable – to do environmental impact assessments not simply on new projects but from time to time on existing projects, on existing industrial activities. It's quite proper and, I think, a very positive move to look at doing environmental impact assessments on government policies, government programs. Any type of human-directed activity which has environmental significance ought to be subject to an environmental impact assessment.

That assessment, according to the courts, has three phases: first, you do an environmental impact study; secondly, that study is reviewed by independent expertise; and thirdly, you involve the public in a public hearing process. It's a three-phase process. To call something an environmental impact assessment while skipping one or two of the phases no longer washes as far as the jurisprudence in Canada is concerned. I think members will recall, quite vividly I would think, that during this current sitting of our Legislative Assembly the Court of Appeal of Canada made a ruling in the case of the Oldman River dam, dealing with the deficiencies in Alberta law on environmental impact assessment. Quite simply the court said that the Alberta process fails to provide that independent, scientific review and that it fails to provide adequate safeguards or guarantees of public involvement.

Now, the government announced in the Speech from the Throne some three and a half months ago that Alberta would be bringing in natural resources conservation board legislation and that that, in effect, would be their response, pro tem at least, to the need to improve environmental assessment in Alberta. I do note that the Minister of the Environment still appears to have responsibility for bringing in the environmental protection, and enhancement Act I believe it's called, the new, comprehensive legislation looking at the longer term, which will consolidate various environmental statutes and will probably deal with the deficiencies in legislation as far as phase 1 anyway, as far as the environmental impact statement phase of it. How much further than that it goes remains to be seen.

Well, let us see how Bill 52 measures up to the test of the Federal Court of Canada Appeals Division and the tests generally of the courts in Canada as far as environmental impact assessment. Let us look first at the issue of screening. How do projects get into the public review process? Well, we have a fairly complicated screen contained within Bill 52. I believe the Minister of Energy said in the House that his view was that this legislation is a masterpiece. Well, I suppose if there's master work, it's in the deceptive characteristic of section 4 of the Bill, which generally lays out the scope of projects that are reviewable under the legislation. There's a whole list of kinds of projects, and if you read that in isolation, you'd come away with the impression that almost every significant project that has environmental implications is going to be reviewed.

Unfortunately, it's not that simple. If you go back to the definitions, you find that the triggering mechanism in most cases is the ordering of an environmental impact assessment under section 8(1) of the Land Surface Conservation and Reclamation Act. Now, this legislation has been for a considerable period of time the sole legislative authority for environmental impact assessment, and it's a device that's triggered on the initiative of a single minister. It's essentially within that jurisprudence an arbitrary decision of an individual member of the government,



the Minister of the Environment: not an objective screen by any measure, Mr. Speaker.

The second category is the automatic one, the one that the Minister of Energy likes to point to publicly to say that in fact this Bill does provide guarantees of public hearings. We have such a guarantee dealing with a facility "used to manufacture pulp, paper, newsprint or recycled fibre," in essence, the pulp and paper industry. That's the only industry that is clearly, under this legislation, automatically subject to review under the NRCB. Now, how many more pulp and paper projects do we expect in the province of Alberta? I suppose some of the members might hope for a great number, but I think if they take a look at the map of forest management agreements, they'll realize that this government has pretty well sold us completely out on the pulp and paper industry. There isn't very much fibre left to be had there in terms of new pulp development.

We've got a block around the McLelland area at the western edge of Lesser Slave Lake where Yuen Foong Yu, the Korean company, is locked in a death struggle with the local Metis colonies who are hoping to build a strand-board mill there, and there's a tussle going on over that fibre, who's going to get it. It will be interesting to see who wins that tug-of-war. There's a potential pulp project there. I think the government would be out of their minds to go for Yin Fung Yu over the local people, but, you know, they've done things before that show they have a bent that way. So there is a possibility of a pulp project there. There's another possibility in the High Level district, where there is a block of timber suitable, perhaps, for another bleached kraft mill of the kind that Parsons & Whittemore was studying up until the end of last year, the early part of this year. So you've got maybe two more pulp projects that might come forward, three I guess if you count Procter & Gamble, although their status is far from clear in relation to this legislation. That's it.

Now, in the paper end of things it's interesting that very few of these pulp projects for which all of the concessions have been made, the tax subsidies and the subsidized stumpage rates have been put into effect – very few if any of them make any paper. Some of them have made promises down the road that they will look at installing paper-making equipment, and I suppose those might be subject, but that's a very narrow group of projects, very few of them, which are automatically covered by this legislation.

In the water management field it will be the regulations which determine what the screen is. The minister has said to the Assembly that the screen will be 25 feet in height, 500 cubic feet per second flow, and that will probably be a regulation, but it's in the nature of regulations that they can be changed. So there isn't an objective screen, with the exception of that very narrow area.

The scope of section 4 is totally focused on new projects. There's nothing in there about policies and program EIAs, and I believe that's a deficiency, and I think that should be looked at as well. So that's a significant problem, and it needs to be fixed.

Secondly, there's the problem of excessive cabinet control over the process. The cabinet has the ability to impose any terms and conditions it wants on the NRCB in relation to project approval. So they essentially will, you know, cook the deal in a way that they can hamstring the board from imposing reasonable and necessary conditions from the point of view of environmental protection. If the conditions are not authorized by cabinet, the NRCB cannot impose them. That gives the cabinet an inordinate control over the types of decisions that the NRCB can make. The government appeared to take some pride over the

fact that the board would be making conclusive decisions rather than the government, but then they go and take it away again by putting in a clause like that. That has to be fixed, Mr. Speaker.

I think a more central problem with the legislation is that it doesn't have a clear purpose. The board is generally given the authority to look at "social, economic and environmental effects of the projects." Well, you can look at a lot of things and not necessarily come to any particular conclusion. I think the legislation needs to give this board a mission and a mandate, and I think the mission and the mandate have to have something to do with preserving, protecting, and in some cases restoring functioning ecosystems. You know, Mr. Speaker, we as human animals require an ecological system in order to maintain our being, essentially. I think we're learning. Most of us are learning that we can't afford to destroy those ecosystems and still expect to survive as a species. We can't bump off all the other species and expect that we're going to be able to make this globe function on our behalf. So we have to get that in there.

You know, I thought about putting the words "sustainable" or "sustainable development" in there, but I don't think that would work. A friend of mine overheard the minister of public works on television last night saying that in Alberta we've got to have sustainable development and we've got to have environmental protection too. Now, I think if anybody thinks that environmental protection and sustainable development are two different things, we'd better throw that word out of the language because it doesn't mean anything. It was supposed to mean the idea of integrating economic development initiatives with environmental protection; unfortunately, to many it means sustaining economic growth. We've got a history, you know. All of this century we've been sustaining economic growth while we've been wrecking the environment. That's the problem. There are those who believe that sustainable development is more of the same, just the old concept with a different term. I think section 2 desperately cries out for rewriting to give some clarity of purpose, a role, a mission, a mandate to the board.

There's another underlying principle that I think should be addressed in second reading debate. That's the idea of making sure that you have the proper expertise reviewing these panels. You know, it's just not possible for a board of three to five members to have the expertise which would allow them to ask the pertinent questions to sort out the wheat from the chaff, to translate the gobbledygook and the smoke screens that hired guns, PhDs, sometimes put up: documents that are made very difficult to read purposely, to confuse rather than illuminate. You need bright people with solid technical grounding in order to do that. You can't do it by having three to five people who hear all of the different projects.

It's a fundamental difference in philosophy. The government wants to have some people who can follow a policy line from the government. For them the imperative is, I believe, certainty or predictability of outcome of the process. I think we need more people, if I can use this example, like Professor David Schindler, who served on the AI-Pac panel, who was able to tell which of the claims that were being made by different people were true and valid and which ones were speculation and hypothesis. It isn't possible for a layperson to be able to do that in the fields of organic chemistry, of freshwater biology. You need to have the expertise and the understanding. You've got to have those people sitting on the panel in a decision-making capacity. That's totally lacking from this Bill, and I think we have to look at some type of a modified panel system.

I can go along with the idea of having these permanent members whose expertise may be in the field of public involve-

ment. I think Gerry DeSorcy is a good example of that. As the chair of the Al-Pac panel and in his capacity as chair of the ERCB, he has learned how to conduct a public meeting, and he does a very good job of it, Mr. Speaker. He was able, I think, to know when to relax the rules, when to tighten them up to make the process flow. You need people like that, but you also need people who know the substance, the detail, who can really get in there and evaluate the claims and the counterclaims that are being made, because most of us are laypeople. You know, we have opinions, we have feelings, we have values, but we don't all have expertise in every field. So that independent expertise has to be there; it's got to be on the panel. That's a principle that was recognized in the Federal Court of Canada Appeals Division ruling and a criticism that was leveled at the Alberta process. It's a criticism that would remain valid if this Bill were to pass in its present form. So that is a major deficiency, and we're going to have to find a way in committee to fix that up.

Another area is the area of intervenor funding. I congratulate the government for recognizing the importance of that. I think how far we've come over the past year. I remember a year ago, when I raised the idea of intervenor funding, the Minister of the Environment scoffed at the idea as, I think, did the government generally. We've certainly come to the point where we believe that people who have a legitimate reason to come before the board should have their costs covered, not just appearance fees but research as well. But, you know, the wording that's in this Bill is anything but clear. I can't find a parallel in other government legislation that says you have to have a direct interest in order to qualify for intervenor funding. It's not the wording of the ERCB, where they talk about local intervenors. What's a direct interest? It's not defined in the Bill. You're leaving it up to somebody to make an awful lot of assumptions and to dream up definitions here. In an earlier draft they used the local intervenor model. It doesn't work with Crown land because you don't have property owners in the area, so we have to find a way to define it.

Now, I think the report of the EIA Task Force, which was published on March 2, provides some guidance on that. The minister said in the House that one of the first things he read when he assessed the drafts of the legislation was this report. Well, if he read it, I would like to know why he chose to ignore so much of it in the legislation that was drafted. I mean, either he can't read or he believes that the work they did was inappropriate.

Many of the problems of this legislation reflect the fact that it was drafted by about four bureaucrats, who were named by the minister in his speech. I'm sure they're fine bureaucrats, but the day has passed when we can afford to leave important matters like this up to the bureaucracy. I asked the minister at one point whom he consulted with, and he did indicate that there were 59 members of caucus, and I think that's a good thing too, but I think if he consulted a little more broadly, he would not suffer some of these problems. Clearly, the definition of intervenor funding is a problem in this legislation. We have to try to fix it up in committee, and we will.

I also want to deal with the question of transitional or interim arrangements, because I think this is a very important aspect of this Bill. There are those in this House who feel we should hurry up and pass this thing because the government's going to make a bunch of decisions in the absence of due process if we don't. Now, I think that's a red herring. In particular the Liberal caucus should think about that, if that's their position, because the government has the capability of doing the right

thing now without this legislation. The government didn't need this legislation to set up the Alberta-Pacific EIA Review Board. They don't need this legislation to set up a review board on the new Al-Pac proposal, which they should do immediately, Monday at the latest. They don't need the legislation to do that. The issue we discussed earlier today, the question of the Three Sisters development in the Canmore corridor: what's the government going to do? Well, again, it's one of these things where no decision has been made, but it is quite possible to set up a review panel to deal with that project in the absence of this legislation.

So the Assembly does have the time to do a proper job in reviewing this legislation, and I believe we should take the time to do that because this legislation is going to hopefully serve this province for some time to come, and it's hopefully going to serve us well. I think in order for it to serve us well, it has to be written in the best possible fashion. It needs to be clear. It needs to be directed. It needs to be grounded in values, and those values should reflect the concern that people have today in our province for our future and not just within the boundaries of Alberta but the whole world round, because it's very clear that our environmental problems are becoming global in scope, that the solutions proposed in the past by the bureaucracy and by the political system and by corporations served not to resolve the environmental crisis but to spread the pollution over a larger area. Instead of having smog, we have acid rain. Instead of having foul local river systems, we have deep down pollution in the ocean. We have thinning of the ozone layer. We have global warming to deal with rather than the more local type of pollution problem that we were dealing with in the past.

This legislation can be fixed up, and you can bet that the Official Opposition will do what we can in order to make sure that it gets fixed in committee stage. I hope the government will be co-operative in that endeavour.

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

MR. EVANS: Thank you, Mr. Speaker. I will not take a lot of time in my comments on this very progressive and important piece of legislation before the House. I have listened with great interest to the comments made by the hon. minister concerning this legislation and also the comments made by opposition members.

I certainly take a different view about section 4 – and I appreciate, Mr. Speaker, that we're not talking about section amendments or anything of that nature at this point in time – than the opposition members do. I believe it is the hon. minister's intent, and it appears very clear to me in the legislative package that there is a recognition that we are into a new era in Alberta and that we must have a mechanism which is responsive to the very legitimate concerns for clean air, clean water, clean land that are current in this province and certainly will become more and more the issue of the day as we move towards the 21st century. I believe that when you carefully review that section 4 and realize that we are talking about forest industry projects, recreation and tourism projects, metallic or quarriable mineral projects, and water management projects, many of the major issues of the day are covered in this legislation.

I think it's very important as well to recognize that the Act doesn't stop there and the section doesn't stop there, because it does go on to really give the minister and the Lieutenant Governor in Council the opportunity to deal with other matters

that are major and other matters that affect our environment in the province of Alberta. I don't want to put words in the minister's mouth, but I presume that the rationale for putting those two subsections in is that if we do have more diversification in this province, which this government is very much committed to, and that diversification leads us into new avenues, firstly, we will have the opportunity to deal with them by these two omnibus subsections in section 4. I certainly presume that in due course if diversification were to proceed, we would have the opportunity to have amendments before this House, and the minister would be bringing those amendments forward, to specifically deal with new initiatives.

I want to make a few comments about the Bow Valley, an area which is near and dear to my heart, and these comments are in relation to the earlier comments by the Member for Edmonton-Meadowlark, his concerns that the six or seven projects which are proposed in that corridor, essentially recreation destination tourism projects, are a fait accompli and there is no intention that this particular legislation will have any impact on those projects. Certainly the minister will have his own comments on that, but I've been very involved with a number of our government's departments including – and not intended to be in any particular order of priority, because all of these departments have had a lot to do with what is happening in that corridor – Forestry, Lands and Wildlife, Tourism, and Municipal Affairs, to name three who are currently very carefully reviewing what is being proposed in that corridor to ensure that projects are compatible with the terrain, that they're compatible with the goals of the people who live in that area, and most importantly that they will allow the citizens of that corridor to maintain the kind of life-style that led them to move into that area.

I've left out purposely the Department of the Environment because I want to say a few more words about the Department of the Environment. The department, through our minister, is very carefully reviewing the potential impacts of these proposed projects, but the projects themselves are certainly not far enough along the development path to warrant an all-or-nothing position by any of the departments that are involved in and will have some impact on these various projects. So I feel a great sense of confidence that the government departments involved are looking very carefully at what is going on in that corridor, and certainly this legislation that's being introduced by the hon. minister deals with just this type of project. In fact, I think the activity in the corridor is one of the main reasons why the section is described as it is, a recreation or tourism project, the implication being that these are major projects. It is consistent with the intention of this legislation and the Department of the Environment to be interrelated that we have a reference in the definitions to the environmental impact assessment process, the focus obviously being that the Department of the Environment would be reviewing these recreation or tourism projects and deciding whether they are of a magnitude and a potentially serious enough involvement with the environment that they would require an environmental impact assessment.

[Mr. Speaker in the Chair]

In conclusion, Mr. Speaker, I believe that all the issues that are identified in this House, whether it be the Bow corridor specifically or just the issues of the day in general, are being addressed in a very positive way by this legislation. It is not the only piece of legislation that will have an impact on our environment. Obviously the environmental protection and

enhancement Act, which will be tabled as really an opportunity for Albertans to input into the process, will go hand in hand with this particular legislation to move us toward a more caring and more readily responsive government which will have the tools at hand to deal with the future of Alberta. Accordingly, I'm very pleased with this legislation, and I would encourage all members of this Assembly to give it their support.

MR. SPEAKER: Calgary-Buffalo.

MR. CHUMIR: Thank you, Mr. Speaker. This legislation obviously moves the province in somewhat of a positive direction with respect to environmental review. However, there are many, many inadequacies within the legislation, and it's with some mixed emotion that we would support this legislation, from the perspective that some delays would clearly be beneficial in order to receive greater public input in an attempt to remedy the many deficiencies. The mixed emotional element in that regard is the desire to expedite it with a view to putting some pressure on the government to bring the Al-Pac project and these tourism projects within the purview of this legislation so they would be reviewed. Now, it is clear that there is no need for this legislation for Al-Pac to be reviewed or, indeed, for any of the tourism projects to be reviewed, but it seems to me from what's been happening that there is very definitely a need for this government to be pressured, because the only thing that has made the government act so far, whether it be with respect to the Al-Pac project or with respect to bringing forward this legislation, has been public pressure.

Now, this legislation is clearly like a single piece in a large jigsaw puzzle, most of which is currently missing. It's hard to evaluate the legislation definitively unless one knows what the rest of the package is to contain, and seeing as it is yet to be tabled, we don't have that advantage. So we're left with a situation where we can only deal with what's on the table and point out some of the problems we have with it at this stage, with a view to making some constructive comment and hoping some of these problems will be resolved.

One of the concerns I have and which has been brought to our attention is the absence within the legislation of a strong focus on the primacy of environmental protection. Of course, a balance is required within the term "sustainable development" between environmental concerns and economic concerns, but it is our position that in environment legislation the protection of our environment should have priority. It is in that context that we have some concern that a minister whose portfolio responsibility is directed towards economic development, the Minister of Energy, has been put in charge of piloting this legislation through and will perhaps continue to be in charge of the legislation. Our concern, of course, is that this is a clue that economic development is the priority. Now, as I noted earlier, the term "sustainable development" indicates a balance, but the primacy of the environment is implicit in the use of the term "sustainable" because we have to have a healthy environment in order to be able to sustain our development.

Now, I have a very serious and strong concern, Mr. Speaker, with respect to the inadequacy of the provisions for public input through public interest groups and otherwise. The legislation is very restricted and limited. It requires intervenors to have a direct interest and limits funding to those who have a direct interest. I believe this limitation is one of the . . .

MR. SPEAKER: Order please, hon. member, for a moment.

*Beauchesne* 331, hon. Member for Wainwright: no food in the Chamber.

Calgary-Buffalo, please.

MR. CHUMIR: I believe this is potentially one of the greatest defects of this legislation, because there is no substitute for having a strong voice representing the public interest coming before this board in order to be able to voice its concerns. That is absolutely essential, and from what I can see of this piece of legislation at the present time, there is a great chance that that will not occur in the way this legislation is framed. I would urge strong reconsideration of those provisions, with a strong sign from the government that they have every intention that there will be the most meaningful degree of public input from public interest groups who have made these types of concerns a central point of their existence for some time and have served the public interest so well by leading public opinion and forcing the community, as it were, to the stage of progress we're at at the present time.

I also have some concerns, which have been expressed to our caucus, Mr. Speaker, with respect to the inadequacy of the scope of the projects encompassed by the legislation. The first limitation, of course, is the need for the government to order an environmental impact assessment before many types of projects can be reviewed, which also raises the question of the absence of any definition of what "environmental impact assessment" means. It would be preferable, I believe, for the board to have broader jurisdiction to decide what projects merit review. In particular, it would seem to be very important to focus not so much on a description of the type of project to be reviewed as on the environmental significance or impact of the project. At present, the legislation is directed toward a species or genus of project rather than to define in any way the potential harmful impact upon the environment as being a triggering mechanism. Now, this concern, if it were addressed, would relate to giving the board greater jurisdiction. If the government is intent on resting with the structure in which its own decisions with respect to environmental impact assessments are the triggering focus, then its answer presumably would be that we will be making the decision with respect to potential harm through the decision to order that environmental impact assessment. As we say, we would prefer to see a more independent review of that issue by the board.

The list of projects is inadequate, as other speakers have noted. We'd very much like to see some specificities with respect to a guarantee that the forestry implications and wildlife implications of forestry projects would be considered, which of course is one of the great deficiencies in the review of the Al-Pac project.

Finally, Mr. Speaker, one area of great deficiency that has been pointed out to us as well by the Environmental Law Centre is the fact that the Act is extremely deficient in the realm of enforcement. There are no provisions for enforcing board orders or directions except for restraining orders which would stop the objectionable activity until the order or direction is complied with. There should be some consideration given to offence provisions being included in the Act, with penalties being set out for failure to comply.

Thank you, Mr. Speaker.

MR. SPEAKER: Member for Vegreville.

MR. FOX: Thank you, Mr. Speaker. I'm pleased to have an opportunity to address some concerns and comments to Bill 52,

the Natural Resources Conservation Board Act, this evening. In terms of referring to the principle of the Bill in its broadest sense, I would think that is that projects ought to be reviewed prior to their approval or implementation. In that sense we're very supportive of the broad principle of the Bill, and I think it's something Albertans would generally get behind and feel good about, because it's certainly true that there's a growing awareness and a deepening concern among the people of the province of Alberta about the protection of our environment. Everyone acknowledges the need to develop some sort of process to review things that are going to be done in this province with respect to their impact on the environment prior to approving them. So in the broadest sense the principle is not objectionable.

However, when one looks at the Bill a little closer and *sees* what it purports to do and how it's going to attempt to do these things, I have some concerns and I suspect Albertans, upon learning about the contents of the Bill, will have some concerns as well, Mr. Speaker. The Bill is seriously flawed in a number of ways. My colleague the Member for Edmonton-Jasper Place has already signaled his intention and the intention of the Official Opposition to bring in a whole raft of amendments which would essentially rewrite the Bill at committee stage. I think they're good amendments, and we hope to have an opportunity to move to those after some substantial debate in second reading.

In order to look at the principles of this Bill, we have to put it in the context of the history of government concern or government action on environmental issues, Mr. Speaker. I think the history has not been very encouraging. The government has shown its inclination on many occasions to approve developments without consultation, to approve developments without public input, to approve developments without very much consideration given to the impact of projects on the environment or, indeed, the impact . . .

MR. PAYNE: Not so.

MR. FOX: Well, the Member for Calgary-Fish Creek will have the opportunity to get up and refute these things with examples. I'll be giving some examples that I think back up my claim here that the government's record has been a sorry one indeed in terms of environmental protection with respect to development of resources in the province and, quite frankly, in terms of enforcement when infractions occur, when laws are disregarded, ignored, and wilfully broken in the province with respect to pollution standards and other environmental guidelines. The government's record has been very poor in terms of enforcement and penalty with a view to providing some sort of penalty and deterrent to companies that would pollute the environment against the laws of the province. I think we can all agree that having laws is one thing but enforcing them is something quite different. There's really no point in having laws unless you've made it clear to people that you're going to enforce them. So in the context of Bill 52, there's not much point in making a commitment on paper to a process if you're not going to follow it through and be vigilant in applying that process to every project of significant impact that presents itself to the people of the province of Alberta.

So the record has not been encouraging. Indeed, I can remember many debates Grant Notley would enter into, or he'd come out to speak in our riding and he'd talk about different projects the government had endorsed and encouraged and supported, talk about different situations where companies had

been found negligent or found guilty of gross violations of existing provincial laws and they'd be fined a nominal sum, and it became something that would be viewed by companies as merely an expense of doing business. You know, if it's going to cost you \$1,000 to break the law and maybe \$10,000 to uphold it, you're going to break it every time. I think the government, by its lack of action and lack of commitment to protecting the environment, endorsed that kind of approach. So the history's not encouraging, and I think it tends to make Albertans a bit cynical when the government comes forward with Bill 52 and the minister makes some extravagant claims about this government's commitment to protecting the environment for future generations of Albertans in the province.

Nonetheless, the initiative is welcome. I think we were encouraged when we noticed the government developing a more distinct environmental bent in its policy and statements and throne speeches and campaigns. This latter day conversion started to occur a couple of years ago. I suspect when the polling results became so solid that even this development-at-any-cost government couldn't ignore them, they developed, at least on paper, this warm, fuzzy attitude toward environmental matters. They even went out and got themselves a warm, fuzzy environment minister to carry the ball and act as the promoter of this policy.

MR. ORMAN: It happened to me in 1968.

MR. FOX: The Minister of Energy was converted in 1968, a born-again environmentalist. I'm pleased to see that.

Anyway, this warm, fuzzy environment minister was chosen and asked to go out and convince Albertans that this government really did care about the environment and was prepared to do something about it. I must confess, Mr. Speaker, Bill 52 is the first indication we've had since then of that kind of commitment, because there hasn't been very much in the way of action. There's been a lot of talk. There have been more committees. There have been round tables set up. There's been talk of pending legislation. There have been letters sent out to Albertans, colouring books developed, and all sorts of things, but no action. I think that's unfortunate, because this Bill falls short in that regard. There are things, many things, the government could have done right away after the 1989 election in appointing a minister that supposedly cared about the environment. There were things that perhaps required further review and needed some time to develop, but there were some concrete, positive measures the government could have taken with respect to developing a process for reviewing projects and methods of respecting our environment and protecting it for future generations.

I think some of the principles for this Bill, Mr. Speaker, were enunciated in this Legislature by members of the Official Opposition over the past four years.

MR. LUND: Aw.

MR. FOX: I want to tell the Member for Rocky Mountain House that I stood in my place in 1987 and introduced a private member's Bill called the Environmental Impact Assessment Act that called for mandatory public hearings on projects that have impact on the environment, that called for intervenor funding, that called for many of the things that this Bill lays out. Mr. Speaker, that's three years ago. I submit that if the government had adopted some of the positive ideas put forth by members of the opposition since 1986, we would have been able to avoid

many of the problems we've experienced in the province over the last few years.

Mr. Speaker, the Oldman dam was referred to very briefly. This isn't the place to debate the Oldman dam but certainly to refer to the process this Bill puts in place. If the Oldman dam had been subjected to a decent environmental impact assessment that gave interest groups . . .

MR. LUND: The outcome would have been the same.

MR. FOX: Well, the outcome likely would have been the same, Member for Rocky Mountain House, because the government would have ignored the hearings just like they're going to do with Al-Pac. But I'm talking about process here. I'm talking about respecting the input of Albertans, seeking input and respecting it, because this is our province, not your province; it belongs to everybody.

With respect to the Oldman dam, without passing judgment on the project, I think what we needed to do to ensure the integrity of that project wherever it was built, however it was built, was make sure Albertans had a chance to express their feelings. It's not just an issue in this case that affects water users in the southern part of the province; it affects all Albertans. We all have something at stake in the protection of the environment and the development of resources in our province. [interjection]

The Member for Bow Valley doesn't like that idea either. I'm really sorry about that, because I think that's a very important concept, that this is our province and we all have a collective responsibility to make sure our resources are developed in a responsible way and our environment is protected for your children, my children, our grandchildren. I'm using these personal nouns in a generic sense, Mr. Speaker. I mean it in the broadest possible sense.

We're trying to develop a process here, and I think it's very important. I think that by not having a legitimate process in place, the government has caused the people of southern Alberta considerable grief over the Oldman dam. The project has been subjected to constant controversy, not only because Albertans were denied legitimate opportunity for input, not only because there weren't these studies conducted in an open, public way – I mean, studies were done; studies have been tabled. They've been wheeled in here in wheelbarrows, for pete's sake. But if it was done in a legitimate, open, public way, how come there are thousands of Albertans who feel outraged about the process and feel they've been denied the opportunity to express their concerns?

So if we'd set up the process carefully in the beginning, made sure that open public hearings were a mandatory part of the process where we had independent scientific review, where the evidence was presented and assessed in a way not linked with the development aspirations of particular groups of Albertans but assessed in an unbiased sort of way, where intervenor funding was provided: if we'd had that, then the project would have been approved or not approved on its merit, all things considered. Had it been approved, it would have been spared the controversy and criticism that's occurred since. There are other examples. I want to talk about Al-Pac, because some people who have legitimate environmental concerns are suggesting we need to ram this Bill through very quickly so it's in place and ready to review Al-Pac II, the hydrogen peroxide proposal for Al-Pac that's been inserted as an alternative to the Al-Pac proposal that was reviewed by an environmental impact assessment process and found more than a little bit deficient. So

some people are suggesting we need to rush this through so it will be in place to review Al-Pac.

The minister has not made a commitment to subject the new Al-Pac proposal – the one that they don't admit exists but are likely to approve next week anyway – to the fairly loose requirements of the Natural Resources Conservation Board Act if it were passed. I'd like to say to those people that if the government had the backbone and the political will to stand up for Albertans, they would subject that second proposal to the same kind of rigorous examination the first proposal was subjected to regardless of the state of debate and status of Bill 52, the Natural Resources Conservation Board Act.

When we stand up and express concerns about environmental impact assessments and the need to proceed with caution and in a thoughtful way in developing our resources, we're accused by some Albertans, many of them in this Chamber, of not wanting to develop the province. The claim we often hear from the would-be Premier from Athabasca-Lac La Biche is that we want to shut the province down. I can understand his frustration. My riding, too, has been severely impacted by 20 years of Conservative government. The economy's in a shambles, and I understand his concern. But to suggest that we are expressing an antidevelopment bias because we're concerned about the environment is ludicrous. We want to develop this province. We want our resources to be developed in a thoughtful and regenerative kind of way because we want jobs for Albertans. That's an integral part of New Democrat strategy, aiming toward full employment, Mr. Speaker. We want Albertans to have good, stable, well-paying jobs. That's exactly what this party is all about. So to suggest we're not concerned about development is ludicrous. We're trying to find a healthy balance between development and protection of our basic environmental resource. That's what debate on this Bill is all about.

I suggest, Mr. Speaker, that if the government had not waited so long to come forward with this process, these northern forest projects wouldn't have been in such a shambles. Again, the Al-Pac project: rushed into the development stage by a Premier anxious, I think, to call an election two years ahead of time, anxious to show Albertans that he's made some dramatic commitment to diversify the economy. Almost every second day during the month of December in 1988 we had these announcements: a pulp mill here, a pulp mill there, here a sawmill, there a sawmill, everywhere an oriented strand board mill – seven or eight of them, one after the other.

AN HON. MEMBER: No E-I-E-I-A.

MR. FOX: Yeah, no E-I-E-I-A on any of them, Mr. Speaker, because the motives were not thoughtful economic motives. They weren't projects that were announced with the long-term economic development of this province and the social needs of Albertans in mind. They were announced in a hurry, rushed to the announcement phase by a government whose political motives were foremost in their mind: the desire to try and convince Albertans prior to this election call that they're diversifying the economy. I think that was wrong.

I think if we'd had a process in place that all these projects would have been subjected to, we'd have been much better off. We would have been able to proceed with some of them, some of them would have been modified, some of them would have been adapted, but we'd have development people could count on. We wouldn't have communities in a dither about much ballyhooed development and speculators upping the price of land and people making all kinds of investment in anticipation of

development and then having the air let out of the balloon and futures being jeopardized and opportunities being lost because the developments didn't go ahead. We needed to have a process. I'm not sure we'll have it with this Bill, and that's why we're going to introduce some amendments that'll tighten it up, Mr. Speaker, because we need to have that process in place. The minister himself referred to the kind of protection, the kind of fairness that a process would provide not just for Albertans who are concerned about the environment but for Albertans who need jobs, their families who need support, and for the developers in the province, the people who want to go out and build projects and build plants and develop resources in the province of Alberta. If we have a process in place that everyone understands and agrees to and knows they'll be subjected to regardless of who they are or who they know, we're all going to be better off for it. It's going to be a fairness issue, I suggest.

I found it somewhat interesting that the development of this Bill, I suggest, has already been influenced in a positive way by the actions of the Official Opposition. I'll never forget the look on the face of the Deputy Premier, Mr. Speaker, when the Member for Edmonton-Jasper Place was asking questions about the Natural Resources Conservation Board Act, about what this Bill might contain, and he said, "Well, you'll have to wait till it's tabled." The member says, "Okay, I'll table it," and he put this draft copy of the Bill on the table, and we had a chance to ask questions about it. I would like to tell members that the copy of the Bill that we're debating tonight is improved in many ways from that draft that we tabled in this Legislature, and I suggest that as an opposition we're doing our job. We exposed the agenda of the government, they had to react to it, they made some changes, and that's what we're doing here tonight.

MR. DAY: You're dreaming, more technicolour than that tie.

MR. FOX: That's exactly how it works, hon. Member for Red Deer-North. That's exactly what happened.

So we hope to have some more positive influence on the government in terms of the way this Bill is developed.

But interestingly enough, the Bill was introduced not by the Minister of the Environment, whose job it is to defend the environment – in fact, it wasn't even introduced in his presence – it was introduced by the Minister of Energy. The excuse was that they needed to find someone whose department has the expertise – I guess embodied in the Energy Resources Conservation Board – and by a minister who has no axe to grind in the process and that this is a supposedly neutral minister. I find that a ludicrous claim. One only need do a little bit of research about the hon. minister's connections in the energy industry, and one will understand that it would be very difficult for him to be described as a neutral player in terms of the development of our resources, because many of the projects are developed by companies that operate in a sphere that falls under the jurisdiction of his department. That's certainly not the neutral minister that one would put the natural resources conservation board into.

If you wanted a neutral minister who would be the arbiter, the balance between a pro-development minister like the Minister of Energy and the Minister of Forestry, Lands and Wildlife and the minister of economic development and the Minister of Agriculture – these are all legitimate roles for these ministers to be playing: pro-development. The Minister of the Environment is supposed to be advocating on behalf of protection of the environment and making sure that those things are forced. The process has broken down, Member for Rocky Mountain House.

That's not what's occurring. The Department of the Environment is in soft receivership right now. The minister has no impact. But if you wanted a neutral minister, perhaps the Minister of Health, someone who really didn't have a stake other than the best interests of Albertans at heart. Anyway, that's a suggestion, and perhaps the Minister of Energy would surrender the Bill to the Minister of Health after considering my comments, and maybe we'll have a little bit of a different process here.

I'm concerned about the Bill in terms of the lack of scope. It tells us that there will be certain projects subjected to automatic or mandatory review and some that aren't. The ones that will be reviewed as a matter of course: pulp and paper developments. Well, Mr. Speaker, there aren't very many more pulp and paper projects left to be developed or announced. Don't forget, just before Christmas in 1988 the Premier came along and announced seven or eight of them, only one of which was subjected to environmental impact assessment, and that was after much pressure from the Official Opposition and interest groups in the province of Alberta, who insisted that if they're going to brag about the largest bleached kraft pulp mill in the world being developed at Athabasca, then they're going to have to listen to the people of Alberta and have an environmental impact assessment. But the projects, Alberta Energy Company, Slave Lake, the Weldwood expansion, some projects elsewhere in the province – I can't name them all off the top of my head, Mr. Speaker – went ahead without any public input, without any opportunity for interest groups to express objections. None of the even modest things proposed in this Bill were afforded the people of Alberta while those projects were rammed through. Daishowa in Peace River: perhaps the most flagrant example of a project that the government was determined to get in under the wire, to do these things before we have to pretend that we're committed to the environment, before we have to bring in this process, yield to public pressure and bring in a process.

It's like the other Bill on the Order Paper here, the loan and trust company Act or whatever it's called, Mr. Speaker. It's an Act brought in to regulate companies that no longer exist in the province because they all went out of business under the stewardship of this government over the last several years. So the idea that this Bill would provide for automatic review of pulp and paper projects is perhaps a little specious, because there aren't many more of those to be developed. But projects relative to or that go along with or grow out of pulp and paper development – I'm talking about saw mills and chipping projects, other forest management agreements – none of these things require review as described under the Natural Resources Conservation Board Act. It's a discretionary kind of process that cabinet can pay attention to or ignore at its will, and I think that's a mistake.

There are many projects in the province that have gone ahead that do have impact on the environment, and I'm not saying they're not good projects. Perhaps they're wonderful projects, and I'm sure they're creating jobs and doing things we need to have done, like the magnesium plant in High River, the Cargill plant. I've got some economic and process criticisms of those, but I'm just talking about whether or not the projects should have been subject to this process. Of course they should have, Mr. Speaker, and I think to introduce a Bill that specifically leaves a whole range of projects free from examination is a mistake. I think we've got an Energy Resources Conservation Board that reviews nonrenewable resource projects, be it coal, oil, natural gas, or whatever. We'll have a natural resources conservation board that will review pulp and paper projects and

some types of water development projects. Are we then going to need a third board to review the plethora of other projects that escape review by design of this government?

It seems that's what we're going to do, Mr. Speaker, but I suspect the reason the government wanted to leave the Bill flawed and leave it like this is because they want to make sure that they have political control over what goes on. They don't want Albertans to have control. They want a handful of 59 representatives who got support from 44 percent of Albertans to have control over what goes on. They're going to make decisions behind closed doors and come out and tell Albertans what they've done rather than allow this up-front process ahead of time. There's just too much discretion in here, Mr. Speaker.

Other projects that I think we need to include in here – and again I couldn't believe the reaction, Mr. Speaker, when I stood in my place and suggested that game ranching ought to be subjected to an environmental impact assessment. What we're talking about here is something that tens of thousands of Albertans feel will have a definite and deleterious impact on our environment. They believe it fervently. They have evidence to back it up, and they believe, as do we in the Official Opposition, that before we make major shifts in policy direction, major changes in the direction that the province is going with respect to our resources – and wildlife is a natural resource, hon. members – we should subject that to a legitimate, open, public environmental impact assessment process that guarantees Albertans a say, guarantees that it's not the resource of any one group of Albertans, one small group of Albertans, that it belongs to all of us. In fact, a case could be made that some of the wildlife that may be impacted by the changes proposed in that particular legislation are a federal resource because many of them live in national parks.

Anyway, the environmental impact assessment process is a legitimate one that should be a matter of course, not a matter of discretion, and I think it will be, Mr. Speaker, as this government learns through experience. I hope they learn sooner rather than later because there are many things that could be jeopardized in the meantime, but they need to learn that the bottom line is more than dollars and cents. When we talk about a project, when we look at a project in terms of whether or not it's going to be good for Albertans, we need to consider more than whether or not it's going to make money for somebody. The governments seem to have this attitude, whether it's environment policy, energy policy, agriculture policy – it doesn't matter what it is, but if it puts a dollar in somebody's pocket, it's worth doing. I submit that that attitude is outdated and can no longer be sustained in the current modern-day environment. If I might, Mr. Speaker, we've got to . . .

AN HON. MEMBER: Sustainable attitude.

MR. FOX: Sustainable attitude. We've got to look at these projects in terms of their impact on people, and that means more than money. That means quality of life. That means community development, impact on communities. You know; what kind of legitimate, positive job opportunities do these projects provide? And this is what we've got to consider. We've got to be able to ensure that Albertans will have an opportunity for input. We need to guarantee that intervenor groups have funding, and not in the way that's described here, where intervenor funding is going to be available only to those described as being "directly affected." Well, who knows what "directly affected" is? If the minister would stand in his place and tell us what he means by "directly affected," we might agree

with his definition and support it. But, in the meantime, it's one of those gray areas that again will be left to the discretion of the government to decide. You know, it'll likely be: if you agree with us, then you're directly affected; if you don't agree with us, then you're not directly affected; therefore, we don't have to listen to you. That sort of process has been developed over time, I can assure you.

There's no definition for who's directly affected by these projects, and I think that's a mistake, because we need to let Albertans know that their inclusion in the process is not going to be capricious. They need to know with confidence, to be assured that if a project is going to have impact on their lives and our province and our futures, they're going to have the opportunity to express their concerns and have them assessed by a reasonable, independent, scientific body that's capable of making judgments based on the information provided; and that the decision in the end about whether or not the project proceeds, whether or not the project is subject to modification, will be made having due consideration for their input. That's not the case now, Mr. Speaker. It's just not the case. The government has relied on environmental impact assessments provided by companies. "Oh, you guys want to develop a resource here? Sure, we'll give it to you for next to nothing, but go out and prepare some reports that come back and tell us how it's not going to affect anybody in a negative way." So the companies go out, prepare these reports, and hey, guess what? They always say that it's not going to affect anybody or anything in a negative way. The reports are always glowing.

Now, the first 400 or 500 times that happened I thought it was a coincidence, but eventually it dawned on me that perhaps these people had a stake in what they were doing, Mr. Speaker.

MR. SPEAKER: Thank you, hon. member.  
Red Deer-North.

MR. DAY: Thank you, Mr. Speaker and colleague. It's a telling sign, as we look at legislation as sound as this is, that the argument that comes up, which is vexatious to say the best, is that there's something wrong with the policy behind this legislation. The most telling argument is that when the legislation is introduced, the opposition scans the government benches to see what ministers aren't there. Lo and behold, the Minister of the Environment does not happen to be in the House at the moment that the very traditional event of first reading is done. So they put on their Dick Tracy hats and get out their little detective watches, and they hatch the grand conspiracy, as the member opposite has just enunciated, and somehow think that this minimizes the Bill, when it's obvious that legislation which has to do with economic policy . . . [interjections]

MR. SPEAKER: Order please. Order please, Edmonton-Jasper Place. Thank you.

MR. DAY: . . . obviously should not be in the purview of the Minister of the Environment, who needs to remain unshackled to economic decisions and should be a purist on the environmental side, as he is.

Mr. Speaker, given the fact that the opposition cannot resist any kind of argument against theirs, I move we adjourn debate.

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

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: The motion carries.

### Bill 37 Alberta Government Telephones Reorganization Act

Moved by Ms Barrett:

The motion for second reading be amended to read:

That Bill 37, Alberta Government Telephones Reorganization Act, be not now read a second time because this House believes in the principle of a public utility being operated with a primary mandate of serving the interests of the public in a fair, equitable, and affordable fashion, which could be superseded by the Bill, which makes possible providing handsome profit opportunities for the shareholders, who could be as few as 20 individuals or corporations.

[Debate adjourned June 13]

MR. SPEAKER: The Member for Edmonton-Calder.

MS MJOLSNESS: Thank you, Mr. Speaker. I'm very pleased to be able to stand here tonight and speak on the amendment introduced by my colleague from Edmonton-Highlands. I think that every member in this Assembly should support this amendment, because what it does, Mr. Speaker, is put the interests of the public as number one. It states in this amendment that AGT should not be privatized because, in fact, the primary mandate of that particular company right now is "serving the interests of the public." This is very, very important.

Mr. Speaker, the amendment also expresses concern that a few shareholders will control Alberta Government Telephones, which is now publicly owned in this province, and there is the potential that in fact as few as 20 people could own and control this particular company. Even if there are more people that buy shares in this particular company and ultimately have control of this company, the fact is that at present every single person in this province owns this particular company. Every single man, woman, and child benefits from this well run, well administered, profit-making company. In the future, if AGT is sold out by this government, this will no longer be the case.

Now, Mr. Speaker, when we're talking about the privatization of Alberta Government Telephones, I can't help but think about my constituents, because to me they come first. Now, this company is currently operating on their behalf, and every single person in my riding owns a share in Alberta Government Telephones. I just wonder, Mr. Speaker, how many of them will rush out and buy shares or, in fact, how many of them will be able to afford to buy shares or whatever. I know that probably not very many of them will be able to go out and purchase shares in this particular company, and that bothers me, because I think what we have here is a fundamental principle that now in this province every single person, regardless of their income, regardless of where they live, has an interest in that particular company. I know there will be some Albertans that will go out and purchase shares. It disturbs me also that this Bill allows people to buy shares in this company even if they don't live in this province. In fact, they don't even have to live in this country, and that bothers me, Mr. Speaker.



Mr. Speaker, in my constituency I have a lot of seniors. I have single parents. I have very young families in my riding that are struggling to make ends meet. I have people on AISH, I have people who are on social assistance, and the list goes on, Mr. Speaker. I know that most of these people will no longer have any part in AGT; they will not be owners. That whole concept, the fact that we can just sell something that has been part of this province since 1906 – since 1906 this company has been publicly owned – the fact that this government feels that they can just go and sell it out when it's benefiting every single person in this province, Mr. Speaker, is shameful.

Mr. Speaker, once this company becomes privatized, I think we have to ask ourselves a very, very important question: who then becomes a priority? Who will this company be serving? Who will they have in mind when they make decisions? Will it be the seniors? Will it be these families in my riding? Will it be people on social assistance? Will it be people in rural Alberta? Well, it's quite obvious that once the company is sold, the people that own it now will no longer be a priority. The shareholders then become the priority. Their interests then become paramount.

Now, I don't think there's any Conservative in this Assembly that can argue with that fact, that once the company is privatized, the shareholders become the number one priority. I don't feel that this government, the government members, have stood up in this Assembly and given any evidence that things would be otherwise. I don't see them hopping up to explain why this is a good idea. I recall the day the Premier stood up in this Assembly and so proudly announced the sellout of this particular company. He began by saying what a wonderful company it was and how well it was doing. Now, Mr. Speaker, he also stated that this is a great opportunity for every Albertan to be able to go out and buy AGT. Well, they already own it, so why would he even make a statement like that?

Again, Mr. Speaker, I feel very disturbed that the government members have not stood up in this Assembly and justified the sale of this particular company. I know when we look back on the free trade agreement, for example, again there was no substance to any arguments that they gave when that particular deal was going through. They just simply asked us to trust them. And now they're asking us to trust them again, because we've got a lot of questions that haven't been answered and that they haven't been able to stand up and support in any way.

So far, Mr. Speaker, the debate on this amendment talks about putting people first, and I think that's very important. I don't see why Albertans should trust this government to put their needs first because it certainly hasn't happened in the past, and I can think of many examples where this government has ignored people in need. In the decisions they've made since I was elected as an MLA, they certainly have not placed ordinary working people as a priority in this province. So I would say: why should we trust them now? Why should Albertans trust them now?

Surely, Mr. Speaker, every single member in this Assembly should be concerned about the quality of service that now exists through AGT in this province. They should be concerned that once AGT is privatized, the quality of service will no longer be equal to what it is today. And what about phone rates? We know that phone rates will not stay the same, and we're also very concerned about jobs. We've got no guarantees that things will remain the same. When we're talking about jobs, for example, we're talking about 12,000 full-time and part-time jobs within AGT. We've got no guarantees that those jobs will remain.

When we're talking about phone rates, we're talking about basic service and also about installment costs, and I think when we're talking about installment costs, we're especially talking about rural Alberta. Now, members may say, "Oh, we're very concerned about rural Alberta." We've heard that before. Rural Alberta is the number one priority with this government, or so they say. But when we say that the government does not believe in public ownership, we really have to wonder. I know yesterday in this Assembly in debate, my friends to the right of me, I heard one of them say: "Oh, we do care about rural Alberta. We care about the post offices." Well, Mr. Speaker, it was a Conservative government that closed the post offices in rural Alberta, so we really do have to wonder about the commitment that this government has to rural Alberta. I would suggest that people living outside of the cities in this province should be concerned about the privatization of AGT, because we've heard other colleagues of mine talk about the rising costs that will be related to the fact that Albertans no longer own this company and the fact that because they no longer own the company, they will no longer have the quality of service at an affordable price.

Mr. Speaker, people have expressed concern to me that perhaps AGT will not be able to compete in the future and be able to upgrade their technology in the future. I guess we all know that things are rapidly changing within the telecommunications system throughout the world, but even if this company is privatized and a few shareholders own it, they're still going to have to upgrade, and it's going to cost a lot of money. We know that. But they're not only going to have to upgrade; their profits will no longer go to all Albertans. This company will have to make profits for their shareholders, plus there are going to be the costs in keeping up with the changing telecommunications. So, Mr. Speaker, how can government members say that rates will not go up, that costs will not rise? Because now what we have is a company where the profits are circulated back into the company so that we can maintain quality of service that is affordable throughout this province. Mr. Speaker, it's very evident that subscribers to the telephone system will be left to pay these rising costs.

When we talk about affordability, right now we have a company that is publicly owned by all Albertans. Their primary concern is those people who own that company right now. Who will these shareholders be concerned about? Will they be concerned about affordability? I think these are very important questions that we must ask ourselves. Mr. Speaker, they're not necessarily going to be concerned about affordability. They're going to be concerned about themselves, because they own shares in the company and they're going to want to make a profit. What's even more shameful, Mr. Speaker, is that I don't think this government does consider fairness when they're talking about making a move such as this one, the one we're looking at, Bill 37.

The government members can say that this argument is just philosophical. Well, it always puzzles me when a government can sell off a company that is doing very well. We believe that certainly some Crown corporations, if in fact they're losing money and perhaps they're not a good investment, should be sold. But this particular company is doing very well. It's providing excellent service to the people of Alberta. So it's beyond me, Mr. Speaker, as to why in the world at this particular time they want to sell it. It just doesn't make any sense to me.

The company, like I say, is doing well, and it's providing an essential service to all Albertans. I say that this service is

essential because in this day and age people do need telephone services. When we're talking about rural Alberta, for example, many people feel isolated, and this is one way that they can communicate. People in the cities often feel very isolated as well and need telephones. So again I say: why sell? I don't believe that we have had any acceptable explanation for this question. It doesn't make sense to me.

Mr. Speaker, the other thing that doesn't make sense is the fact that this government seems to buy companies that are losing money and they sell off the ones that are doing really well. Now, to me that does not make any sense. It doesn't make any sense to me, and it doesn't make any sense to the people of Alberta.

Certainly this government must recognize that some publicly owned companies can play a very important role . . . [interjection] The Member for Red Deer-North. I'm looking forward to hearing his speech after I'm finished so that he can attempt to try and justify this particular Bill.

MR. FOX: He'll get up and adjourn debate.

MS MJOLSNESS: Yeah.

Mr. Speaker, this government must recognize that some publicly owned companies play a very important role in enhancing the quality of life for all people in this province. I can say that Albertans are very, very proud of this particular company, because they recognize that they have an investment in this company. Each and every one of us owns this company, and we are very proud of that. We recognize that AGT has invested in research. They are developing high technology, and they are involved in the whole aspect of training. So, again, this is another investment of the people of Alberta, and I think that Albertans are very proud of this.

I don't really feel very confident, Mr. Speaker, that this government has studied in detail the kinds of effects this move to privatize will have on the people who own this particular company at the present time. Or maybe they have. If they have, maybe they would realize that in other jurisdictions in the world where a telephone company has been privatized, the basic services to people have definitely decreased and have become more expensive. I'm offended that despite what has happened in other jurisdictions, despite the evidence that's so very clear, this government has seen fit to go ahead regardless of what has happened in other jurisdictions.

We take a look at Britain. In 1984 Margaret Thatcher privatized British Telecom. Now, she did things along the same lines as this government. She promoted sales of shares to people who lived in Britain at the time. But when we look at Britain, we see that once it was privatized, the evidence is very clear that the service did not improve. As a matter of fact, complaints increased 56 percent in six months in that country. Once this particular company, British Telecom, was privatized, the chairman stated that dramatic improvements were never going to result from privatization. So, Mr. Speaker, where this government is getting off at saying that this is a good move, I'll never know. Residential rates in that particular country increased by 40 percent; installation fees increased over 11 percent. That should be very, very concerning to the members in this Assembly that come from rural Alberta. Now, this is only one example; this is only one country. But what's at stake here, I believe, is an absolute sellout to the people of this province and the elimination of a very excellent company as we know it today.

I know that this government doesn't particularly place the interests of ordinary Albertans as a priority, and I've said that. But regardless, Mr. Speaker, they're going to try to push ahead with this particular Bill. That is why I believe that members of the Assembly should support this amendment, which puts the public first. Now, I know this is a hard concept for this government to understand and to appreciate and to support: a concept that each person in this province owns an equal share of a company. They just can't seem to understand that this can actually be the case, and for some reason they feel that only a few people in our society should own a company like AGT.

MR. SPEAKER: Order, please, in the whole House. Thank you.

MS MJOLSNESS: I'm offended by that move, because I feel that everyone in this province should maintain ownership in this particular company.

Mr. Speaker, I feel very strongly that this amendment should be supported in this Assembly. I believe very strongly that AGT should remain a publicly owned utility in this province. It's been publicly owned since 1906. It's a tradition in this province. This company has been doing very well. There is just no reason in the world why this government should go ahead with this particular Bill.

Mr. Speaker, I would urge the members of this Assembly to support this amendment. If they care about their constituents, if they believe in fairness like they say they do, if they believe in the future of this province and the future for Albertans, they will support this amendment. If they vote against this amendment, I look forward, before they vote, to hearing some of their comments as to why they shouldn't support this amendment and why they don't put Albertans first.

Thank you.

MR. SPEAKER: The Member for Calgary-Fish Creek.

MR. PAYNE: Mr. Speaker, in participating, albeit briefly, in debate on the proposed amendment to Bill 37 this evening, I would like at the outset to indicate that I simply am not qualified to presume to speak for all Albertans, as the previous speaker did on several occasions. But I do feel somewhat qualified to speak for the constituents of Calgary-Fish Creek.

MR. McEACHERN: Point of order, Mr. Speaker. This member has spoken to the amendment already.

MR. SPEAKER: It doesn't show on the list that the Chair has, but we'll check. Thank you.

No, he has not.

MR. PAYNE: Thank you, Mr. Speaker. As I was saying prior to that unwarranted intrusion, I cannot presume to speak for all Albertans, but I do feel somewhat qualified to speak for the . . . [interjections]

MR. SPEAKER: Order, please, so we might hear the member.

MR. PAYNE: . . . residents of Calgary-Fish Creek. I would like to explain to the members of the Assembly on both sides of the House that over the past three years I have annually included a question with respect to privatization with a specific reference to AGT in an all-constituency questionnaire, and the replies on all three occasions numbered between 1,000 and 2,000, which I

would like to characterize as a fairly hefty sample or representative view from across the constituency. It goes without saying that the overwhelming majority of the respondents indicated support for the proposal that we have before us in Bill 37.

Now, I'm somewhat puzzled, Mr. Speaker – oh, before I leave that point, I can anticipate the rebuttal, which is, "Oh, yeah, but the residents of Calgary-Fish Creek are upscale yuppies and are not representative of the people of Alberta." I would like to emphasize that from my personal acquaintance with a considerable number of correspondents, a considerable number of people who have called . . .

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

MR. SPEAKER: Point of order.

MR. FOX: Page 1869 of *Hansard*, Wednesday, June 13.

MR. SPEAKER: Thank you. [interjection] Well, no. That's all right; there's no point for any further comment. The point's made.

Thank you, hon. Member for Vegreville. We didn't have this noted at the Table. Thank you.

Other members wishing to speak in the debate?

The Member for Vegreville.

MR. FOX: Thank you, Mr. Speaker. I can assure the hon. Deputy Government House Leader that my interventions do not constitute debate on the amendment. But as much as I'd enjoyed the contributions from the member the other day, I did want to make sure that I had a chance to speak on this important and very positive amendment proposed by my hon. colleague the Member for Edmonton-Highlands on Bill 37, because I feel very strongly about this Bill, and I want to place my interest in context for hon. members here.

I grew up in south Calgary, hon. Member for Calgary-Fish Creek, but I've spent my adult life in rural Alberta, and I feel very strongly about the important developmental role that AGT has played in rural Alberta and the very important service provided rural Albertans by this company. I'm very proud as an Albertan to have a share in a publicly owned and operated utility that has consistently provided good service to Albertans, that has provided a generous return on investment for the people of the province of Alberta, and that has been at, been on, and remained on the leading edge of technology almost from day one.

In addition to those concerns, Mr. Speaker, I speak as a representative of the Vegreville constituency, home to one of the regional offices for AGT, employing something like 300 people in my constituency. So I feel very strongly about this amendment, and I'm determined to support it and use every debating tool that I have to convince members opposite to support it as well, because I think it's important that we not read Bill 37 a second time now because it violates some very important principles about the kind of benefits that accrue to the people of the province of Alberta by virtue of their ownership of this public utility.

In terms of the history, Mr. Speaker, the introduction to this Bill denies 84 years of history in the province of Alberta. Again this is something that's probably more clearly understood by people in the rural areas who remember what it was like to be without telephone service and who remember that when they did get telephone service, they shared it with 15 neighbours, the old mutual exchanges. They remember that time well, and they remember the subsequent phases of development. They know

how important telephone service is to them. They know how it's important that that service be provided at a reasonable cost, and I think if rural Albertans had the opportunity to consider the impact and import of Bill 37, they'd be very, very worried about the prospect of transferring this publicly owned resource into the hands of a few.

I think from the point of view of a representative of rural Alberta, I'm very disappointed about the way this has all proceeded, Mr. Speaker. It wasn't something that the government had the courage to talk about during the election. It wasn't on the agenda. At least with Mulroney, when he campaigned, he told people in 1988 he was going to bring in a GST. He didn't say he'd bring it in whether you liked it or not, but he said it was on the agenda. This wasn't on the agenda. In fact, when pressured about it in public forums, the former Minister of Technology, Research and Telecommunications denied that this was even part of the government's plan, that they weren't planning to, or at least if they were planning to privatize AGT, he didn't know anything about it.

What nonsense, Mr. Speaker. They knew. They knew they were proceeding with it; they went out and hired the Premier's predecessor for Edmonton-Whitemud to do a study that they've kept secret and not shared with members of the Assembly in spite of our repeated attempts to get at it. They knew what they were going to do, but they didn't have the political conviction or the courage to go out and campaign on it during the 1989 election. I did. It was in the pamphlets that I distributed to people in my constituency, and it was a subject of conversation at every debate that I took part in during the election. I told my would-be constituents, because I was seeking their support again, that if the issue of privatization of AGT ever came to the floor of the Chamber, I would fight it with every ounce of energy that I possessed. I could consider that a minireferendum on the privatization of AGT. We did very well out in Vegreville, hon. members – I want you to know that – in a riding that had the highest voter turnout by far of any in the province. So rural Albertans are concerned about the privatization of AGT. They don't want to see their resource sold out by this government, and they want to know that they've had the opportunity to express their concerns. I guess because other rural members don't seem to share the concern I do, it's going to be up to the New Democrat Official Opposition to express that concern and carry that fight forward on behalf of rural Albertans.

I think other members of our caucus have very eloquently described the various benefits of public ownership of a utility like this and tried to contrast it with what the impact of private ownership will be, and I think I want to take my own look at that as well. I want to emphasize to members that I'm not doing this from an ideological point of view. I've often thought of Canada as being a country – if you look at it globally, north-south, as members are wont to do, Canada is located between the two most powerful nations in the world. One of those nations has tended to believe through most of its history that government ought to run business. The other nation has tended to believe that business ought to run government, and we've found in both cases that substantial deficiencies exist in those systems. In Canada we've tried to achieve a balance where it's important to have a healthy, vital private sector capable of taking risks, making investment, earning a profit. But it's important to have a legitimate public domain, where the public has legitimate interest in certain sectors, and we need to be involved. We need to make sure that we've got that balance between private- and public-sector enterprise in Canada, and that's I guess the substance of debate in many Legislatures and,

indeed, in the House of Commons over the history of this great country of ours.

[Mr. Deputy Speaker in the Chair]

We tend to view this, Mr. Speaker, as a watershed debate in that regard too, because what we're debating here are the plans this government has to sell out, to sell off, to privatize the most basic of our provincial resources. This is a utility company whose mandate has been to provide service for all Albertans, to help develop the regions, to equalize the cost as much as possible so that it doesn't discourage the development of any particular region of the province, and they've lived up to the mandate. I know it offends the members opposite. I know it offends the Conservatives. But they've made money by living up to that mandate, and these guys want to sell it off.

I think it's a real shame because the next thing that we'll see – and I've heard some of the members opposite allude to it in perhaps a humorous way, but it's a foreshadowing of their desire: talking about selling off hospitals. I do remember that we had to stare down the Minister of Health last year, get her to go back and bring in some amendments to a Bill that she proposed, because it was clear that the wording was so loosey-goosey it would have permitted the sell-off of publicly owned health institutions. The wording was that loose, Member for Red Deer-North. If you don't believe me, go ask your minister why she had to amend it prior to bringing it forward for subsequent debate in the Legislature.

The hidden agenda is starting to be exposed. We're exposing it, and we're going to fight it, Mr. Speaker, because we don't like it one bit.

MR. DAY: He's a legend in his own mind.

MR. FOX: I'm not alleging anything about your mind, hon. Member for Red Deer-North; that's a topic that wouldn't give me much to discuss.

I'm trying to discuss the relative benefits of private versus public ownership of an important utility like Alberta Government Telephones, and I referred to costs. I think it's important to note that when a company looks at something other than the fiscal bottom line, when they look at the importance of developing the regions of the province, not discriminating against particular groups of Albertans because of where they live, see what's accomplished – see what's accomplished.

We were talking the other day with my colleague the hon. Member for West Yellowhead. What is it going to cost a rural Albertan wanting to develop a new yard site, wanting to move to a new part of the province? What's it going to cost that person to put in telephone service? In the past it's cost as much as it costs an urban Albertan to get their telephone hooked up. You've got a telephone hanging on the wall; the wires are all there. If you want service connected to that phone, it's \$35, \$50 – I don't know what it is. It's a nominal sum, and that's what Albertans in rural areas have had to pay for brand-new hookups for basic telephone service prior to the ILS service. If you wanted party line service in the past, all you would have had to pay was the basic hookup charge. If AGT had to plow cable for a mile to get to you, that's AGT's expense, not yours. That's a way of equalizing the impact of development, spreading the cost over the entire company. They've managed to do that and return a profit at the same time.

What we're going to have when it's a lean, mean machine whose only mandate is to provide profit for the shareholders,

Mr. Speaker, is a company that's not going to be willing to endure the extra expense of developing our regions. They're going to want to make money. If you have to have a mile of cable plowed into your farm to put a telephone in, then you're going to pay through the nose for it. It's going to be exactly like it is for power line installation and for natural gas installation. It's going to be another disincentive provided by this government to developing rural Alberta. It flies in the face of this government's purported commitment to developing rural Alberta, and that's part of their hidden agenda in a broader sense that I aim to expose over my years in this Legislature.

Mr. Speaker, I think if we want to look at the purported benefits of privatization – they talk about needing to be competitive in the global sense. Well, what they're really talking about is bringing in a system where more companies can come into Alberta and compete with AGT for long-distance toll revenue. That's what's going to happen because that's what the state of the industry is. That's what's happening everywhere this kind of thing is allowed to happen. You get companies coming in and competing for the lucrative long-distance toll revenue. They don't compete on all long-distance routes, Mr. Speaker; they compete on the high-yield ones. You'll have companies that will provide competition with AGT so that they can access the Toronto-Edmonton, Edmonton-Vancouver, perhaps Edmonton-Calgary, the busy, high-volume, high-return kinds of routes. AGT will have to meet that competition, their revenues will drop, and they'll have to make it up through an increase in cost to subscribers for their basic service. That follows as day follows night or as night follows day. It's happened everywhere. It's just a fact.

You know, if people are going to supposedly benefit from reduced long-distance costs, Mr. Speaker, we again have to think about the people in rural Alberta: the people in Three Hills, the people in Lloydminster, Vermilion, and the people in Rocky Mountain House. We have to think about these people, because what happens to them? Studies show that the long-distance calls they make are very seldom calls that are involved in these high-return routes. They're long-distance calls made within the province, and experience has shown in the United States that the rates for these types of calls haven't fallen, despite the claims that competition was going to benefit them. Because they're low-volume markets, the costs do not decline, so rural Albertans do not enjoy the purported benefits of reduced costs of long-distance calling, and they have to endure the additional costs of basic telephone subscriptions.

We don't get the gain, but we endure the pain, Mr. Speaker. That's the way it's going to be for rural telephone subscribers, whom I concur are going to be able to get continued ILS service, continued extended flat rate calling service. [interjection] Nobody's suggesting that those programs are going to disappear, but people are going to pay through the nose for them, hon. member. That's going to happen as sure as night follows day, because the lean, mean machine that AGT seeks to be in the future is not going to put up with cross-subsidization. They're not going to take revenue from the cities and use it to subsidize costs in the rural areas. They're going to want to make money wherever they can make it. I have no faith that the CRTC is going to protect us from that. They've not proved their ability to do that in the past.

So I'm very worried about the impact of privatization on rural Albertans. It's not going to have any of the purported benefits. There's a substantial downside that these members need to think about. Just think about it. You know, competition is a healthy thing; it's a necessary thing in our society. It's in many cases the

lifeblood of industry. It's a very important thing, and I cherish it, and I like competing. But I think we need to be aware that competition is not always a benefit. There are some places where competition can actually be a deterrent to development and it can increase costs rather than reduce them. I think what we're going to see here: as companies move in to try and cash in on AGT's long-distance services and telecommunications and stuff, they're going to have to duplicate many of the facilities that we already have in place. You can stand up and refute this if you want, Member for Lloydminster. They're going to have to duplicate service. They're going to have to duplicate equipment. They're going to have to duplicate facilities in order to compete. When they do that, they're duplicating costs. Who pays for those costs, hon. member? We do. We do.

I might refer him, because he's probably old enough to remember, to when the west was developed. They brought in two rail lines that competed with each other – CN, CP – whatever CN was called back then, a conglomeration of companies. They'd compete for business along these various branch lines. They'd try and get their line in there so that they could bring the grain out of particular regions in the prairies, and they were competing with each other to do it. We had developed as a result the most ludicrous patchwork transportation system that one could ever imagine. We had a situation where if I took the grain from my farm to a UGG elevator in Vegreville, because it happened to be on a CP line, it would be taken north to Willingdon, then to Edmonton, then south to Calgary, and then west to Vancouver. But if I delivered it to the Wheat Pool elevator right next door – it was on a CN line – it'd go straight to Edmonton, through Jasper, and down to Vancouver. That's what competition did for grain transportation, hon. members, and that's exactly what's going to happen with this. We've got a basic telephone . . .

MR. HYLAND: Then why are you against changing the Crow?

MR. FOX: You know, if I can't explain why we're against privatization of AGT to you, hon. member, I think it would take me a month to explain that one to you, because this is so simple. For rural Albertans not to understand what this is going to do to them, for their representatives not to appreciate the impact on the regions we represent, that we're responsible for, is I think, frankly, shameful. What we're going to have is an unnecessary duplication of services, facilities, and equipment so that certain companies can try and cash in on a lucrative long-distance market, and who's going to pay? The basic telephone subscriber in rural Alberta is going to pay for it and pay through the nose.

We're going to end up just exactly like they did in Britain with something called local measured service, where you pay for every call you make, based whether it's local or long distance; you're going to end up paying for it. That's what's coming, hon. members, and all you have to do is look beyond the end of your nose. Don't believe that the only truth and wisdom in the world is in your caucus meeting room. Look at examples elsewhere in the world and find out what's happened when telephone systems have been privatized. You don't have to look very far to find examples. You can read the Olley report, Prairie Provincial Study on Telecommunications, to examine the potential impact of competition in long-distance service on rural and urban subscribers. This is a report that the members of government have referred to in a positive way when it suits their purpose and rejected when it doesn't, Mr. Speaker, but I think it's important

and recommended reading for every member who purports to represent rural Albertans. It will tell you exactly what's going to happen with telephone service as a result of this so-called competition that this government wants to introduce.

If we want to talk about the impact of the share issue: what's going to happen if we start issuing shares to Albertans? Well, I have no doubt that they're going to be broadly held, that a lot of Albertans are going to invest in this company because it's a good company. There's an irony here: because it's been such a good public company, because it's provided return to Albertans, because it's got a stellar reputation in the international community, Mr. Speaker, people are going to want to invest in it. That shouldn't tell the government that people are in favour of privatizing AGT; it should tell the government that Albertans are shrewd investors and they want to get in on a good deal. It's going to be broadly held, no doubt.

They're going to bribe the employees by offering them perhaps a free share for every two they buy, and then giving the employees the opportunity to buy shares the same way that other Albertans do: using interest-free loans; pay half now, half later, interest free on the balance. Who could pass up a deal like that? Well, I'll tell you who. People who can't afford it. Those are the people that are going to have to pass it up. What we're going to have is a situation where a company owned by all Albertans is going to be privatized and sold off to a smaller number of Albertans. The cost of that transaction is going to be borne in the first instance by people who can't afford to buy shares themselves.

The average taxpayers of the province and the telephone subscribers in the province of Alberta are going to have to endure the cost of that transfer. We estimate it to be \$60 million in year one, just the cost of those interest-free loans, and they're not all going to be people who have jobs and invest through payroll deduction plans. They're not all going to be people like that, Mr. Speaker. They're not all going to be employees of the company itself. Some of them are going to be very wealthy Albertans who see an opportunity to make some money here, and those people are going to have their ventures into the stock and bond market financed by the average people of the province of Alberta. I think that's immoral, and I don't like to see that one bit.

Again, it's a political thing that this government wants to do to pretend that Albertans in the broadest possible sense support privatization, because they'll say: "Look; everybody's buying them. Lot's of people are buying them. They must support what we're doing. They must think we're wonderful and love us; therefore we did the right thing." But that's not the message that will be sent. The message that you should receive is that Albertans are shrewd investors, and if the government's going to privatize this important provincial resource, they're going to want to make sure that they get a piece of the action. We can't fault them for it. We fault this government for proceeding with this.

But what happens? Shares broadly held in the first instance: that's likely the case, because a lot of people will get in on it. The government apparently has provided some safety measures in the legislation here. They're only going to allow a maximum of 5 percent. No one person or corporation can own more than 5 percent of this particular class of shares. That's supposed to be some comfort to us? Five percent? Well, I don't know. How many times does five go into a hundred, hon. Member for Edmonton-Belmont?

MR. SIGURDSON: Twenty.

MR. FOX: Twenty times. That's right. Twenty times. It could conceivably, with a limit like that . . . [interjections] Well, if the Member for Clover Bar understood that, he wouldn't be such a proponent of this Bill. Theoretically, with a 5 percent limit this company could end up in the hands of 20 Albertans or 20 corporations. That could happen.

MR. GESELL: That's unreasonable.

MR. FOX: Now the member says that's unreasonable. He says that's unreasonable. I'd like to refer him to another real-life example. This is not something that's talked about in fantasyland in your caucus meeting room. This is a real-life example in a province right next door to us called British Columbia. British Columbia Resources Investment Corporation, known as BCRIC, hon. members – it's now known as Westar Group – was privatized in 1978. The Social Credit government of the day, soon to be ex-Social Credit government, I might remind you . . . British Columbians were given five free shares. Now, that's a way to say that everybody supports privatization: give them the shares. They were given five free shares and offered further shares at a cost of \$6 each. It was a heck of a deal, Mr. Speaker.

MRS. BLACK: Nine dollars for outsiders

MR. FOX: Nine dollars for outsiders. That's right. And it was very broadly held.

Does the Member for Calgary-Foothills know what's happened to it since? Well, in case she doesn't, I'll tell her. In February of this year it was reported that the Belzberg family, First City group, owned 25 to 30 percent of the Westar Group; Jimmy Pattison, 12 to 13 percent; Peter Cundhill & Associates, 10 percent – almost 50 percent of the company owned by three groups of people. This is a company that was broadly held, owned by all British Columbians, now controlled by a handful of extremely wealthy British Columbians. Is that in the best interests of that province?

MR. ORMAN: It's a dog.

MR. FOX: It is shocking, Minister of Energy.

MR. ORMAN: BCRIC's a dog.

MR. FOX: My gosh. That language the Minister of Energy is using, Mr. Speaker, is unparliamentary. [interjections] But that's what happens. I'm trying to use it as a real-life example. I know you don't want reality to interfere with your perceptions, hon. members of the government, but I'm trying to show you what happens through concentration. Because the shares aren't only sold once. It's not a matter of people taking the government up on this offer to buy shares interest-free, half now, half later, from the government. They can be bought and sold. And that's what people tend to do; they sell them. Because in a valuable company like this, a company this government has deliberately undervalued by a scandalous amount, Mr. Speaker, the shares will appreciate in value. People will sell them. As they sell them, the shares concentrate.

MR. MOORE: Don't you like making profits?

MR. FOX: I like making profits, hon. Member for Lacombe.

I like making profits, but I'm talking about a principle. There's more to life than the fiscal bottom line, and I wish you'd understand that.

The thing is that there's concentration that occurs, and with a 5 percent maximum under the current limits, we could see that share concentration resulting in 20 people owning AGT. If anybody on the government side would suggest that that's in the best interests of Albertans, they ought to have their head examined, Mr. Speaker.

Would hon. members like some more real-life examples? I could provide some. Let's look at other countries where there's been substantial privatization. Another government that's about to fall, Maggie Thatcher's government in Great Britain, is going to be defeated by the Labour Party in the next election because they've run that economy into the ground. They've run the economy into the ground, Mr. Speaker, through their senseless ideological commitment to privatization.

What's happened as a result? British Aerospace: privatized 1981, 2.1 million shareholders at float, currently 1.6 million. Brit oil: privatized 1982, 452,000 shareholders at float, 245,500 currently. Mr. Speaker, this is a dramatic concentration in a relatively short period of time. Jaguar was a Crown corporation in Great Britain at one time. In 1984 it was privatized. There were 125,000 shareholders at float; there are only 43,000 of them now. The concentration hasn't been as dramatic in the British examples as it has with the British Columbia Resources Investment Corporation, but the concentration nonetheless occurs. It ought to be to a matter of some concern to Albertans, substantial concern to Albertans, who have come to know AGT as a company that is theirs, that is owned by them and returns dividends to them in the form of reasonable rates for basic service. It's a company they know they could count on to be there for them. Whether they're a company or an individual or a community, AGT has been there for them to help develop the regions of this province. That's not going to be the case when its only mandate is to return profit for an ever decreasing number of shareholders, and that ought to be of concern to members here.

Now, this matter of the fail-safe provision: 5 percent, only a maximum of 5 percent; we won't let it go any higher than that. Mr. Speaker, I don't have any faith in that assurance from this government. I don't know who remembers what happened when Alberta Energy Company was born in this province, but there was a limit in the original Bill that established the Alberta Energy Company that restricted the number of shares any individual in the province could hold. I stand to be corrected, but I believe it was 1 percent. Well, maybe we can live with that: 1 percent. Instead of 20 people maybe owning it, we could have a hundred people owning it over time. I don't like the idea, but probably 1 percent is something we could live with.

What's happened now, Mr. Speaker? The government brought in a new Bill last year – I think it was Bill 15, Alberta Energy Company Amendment Act, 1989 – with the stroke of a pen and trying to ram debate through the Legislature, like they're doing with this one, ignoring the advice of Albertans. And what do you get? You get a new mandate for the Alberta Energy Company, increasing the maximum number of shares an individual can hold to 5 percent. Funny; it's the same number as AGT. [interjections] I'm not being critical of Alberta Energy Company here. I'm talking about concentration of ownership. I'm talking about what happens over time. I'm pointing out that the 5 percent limit that the government's put into this Bill for individual shareholders ought to be no comfort to anybody in the province who worries about a handful of people owning a

company that all of us own right now, because that can be changed. That can be changed with the stroke of a pen by a government a year later, two years later, five years later, changing it to 10, 20, 30, 40 percent. How did the Belzberg family get to own 25 to 30 percent of this company in British Columbia, Westar Group Ltd.? How did Jimmy Pattison get 13 percent? They got it through concentration of shares over time, and that's what's going to occur in the province of Alberta.

Mr. Speaker, I'm really having trouble believing that there are so many MLAs from rural Alberta who don't comprehend what the impact of this privatization is going to be on the people they represent. They don't understand what it's going to mean in terms of dramatic increases in costs, not only for basic service but for new installations for rural Albertans. They don't understand what it's going to mean for loss of jobs in rural Alberta. They're running around touting some phoney local development initiative: going to move five or six jobs out into Lacombe from some government department and claim they're developing rural Alberta through this dramatic new commitment to regional development. At the same time they're privatizing a company that's got 2,500 employees outside the two major cities, Mr. Speaker, and the jobs of a substantial number of those 2,500 Albertans are jeopardized by this privatization because the company is not going to need to pay attention to the regional development mandate of AGT any longer.

I'd like to ask the member . . .

[Mr. Fox's speaking time expired]

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

MR. SIGURDSON: Thank you very much, Mr. Speaker. I, too, am very pleased to be able to stand here tonight and speak to the amendment that my colleague the Member for Edmonton-Highlands put forward the other day. I have a feeling that there's going to be ample opportunity for many members to get in, perhaps not necessarily on this amendment but on a sub-amendment, or if this is defeated and the subamendments are defeated, there are going to be all kinds of opportunities for us to make certain points, to get out to our constituents and other Albertans who happen not yet to reside in New Democrat constituencies and to those constituents who live elsewhere in our province. They want information, Mr. Speaker, so this is our opportunity to stand up and be counted. I look forward to other members getting in and telling Albertans just how wonderful it's going to be when we have just a few – just a few – Albertans controlling Alberta Government Telephones.

Or is it Alberta Government Telephones anymore? You know, it's rather amazing over the course of time. In the last couple of years when we've had these preparations for privatization, we've seen the television ads that have come on. It's not been Alberta Government Telephones; it's been advanced global telecommunications. It's sort of getting Albertans ready for the big sellout and the big sell-off, just getting everybody ready: AGT, that one-time proud company that stood for Alberta Government Telephones, slowly being amended to advanced global telecommunications.

Well, here we have it. We've got a philosophical battle. That's fine. I'm not afraid of a philosophical battle. I know where the government is pitted, and I know where I stand. One group that I'm not aware of is where the Liberals stand. I'm not even sure that at the moment they know where they stand, but I'm not about to point out that there are only two caucuses

represented at the moment in the Assembly as I speak. There's a third caucus that's supposed to be in the Assembly, but there are only two present here at the moment. It shows where there is that commitment. There is one group on one side: they are wearing the blue trunks. There's the other group on the other side, and I guess we're wearing the red trunks. There's not even a referee to be found or a judge in the ring anywhere near the Assembly. That's all right. I'm not too terribly surprised about that at all.

Mr. Speaker, why have we got this philosophical battle going on? We've got it because those who are wearing the blue trunks want to give that profitable, money-making corporation away to friends. They don't seem to have any problem with that. I happen to. I remember the other day, when I sat in the Assembly and I was listening to the hon. Member for Cypress-Redcliff. He was getting up and going on about how it wasn't very likely that there would be this concentrated control of the company at all. He said that people just couldn't afford it; it wouldn't happen. Well, then, if it's not going to happen, can somebody please explain to me the reason why we're going to have such a large amount being amassed by one individual or one corporation? As my friend from Vegreville said, how many times does 5 percent go into the hundred? It goes in 20 times. That's the limited corporation or the limited number that we're going to eventually have. It's not going to take all that terribly long to get there. Right now what have we got? We've got all of the Albertans, all wonderful folk, owning this wonderful, public, money-making company that serves our interests. We're all shareholders. We've got rural Albertans and urban Albertans, and those folk, whether they're living in a downtown high rise or way up in Spirit River or Rycroft, are all the shareholders of Alberta Government Telephones.

It's been a service to us. We have been able to develop a system where we've had an equitable share of all of the services and all of the benefits of that company. We've had the opportunity when we've had to – again, as my colleague from Vegreville mentioned, when we switched over to service, the installation cost was \$35. But what do we have in British Columbia and Ontario, where it's owned by a private corporation? Again, if they were plowing through a mile of service line, that was charged directly to the consumer. It wasn't shared by all of the consumers; it wasn't shared by all of the shareholders; it was shared by the one consumer. Ouch. That's a painful experience: 2,500 bucks in British Columbia for a mile of service. Six thousand bucks a mile in Ontario: that's even more painful. Compare that to the cost that we have in Alberta, and what you find is that Albertans, the shareholders, the current shareholders of AGT, are getting one very, very good deal. Nobody minded paying the \$35 nominal cost for hookup. Nobody minded that. But I'll tell you there'd be a heck of a lot of rural folk that would be very concerned about paying the \$2,500 or \$5,000 a mile for line service.

Now, Mr. Speaker, why are we concerned about that? Surely to goodness, you know, if we're all playing in this competitive market, we're all able to take on these great costs, there should be no problem with that. Well, if you go into any area that's being developed and opened up or you're wanting to provide some kind of services in there, it's not going to be too likely that too many people in those new areas, those developing areas, are going to be able to afford the same kind of services that urban Albertans can afford. Rural Alberta should have every right and will have every right to complain to their members of the Legislature about the discrimination in service costs

I look forward to those times – and I hazard the guess that maybe I'm anticipating a little debate; I'm anticipating a little of the activities that are going to happen – when those rural Albertans come in and say: "Gosh, we can't afford these costs. How did they ever come up?" And we'll stand up and show the standing votes that will take place, because we're going to have standing votes on amendments and subamendments. We're going to have standing votes at second reading and committee stage, where we'll have even more amendments, and we'll have standing votes at third reading. The government wouldn't dare introduce closure on a matter as important as this, but if they do, Mr. Speaker, and they try and shove this one through, as they did with Bills 21 and 22 back in 1988, we'll have standing votes there too.

I love nothing more than going out to my constituency and to other constituencies around the province when I'm speaking to labour groups – and this might be a little bit off the topic – and when they say down in Lethbridge, "How is it that we got these labour laws?" and I hold up the standing votes. They're amazed; they have no idea. I look forward again to carrying this message about the privatization of AGT and the damage that it's going to do to rural Albertans out to those constituents as well.

We're very concerned. We're very concerned about the concentration of ownership. Now, again, a number of members have said, "It's just not going to be very likely that 20 Albertans or 20 Alberta corporations are going to own all of AGT." Well, I suppose that I'll concede one point, Mr. Speaker: there is provision in the Act for foreign ownership, although it's limited to a degree. So maybe that's where some of the Conservative members want to correct me when I stand up and talk about 20 Albertans or 20 Alberta corporations owning all of AGT. It's highly unlikely. What will happen is that there will be one or two well-off individual Japanese or American corporations or individuals that will own a good share of our Alberta Government Telephones, or the advanced global telecommunications company.

MR. PAYNE: Sounding like a broken record.

MR. SIGURDSON: Don't worry about it. I'm at least only getting up once. I'm speaking on the amendment.

You know, you've got to wonder whose interests they're going to represent. I was up in Fairview and met some people up in Rycroft not too long ago.

AN HON. MEMBER: You made it rain.

MR. SIGURDSON: No, no, no. No, that wasn't my fault.

But I wonder if the Hemmingways . . . I'm sure that the Member for Dunvegan knows who the Hemmingways are. I wonder if their interests are going to be represented when we have the privatization of AGT. I wonder if the Member for Pincher Creek-Crowsnest knows the Cenerinis down in Blairmore. I spoke with them not too long ago about telephone service in rural communities. Are their interests going to be represented? I kind of doubt it. I kind of doubt it because what we're going to have is that when we've got a bottom line where we have a return on investment and the return is going to the owners, it may be given to the owners at the expense of service to subscribers. And that's the problem. That's the problem. At the moment the subscribers are the benefits and they are the shareholders. They're all together, one and the same, and that's not going to be the case once we privatize AGT.

Now, you know, when the Premier made his announcement not too long ago, he said that he wanted all Albertans to have a piece of the action. Well, I thought all Albertans did at the moment. You know, that's where we're coming from: we say that all Albertans do indeed own AGT. The Premier is saying that he wants all Albertans to have a piece of the action. Now, somehow it didn't click in the wheels of my mind. Somehow, Mr. Speaker, something went wrong. A light went out. Maybe it's my fault; I'll accept that. I can accept that maybe it was one of my lights, but I doubt it. I doubt it. You see, they own it now. They own it now, and he's saying, "Go ahead and buy what you already own." We're getting the dividends now. Do you know that we're getting the dividends? We're getting it through the service that we get. We get it through the reduced installation costs that are shared equally and equitably. We're getting it through the toll rates. Those are the dividends that the current shareholders of AGT are getting now. But what have we got? We won't get that later. [interjections]

MR. DEPUTY SPEAKER: Order please. The hon. Member for Edmonton-Belmont has the floor.

MR. SIGURDSON: I did such a bang-up job talking about them, Mr. Speaker, that the House broke into applause when they came back.

But you know what's going to happen, Mr. Speaker, once this is privatized? Who's going to get those dividends? Well, some of the Albertans will. Some Albertans will, some Canadians will, and some foreign investors will. But if the Premier wants all Albertans to have a piece of the action – how many of those Albertans that I spoke of are going to actually own, have something tangible in their portfolio, a piece of the action? I can just imagine a single mum on welfare going into the social worker's office and saying, "Give me a couple of extra bucks because I want to invest in Alberta Government Telephones." You know what the social worker is going to say. "You can't do it, because it's more important that you have food on your table and shoes on your kids' feet." So those Albertans are going to be cut out. They're not going to have any opportunity to make an investment in AGT, not likely. Not very likely, Mr. Speaker. What about those people that are making minimum wage at \$4.50 an hour? You think they're going to phone up their broker and say, "Buy a thousand"? There's a deal.

My friend from Calgary-Foothills today, during debate on a Liberal Bill, stood up and talked about people making 62 cents an hour. She had figured it out. From \$5 a day she had done the appropriate subtraction and division and came up with 62 cents an hour, and she was complaining about that. She said, you know, trust an accountant to be able to come up with those figures. Well, I'm not an accountant, Mr. Speaker, but I know that if you take minimum wage, multiply it by 40 hours a week, and multiply that by 52 weeks a year, you're not making \$10,000. So are the people on minimum wage going to be able to share in this piece of the action? I don't think so. I think they're going to be somewhat left out after we privatize AGT.

I was up in Slave Lake this week, and I talked to some of the workers that have been out on strike for four years at the Zeidler plant. Now, they're only getting strike pay. I would imagine, Mr. Speaker, it's not too very likely they're going to be able to afford shares in AGT. The workers in Edmonton that have been out on strike for two years because of these rotten, regressive, stinking, belching labour laws introduced in 1988 that tipped heavily the field of balance in favour of the employer – these guys that have been out on strike for two and four years



in Edmonton and Slave Lake are not going to be lining up to buy shares in AGT either. The Wittke workers that have been out on strike for more than a year in Medicine Hat can't afford these shares that the Premier wants everybody in Alberta to have a piece of.

Well, who does that leave? That leaves a whole bunch of other folk I can name that aren't going to be able to get in on the action. Those who are on the Alberta assured income for the severely handicapped, AISH: I don't think they're going to put aside some of their necessities that barely get them through life, Mr. Speaker. I don't think they're going to be able to afford to purchase shares in AGT from their local broker. Or the Workers' Compensation Board pensioners, who are getting just a little bit of money based on their degree of injury: I don't believe they're going to be getting very much either.

[Mr. Speaker in the Chair]

Mr. Speaker, there's a whole bunch of Albertans that are going to be left out, and they're not just those that are poor. They're not just those who are on pensions. They're not just those who are on AISH or on strike or on welfare. They're the folk that are two-income earner families who have a mortgage to pay, car payments to make. Perhaps they're paying down some student loans. They've got day care payments to make. My goodness, here's an opportunity for the Minister of Family and Social Services to consider amending his white paper on day care costs, because here's the Premier that wants to get everybody involved. The Minister of Family and Social Services is jacking up the rates of day care costs for a lot of middle-income earners. Maybe he ought to keep the rates down there so that maybe, just maybe, a few of those folk can take advantage of the Premier's grandiose invitation and get involved in purchasing some shares in AGT. I don't think it's too likely, though. [interjections]

MR. SPEAKER: Order please.

MR. SIGURDSON: I don't think it's too likely that that's going to happen, though, Mr. Speaker. I don't think too many folk that are carrying mortgages and car payments are going to be phoning up their broker to say, "Buy me a thousand in AGT."

I can think of a few other folk that can't afford to buy AGT shares at the moment, and maybe this is why we're going to give some of those folk that interest-free loan for a period of time. You know, Pocklington's had a pretty tough time recently. My goodness, the government went and took over Gainers, probably gave him a break. Then there's Cormie. He's had a pretty tough time too. Now, maybe these are some of the folk that are going to qualify for those loans so that they can go out and buy AGT and live off us again for another year – you know, just enjoy that interest-free holiday. I'll bet you, Mr. Speaker, that we'll find some names eventually that are pretty familiar to members of this Legislature already, who have applied for interest-free loans because they want to get a little piece of the action: Pocklington, Cormie, Southern. I bet you they're going to be calling up their broker and saying: "Buy me those shares that are currently in the hands of all Albertans. Buy me those shares so that we can control some of that." You know, Mr. Speaker, my colleague from Vegreville spoke of the British Columbia Resources Investment Corporation. I was a resident of B.C. when those shares went out, and I can remember Bill Bennett, the then Premier of the province, getting on television just before the 1979 election, and he said: "We want people to

have a lesson in capitalism. We want people to have the opportunity of having ownership." So they took all the profitable Crown corporations in British Columbia and they plunked them into a great, huge corporation and they called it BCRIC, and for a while it flew. For a while BCRIC flew. It was sort of like a good pitch: it flew, but you know what? Bricks can't fly, and BCRICs sort of sunk because what we had were profitable corporations that were providing necessary and essential services to British Columbia and to British Columbians, and they didn't always have to make that great, huge profit. As long as they were floating, making certain amounts of dollars, and putting the reinvestment of those profits back into the company, the shareholders weren't too very upset, because everybody owned it.

Much the same as we've got right now with Alberta Government Telephones. AGT has made a profit year after year after year. In fact, the government had to go back to 1982 and 1983 to find a year that they had a loss. Those profits that the corporation has made have been reinvested in the corporation, reinvested in the services that are necessary and essential to the well-being of Albertans and Alberta business. What have we got? We've now got this crazy idea that's coming out of the government caucus that follows along the lines of Bill Bennett of British Columbia, good ol' Bill Bennett and good ol' Margaret Thatcher – little-time-left Thatcher, Pat's good friend. We've got post-Reagan economics coming up, creeping into Alberta. There we go, and what are we going to get? We're going to find that once we start putting this company together and making sure that profits are going to those shareholders, those few shareholders, instead of the two and a half million, those folk are going to see the quality of services fall.

Now, Mr. Speaker, the reason that we're trying to keep this Bill in the public interest is because we believe it serves Albertans and it serves Albertans well. Again, with the announcement that came out of the government releases, it said that there was a change in government policy. Now, perhaps it's naive, but I would have thought that if you had a change as substantial as this, that the government would have come out in the last election and said, "You know, we're thinking about privatizing AGT." I really would have, for some reason, thought that. It would have made sense to have Albertans have the opportunity to return a government or to defeat a government based on a change of policy. I am quite frankly amazed that at a time when we've got such a fundamental change in government policy, it comes at a time when the country is consumed by what's happening in our Constitution in Ottawa. All of the meetings that are going on – we're paying more attention to what is happening in Newfoundland or in Manitoba or in Quebec than we are on the local issues of the privatization. I would have thought for sure that on such an important issue as taking the ownership of AGT from all Albertans and putting it into the hands of a few Albertans, this government would want to have a very clean and clear slate where many Albertans could get involved in the discussion of this policy change.

But no; we're not getting that. We're not getting that, Mr. Speaker, and that's sad. That's sad, because this policy change is a major change. We have had in Canada, in Alberta, especially in western Canada, the development of public corporations, not because we have this wild desire to develop public corporations but because we have a desire to make sure that services are provided to all of the people on an equitable basis.

Again, my colleague from Vegreville talked about the development of the rails, of CP and CN and how they developed

the west. We had other examples, primarily under Conservative administrations. We had the development of CBC and Radio-Canada. We've had the development of Air Canada. We've had the development of truck transportation. The utilities, except in Alberta, have been, for the most part, publicly owned. You know, Mr. Speaker, we've also had the development of medicare systems, because they provide services to all people regardless of their ability to pay. It's an equitable distribution of the wealth of the nation or of the province or of the state. Indeed, the telephones provide that kind of service as well.

I am, Mr. Speaker, amazed that when the Premier stands up and says that he wants everybody to have a piece of the action, he's taking away that piece of the action from everybody and giving it to a few. It's a rather sad moment when we see that we're going to see a change in what has served Albertans so very long and so very well. We're going to see that change, and it's not going to be for the benefit of all Albertans. It's only going to be for the benefit of a very few Albertans. We're prepared to send that out to our constituents and to your constituents and to your constituents and just to have a good time, because this policy change, Mr. Speaker, is the one that's worth the fight.

Thanks very much.

MR. SPEAKER: The Member for West-Yellowhead, but the Chair also invites the Member for Edmonton-Belmont to turn to *Beauchesne* at the top of page 380, with one reference made to the Prime Minister of the United Kingdom.

The Member for West-Yellowhead.

MR. DOYLE: Thank you, Mr. Speaker. Indeed I'm pleased to stand on behalf of the people of Alberta to speak to this amendment on Bill 37. Some years ago, quite unlike many of the members, especially in the front row, that proposed this Bill, I was out there building telephone lines in this province, working with farmers from Donnelly, Alberta, to Strathmore to Taber to Empress, all over this province. I worked in the early days of the telephone system of AGT in rural Alberta with the rural co-ops. Some of those hard-working farmers used to come out at night, and we would dig holes and put in poles, string wire. As young linemen, we had great dreams. We'd sit and have outdoor meals and roast weiners in the moonlight and continue on after. They had great dreams for a telephone system in this province, and that telephone system from those co-ops turned into what is now totally AGT.

Many of those farmers have passed on, Mr. Speaker. I'm sure every one of them would roll in their graves if they knew what this government was doing to them in this very aggressive Act. I had the unfortunate occasion one time at Donnelly, Alberta, to be in an accident while working on the telephone system. Some of us ended up in the hospital for some time with skin grafts, and two people died, two good linemen, young men. Mr. Speaker, they, too, would roll in their graves. Now that we have a telephone system built by the people with their hard work, their tax dollars, this company now turning to where we are making a profit, great programs like the single line services in rural areas, they want to take it away from them.

Mr. Speaker, during seniors' week, last week, I had the opportunity to meet with many seniors: seniors from Cadomin, Robb, Jasper, Edson, Hinton, Grande Cache. All these seniors said to me, "Whatever you do, Jerry, when you go back in that Legislature, don't let them off with this; don't let them sell our telephone company." These seniors own this company, and every citizen of this province owns this company, and this company belongs to the people of Alberta, and it shall remain

in Alberta. We have these great eastern companies, CPR, that great company that in 1892 the Canadian government gave some \$125 million and some 125 million acres of land, mostly in this province. Now that company's waiting in the wings to buy another company that we built up with our tax dollars.

The communities in this province have long depended on good rates from a company that was built by the people for the people, and they expect to keep those rates. When this company – if this government can somehow swindle it to be sold to some of their rich and corporate friends, these municipalities and the people of rural Alberta are going to see rates like they have in the private system of Ontario and Quebec and other parts of the U.S., where rates are going to go up six to 10 times. Mr. Speaker, this is a terrible thing to do on the economy of Alberta that is now just starting to regenerate.

I can't believe that this company will now go into private hands, will end up the same way as the power companies in this province, who are forgiven under the Public Utilities Income Tax Transfer Act the taxes that they pay on a private company. When the new company of AGT, whatever it may be, CPR or Rogers or whoever might buy it . . . Perhaps the city of Toronto could own 5 percent of this company; perhaps the city of New York could be 5 percent shareholders; perhaps your good, rich oil friends in Houston, Texas, will be 5 percent owners in this new system. That is not clear in this Bill. It only says 5 percent, and I suppose that New York and Houston could not get in on that 10 percent of the foreign ownership.

But, Mr. Speaker, all those farmers that I remember in the Cardston area and the Empress area that worked so hard to put this system together with many of their own hard dollars and free labour – after AGT takes over these co-ops, gives them a little bit of a better service, a very good service actually, it's just totally wrong that we should allow this government to get away with such an asinine thing.

AN HON. MEMBER: Isn't that in *Beauchesne*?

MR. SPEAKER: Asinine refers to lots of things.

MR. DOYLE: Mr. Speaker, I'm not too sure if I have that in my book. I heard the minister earlier say a word that you didn't correct him on. Well, perhaps sucker is a parliamentary word. He got away with it, so I'll leave that one.

MR. SPEAKER: Perhaps the hon. member would get back to the debate.

MR. DAY: He was never in it.

MR. MARTIN: Says he who just sits there like a bump on a log.

MR. DOYLE: I wonder as I look at these people over here who sit and listen, some sleep, and then they leave. They go and have a little more pizza; they come back and doze off again. I wonder why they don't take part in this debate, Mr. Speaker. Why don't they?

MR. SPEAKER: Order, hon. member. I think the member's in danger of not getting free pizza next time.

MR. DOYLE: Mr. Speaker, unlike the people who won't be able to afford shares in this company, I can buy my own pizza.

Thank you very much.

MRS. MIROSH: Mr. Speaker, I would certainly like to enter into this debate. I can hardly wait until my constituents read *Hansard* and read what members opposite have to say. They would be very disgusted and disappointed in them.

In view of the hour and the rhetoric that we have to listen to, I would like to adjourn debate.

MR. SPEAKER: All those in favour of the motion to adjourn debate, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: Is there a call for a division? The matter carries.

[At 11:47 p.m. the House adjourned to Friday at 10 a.m.]

