

Legislative Assembly of Alberta

Title: **Monday, June 18, 1990 8:00 p.m.**

Date: 90/06/18

[The House resumed at 8 p.m.]

[Mr. Deputy Speaker in the Chair]

head: **Government Bills and Orders**

Second Reading

Bill 52

Natural Resources Conservation Board Act

[Adjourned debate June 14: Mr. Day]

MR. DAY: Mr. Speaker, there are some things about the legislation we need to keep in mind in an overview and in an overall appreciation of it. It's tough to compare something that's unique in the country. The legislation, I would be the first to say, may not be perfect; then again, it may be perfect. We need to get this legislation moving, to get it into process and see the benefits of it and also to see where maybe it needs to be fine-tuned. The scope of the legislation is considerable. We know that. Again, its uniqueness speaks to the fact that it needs to be looked at, but it needs to be up and going. It's clearly set up with a direct linkage to the environmental impact assessment process. It's incorporated into that, paralleled in many ways, and therefore will have implications for the Minister of the Environment and environmental legislation.

We've had considerable input from many sectors on this particular legislation. The input's been good. The minister and the government are continuing to say that we need input, and we look for that input, but we believe people are saying: "Get on with it. We want the environment protected, but also we want sustainable development to go ahead." People are saying that very clearly, and here's legislation that allows that to happen, hand in hand with other legislation that's in place allowing for sustainable development to be identified in areas where the environment is not going to be negatively affected. We are talking about the development of a board that allows this to happen, modeled after the Energy Resources Conservation Board, which has had over 40 years of proven success. So even though this legislation has some areas in which it is unique, it is not without model and it's not without example.

As I've said, Mr. Speaker, there are projects out there that need to be looked at. A process needs to be in place so that we can in many ways get on with it. We're not saying that as if we're rushed, as if there's a panic, but here is something which we believe is acceptable to Albertans, something we believe allows the citizens of this province to have the comfort of knowing: all right, when a project is coming up, there are processes by which things can be evaluated. I think it's important that in a sensible and calm way we really address what too often unfortunately is a raging debate. On the one side, an extreme element says that you can never have any kind of progress; the environment will be hurt. On the other side, sometimes in extreme cases you have situations where people are ready to plow down the forest and put up a parking lot. But we believe there is middle ground. There's no question that there's middle ground, and this legislation helps us to find that ground and to see that the ground is strong and to see that the ground is productive.

Mr. Speaker, that's why we ask for support for this legislation

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

MR. McEACHERN: Thank you, Mr. Speaker. I would just start by saying to the Member for Red Deer-North that it's true that this legislation is not quite perfect. It could use some help, and we on this side of the House will be making some suggestions for improvements. Actually, that often happens in this House, but what we tend to get is ministers standing up and saying, so that it sounds good in *Hansard*, "Thank you for your valuable input," and mostly they just turn it down no matter how sensible it might be. We've had some good examples of that this session as well.

AN HON. MEMBER: You've got to consider the source of your argument.

MR. McEACHERN: Well, if the source is a problem, as somebody so rudely said a minute ago, then that's a ridiculous reason for rejecting something. If it's a good idea, you should be using it. So if that's a problem, then that's just small minded and petty. [interjection] Well, the ideas shall be judged on their own merit, and if one or two or three years down the road the government decides to use some of our ideas and of course only half implement them, as is often the case, then of course they don't always work the way they're meant to work.

In any case, as the member for Red Deer also said, people want a process in place so that when big projects come up, there is some process through which the government goes so that the decision is made in a logical and reasonable way with some public input – well, he didn't say that; I added that public input idea, of course, because we believe in that – and a proper environmental impact assessment and those sorts of things. What is most extraordinary is that he can now stand up in the House and say that we should have some kind of process in place, after the government has announced half a dozen pulp mill projects with no real process in place. That, I guess, is what is so ridiculous. This Bill is a little behind its time or behind the time when it was needed.

Mr. Speaker, the NRCB will review natural resource extraction projects other than energy projects, which will still stay with the ERCB. That side of it's okay, but we can't help wondering why some other types of development such as urban expansion or manufacturing or processing developments aren't also subject to some kind of environmental review, and it does seem to me that this Bill ignores the need for that sort of thing. There should be a process in place whereby the technical and economic priorities are set out and analyzed, but also the social and environmental concerns. It's not clear that the NRCB will pay enough attention to the social and environmental concerns.

With this government one always has the concern about who it is that the government is going to appoint as members of the NRCB. Likely they will be some of their corporate friends with a bias toward development and not enough balance in the membership to take good care of the environmental and social concerns that go with most projects. After this many years of watching the government, one has little faith that the people they choose for the committee will necessarily represent a balance of the kinds of people we have in our society that could bring the proper kind of balance and expertise to that board and give it a chance to have a really good, thorough analysis and balanced review of the project that is supposedly before it.

Now, while the board is doing its analysis, of course, it should be doing sort of a cost/benefit analysis. I guess I'd like to say,

while on that point, that it's not just the traditional cost/benefit, not just a quick and dirty sort of economic analysis of how fast we can extract this particular thing or do this particular project to get the maximum benefit in the short run. What we need is an accounting procedure and a way of looking at the project over the long term, looking at the resources as belonging to all of the people and for many years ahead, not just for now for some company to make a quick profit. So when the cost/benefit analysis is done, there may have to be some attempt on the part of the accountants and engineers and various people involved in analyzing that to look at the long-term environmental costs.

One can just think about doing an economic analysis of cutting the trees on a particular slope in British Columbia. I'm sure many forestry companies have done that, and sort of said, "Well, you know, we can make X number of dollars and we can pay wages to this many people," and they can do a cost/benefit analysis. But how many of them really took into account that if you cut down all the trees off the whole of the slope, you end up with mud slides and some of the damage that has been done in B.C. in the interior recently, many people believe much of it due to the fact that many of the slopes had their forests totally cut? How many people, when they were doing the cost/benefit analyses of those projects and wanting them to go ahead, stopped to think of those kinds of environmental concerns and long-term kinds of damage that could be done and costs that would have to be paid down the road? I think not very many, Mr. Speaker.

So I recommend that the government start thinking in terms of the long term and the possible consequences to the environment as part of the costs of a project, not just the price that the government is going to charge for a tree stump, not just the price it's going to cost to get somebody to come in and cut it down or some machine to clear the whole forest: not just those straightforward economic costs that you can easily see but the long-term environmental costs. The same, of course, has to be said of the other end of it, where the pollution comes in. If you're going to dump dioxins into the river, you have to start making some kind of an assessment as to what the long-term effects of that are going to be as they accumulate in the water system and the food chain.

I would also suggest that in the analyses as to the cost/benefits of some of these projects – and remember we're looking here at the social and environmental concerns as well as the economic and technical concerns – you have to stop and think about the alternative uses of those projects and not just say that if we don't do this project, somehow this region will not be used. Forestry, of course, is an excellent example to illustrate this point. If you cut down a forest, it may not be a very good area for tourism or hunting or a number of other uses: fishing, camping, all sorts of things that people like to do in wilderness areas. So when you do your forestry management agreements and your cost/benefit analyses of whether or not you should go ahead with a project, you have to consider a wide variety of things, not just the economics of that project by itself in a short, quick, exploitive kind of way. You have to look at the long-term environmental effects; you have to look at the other possible uses of those lands or regions or resources.

Now, if we think about the pulp and paper projects and the water management agreements that are going to be subjected to this Act, that's all very fine, and they will be subjected to a mandatory review. But I can't help thinking that that comes a little late. As I said earlier, the government has given licences to go ahead with a number of pulp projects without having had

a thorough review first. So now we bring in this board and say that we're now going to start doing it.

The particular one that seems to me the most ludicrous example – I remember when Daishowa started clearing the site to construct the mill. We said: "What's going on here? Have these guys got a licence to operate this? How come they're starting to clear the ground and put up this thing? They haven't got a licence yet." [interjection] Yes, of course it was a ridiculous thing to do, because they didn't have a licence to operate a pulp mill even. I remember the minister answering and other government members saying: "Well, if they want to take a risk and build this \$300 million or \$500 million plant without a licence on the off chance that they're going to get one, let them. Why are you getting excited?" Well, of course, Mr. Speaker, they went ahead and built it. Now, what did the minister say just the other day in this Assembly? He stood up and said it would be ridiculous not to give them a licence; they've built the plant. That's an incredible con job, Mr. Speaker, that we've been subjected to on that mill. It's a kind of a reverse catch-22. I will credit that quote to my constituency manager, Marissa Blondheim; I thought it was quite a clever one: it's a reverse catch-22.

You let them build the plant because there's no reason why they shouldn't, supposedly. They haven't got a licence yet: "No, we haven't given them a licence because they haven't done the environmental impact assessments necessary, they haven't done the public hearings necessary, and all that sort of thing. But we'll do those. Don't worry; we'll do those." Meanwhile they're going ahead and building the plant. They've put half a billion dollars into building this incredible plant. Then at the end of it the minister says: "Oh, well. Gee, you know, we can't not give them a licence, because they've built the plant." Well, I would like to say to the minister: there are a number of nuclear plants down in the United States that were built to produce electricity, and some of them are sitting idle because the local population got together and had sit-ins and got petitions and put a stop to the projects. Those plants went ahead by somebody thinking they were going to make a lot of money and produce a lot of electricity and saying, "We want to do this in your neighbourhood." They went ahead and built them, and the people rose up and said, "No, you're not going to use them." In fact, they're not operating. There are several plants like that in the United States, and perhaps that's what this government is asking for in the Daishowa case. It's certainly the method by which they've approached this. The procedure they've allowed would certainly make me think that that would serve them right.

I have no sympathy for Daishowa at all, that you must give them a licence because they built the plant. The government, of course, made a secret agreement with them beforehand, and said, "Of course we'll give you a licence," or they wouldn't have built it. I guess that's the part that really is ridiculous. If the consortium hadn't believed that they would be able to go ahead with that plant when they got it built, they would never have built it. So the really wrong thing that was done was that the government gave them that secret promise and then pretended they didn't and went ahead and kidded the rest of us that they were going to hold hearings and were going to do EIAs. An EIA done by the company that's building the plant is not worth the paper it's printed on, Mr. Speaker. Nobody trusts these big consortiums anymore to come up with an EIA and an analysis of what they're going to do that really lays it out so that people can really have faith in what they say. Nobody has faith in that anymore. It's ridiculous for the government to go ahead and claim that they had all these EIAs and all these public consulta-

tions, because who did they talk to? They talked to the mayor and a few alderpeople around the area. They did not have open and public hearings and explain to the people what was going on in that project. The Environment minister, of course, and his process have turned out to be something of a paper tiger: the usual political ad hockery that this government engages in.

Mr. Speaker, section 4 has a rather large gap in it. These "reviewable" projects they refer to – for example, resource exploitation projects will generally be subject to review but processing types of facilities will not. I think of meat packing plants, incinerators, cement factories, foundries, rendering plants: those kinds of things. Hospitals: one doesn't tend to think of hospitals as producing much pollution, but they do, some quite startling amounts. It's something that should be subject to review every now and again and try to improve the quality of the smokestacks and the pollution they put out. I don't understand why the NRCB doesn't have the right to review almost any kind of project. Why is it sort of stuck to just resource development? Either you have to set up another board – but since you've got an ERCB and a natural resources board as well, it seems to me to be kind of strange to set up another one. There needs to be a comprehensive board, a board that would be allowed to review all kinds of projects, not just natural resources and energy, from the point of view of social and environmental costs as well as technical and economic analyses, cost/benefit analyses: all those things I was talking about a few minutes ago.

I wonder why sections 6 and 8 make it clear that even if a project is deemed reviewable by the NRCB, the NRCB is not required to hold a public hearing on the project. Why is it that the NRCB shouldn't hold public hearings on all the major projects? That's something perhaps the minister would like to address.

Section 10 restricts eligibility for intervenor funding for those directly affected by a project. Now, Mr. Speaker, when you look at the difficulty of establishing a link between people's health, for example, and some of the chemical plants and some of the energy refineries that have been located around the province – and people will remember the case down by Joffre where there were a number of studies done, and it was very hard to link directly and conclusively the ill-health of many of the people in the area with the emissions from the refineries. The words "directly affected" are very, very restrictive. If this government was on the job, and if we could trust them to really look after the workers and the people of this province in terms of their health, I think it would not use the words "directly affected" there; you would also be looking at and exploring the indirect effects. The comparison is like the comparison I was making about the economic viability of a project. If you just want a quick and dirty profit and rape the resources in a hurry, then that's one set of analyses, but if you want something that's going to be there for a long time for a lot of people and over the long term and not polluting your rivers – I'm thinking of pulp mills here, of course, again – and alternative uses and all the number of different factors that should be considered, if you look at the long term rather than just the short term, then the same kind of things should be looked at in comparison when you're talking about those people directly affected. The people living in the neighbourhood of a chemical plant or a pulp mill may be indirectly affected. It may not be too easy to establish the length, but that doesn't mean we shouldn't have concern for that and take time and care with trying to see to it that the harmful effects are minimized and the long-term good benefits are maximized.

It seems to me that this Bill has the usual fundamental flaw that this government falls into. This is the fifth session I've been here now, and every session we pass a number of Bills, or the government passes a number of Bills. We don't always agree to all the Bills; some we do, some we don't. The most controversial Bills, the ones we fight the most and the ones where we make the most suggestions for change, almost always have one common thread, and that is that the Lieutenant Governor in Council has a lot of power to make regulations and make the major decisions. Mr. Speaker, that's taking the power away from the Assembly and putting it back into a group that meets in secret and whose minutes are not available to the public. Too often that's the direction this government has gone, and this Bill does the same.

If you look at section 43 on page 15:

The Lieutenant Governor in Council may make regulations

(a) prescribing types of projects that are reviewable projects.

So many projects are going to escape review. I can just see the present Premier deciding that the new Al-Pac proposal doesn't need a review. It would be an absolutely incredible thing to say or do, but there we are at an important juncture. You know, here would be a good test for this board to see if it can do its thing in the way it's meant to be done: all these good things about protecting the environment. This board, if they got with it, could get it set up, and here's one project that could wait for the decision by the NRCB. But will it? I have no faith whatever, Mr. Speaker, that the Premier has any intentions of subjecting the new Al-Pac proposal to the NRCB for public hearings or any kind of analysis, any kind of environmental follow-up to the previous hearings that said that we had to have more studies and look at the pollution effects of the present mills on the Athabasca and Peace rivers before we started loading it any more heavily.

I'm afraid, Mr. Speaker, that we will just get a snow job again, and the project will go ahead. Eventually this board will get set up, but the government will selectively decide which projects go to it. And what criteria will they use? Who knows? Will they follow the criteria if they do set up criteria in the regulations? Who knows? They will decide in secret and announce their decision, and there will be very little accountability about which ones do and which ones don't or why they do or why they don't or what the criterion is to help them make that decision. I suspect in most cases the criterion will be more political and straightforward economic than all the other things that we said should be considered, like environmental concerns, like social concerns, like long-term effects, like alternative uses. All the kind of things that should be considered may just be set aside, and the cabinet can decide yes, you can do an environmental impact on this one, and yes, you can do public hearings on this project, but not on that one. I think Al-Pac probably fits into the "not on that one" category; in fact, the excuse will be that they can't wait for the committee to be set up and the process to be started.

Mr. Speaker, I said earlier that I was afraid that the board would be too closely controlled by cabinet's pro industry appointments, and I think that's the main reservation I have about the direction they're moving here. I see the Bill as a kind of move in the right direction but not very far and without very much conviction or courage behind it. I think it's a way of trying to pay lip service to the environment. I mean, there is no doubt that as far as the population of this country and this province is concerned, we're moving into the age of the environment. Everybody is starting to become aware of the problems of the greenhouse effect, about polluting rivers, about having

fish with dioxin levels that are harmful to the people that eat them. We're all becoming concerned that we are polluting our environment. This old Earth is really a finite thing. The number of people on it is growing at an incredible rate, and we're putting a lot of strain on this society and on this world. We could, if we're not careful, do much like the fruit flies in the jam jar do. If you take a jam jar and stick a couple of flies in it with a little jam, they will reproduce fast enough to pollute themselves so that they all die before they've eaten up all the jam. It's a fairly common experiment. If this Earth is considered to be something of a fruit jar, however much bigger and more varied and however much more it does have some recuperative powers when we abuse it, nonetheless those recuperative powers surely are limited.

Certainly anybody that's been out in space tells us when they come back what a green and verdant jewel this little Earth looks like compared to the very stark reality of what's beyond this Earth. At this stage we've not seen any other planets that could sustain life in this solar system nor could we likely travel to any other solar systems with the foreseeable technologies in the near future anyway. It's a very stark world out there. This planet, then, is a finite planet and must be taken care of, and we, with the 5 billion people we have on this Earth – we have nearly 5 billion now – are going to have to learn to take care of it.

If we in the western world, who have the most educated population and the most advanced technologies and sophisticated economies, don't start taking a look at it, how do we expect the people of the poorer countries, who need to just get enough to eat, to start respecting their forests if they can cut down a tree and sell it to make a little money? Or if they can cut down the Amazon and turn it into a ranch, even if the ranches only last a few years because the soil gets leached so badly – nonetheless at least for a while they can eat; they can raise a few cattle and eat for a few years – how can we blame them? We in this North American climate get holier than thou and tell the people in Brazil, "Oh, you shouldn't burn your forests and turn them into ranchlands," yet we're doing the same thing here in Alberta, and we don't need to, not at the pace we're doing it anyway. We are in an ideal position to slowly and gradually develop the rest of the resources of this province in an environmentally sound way, and it would be a great advantage to do it with local people on a small scale rather than bringing in outsiders who really don't care too much about polluting the fish in our rivers.

So, Mr. Speaker, we do need to take care in the direction we go. We need to develop a local economy based on sound environmental practices. We need to look at the social and economic benefits of each project, and we need to look at the cost/benefit analysis.

I mentioned the accounting process. I was trying to figure out just how you would do that. I mentioned it, I think, in this Assembly once before, but I think it's appropriate to put it into this context as well. There is a professor from the University of Alberta who has gone to the United Nations to work with a group there to spearhead the way, to try to figure out how to put together sound accounting practices that will help businesses and companies of all kinds developing different projects anywhere in the world to analyze thoroughly all the costs of a project: the use-of-resources cost that is over and above the amount of royalty that's paid to the government or the cost of cutting down the tree or digging out the tonne of coal or iron ore or whatever the particular resource extraction industry might be. You somehow have to find a way of saying, "There are so many tonnes of iron ore in this world and they are worth a lot

for future generations" and start to attach some kind of cost to that kind of exploitation of our resources. Now, that also means that you look at the advantages of having some wilderness areas where you allow other species to live in the wild perhaps if you can, like moose, deer, elk – and I fear for our elk, as you know from what I said in the House last week – insects, birds: the whole ecology that goes with wilderness areas, which we still have in this province. At this stage we're still rather lucky. So we need to start trying to measure the benefits to mankind of having some wilderness areas of that sort so we're not just doing what I call a quick and dirty economic analysis of how fast we can get the money out and how much profit we can make in the next three years sort of approach to developing our economy.

So I'm hoping that the United Nations can move along very quickly in that area and that the governments in Canada could certainly take the lead in seeing that they pay attention to what's going on there and that when the natural resources conservation board is doing an analysis of a project that is reviewable, they look at those kinds of concerns and considerations and not just at the economic and technical aspects of it and the dollars in the bank that some private entrepreneur can make. We need to consider what's going to happen to our children and our grandchildren and our great-great-grandchildren.

You know, this earth has about 5 billion years to go in terms of the life of the sun which we revolve around, and it would be a shame to see it limp along, a devastated and crippled climate that could not support the people that have so far pretty well abused this planet. We've had it pretty lucky. Mankind's development on this planet and the other animals as well have had it pretty good up until recently, and now of course mankind has, you know, killed off the buffalo and killed off incredible numbers of other species. We do in a couple of species a day, I believe it is, even now as we mold the world to our will and to what we want. If we keep doing that long enough, the earth's recuperative powers will not be able to sustain life on this planet as we are building it.

That's why, Mr. Speaker, I think that you have to ask everybody, particularly the NRCB in its deliberations, to think in the long term and to think of the whole globe also, the whole world. Because we only have jurisdiction locally, we have to see to it that what we're doing locally fits into a long-term plan for the whole globe, and that's, I guess, the message that I'm trying to leave with the Minister of Energy. You know, I'd expect him to be the person in charge of setting up the ERCB, not the NRCB. In any case, he's the one that's been put in charge, leaving the Minister of the Environment out of it. I hope that the Minister of the Environment does have some input into who's being placed on the committee, because if he is serious about looking after the environment, and I'm not sure he is sometimes, he should see to it that there are some people on there that can take that long-term view and can protect the environment so that the people of this province can have a long-term . . . [interjections]

[Mr. McEachern's speaking time expired]

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

MR. TAYLOR: Thank you very much. The 30 minutes did seem to go quite fast, Mr. Speaker; one of the advantages of having a hearing aid.

I just wanted to take a short minute or two. I don't like the Bill, Mr. Speaker. I don't think it goes far enough. Not only is

it a bad Bill, but by not going far enough, it will lead us into making mistakes that we shouldn't.

I still believe that agricultural resources are the real resources in this province. The main resource in this province is the top six inches of soil. It's not gypsum or mines or pulp and paper or whatever it is but the top six inches of soil, and it's not mentioned in the report. There's nobody protecting agricultural resources. The minister of agricultural resources, if I ask him anything about protecting resources, says, "Oh, it must be the Minister of Energy." The Minister of Energy says, "Oh, I don't know; maybe it's the Minister of the Environment." Then the Minister of the Environment picks up the ball and fires it across to first, and we go around and around like that again. So nobody takes responsibility for agricultural resources, Mr. Speaker.

The developers can go out and buy the land. The municipalities want to get more assessment. If they want to get more assessment on the books, there's an awful push to try to let the land go to Esso or whoever wants to build an industrial complex. There is the question of the farmers themselves. Farmers as a groups want to protect farmland. They want to see it protected, but not the farmer individually. He may have reached an age or an anniversary that's very close to that of the Minister of Municipal Affairs and want to retire or something like that. Consequently, the offer looks good.

There's nobody stopping the individual from converting farmland into money. Nobody is stopping the municipality from converting farmland into money. Nobody's stopping the corporation from converting farmland into an industrial complex. Yet if there is an environmental fallout that really affects society, it has to be our top six-inches of soil, the disappearance of it through wind and water, through time, or through industrialization so that our food production capacity is hindered or, in effect, alternate uses that could be developed for agriculture. Agricultural land is not mentioned in resources.

Energy resources also, like agriculture, have become a sacred cow. The Minister of the Environment is not allowed to touch that. That's over in the energy area. We don't have an energy conservation board; we have an energy exploitation board, Mr. Speaker. The whole idea is to get goods out from underneath the cover of the earth as fast as we can for the quickest amount of cash we can, all under the idea that because we've lived honestly and been kind to our children and our pets, God has blessed us with oil underneath the ground. Mind you, he didn't choose to reveal it until Social Credit was elected, followed up by the Conservatives. Nevertheless, the fact is that we deem it as some wealth that we have. Anyhow, it is a special project just left to the Minister of Energy.

I believe the ministers of Energy and Agriculture are neglectful and have a purpose of exploitation, not conservation. The conservation aspect for agriculture and energy should be in this board. Now, I know that the Minister of the Environment may feel that I'm giving him too much authority, but who knows? He might grow into the job. The fact that this Bill has to cover natural resources means a lot more, I think, than what's set out in section 4 here, Mr. Speaker.

With that, in closing, I'll just say that I'm not happy with it. It doesn't go far enough. It's an awfully small step in the right direction, but it's so small that maybe we should think it over as to whether we should take it at all or come back and take a proper step.

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Mill Woods.

MR. GIBEAULT: Yes, Mr. Speaker, I do want to get in a few comments on Bill 52 this evening. This is a very important piece of legislation, or at least it should be, but with the legislation that is before us, we do have many concerns about the shortcomings of it. Especially now that environmental concerns are taking more and more of a priority among our citizens and our constituents and taxpayers of this province, we really have to look at seeing whether or not Bill 52 can do what the people of Alberta expect of it.

Just the other day, Mr. Speaker, we noticed that the Environmental Law Centre put out a news release identifying a number of concerns that they had about this Bill. They said, in terms of the philosophy of the Bill, that

the focus in the Bill is on those elements of the natural environment which may be treated as a resource for development: protection and conservation of the environment is not even mentioned.

Now, can you imagine, Mr. Speaker, that in the Natural Resources Conservation Board Act the protection and conservation of the environment is not even mentioned? Now, what sort of a philosophical base is that? Where's this government coming from? It's hard to imagine that a flagship piece of legislation on the part of the provincial government could have such a serious omission, and one has to wonder if it's an omission by neglect or by intent. Many Albertans tend to suspect the latter, Mr. Speaker.

In addition the Centre noted a number of specific omissions in the Bill including the lack of an offence provision in the Bill . . .

Any worthwhile legislation worth its salt has got to have those kinds of offence provisions in them if they are going to be taken seriously

. . . and the failure to include "air" in the definition of "natural resource."

Surely to goodness, air has to be considered to be one of the most fundamental of our resources, Mr. Speaker, not something to be overlooked or forgotten or to be abused without consideration.

This distinguished body of environmental lawyers at the Environmental Law Centre here made those comments about this Bill. Now, other Albertans have made many other comments, and I want to just add a few of them here. One of the concerns that we have about this Bill is the fact that it lacks an objective screen, and that is to say that sawmills, other forest projects, mines, quarries, tourism developments, and others will only go before the board if an environmental impact assessment is ordered by the Minister of the Environment. Now, Mr. Speaker, how can we have a situation like that?

We've seen the situation with Al-Pac where we've got an MLA who does a lot of whining and sniveling trying to get this thing rammed down our throats and to heck with the environment: we don't care what's going to happen to the environment; we don't care if there's any proper review of the change in the proposal. He goes off to Ottawa with his buddies there trying to get secret deals to ram this thing through, but that is not the kind of legislation Albertans want to have, where there can be secret, backroom deals trying to ram through projects that have very serious environmental consequences.

We know, Mr. Speaker, from the evidence that has been made available to us that the levels of dioxins and furans in Alberta rivers and so on are already at an unacceptable level in many cases, and we continue to have more evidence of that, yet we have additional pulp and paper projects that are on the books now and under construction now. We haven't even got an assurance from the Minister of the Environment or the Minister of Energy as the sponsor of this Bill – and that's a whole other

side argument that I won't get into at the moment – that the revised Al-Pac 2 or Son of Al-Pac, whatever we want to call it here now, gets a proper environmental impact review or that the other projects, like Daishowa and the rest of them, also get some kind of review. We have a lot of concerns about that, Mr. Speaker. The Bill leaves too many opportunities for the Minister of the Environment, with a little lobbying and arm-twisting by MLAs who are anxious to get into the photo op of the official opening and get on the front page of the local paper and are motivated more by their own crass political career, to subvert and to undermine legitimate and proper environmental legislation. So we have a great deal of difficulty with that provision.

Now, one of the other areas we have some concern with is the area of cabinet control and the elements of this Bill that allow the cabinet to dictate the terms and conditions under which the NRCB may approve a project and where the NRCB would not be able to impose conditions of its own. Really, we cannot accept this. This is really undue cabinet interference with the board, and it's going to cast a very long shadow over the decisions of the board if it goes ahead as is. We're going to have people wondering about whether or not the cabinet and members of the government caucus and so on who want to ram these projects through have exerted any undue influence. So if we don't change that particular section of the Bill, Mr. Speaker, we're going to have endless challenges to the decisions of the board.

Related to that is the provision that the board structure is a three- to five-person panel. It's hard for me to imagine three persons having the expertise necessary to assess complex scientific and technical issues on the full range of projects which may be referred to the board. Three to five is what the Act is proposing here, and we've seen how this government has such a penchant for patronage and likes to wallow around in the patronage barrel, appointing friends of this government to all manner of public boards and agencies. We saw just a couple of weeks ago in terms of the environmental round table, Mr. Speaker, out of 22 members how many represent the environmental community. One out of 22. One out of 22 representatives on the environmental round table represents the environmental community.

Now, if we have that kind of a batting average with this kind of government, out of three persons or five persons on the panel how many do you think are going to be activists on behalf of the environmental community? Zip. We know that. If we can only get one out of 22 on the environmental round table, it only follows, for those who have got their high school math, that we won't have any on this panel for the natural resources conservation board. With three to five persons on the board, there's just not enough room, after we've taken care of the government's pals, to put on people who are serious and have credibility in the environmental community to make sure that we have the environmental interests of this province properly protected as we know that they should be. So we cannot accept that provision either. It just does not bode well for proper environmental decisions that will have credibility with the people of Alberta.

Now, another problem we have with this Bill, Mr. Speaker: it's got a lack of clarity of purpose. We talked about how the Environmental Law Centre alluded to that in terms of a lack of proper philosophical basis for it, but it is unclear that the purpose of the NRCB is to assess the environmental safety of a project. It says that an objective review is to be held "having regard to the social, economic and environmental effects of the

projects," but it does not say that the NRCB can only approve projects which are environmentally safe.

Now, that's a very important consideration. Surely we want to be absolutely sure, the people of Alberta who are more and more concerned about environmental issues need to have confidence that once this board is in place, it will only approve projects that are environmentally safe. The days are gone, Mr. Speaker, when we will casually approve belching pulp mill projects as exist in Hinton and other jurisdictions around the country and all manner of projects which have a serious and in some cases devastating environmental impact. Up to the moment we can see the kinds of disastrous impacts in B.C. and in northern Alberta that have been observed. We've had the dioxin levels of fish, but more recently in the news we've had the instances of flooding that have been attributed to clear-cutting, where there's been no environmental consideration given to practices that now we are discovering have a very serious environmental price tag to pay, environmental, economic, and social destruction that's taking place throughout British Columbia because of very unsound environmental practices in that province. Surely we want to make sure that that does not happen in the province of Alberta. So we have to be sure that the mandate of the board is absolutely clear about that.

Now, Mr. Speaker, one of the other problems that we have with this particular Bill is that in order to have a legitimate and credible process for evaluating these new megaprojects, large projects of all description, we've got to ensure that community groups, citizens' groups that could be affected by the projects or that have a provincial mandate in terms of environmental conservation and protection have an opportunity to obtain intervenor funding so that they can have the resources to make a case, to do the research, and so on that's absolutely necessary. A lot of community groups simply don't have those kinds of resources, but the Mitsubishi and the Procter & Gambles, the Al-Pacs, and all the rest who have got loads of money, often foreign money, to pour into a project here put forward a lot of glitzy information. It's just very difficult to compete with that unless the intervening groups have access to funding to make their case and to do that research.

That is not clear in the Act. The Bill says that you have to have a direct interest to qualify for intervenor funding, but it doesn't define what is direct interest. Would I have a direct interest in the Al-Pac plant, for example, that's going to be poisoning the fish in the rivers and the lakes downstream from the plant that I might happen to fish on or that I might want to bring tourists up to fish on? Well, I would think I would. I would think that environmental organizations that have provincial mandates would have that kind of a direct interest to anyone who's serious about the public participation process in environmental impact reviews. So that has to be tightened up very significantly.

Mr. Speaker, there are a number of other problems with this Bill. We've got the lack of extensive coverage that we think should be included in a natural resources conservation board mandate. For example, urban expansion has a very significant impact on the environment. Urban sprawl has been a problem that we have faced in the past, and we have suffered some serious environmental problems because of it. Also manufacturing and processing developments will not come under the purview of environmental reviews, and this hardly inspires confidence, because processing developments often cause as much if not more pollution and environmental damage than some of the other projects that we've been talking about.

The prospect that perhaps most or maybe even all of the members that are on the natural resources conservation board, only being three to five persons, might have an engineering or industry background and, as I mentioned, perhaps close political ties to the governing Conservative Party just makes it very, very difficult under that kind of a process to have confidence in it. If the people of Alberta do not have confidence in the legitimacy of this kind of a process, Mr. Speaker, then it's going to encourage people to take actions that they wouldn't take if they felt that these kinds of projects had a legitimate, tough, and credible environmental impact review process to submit to.

You know, some people may not like the tactics of Greenpeace, but Greenpeace doesn't compromise about the environment. When the environment is not being protected by the government agencies in respective jurisdictions, then Greenpeace takes the responsibility to take direct action that brings to the attention of the public the fact that various government jurisdictions are not taking adequate care to ensure that the environment is protected. I would submit to you, Mr. Speaker, and to the members of the House, the Minister of the Environment and the Minister of Energy in particular, that unless we get this tightened up very, very substantially, we're going to see more direct action kind of activity in the province of Alberta. I suspect that will cause a polarization, and I think that could be avoided if we simply had before us a natural resources conservation board in which all Albertans could have confidence. So that is another problem, Mr. Speaker.

Now, I want to also point out another concern, Mr. Speaker. We have yet to get an indication from the Minister of Energy, who's sponsoring this Bill, what kind of budget resources are going to be available for the board. Now, if we take a look at the budget estimates this year for other boards like the Energy Resources Conservation Board, we notice that they have a budget of \$20 million, and we know that some of the costs that are involved in ERCB hearings and assessments are borne by the industry, so there's perhaps an overall budget in the neighbourhood of \$30 million. Then we look at the Public Utilities Board, which has got a budget of only \$1 million in terms of resources from the provincial budget, and much of their expenses are covered by industry. We need to know, Mr. Speaker, what the intention of the government is here in terms of the natural resources conservation board from a financial point of view. You know, you can have a lot of nice legislation, a lot of nice words on paper, but if you don't provide the resources for an agency to do its job, then it's pointless. You could point to a lot of legislation that sounds good, but it's not supported financially.

For example, the Occupational Health and Safety Act has got a lot of nice sounding provisions in there, but we know that this minister can't or won't get the resources available to do the job in enforcing occupational health and safety in this province. So it's a joke, Mr. Speaker. A lot of the workers in the province have no respect for it because it doesn't work properly. Are we going to have the same thing with the natural resources conservation board? I'm asking this minister, and I hope he can respond and give us an idea of whether or not that's the case. If we're not going to get the proper resources to do the job, let's be honest about it, and let's not pretend that we're going to do a job that we're not prepared to do. I think the people of Alberta simply will not accept that kind of runaround from the government anymore. We're much beyond that. The environmental consciousness of the people of Alberta simply will not tolerate tokenism anymore.

I've identified a number of deficiencies in this particular Bill: the limited number of people on the board, the lack of clarity, the lack of comprehensive scope for the projects covered by the board, the fact that we don't know the kind of budget resources that might be available for this board to do its job, the fact that the criteria for intervenor funding are very unclear. So, Mr. Speaker, many of these provisions have to be addressed before the New Democrats will support it, because if the government Tories are not prepared to stand up for the environment, the New Democrats will.

MR. DEPUTY SPEAKER: The hon. Member for Stony Plain.

MR. WOLOSCHYN: Thank you, Mr. Speaker. I must admit that I really fully support this particular Bill as a good first draft. I would say that it's an excellent first draft, and somewhere along the way the people doing it forgot to proceed with what the Bill really should have turned out to be.

The most obvious error, I would think, is on the very front page of the Bill, and that is putting this whole area under the sponsorship of the Minister of Energy. I fail to understand how they could limit it to that particular area, especially when we look at what the purpose of the Act is. It's "to provide an impartial process for the review of projects that will or may affect the natural resources of Alberta." I would respectfully submit to you that most energy projects which would come under this minister's direction may in fact come in direct conflict with that particular aspect. We know from a variety of energy projects. One plant that's in controversy in Westlock-Sturgeon is not being reviewed or not being addressed properly, and the minister certainly isn't taking the side of the community in this particular aspect.

The purpose goes on to say that they are "to provide for those reviews to be conducted having regard to the social" – and I stress the word social – "economic" – we know what this government is all about economic: they put their blinders on, and if somebody waves a dollar sign in front of them and asks them to match it, they jump right in – "and environmental effects of the projects." Now, the environmental and social ones concern me rather greatly.

One aspect is: if we look at the social effects, this government is trying to take a lot of credit for being the friends of the Lubicon. I say: with friends like that, who needs enemies? They permitted the energy producers to run willy-nilly with seismic lines and wells all over the territory that the Lubicons claimed historically. After they disrupted their social fabric, after they disrupted what the Lubicons claim to be their way of earning their living, "Oh, by golly, we'll go and fight big, bad Ottawa for you because for 50 years or thereabouts we couldn't get anywhere." After, and I stress after, they allowed the traditional occupied areas of the Lubicons to be ruined by the resource companies, their way of life to be interfered with, then all of a sudden they've got friends. They had a prescribed settlement that neatly eliminated any kind of future for the Lubicons.

That leads me on to the natural follow-up of that. I look at this, and I see a five-member board, and I wonder. Most of the development is going to be going on, if we look at forestry especially – and we'll start with forestry – in areas that are occupied currently or used or that the people feel they have some sort of special claim to. I'm referring to the aboriginal peoples, and there's not a single reference anywhere in this whole Act as to how they're going to be involved. As I suggest, they're really good friends, and I would go on to relate that

particular aspect, if you will, to the various Metis settlements Acts. Yet with the Metis settlements the minister is ultimately responsible for everything that happens there. What's going to happen if the Metis don't want something that's in here? They may have some sort of intervenor status, but that's about it.

If we look at the list of activities that go on, we've got a five-member board and they're going to be looking after the forest industry projects, all forest industry projects I would assume. Maybe that assumption is going too far. In the forest industry itself the activities can be quite varied, but we have this five-member panel that may or may not get themselves some expert help, and they're going to determine, hopefully, what is best for Albertans in these particular areas.

If you look at recreation and tourism, that's one that's straightforward. I don't think the NRCB could mess that one up no matter who's in charge of it, but then I wouldn't be too terribly sure of that either.

If we follow through the rest of the list, we'll skip over mining for a moment and go right on to water management projects. Now, all of a sudden water management has to be defined as to what size, whatever, before you can get involved in it. I would suggest very sincerely that one of the biggest flaws in this Bill in principle is that everything to be reviewed is determined from the top down. What if a community wants a particular project of whatever nature reviewed by this board? There doesn't appear to be provision for that to be submitted there anywhere. However, the Lieutenant Governor in Council can make that decision. What about an Indian reserve or a Metis colony, again getting back to our aboriginal friends? If they have some strong feelings about a particular project, they can't initiate the review for it. So I feel that the people we should be representing, the people we should be looking after, cannot in any way, shape, or form become represented in this particular Act. I think that is a very, very serious oversight.

I don't notice in the Act anywhere that there's going to be any authority over so-called urban development. Well, if we look at what has been permitted to happen in the two large cities of Alberta, a larger chunk of the city is in fact noncity land. I would say that there should be some sort of inclusion to look at what kinds of activities are going to be happening within these boundaries and applicable directly under this Act, and that should be somewhere written right in there. That is a very, very fundamental principle here. We have the largest chunk of population, the people who can be affected the most, and the cities aren't involved in it.

If we speak about cities for a moment, keeping on where the Member for Westlock-Sturgeon was going, why is agricultural land not placed under the control of the NRCB, especially when we look at the areas into which the cities are expanding, the methods by which right-of-ways are procured for highways, the size of these right-of-ways, what they are left to be done with after they've taken . . . Anybody who can open their eyes south of Red Deer will see that the highway right-of-way with the addition of the service roads is now almost as wide as it is long, and that's right through the middle of some very, very good agricultural land. Perhaps, if they're going to look at what this particular board is all about when it claims to have social, economic, and environmental areas at its forefront, it should have been expanded to look at some of the current activities that are going on so we can bring them under control before they get too far out of line.

The comparison to the Energy Resources Conservation Board in some cases I think is very fitting, and it's actually quite frightening in a lot of ways, because the Energy Resources

Conservation Board in my opinion has just been an extension of the energy industry. They have hearings, and they have hearings for pipelines. That's a good one to start with. They'll have a hearing for a high-pressure, liquid gas pipeline, and they'll approve a six-inch line that goes so deep at a particular pressure. Everything gets sorted out, and lo and behold, you see all of a sudden an amendment to the publication: six inches becomes a nine-inch line with nothing else changed, although the volumes are horrendously different all of a sudden. If you look at what the ERCB has accomplished even since the propane disaster in Edmonton, we still do not have – and I stress: we still do not have – a proper emergency plan to do with pipeline disasters. I'm speaking of the gas type, where people's lives could be in danger. If you try to approach the ERCB for what they have on hand, they sort of give you a little run around the block and redirect you to what a company may or may not have on the go for its particular pipeline. I would hope that this NRCB, if it gets going and if it gets implemented properly, will not fall into the same kind of extension of a particular industry that it's supposed to, in fact, govern or protect us against.

Although the Act mentions social effects, I don't see any provision made anywhere in there to actually define what could be construed as a social effect of the project, and I don't know if there will be any attention paid to it. I would strongly suspect that that word will just be in there for decoration and will remain only as a word.

The other overlying, blatant problem with this particular piece of legislation is that the cabinet becomes all too powerful and everything within it is subject to the whim of the cabinet. The cabinet even can go so far as to apparently dictate, Mr. Speaker, what conditions the NRCB is going to use when it approaches a particular project. Now, if that in fact is the case, then we're right back to where we are with projects like Daishowa, where they go through an environmental impact study, things are going to be changed, the Minister of the Environment says yes, and then all of sudden, whoop-de-do, somebody forgot to ask what the politicians thought about it, and everything is reversed, and we're back to square one again. I can see that in this one they're going to circumvent that, because the cabinet will set the conditions in the first instance and the NRCB will just be carrying out the wishes of the cabinet as opposed to, in fact, doing what the Act purports it to do, and that's to provide an impartial process for the review of projects. If the cabinet is going to have the kind of influence over the board, as appears to be written in this Act, Mr. Speaker, then it begs the question: how can you meet the very first stated purpose of this Act if the conditions are going to be laid out to them as to how they're going to operate?

Along with the proposed legislation I would like to see what the government has in mind in the area of regulations, because as we all know, the legislation is the policy, if you will, and the regulations become the rules under which it's implemented, and they are as important as the legislation. We don't have any indication as to what direction is going to be taken there.

The lack of purpose of the NRCB is quite startling too. You know, three words and a sort of sentence to look after whatever we feel might ail us are really quite, quite broad, broad to the point where it's actually meaningless. So I would like to see, when this Bill is brought back to committee, that the minister – whichever minister; I guess it's the Minister of Energy who's responsible for it – have a look at some of the points that are being raised and have a sincere look at, in fact, changing some of this, improving it in order to make the NRCB effective along

the lines that it was going to come out when it was initially announced. I don't see that within the legislation itself.

The other area that he sort of leaves out – and I would like to see some provision made in here; maybe it will come up in the regulation, although I doubt it. If you look again at the area of social impact, we've had towns grow up in this province, we've had ups and downs over the megaprojects, and we always appear to look at the social implications after the fact to see how to repair the damage after it's been done. A classic example is Fort McMurray and its ups and downs, Grande Cache. I think the toll taken on people is beyond measurement, and although it's mentioned in the Act, I would like to see it expanded.

There should be provision made for the involvement of other ministries, direct involvement in one of these hearings. Maybe the Act should be expanded where economic development, Health, Family and Social Services have to have input on particular projects, depending upon where they are, so that all the areas are covered and understood according to what's written in here.

So, Mr. Speaker, although I agree with what I feel is the intent of the Act, I think it's sadly lacking, and I would like to see it improved significantly when it comes back to committee. On that I rest my case. Thank you.

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

MR. EWASIUK: Thank you, Mr. Speaker. I too would like to make a few comments regarding Bill 52, the Natural Resources Conservation Board Act. Like the Ambulance Services Act, Bill 49, I think the intent and the principle of the legislation are well intended. However, like Bill 49, this Bill, too, has deficiencies in it that I think really need to be addressed. Hopefully the minister after hearing the debate will consider proposing amendments that might very well address the concerns that have been expressed, not only by the opposition but I think the various other groups throughout the province who have taken the time to study the Bill and have forwarded their recommendations.

I think one of the first things that we can recommend – and I agree with the recommendation made by the Environmental Law Centre, which the hon. member must be familiar with. They're talking about the timetable for this Bill. If it is the government's intention to ram it through this session at this time, it does not allow the full and informed public review of the legislation. I think it should be delayed until such time as the whole package of the environmental impact assessment – it needs to be disclosed and understood before a final decision is made. I think it's important that the public, the interest groups, do have an opportunity to be heard so that when the Bill is finally brought before us, it will represent the wishes and the concerns of those that need to be protected.

The protection and conservation of the environment is not even mentioned in this Bill, yet it was described as fulfilling a government commitment to introduce new legislation which supports "the twin objectives of stringent environmental protection and economic growth." Well, if that's the intent of this Bill, then I think it has, as I say, many deficiencies, and it needs to be set aside. Let's have a good review of it. Let's have public input so finally, when the Bill is developed, the input into it has been well thought out.

Another major concern that I see in the Bill, Mr. Speaker, is the screening process, such as determining which projects would go before the board. I note that there were things like sawmills

and other forest projects, mines, quarries, tourism development, and others that would only go before the board if an environmental assessment is ordered by the Minister of the Environment. That, I think, is a little scary, and it's a little concern because we know the history. This government has demonstrated in the past that it's quite capable of evading any requirements for environmental impact assessments on any government pet projects. I think the case in point has to be the Sunpine forest industries, I believe in Drayton Valley. This project was simply left to regulations and didn't really have any assessment on it at all. Now, of course, we're experiencing difficulties that are occurring in that particular community.

The other members have addressed this topic, but I think it needs to be stated again: the unnecessary cabinet interference in the process. Well, the cabinet can dictate the terms and conditions under which the NRCB may approve a project, but it does not appear that the NRCB is able to impose conditions of its own. I look under sections 6 and 8, which say that it is clear that even if this project is in theory renewable by the NRCB, the NRCB is not required to hold public hearings on the project. It could, for example, simply allow people to make representation in writing or dispose of the application without public input. Now, I think it's those kinds of things that make this Bill unacceptable in its present state, so that's why we are continuing to ask the government to consider some form of amendments that can, again I say, give the interest groups in the province the opportunity to state their case.

The structure of the board has been mentioned as well, Mr. Speaker. Again, here we have merely three or five people on the panel, and I'm amazed, because we're dealing with such a complex matter that these individuals, whoever they might be, would be almost in the category of an Einstein. It's difficult to believe that these individuals, this small group of people, whoever they might be, would have the expertise to deal and to cope with the kinds of complex scientific and technological varieties of projects that they will have to deal with and will have to make decisions on. I believe, Mr. Speaker, that it would probably make much more sense if the panel, the board members, could perhaps be expanded or at least have the opportunity to draw on expertise as necessary for specific projects, because certainly all projects will be peculiar in different ways, and so expertise of a different nature would be required.

[Mr. Jonson in the Chair]

The intervenor funding, I think, also is a matter that needs to be addressed and discussed. I think intervenors are an important component in a discussion of issues such as environment, social, and other legislation that we're dealing with under this Bill. Now, I think it's going to be difficult for intervenors to participate, because the Bill is not clear as to what it is the intervenors are going to be able to do. At least, are they going to be funded? It's not clear in the legislation. The intervenor would have to have a direct interest in the projects, and it doesn't identify in the Bill, as I see it, what direct interest really means. So intervenors would be reluctant, as I say, to spend their time and their money to appear before the board, to make necessary preparations, not knowing whether they will be reimbursed for their efforts. So I think that particular area needs to be clarified and a meaning given to the term "special interests."

Now, there's something that I think hasn't been touched on up to this point, and it's the impact that decisions that are made by

these five wise people may have on workers directly. I just had contact with some people who have been involved in the construction of the Daishowa plant, for example, and I understand that because the process is starting to take place there – they're charging their vessels with the various acids and chlorine and whatever it takes that goes into a pulp mill operation – the construction people are leaving in hordes. They have a major concern about the obvious lack of safety and training that's attached to that particular plant. So when a board like this reviews a project like Daishowa, I think it has to have some broad knowledge and broad experience not only in the environmental aspect of it and the social aspect but I think the whole aspect of its operations. Because I think workers are becoming more and more concerned about their lives and the environment they have to work in, and unless those issues are addressed in some way through an assessment of this nature, I think we're going to have difficulty in perhaps getting people to come to do those jobs.

Another area that was touched on briefly was urban development. How will this board deal with municipal issues and projects within municipalities? I was on city council when this government allowed the city of Edmonton to annex vast hectares of land surrounding Edmonton, but primarily – and unfortunately primarily, because perhaps if we'd had a board like this at that time, who would have been concerned about our farmland, it would not have allowed the city to annex the kind of soil that they have. They probably have some of the best soil in this part of the province. It was annexed obviously for urban development. Surely we should have enough sense not to allow that when in fact if they had gone another direction around the city of Edmonton, there's land there that can be used for urban growth and development. That wasn't done. Instead they permitted the city of Edmonton to annex some of this good number 1 soil that's very productive. We have vegetable farmers in that area who could probably – or who did at one time, as a matter of fact – supply food for the entire city of Edmonton. So I think it's those kinds of things that this board needs to address but in fact doesn't.

The matter of landfill sites again is also, I think, something that needs to be looked at. Again, most municipalities in this province are experiencing one form or another of landfill sites. I think some of the work that's being done throughout the province with the small municipalities is quite commendable. I think they're meeting the kind of requirements that need to be done. But I think in the large urban centres, where we tend to produce more garbage than many other societies and we're running out of landfill sites, the other argument can be made: is a landfill site even an acceptable form of garbage disposal? I would argue that it is not. I think we have a responsibility to address that very important issue of what it's going to do to our water tables and so on. Again, this board, as I see it, will not have any jurisdiction in hearing from interested groups who may have a point to make, an argument to make, about something like a landfill site.

So, Mr. Speaker, as I started to say when I rose, I think this Bill certainly has the potential. I think the steps are taken in the right direction, but I think it's very obvious that amendments to clean up the Bill are certainly a requirement. I want to re-emphasize again the need for the opportunity for interest groups and individuals to be able to acquaint themselves with this Bill to such an extent that when they make recommendations to government for consideration, they would be well thought out; there would be some form of public input so that when the minister reintroduces this Bill or brings it back in the fall sitting,

it will be a Bill that we will gladly rise and support in all forms or readings. Obviously I think there is a need, but the Bill as it is before us is deficient, and I believe it needs to be addressed with much more thoroughness than it has been up to this point.

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

MR. SIGURDSON: Thank you, Mr. Speaker. I want to add a few comments. I think I would be somewhat remiss if I didn't add a few comments, having been a person that grew up in the 1960s and the early '70s and spent a good deal of time talking about environmental issues when nobody else seemed to be listening. It was a time when those of us who advocated certain cleanup projects to try and beautify the inner city, large urban areas – there was not an awful lot of interest being expressed because it just wasn't an important matter at that time. An awful lot of what we were trying to do 15, 20 years ago was to clean up that which was visual, that which offended us because we could see it. We weren't so terribly concerned about the chemicals and the effluent that was being thrown into our waterways and into our atmosphere. But that was a start. That was at least a start, and so, too, is this Bill. Because it is a start, the government is due some degree of recognition and some degree of congratulations for going a step in the correct direction.

You know, Mr. Speaker, it's one of those things that you try and push a little harder to try and get a little more, and you take satisfaction with small victories sometimes. Even though this might be considered by some of us to be a small victory, we still want to push a little more and push a little harder because there are things that are not contained in this particular Bill that I feel ought to be. I've looked at other jurisdictions, and indeed I've looked around our province. I've seen prime agricultural land being chewed up by urban sprawl, yet that provision, the provision for having hearings into those areas that really ought to be considered, is not to be found in this piece of legislation, and that I think is very sad. We have an opportunity here, perhaps for the first time, to put in some of the checks and balances that are necessary when we plan urban centres. As we plan to enlarge the urban centres as people are leaving rural parts of our land and coming into urban bases, we are using up a great deal of land to accommodate the volume of people who are wanting to live in the urban centres and get some of those services that urban centres obviously provide.

Again, as I say, Mr. Speaker, that provision is regrettably not contained in this Bill. One of the areas in a different jurisdiction – and I recognize that it's in a different jurisdiction. The township of Richmond, British Columbia, at one time was entirely farmland in a delta basin, and it had some of the best agricultural land known to North America. Yet what we did through the process of urban sprawl was develop a city, albeit beautiful, that has used up farmland that we cannot now recover. We've blacktopped, we've laid down asphalt in an area that quite frankly I don't believe was necessary to destroy. There were other areas that we could have looked at for accommodation for people, and it wouldn't have had to destroy the agricultural base that we've got so little of in North America.

When I look at parts of my constituency, in the north end of my constituency, I've got a vast area of land. At one point there was a section of land that was being considered for a landfill site. Now, that one area, I'm told by the Edmonton city council, is the second favoured area over Aurum. Three quarters of that section are prime agricultural land. The other quarter is just

one notch down, a simple notch down, and it has a tributary to the North Saskatchewan River running through it. Mr. Speaker, prime agricultural land: urban sprawl. With the urban sprawl we're going to produce more waste, more disposal, more landfill requirements, and that's going to be one of the considerations. That area, that one section of land, one day in the not too distant future could become a simple landfill site. That would be a terrible waste. This Bill could do something to correct that were there provision contained in the Bill to examine social factors that include urban sprawl, but it's not there, and I regret that it's not there.

We have the development of urban areas without due regard, I think, for how we transport people around. I don't think we look at public transportation systems to the degree we ought to. It's no wonder that when you've got the kinds of connections people have to take with respect to public transit, there's a reluctance to take public transit. But again, because we design our urban centres for the use of private transportation and the use of the private automobile, what we've got is a very limited desire to use public transportation systems. I believe if there were provision in the Act to look at urban development, perhaps then we would have those considerations being made. But it's not here.

Mr. Speaker, I'm somewhat concerned about the real intent. As well, it's certainly been talked about by a number of my colleagues. They've had concern about the kind of board that's being established here. We have a relatively small board of three to five people who are going to serve, hopefully as best they can, to look at any number of projects. Now, with the kind of information those board members are going to receive when they have hearings from any variety of sources, I wonder what kind of ability they're going to have to grasp all the important information. We're going to have a permanent board that is going to be somewhat limited, even if they're all scientists. If all board members were scientists – say you had a scientist in the field of inorganic chemistry, another one in physics, another one in biological sciences, and another one in the area of chemistry – you know, by the time you put all those folk together, their areas are so specialized that when it comes time to consider the information that's being brought to their attention, they may not be the appropriate experts to consider the information before them.

I know there's supposed to be additional authority given to the board to expand to have hearings to include other people, so there will be those experts that can provide some information, but is that information that's going to be provided by those other people going to be interpretive information? Are those other people that are going to be involved in the process going to be able to have input with vote and voice so they can have a share in terms of the decision-making, or are they just going to be there to provide that interpretive information? I'm not sure what role those other folk are going to have. I don't know what authority they're going to have. It's not yet made clear.

In the area of intervenor funding, again we have situations where . . . Who defines the intervenor? I know that previously we had a Minister of the Environment that called a number of environmentalists social anarchists. The Minister of Education frowns somewhat. But there were those folk that were protesting the Oldman dam, and I believe the previous Minister of the Environment decided they were nothing more than social anarchists. I would hazard the guess that it's not too likely that social anarchists would be entitled to receive intervenor funding.

AN HON. MEMBER: Dope smoking.

MR. SIGURDSON: Dope-smoking social anarchists. Thank you. I forgot that. It was all of that.

But how are they to get funding, Mr. Speaker? What makes them a direct interest to a particular project? Is it proximity to the developments? Is it because they have a particular expertise? Again, that's not defined in this Act. I look at the major projects that are going on in our province: Al-Pac, the Oldman dam, Daishowa. Who's the intervenor? Is it a person from Edmonton or a person from Pincher Creek? Is it a person from Lac La Biche or Plamondon or Athabasca or a person from Grimshaw? Does a person that resides in the city of Calgary have that opportunity to become a direct intervenor? Again, we just don't know who. Is it going to be the people that live off the resources of a river that is somewhat downstream from a plant? Do we know that? No, we don't. So how far away is it? What's going to be the qualification for this intervenor funding?

Now, I look at international negotiations as they go on, Mr. Speaker, and I remember when the Canadian government, the Canadian diplomatic service of External Affairs, the Canadian Environment department officials were terribly upset that the American government wasn't moving fast enough on the position of acid rain. We were having all kinds of depletion in our forests, maple trees in the eastern provinces being greatly affected by the content of acid in rain, and what were we getting? A lethargically slow process coming from the American side. What did the Canadian government say? They wished they could make them move faster but they couldn't. Mr. Speaker, is that an intervenor? Is that not trying to operate inside another political jurisdiction, an international jurisdiction? I would suggest it is. Yet what we were trying to do was make the point that it was important for us to make our side known, to make it clear to the Americans that we had certain rights about what was happening. Albeit the destruction was being created south of the border, it was destroying what was north of the border because it didn't know a boundary. The disaster didn't know a boundary.

Now what have we got? We've got governments that are being concerned about large freighters dumping their bilge 200 or 300 miles out, because there international law has no ability to hold these people back, to bring these people back for prosecution. First, it's very difficult to find who's dumped the offshore garbage they're pumping out. But what? Mr. Speaker, we're still concerned about it, and we still make those claims.

We talk about the Brazilian forest. We talk about that in Canada.

MR. KLEIN: But that won't be studied by the NRCB.

MR. SIGURDSON: You don't talk about that. The Environment minister doesn't talk about the Brazilian forest.

MR. KLEIN: Not the NRCB.

MR. SIGURDSON: Well, I'm just talking about intervenor funding. I'm wondering who's going to get the funding. [interjections] Well, you've got an international situation that you don't care to realize, and what you're saying is that because some Albertans happen to live in southern Alberta, they shouldn't have any concern about what goes on in northern Alberta. You know, it's rather sad. We've got these folk here that talk about: just because it's being dumped in the middle of the ocean and ending up on the coast, we shouldn't be concerned about it in Alberta. Well, Mr. Minister of the Environment, the very fact of the matter is that I happen to be con-

cerned about what's going on in the middle of the ocean because it has a great deal of effect on how we live here. And you can't see it? Well, that's your problem; that's not my problem. You're not concerned about the depletion of the ozone layer? Well, good for you. I hope you got a lot of sun screen. You know, I'm rather amazed, Mr. Speaker, that the Minister of the Environment says that's so far removed.

MR. KLEIN: From the NRCB.

MR. SIGURDSON: Well, the fact of the matter is that it's not all that far removed. We're talking about it. We're talking about who's going to get intervenor funding here and why they have a right to some of that funding. The Minister of the Environment doesn't like it. Well, I'm sorry he doesn't like it. Maybe it's because he wasn't able to push his Bill. It's not his Bill. Why should he like it?

As I said, Mr. Speaker, this is a Bill that moves in the correct direction, and my colleagues in our caucus are going to be supporting the Bill, at least at second reading stage. As I said earlier, when I opened my remarks, I started being concerned about the environment a number of years ago, back in the '60s. There was another important event that took place in the '60s. That was the first manned flight to the moon. If I can borrow a phrase and maybe just turn it a bit, when they got off the spacecraft, they talked about small steps. Now, this Bill is a small step for man, but it's really a seam splitter for the Tories.

MR. ACTING DEPUTY SPEAKER: The Member for Edmonton-Highlands.

MS BARRETT: Thank you, Mr. Speaker. I think the comments of my colleagues in the Official Opposition have really reflected well the deep thinking that's gone into analyzing this Bill. I take from this Bill and several others like it that have been introduced this sitting that the government has fallen into a bizarre mentality of wanting its cake and eating it too. But worse yet, it has bought into the fallacy that it can get away with it politically. Let me illustrate my point. I watched the 6 o'clock news this evening with my sister, with whom I live, and one of the stories was about the poisoned fish in the Wapiti and Athabasca rivers. Yeah, they're full of dioxins, and the federal government says they don't look too safe to eat. They're going to do even deeper studies and eventually might even do what the Premier of this province hasn't done currently with the Environment minister, and that is, let him in on the inside.

Anyway, the newscast included a clip from the Environment minister, who, after resisting the facts – and those are that the fish are polluted and not safe for human consumption, especially habitual human consumption day after day; and we're talking about the edible parts, never mind the fact that some people eat what some people like me call the inedible parts – said, in response to a question from the reporter, "Don't fish too close to the effluent." My sister said, "Come on, what kind of Environment minister is that?" She knows. She said, "Does he think the fish stay in one place?" I think this story tells volumes about what it is these guys are trying to get away with. They've got a Bill they're brazen enough to call the natural resources conservation board being sponsored by the Energy minister. Now, if nothing else, surely this should make you suspicious about the real motivation. But I've got it figured out. You see, these guys like the power grabs. They like cabinet control over everything. These guys say they're pro democracy. I'll tell you, catch them in their legislation and you'll find out just what sort

of democracy they want. They want it all to themselves, which is not democracy at all. One hates to imagine the infighting that goes on in that caucus, Mr. Speaker, if their legislation is any expression of how they deal with each other. I mean, this is power grab stuff.

This is like a kindergarten student handing in a university essay. I mean, you can't criticize too much because the kid's given it a shot. In fact, the kindergarten student would probably get a better grade because a kindergarten student probably wouldn't be so politically minded or motivated as to attempt to play the shell game these guys are playing. You see, what they do is come up with this great title, and they do declare that certain types of projects, especially ones on the minds of Albertans right now, like pulp mills, will be subject to review by the NRCB. They say that, and then they say, "But cabinet gets to decide the rest." Well, either you've got a review board or you don't. If you've only got a review board for pulp and paper mill projects, then maybe that's what this Bill should be called and nothing else. Because the fact of the matter is that this board hasn't got the right to determine what else it will review; cabinet will tell it.

Now, I say that's a symptom of a government that doesn't trust people. What a pity. You know, the longer I'm in this job, the more I trust the public. The longer these guys sit in government, obviously the less they trust the public. I know, Mr. Speaker, because I used to sit up in that gallery when I was a researcher, and I watched some of the work of the Lougheed administration. You know, it got worse by the day, not better. I'll tell you right now, if Lougheed had drafted this Bill, it would have a lot more impact. It wouldn't be the baby skeleton that it is, I can assure you. He wouldn't let this legislation on to the floor, because he'd know it would blow up in their faces. He'd say, "Look, if you want to play a shell game, if you want cabinet power, you're going to have to temper it through other means." In other words, he would give more rights to the people who want to make either an intervention or to cause an inquiry to take place or an environmental impact assessment to take place. I think he had a lot more trust in the people of Alberta than this government does.

In the long run these shell games don't pay off. These guys have tried it before. We keep defeating them, and we plan to keep on defeating them. And it's not because we intrinsically dislike these people. Probably most of them have some merit or other as human beings. The problem is that they sponsor very bad legislation. They think they can play tricks on the public. But you know, I was out at a public meeting this morning, Mr. Speaker, and the public knows better. You can't fool people. You can't tell them there is an NRCB and then say, "Well, maybe it will and maybe it won't have the power to investigate." The Official Opposition New Democrats have always said that the Human Rights Commission should have the power to initiate its own investigations. In other words, if it gets a couple of complaints from, say, one single source like a place of employment, maybe it figures out finally there are some real problems. They can't prove them on an individual basis, but it thinks it could do so on a collective basis. It could go and conduct an investigation. Now, that's the way to have commissions and advisory boards.

I work with advisory boards all the time, you know, and I don't tell them what to do. All I do is orchestrate the meetings. They come to me and say, "Hey, Barrett, you sponsor this; you do that," and we talk about it. If I really don't like their proposal, I say so. But I'm just one vote on the committee, and everybody recognizes that. That's the way democracy works. So,

Mr. Speaker, I think that's the way this committee should work. I think this committee should be allowed to initiate whatever it wants. Not only that; it should certainly have the powers to appoint specialist boards depending on the nature of the investigation or impact assessment.

These guys won't say they've got a monopoly on knowledge. They just keep putting it into their legislation, like with Bill 27: "Hey, the minister knows what's good for education." Right? Including programs of study that he doesn't even know how to pronounce. Well, it's the same principle here, Mr. Speaker.

Sure enough I'm going to support this Bill in second reading, but I'm really looking forward to the amendments I know the Official Opposition New Democrats are going to sponsor in committee reading. If these guys have any guts at all, if they want to demonstrate they're above playing a political shell game, they'll not only consider them seriously; they'll approve some of those amendments. Then, Mr. Speaker, we can get this Bill through committee and through third reading and let the public have what the public deserves, which is an environmental review board that has some teeth. That's what the people of Alberta and generations to come deserve.

Thank you, Mr. Speaker.

MR. ACTING DEPUTY SPEAKER: Member for Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Speaker. I appreciate the opportunity to take part in this debate on what, on the face of it, looks like a very good Bill. I must admit the concept of having a natural resources conservation board is certainly a good idea and sounds like it could be a real breakthrough for the province. However, when you really start to analyze it, there seem to be a lot of holes in the Bill.

I look at section 4 – and other members have talked about it already – and there are some things that are missing in that particular section, although there is a caveat there that says that anything the Lieutenant Governor in Council decides to review can be reviewed. But I think about some particular projects that perhaps should be reviewed and considered. I look at, for example, the twinning of Highway 1 right across the province. Now, I think certainly most of the members would agree that that's a good idea. But as we go through the national park in Banff, the environment there, the wildlife and so forth, is a fairly sensitive area, yet there's no indication in here at any rate, Mr. Speaker, that anything would be reviewed or possibly considered in the construction of a roadway through there. Similarly with the rail that is being doubled through there. There's no mention of any reviews that may or may not occur through the process of doubling or perhaps tripling a rail line through that area. Now, of course national parks do fall under federal jurisdiction, but the last time I checked, Banff and Jasper national parks were in Alberta. Clearly, I believe this government has some jurisdiction in that area as well and should be asserting its right – not simply an option but its right – to have input into what happens in the national parks.

I'm very pleased to see that tourism in general is referred to in here and that the board would have an opportunity to look at tourism-related projects as well. Because as we reflect back on the throne speeches we had last year, both volume one and volume two, there was quite a commitment by this government to quadruple the tourism industry, which is certainly an adventurous undertaking. Quite frankly, I hope we do achieve that, because tourism is a very solid, renewable, clean type of industry which can have tremendous benefits, but there are environmen-

tal concerns. I think back just recently, for example, to the proposals to expand Sunshine. On one hand the proponents came up with an environmental impact assessment that said, "Well, there are a few concerns, but the concerns are very minor and can be dealt with," whereas the environmental impact assessment that was performed by the Canadian Wildlife Service was very short, very to the point, and said, "No way; this has got more downsides than it does upsides."

When I look at the natural resources conservation board and look at the potential makeup of it as outlined in the Bill, I have some serious reservations about what I see in here. There is a section in here that says that if the members of the board decide they need some outside expertise, they can go out and hire the expertise they need. Well, on the face of it that sounds like a good idea, but when you really stop to reflect on what that's implying, what it's really saying is that we're creating another level of management with this board; we're creating management that would manage people who would do the environmental impact assessments. Because nothing in here that I can read suggests that the makeup of the board will be people who are skilled in doing environmental impact assessment projects.

I think, for example, of the most recent tourism project for which we've heard a proposal, the \$1 billion proposal for the Cormie ranch. Now, let's just walk through, if we can for a moment, what an environmental impact assessment might entail in that area. Let's suppose there's a lake in that area that needs to be studied because there's going to be water runoff from the golf courses: the fertilizer that is put on there, the herbicides, and so forth. Now, suppose for a moment we have a board – and it can conceivably be structured such, by what I see here – that really knows nothing about water studies. We don't have anyone on the board, for example, who has any skill in chemistry. In order to do any kind of analysis of the nature I've referred to, we'd have to have a chemist on the board so they could really understand what was being talked about. Suppose also, Mr. Speaker – and I have no idea whether this is the case, but I'm taking examples – there was an environmentally sensitive species of fish that might be affected and we have no biologist on the board. Well, they're going to have to hire a chemist, and then they're going to have to hire a biologist. Then we have to do water samples. We have to do an analysis on that, and then we have to tie into lab procedures somewhere. So what this board is going to be doing, as far as I can understand – and maybe it's a reflection of what's happening here – is hiring all the different experts it needs to do the job the board itself can't do.

So the question I really have to ask is: if we have a board doing all these things, why do we have to have a Minister of Education? Or conversely, if we have a Minister of Education and he's capable of doing his job, why do we have to have a natural resources conservation board. It seems to me what we're getting here is some duplication of effort. If there is a need for environmental impact assessments . . .

AN HON. MEMBER: Minister of the Environment.

MR. KLEIN: What's the Minister of Education got to do with it?

MR. BRUSEKER: Minister of the Environment. My mistake. I'm sorry. I was just thinking about our dear, beloved former mayor over there. Minister of the Environment. My apologies.

If the Minister of the Environment is supposed to be directing environmental impact assessments, then why do we have to have

a natural resources conservation board directing it if he is such a capable minister? And he tells us assuredly that he is. Conversely, if the natural resources conservation board is going to be doing the environmental impact assessments, why do we have to have a Minister of Education, because as I understand it, this board is being . . .

AN HON. MEMBER: You did it again.

MR. BRUSEKER: Minister of the Environment. Sorry. I've got education on the brain. I've been teaching for too long.

This Bill is being piloted through the House by the Minister of Energy. If they're going to be responding to the Minister of Energy, why don't we save the salary of the Minister of the Environment and his staff and do away with that department altogether? It seems to me that if we are trying to save money and the environment at the same time, what we have here is a duplication of service.

Finally, in reviewing it we get a long series of what the board may and may not do and who they may hire and who they may call and who they may appoint and so on and so forth, but then we get to the very last section, which talks about regulations and says the Lieutenant Governor in Council may do pretty well anything they want to and decide what it is the board is going to do anyhow, so they've got the power of veto. So here we may have a board that chooses a particular course of action and proceeds down what it considers the right path, perhaps for all the right reasons, yet because of the stipulations put in the Bill here, the cabinet essentially can veto everything the board is doing anyway. Again we come back to the situation where we have a board which is being appointed, which is being paid for apparently out of some budget in the budget documents, the estimates that will come forward next year for the Department of Energy, I presume, or perhaps Environment. I'm not sure; it simply says it'll be voted from the Legislative Assembly. We're going to see money allocated to this board, and they may end up doing work that is cast aside by cabinet anyway. So even though the natural resources conservation board is to be created by this Act, there's nothing in this Bill that says the government will abide by their recommendations, will even listen to their recommendations, will even allow them the freedom to act as they feel they need to.

With respect to budgets and what is going to be allocated for funding, it simply says in here that funds will be equivalent to the estimated net expenditures to be incurred. Well, Mr. Speaker, I'm sure we're all aware that things can crop up fairly quickly. In our budget documents we see a number of cases where special warrants come up and we see transfers of millions of dollars from one department to another department. I have to wonder with projects such as this: if a new proposal suddenly comes along, are we going to see a problem again with budgeting? We all know the track record of the Provincial Treasurer in trying to come up with a budget estimate that's even within a billion dollars of close, and here we're throwing another vagary, another variable, into the formula. So it seems to me that the whole process by which this board will be created, funded, and ultimately directed to do its job is very, very vague in this Bill. I think it's time for the Department of Energy and the Department of the Environment to perhaps get together and consider some amendments that are best tabled in the Committee of the Whole, which we're coming up to, I'm sure, quite shortly.

Thank you.

MR. ACTING DEPUTY SPEAKER: Minister of Energy, to close debate.

MR. ORMAN: Thank you, Mr. Speaker. Firstly, in closing debate, many of the comments had to do with scoping of the NRCB, and there were questions with regard to expansions in existing projects in the system. The Member for Calgary-Forest Lawn asked about meat packing projects. Urban sprawl was brought up as an issue. Mr. Speaker, these are all not specifically identified in the legislation, but hon. members will know, if they have looked at the legislation, that there is in the Act the ability and the responsibility of the Lieutenant Governor in Council to refer projects that have not been specifically defined in the legislation.

Mr. Speaker, the Member for Edmonton-Meadowlark brought up some points. I have to continue to be amazed at the recommendations that the Member for Edmonton-Meadowlark made. He has throughout this process made the point that one of the faults of the NRCB Act is that there is too much ministerial discretion. I had a chance to look at his Bill 272 on the Order Paper. This Act is endemic with ministerial discretion, and I know where he got it, Mr. Speaker. It's part of the environmental legislation of the province of Ontario. Sections 5, 8, 10, 12, 14, 18, 22: all of these sections in his legislation are subject to and exclusive to the responsibility of the Minister of the Environment. And he has the nerve to stand up in this Legislature and say there's too much ministerial discretion. There is no comparison, and so I find that surprising.

Mr. Speaker, one of the other points that was brought up, I think, that is firstly . . . I believe the Member for Edmonton-Jasper Place brought up the question of whether or not this funding would be confined to nonhealing costs. It is not anticipated that it would be restricted to strictly hearing costs. As I've indicated previously, the direct interest clause in this legislation is much broader than the local intervenor cost, and I believe the Member for Edmonton-Beverly was confused on that particular issue. You know, I'm quite surprised as to whether or not he's even read the legislation.

You know, Mr. Speaker, we have members in here – I won't bother with the Member for Westlock-Sturgeon; his inconsistency is well known in this Legislature. The Member for Stony Plain made a suggestion that somehow the Lieutenant Governor in Council would be dictating to a quasi-judicial board, and that just is not the case. I'd encourage him to look further at the legislation before he entered into committee study of this Bill.

The Member for Edmonton-Beverly was asking a question about landfill sites and whether or not they should be reviewed. Mr. Speaker, I challenge the hon. member to ask the mayor of Edmonton whether or not she intends to refer a landfill site to the natural resources conservation board. It would be very interesting to see whether or not a municipality would take the lead to make that recommendation. I can tell the hon. member that if the mayor would like to have an EIA effected on a landfill site and have it reviewed by the natural resources conservation board, I'm sure the Minister of the Environment would be more than pleased to consider it. So I'd suggest the Member for Edmonton-Beverly challenge the mayor on that particular point.

My closing comment, Mr. Speaker. The Member for Edmonton-Belmont talks here about urban sprawl and his concern about urban sprawl: no solutions, just judgments and double standards. I'm sure he sits at home and flushes his toilet or drives his car as a single occupant. I'd be interested to know if he makes exclusive his transportation to the public system in

this city. He creates waste and garbage. Why doesn't he lead by example and move out of the city if he's concerned about urban sprawl? Sit there and be judgmental about urban sprawl, and he's part of the problem. That is part of the offensiveness of being in this Legislature: you start to be hypocritical and pontificate. It's not good enough for me, Mr. Speaker, but it's good enough for all of the vast unwashed masses out there, that's the impression I get, listening to the Member for Edmonton-Belmont. Why doesn't he lead by example and just move out of the city? Maybe people in the rest of the province will follow it.

Now, he asked whether or not we would allow for intervenor funding for people in Brazil, Mr. Speaker. As the minister of culture pointed out, that's a little too far south. I don't think that when we talk about south of Edmonton for forestry projects, we're willing to consider Brazil. But I will give the undertaking to the member that if someone from Brazil or between Edmonton and Brazil is interested in making an intervention at the NRCB, they will be entertained. They just will not be guaranteed intervenor funding. That will be based on their ability to make the argument to the board members of the NRCB or to the panel hearing the particular review.

[Mr. Deputy Speaker in the Chair]

So in closing, Mr. Speaker, I wanted to make those points. I do encourage the members, particularly the NDP, to read the Bill before they waste the time of the Legislature in committee as they have in second reading. It is frightening to think they would spend 20 minutes or half an hour on this Bill in second reading not having read it, trying to impress somebody that they spoke on this important legislation. I think it's a waste of time, and I think we should get on with what's important, look at the important amendments, and then give due consideration.

The law centre was referred to, Mr. Speaker. I received their letter last Thursday, I phoned them up, and I have a meeting with them this week. I've indicated that we will give them full consideration in that discussion. I will be meeting with them, as a matter of fact, tomorrow. If there are reasoned amendments as a result of our discussion, we will consider them. I will certainly then be bringing them forward to my caucus for their consideration before they come to this House. I will give them that airing, but you know why? Because they've given some thought to this legislation. They've looked at it and made some recommendations. For that reason I'm willing to give them due consideration.

Mr. Speaker, having said that, I very much look forward to the debate in committee, and I encourage all members to support second reading of Bill 52.

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

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Belmont, rising on a point of order.

MR. SIGURDSON: Thank you, Mr. Speaker. I wasn't about to interrupt the Minister of Energy, but I will point out that there was in the minister's diatribe . . . I draw your attention to 489 *Beauchesne*. The use of the word "hypocritical" is unparliamentary. The use of the word "hypocrite" is parliamentary, however, the use of the word "hypocritical" is very plain. I would ask the minister to withdraw it.

MR. DEPUTY SPEAKER: First of all, is there anybody else wishing to participate in the point of order? If not, the Chair would say that the context always has to be considered, hon. member, and in this case, subject to the Blues, the Chair feels that the word was not used specifically towards any particular person. It was used in the generic sense.

SOME HON. MEMBERS: Question.

MR. DEPUTY SPEAKER: The question having been called, the hon. Minister of Energy has moved second reading of Bill 52, Natural Resources Conservation Board Act. All those in favour of this motion, please say aye.

SOME HON. MEMBERS: Aye.

MR. DEPUTY SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. DEPUTY SPEAKER: Carried.

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

[Eight minutes having elapsed, the House divided]

For the motion:

Ady	Horsman	Orman
Barrett	Johnston	Osterman
Black	Jonson	Pashak
Bradley	Klein	Paszkowski
Cardinal	Laing, B.	Rostad
Cherry	Lund	Severtson
Clegg	Main	Shrake
Day	McClellan	Sigurdson
Dinning	McEachern	Speaker, R.
Drobot	McInnis	Stewart
Ewasiuk	Mirosh	Tannas
Gesell	Moore	Trynchy
Gibeault	Musgrove	Woloshyn
Gogo	Nelson	

Against the motion:

Bruseker	Mitchell	Taylor
Chumir		

Totals: Ayes — 41 Noes — 4

[Motion carried; Bill 52 read a second time]

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.

[Adjourned debate June 14: Mrs. Mirosh]

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

MRS. MIROSH: Thank you, Mr. Speaker. I was really honoured to be able to rise to speak to Bill 37 with regards to AGT. I recall on Friday when we were listening to debate across the way, there was a considerable amount of rhetoric. I would just like to point out to those members across the way and certainly to my constituents that the privatization of AGT is certainly something that my constituents look forward to, and they feel that there is a lot to be gained for Albertans with regards to privatization of AGT. They're looking forward to seeing more detail on the shares and the distribution of the shares and have said to me numerous times, as a matter of fact, that government should stay out of business. With advanced technology and with all the involvement in the international market with regards to communication and the telephone system, I think we have to stay in the competitive field, and it is very difficult for government to be involved in that competitive field with the private sector. It's very difficult for the private sector to compete also when government is involved, and I think that became very clear with the free trade agreement. Many of the areas with the free trade agreement certainly have outlined the fact that if government is involved in any of these areas, in high technology and communication, they really don't want any part of business with Albertans, and certainly those in the private sector that are involved with government feel that government should stay out of it.

I feel very strongly, Mr. Speaker, that we should move along with this Bill very quickly so that we can get our constituents very much involved, as they would like to be. I've had many town hall meetings on this and certainly have spoken to many seniors' groups who felt initially, at the onset, a little disturbed. But after explaining the detail, they're very much on side with this movement that our government is taking with regards to AGT.

I, Mr. Speaker, would like to just move that we vote for this Bill to move ahead.

Thank you.

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

MR. PASHAK: Thank you, Mr. Speaker. In my opening remarks, I'd like to give the members of the House some idea of just why it is that we on this side not only oppose the privatization of AGT but why we've also introduced an amendment to the government's motion at second reading. Our amendment is really based on the principle that this House believes that a public utility should serve the public interest in a fair and equitable way and that the Bill should be postponed for at least six months.

The major reason for that, Mr. Speaker, at least from a philosophical perspective – and I guess that's what clearly sets us apart from members opposite – has to do with the fact that of course we're a social democratic party. Of course, our philosophic . . .

AN HON. MEMBER: Marxist socialist.

MR. PASHAK: Somebody said Marxist. I think that's an interesting observation, because when parties like Marxist parties and social democratic parties came into existence decades ago, there was a real feeling, based on ample evidence, that the way the system worked really put significant numbers of people into virtual bondage: working at low wages, totally subject to the arbitrariness of the people who owned what some writers have called the means of production.

MR. DAY: He's been reading *Das Kapital* again.

MR. PASHAK: I've read *Das Kapital*, that's true. But I've read many other writers, and *Kapital* often provided an inspiration for many writers who were trying to improve the social and working conditions of the vast majority of people in the industrializing countries of the world. There were two different strands, of course, of political development that took place. One was purely communist, which called for a small elite of people in a given society to take control of those means of production.

The other view that came along to try to improve the lot of working people generally and make a better society was essentially a social democratic view of the world. If you know anything about the history of political movements globally, especially in the industrialized countries, you'll understand that in fact it was the social democrats who were always the strongest and most severe opponents of communists in every single situation, wherever that occurred. It's an historical fact.

In any event, at one point in our own history our party was guided by a document that was signed in Regina in 1933 called the Regina Manifesto . . .

MR. DEPUTY SPEAKER: The amendment really doesn't envisage the history of the CCF or the New Democratic Party, I don't think.

MR. PASHAK: Mr. Speaker, I'm not really going to go through the whole history, but what I'm trying to do is . . . I'll quickly bring it to the present, because I think it's important that members of this House understand why it is that we're so strong in our opposition to the Bill and why we've introduced the amendment that we have.

I'm just about to indicate to the members that at one time even social democratic parties had called for the nationalization of much of our systems of transportation and our heavy industries and that sort of thing. But that's in the past, and social democratic parties today are not necessarily proponents of the public ownership of the industrial sector of the society. There is room for private ownership and for competition where, in fact, that works. So we're not rigid any longer, we're not doctrinaire, and we can't be accused of that.

However, Mr. Speaker, there is one area of economic life in which many social democrats believe that there is a significant role for public ownership. Generally that role is the role that is played by large utility companies in our society which are operated in a monopolistic way where there is no competition and therefore no justification whatsoever, from our point of view, in having those services privatized. We think, in fact, that it will work against, as our amendment calls for, the best interests of Albertans generally to privatize an organization like Alberta Government Telephones.

I'd try to give you some ideas of why we think it would not be in the public interest to privatize AGT. One would have to do, of course, with the very fact that once it goes into the private sector, it's still going to have to be regulated. If you know how

our other utilities, our electrical services and our gas supply, are regulated, you'll know that the companies that provide and distribute, say, natural gas to us come through, in Calgary's case, Canadian Western Natural Gas, and in Edmonton's case Northwestern Utilities; our electricity is provided to us by TransAlta. In any event, these are all monopolies. The way in which they set their rates that are charged to consumers is that they go before a board. They bring in all kinds of experts that are paid an awful lot of money to inflate the value of their assets to the highest amount possible, and on the basis of those deemed assets the company is given a guaranteed rate of return. They don't have to do a thing. They don't have to show any kind of efficiency. They get a 15 percent rate of return, or whatever it happens to be that's set in that given year by the PUB, as a result of a rate application. So that's a monopoly, and only a few shareholders in those companies really benefit, ultimately, from that monopoly.

In the case of Canadian Western Natural Gas, it's part of a larger organization, Canadian Utilities, that is taking the profits from the guaranteed rate of return to put Albertans at risk to a certain extent by getting involved in the energy business and then investing that money in the Arctic. Who knows exactly what it is that will happen if we privatize AGT? Who's going to benefit from it in the future? That's our concern. It's certainly not going to be Albertans, because there's ample evidence, as we've demonstrated on many occasions, that the ownership of that company will become concentrated in fewer and fewer hands.

In fact, we were looking at that BCRIC situation, and there's been a constant collapse in terms of the spread of ownership into, I think – what? – 20 individuals or 20 holding companies that now own all of BCRIC. I forget what the figure was that was given in an earlier debate. Anyway, Mr. Speaker, that is a major concern of ours.

A second concern has to do with the fact that we think the company could in the future very easily get out of Canadian control. I know that there's a limitation in the Bill that puts a cap on the amount of shares, the amount of the ownership that can be held by non-Canadians. But we've seen in the energy industry and in other situations where determined investors from outside the country can set up subsidiary Canadian companies, at least Canadian companies that are Canadian in name only, and have those companies acquire shares so that the actual foreign content really increases substantially beyond that which is permitted in any Act. We know that that practice goes on and that you can't really effectively control foreign ownership.

I'd just like to say, Mr. Speaker, that that is again another principle that separates us in the New Democrats from the Liberal Party and from the members across the hall.

MR. TAYLOR: Oh, don't give me that. You were standing up with them just five minutes ago.

MR. PASHAK: Well, in some reasonable measures we're prepared to identify and agree with . . .

MR. TAYLOR: They're like two cats who just pretend they're fighting; they're making love.

MR. PASHAK: That's an important point the Member for Westlock-Sturgeon is trying to insert into the record, because as Tommy Douglas said once: Tweedledum and Tweedledee; the Liberals talk great when they're out of office, but . . .

AN HON. MEMBER: That's 'tweedledumb' and 'tweedledumber.'

MR. PASHAK: Well, that's even better.

. . . once they get into office, they begin to behave like Conservatives.

AN HON. MEMBER: It doesn't take long.

MR. PASHAK: It doesn't take long.

Well, getting back to some of those philosophical considerations, Mr. Speaker, I would just say that both of these political parties ultimately represent vested interests: the interests of the wealthy and powerful who provide them with the moneys they spend in campaigns. I mean, I reviewed campaign expenditures, and it's pretty . . .

MR. DEPUTY SPEAKER: Order please. The hon. member has been led off the track again. Now he's getting into campaign financing.

MR. PASHAK: Well, we're still trying to expose the philosophical differences that set social democrats like New Democrats apart from members opposite, Progressive Conservatives and their colleagues in the Liberal Party, who indicated already that they support this legislation. So on these really critical issues of public control over services like utilities that are absolutely essential to us, we are different from the Progressive Conservatives, we are different from the Liberal Party: we're very much opposed to the privatization of Alberta Government Telephones. We think . . .

MRS. BLACK: That's why Tommy Douglas took his appointment, eh?

MR. PASHAK: I keep getting interrupted by friendly questions, and I don't mind answering them.

As I've tried to indicate, it's not a blanket condemnation of private ownership that we're dealing with, Mr. Speaker. There is certainly a strong case that can be made for private ownership in those areas where there's truly competition, where competition exists, and in those areas where a vital service is not being provided. But in this case, Mr. Speaker, we're talking about telephone service that in this day and age is now considered to be a vital service. You can't even order groceries now in some ways unless you've got a telephone line. Much of your personal business – your banking business, what you buy, what you consume – is all conducted by telephone. So I think that most Albertans would agree that having access to reasonable telephone service is an essential service. Given that it's an essential service and that it's a monopoly, then it's absolutely essential that the public, through its elected representatives, owns and controls that service.

So I've indicated some concerns about the possibility of foreign ownership, the impact on rates, and I think that with those comments, Mr. Speaker, I will let someone else carry on the debate.

MR. DEPUTY SPEAKER: The hon. Member for Stony Plain.

MR. WOLOSHYN: Thank you, Mr. Speaker. I would also like to address the amendment, and I would like to focus specifically on the portion that says: "serving the interests of the public in a fair, equitable, and affordable fashion." If we look at what

appears to be a philosophical problem, I tried to sort out the Tories' philosophies, and they have a problem. We look at the economy and we look at the red meat business, and they did a good job of messing that up. We look at their involvements, and for a private enterprise outfit they've got \$2 billion in loans and loan guarantees that are put in there basically to skew the economy.

AN HON. MEMBER: They skewed it right up.

MR. WOLOSHTYN: They skewed it right up.

Now we are hearing that the privatization of AGT is essential. And I wonder why, because to this point they haven't given me any kind of good reason. I look at what is currently – just a quick list – in the public sector: utilities, as they should be. Utilities in the major centres are run by the public sector, and run very, very well. We look at the transportation department, Alberta Transportation and Utilities: private, public? Of course it's public because they're the most reliable when you need to have something done in terms of road maintenance and whatnot. It has been proven quite well that the so-called move to privatization in ditch maintenance has been a colossal disaster, and the minister of transportation will be only too wise to go back to what is gradually happening, and that's having the department do what they can do best.

The area of health. That's not private, although this government is making some kinds of moves to go there, and they would quickly ruin the system as it is south of the border. I would say for the most part, if they followed our advice, they could improve the health care system for the same dollars. Look at education: the same thing comes out.

But we keep coming back to AGT: we must sell it. They go a little further. What have we got in there? Petro-Canada; oh, that terrible, terrible Petro-Canada. I'd say it's a good window on the energy business, and I would hope to see that remain at least where someone can have a look and see what's happening in the energy business.

Edmonton Power, Edmonton Telephones: excellent operations. We look at some other ones that have been coming along here. There was an outfit that used to be called Pacific Western Airlines. It was one heck of a fine airline, and somebody decided to sell it and wreck it. Now they've got a funny symbol on the back, and it doesn't function quite that well. I think they call it Canadian. Another airline that was just getting going good and on a broader scale they used to call Air Canada. Now I don't know what it's called, but it's also going downhill. So we see that for some strange reason when operations are going well, governments have a tendency to get in and wreck them.

Staying with the amendment, I would really question the specific reason in fact it could help in any way, shape, or form the operations of AGT and at the same time benefit Albertans. There is a speech the minister made on Wednesday, March 28, to the Edmonton Chamber of Commerce. The opening statements refer to competition and by some way imply that unless AGT is privatized, it can't compete. I find that extremely difficult to comprehend because as far as I can see, AGT has been doing a fine job of competing up until this point. I'd also stress that AGT is one of the best telecommunications companies in the world. So all of a sudden the rationale that we have to privatize to make it competitive seems to lack credibility, or else all the statements the government has been making about AGT up until this point lack credibility. I guess you can take your choice.

I see that assurances are given throughout this speech about the individual line service and so on, and that's fine; that's good. The program will be completed. Well, what happens to the new subscribers after the completion of the program? What happens to the new subscribers after AGT is privatized? Now, he alludes to various things in his speech, and I have questions. For example, again it keeps coming back to the global telecommunications marketplace, so on and so forth, and I sort of wonder what has been happening at Alberta Government Telephones up until this point. We have within that structure not one company but in fact four or five or more, four of them called Alta Telecom and then a numbered company. I would suggest that some of these companies have been doing good business in the U.S. and perhaps other places – in fact, they have been other places – and they are already on an international scale. So the argument that they have to privatize in order to spread their horizons is quite, quite shallow. Assurances have been given along the way that everything is going to remain the same, and then as you push and shove, you get interesting little comments coming out.

With the loss of large amounts of long distance revenue, AGT subscribers could pay more for local service in the future, while at the same time paying less for long distance.

It says:

For many subscribers total bills could go down.

I wonder how many private individuals have long-distance bills so great that that going down would have a real effect on them.

They've indicated in the talk, too, that AGT's rates have been going down since '84, a drop of 23 percent. Local rates haven't gone up. At the same time, except for a couple of intervening years AGT was in the black, which would indicate that their rates should have stayed down. It goes on to say something along the lines that rate balancing will affect both Ed Tel and AGT – it's probably true – no matter what the rate structure or no matter what the structure they have. Except I would submit that if they remain as Alberta Government Telephones as opposed to a privatized firm whose only call is to increase the profit factor, these rate adjustments might be a lot more palatable than they can in fact end up being.

The minister goes on to indicate how a call from Edmonton to Toronto is 82 cents while the return call is only 57 cents, and all of a sudden that's a major disability to the business community. I quite frankly don't buy it. There's a lot of ways around that factor, and that's just another smoke screen.

MR. MAIN: What are some of those ways?

MR. WOLOSHTYN: Would you come again there? Don't mumble.

MR. DAY: You're losing it, Stan. You're losing it.

MR. WOLOSHTYN: Oh, no, no. I'm not losing it. I'm just getting started.

Now, as the minister kept on, he indicated in his talk that they are currently talking a close look at the role, structure and mandate of Alberta Government Telephones. AGT has fulfilled its . . . public . . . mandate to provide equal, affordable services to Albertans.

I would strongly concur with that statement, I would endorse that statement, and I would add: why kill it? Why ruin something that is good? Why ruin something that has been functioning extremely well in the public interest?

[Mr. Speaker in the Chair]

The other smoke screen that is thrown up: he says that great things will happen, that the sky will fall in because AGT happens to be falling under federal regulatory jurisdictions and there is going to be long-distance telecommunications competition coming in. That, I think, is all the more reason we should maintain control over that corporation. If you look at the marketplace that Albertans have, we have roughly a little over two and a half million people here. Compared to some of the metropolitan centres of this country it's rather quite small, and to have competition come in, I can see that everybody is going to pay the price. I would like to have seen AGT stay in, hang in there, and keep providing a realistic service to the Alberta telephone subscribers at a realistic cost, Mr. Speaker.

Even more than that, we . . . ask what role AGT can play in gaining a significant share of the global telecom market for Alberta and Albertans.

I would question very sincerely how privatizing, taking the ownership of Alberta Government Telephones out of the province and in some cases, up to 10 percent, out of the country, can in any way improve their competitive edge. If the management team of AGT isn't good enough, then improve it. If government meddling in the process is too great, then back off and let it function as a wholly owned Crown corporation that has an accountable management system.

But to just pull an argument out of the air and say that all of a sudden we have to privatize because we've got this notion that perhaps we will be more competitive, less competitive, whatever, I think is just drawing at straws. Because AGT is a good corporation. AGT is efficient. If it's not up to par in the minister's or the cabinet's eyes, then perhaps they should improve the company, not throw it away.

Mr. Speaker, there was also a fact sheet that was circulated, and it had some interesting things in it. The fact sheet I find rather unfactual, shall we say.

What does the change in ownership mean for AGT?

As an investor-owned corporation, the company can respond quickly to take advantage of new challenges and opportunities.

Does that answer in there mean to say that AGT is such a dinosaur now that it can't respond to changes, that it can't keep up with the leading edge of technology, that it hasn't been doing that up to this point? I would respectfully submit that that is not the case. AGT is keeping up. So this fact sheet seems to get strange.

It goes on.

What opportunities will this change offer for me?

Employees now have an opportunity to become shareholders with a direct stake in the future of the company.

I would strongly submit to whoever wrote that that the employee of any company has a direct stake in the future of that company, because if it doesn't become viable, if it doesn't continue in a viable way, whether it is a private- or a public-sector company, then that employee certainly will not reap the benefits of a good company. So that one is a little bit shallow too.

It goes on to say:

The change in ownership allows the company to be more flexible in responding to new business opportunities.

I've already alluded to this.

This translates into new career development opportunities for our people.

Do you mean to tell me they haven't got that now? With the size of AGT right across the whole province, with offices outside of the province, they don't have the opportunity to move? I find that very, very difficult to accept.

It says how they can purchase their shares.

An interesting one here.

Will the executive and senior management receive special consideration?

I find that one interesting.

It is expected that share options will become part of the executive compensation plan. In keeping with other private sector corporations, senior management will have a portion of their compensation tied to the performance of the company.

That decision of giveaway at taxpayers' expense seems to already have been made when the company has not been sold yet – and hopefully will not get sold – when not a single share has been issued, and where the government's appointments to the board are supposedly a maximum of four out of a minimum of 12 positions. But I guess we've had that particular position already cleared.

Here's another interesting one.

Are there plans to move head office to Calgary?

Oh, no.

Our head office will remain in Edmonton which is the geographic centre of our Alberta market.

I applauded that until I looked at what makes up all of AGT. I would ask the question: where are the head offices of Alta Telecom? Are they in Edmonton, or are they somewhere else? If we maintain the head office, are we going to maintain the structure around it, or are we just going to have a head office in name up in the geographic centre of this province and have the economic activity move elsewhere? People could argue – for example, in our sister city in the south – that they should have more of AGT down there because of their having the most subscribers to the company. If you look at the trend, everything being trendy down south, I would like to see just how much of that head office is really and truly going to remain in the geographic centre. We'll have a sign on the door and a couple of secretaries answering the phone in a few years, and that will likely be the end of the head office as we know it now. Perhaps I could be wrong, but I somehow doubt it.

The name change, that's good: AGT. We could have figured this out a long time ago watching the TV commercials. They had AGT stuck on there but not a mention of Alberta Government Telephones. Although the company hasn't been sold yet, I think they refer to it as some sort of global telecommunications.

Will the company be restructured?

Yes, to readily adapt to competition and federal regulation, the new structure will include a management holding company, a telephone company, and subsidiaries.

What have we got now? We've got a telephone company. We've got subsidiaries and, I would hope, some sort of management. But the holding company seems to be the provincial government, and if this holding company is interfering, then perhaps the need is not to sell AGT but to tune up the holding company – namely the provincial government – so they let AGT work on its own.

Now, I can't see any possible advantage to AGT or to Albertans with this privatization. I quite frankly don't know why the government is insisting on going this route.

The propaganda that's being issued to Albertans goes on to say:

The decision to privatize AGT is a milestone in our history. We encourage you to discuss the issue.

I would hope that people would discuss the issue because if enough Albertans had a good look at what is really happening with this particular effort, then there would be a cry against this particular Bill; there would be a cry against this particular movement. I quite frankly don't understand why the govern-

ment doesn't have a good long look at what they are doing and, in fact, turn around, stop this nonsense, have a look. If they have to reorganize, restructure, whatever, do it, but do it in such a way that the Albertans who subscribe to AGT continue to benefit so that the profits that are going to be made with the intrusions into the global telecommunications market – and these intrusions can happen with public ownership – will in fact go back and benefit Albertans as a whole. The best way, although I don't know if they managed it well, to benefit Albertans is to have the profits from the company come back into circulation via the provincial government. That way each and every Albertan would benefit.

In conclusion, Mr. Speaker, I must strongly endorse the reasoned amendment in that it is certainly keeping the best interests of Albertans at heart, and I would strongly recommend that all Members of the Legislative Assembly support it also.

Thank you.

MR. SPEAKER Edmonton-Beverly

MR. EWASIUK Thank you, Mr. Speaker. I, too, want to get on record in speaking to this amendment. Of course, I support the amendment. I think the intent and the suggestion here are well thought out and really should be advanced.

But I want to talk briefly about Alberta Government Telephones and the stewardship that it's been given. Mr. Speaker, we're not talking about a company as such, we're talking about a heritage, a heritage that's been part of this province since 1906. Our forefathers had the foresight to establish and to gain control of a company in 1906 that has served our predecessors and ourselves, and we certainly hope that our families in the future would also benefit from a corporation that is really ours. So I think the decision of the government to privatize or sell the corporation is one that has to be fought, has to be debated, and has to be defeated.

A number of the members have spoken to the Assembly and suggested that their contact with their constituents would suggest that there was support for this proposal. Mr. Speaker, I also took the liberty of polling my constituents in an effort to make up my mind, hoping that I was speaking on their behalf when I spoke in the Legislature, and I just want to take a few moments and give you some indication of the kind of nonsupport that I got from the constituents in Edmonton-Beverly. The composition of the survey was well over 100 persons, and they were composed of a variety of people as well, including seniors. There's a major, major concern not only with the sale of Alberta Government Telephones but also with the method that is being employed at this time by this government in bringing this Bill before the Legislature at this time of the session and during a period in Canada when other matters of significant importance are before the people, and that is the Meech Lake accord. Certainly the media attention was directed at the accord, and the reference and the discussions that were taking place in this Assembly were not being made available to the citizens of the province. I think, therefore, it is important that we address this topic with our constituents, as this amendment states,

because this House believes in the principle of a public utility being operated with the primary mandate of serving the interests of the public in a fair, equitable, and affordable fashion.

So, Mr. Speaker, with that in mind we, as I say, solicited over a hundred constituents, and quite frankly many people – a majority of these people, with two exceptions – are opposed to the Bill. But also more importantly they feel, again, as in

much of the legislation this government has brought forward, the lack of consultation and discussion with the citizens.

The government, in the election a little over a year ago, made no reference to their intent. I think this is a broken promise with the people. In fact, I think it to some degree spells deceit on what the intentions of the government might have been. So, Mr. Speaker, I think this Bill is really ill conceived. It is not what the people of the province want, it is not what I think our forefathers had in mind when this corporation was put together. The corporation, as I say, has served the people in this province very well for a long, long time.

This sale has nothing to do with improvement in the service to Albertans, Mr. Speaker. What will privatization mean to Albertans? It means that as in the United States and in Great Britain, where in fact they have done exactly what is being proposed here, there has been a decrease in services and an increase in rates.

The minister talks about competition making AGT a better company. Well, Mr. Speaker, I think the only competition that's going to take place is competition for the long-distance rates and the profits that are associated with that. There's no doubt that the larger, powerful corporations, in eastern Canada particularly – and Unitel is one that has been mentioned – are already lobbying to come in and piggyback on the existing systems that we have in place, that we have in fact spent money, time, and effort to develop. They now will simply be handed over to someone like Mr. Rogers, who we understand is a good member of the Progressive Conservative Party and has made contributions to a variety of Tory MPs over the period of time, so obviously there's a connection there that is going to serve not necessarily the people of the province of Alberta but, again, friends of the government.

Of course, with the privatization of AGT the corporation will have to pay federal income tax. Again, something different which has been alluded to and which will obviously mean additional costs to the users in the province of Alberta. That's over and above the intent of the federal government to impose the GST, in addition, of course, to the federal income tax.

There's no doubt in our minds that the installation charges are at this time a minimal amount, an amount that is done in a proper manner, where there's a lesser population, the costs are spread out among other people. There are experiences in this country – for example, in British Columbia and Ontario – where people are paying several thousands of dollars per mile for installations to have telephone connections. Of course, we in the province of Alberta have been very fortunate, served very well by AGT, and the cost to customers in this province is roughly \$35. You can bet that when AGT is privatized, the rural service and the cost of service is going to be one of the first casualties.

So you ask the question who are going to be the winners, and who are going to be the losers in the takeover and this sale, the privatization, of AGT? Well, certainly the losers are going to be the residents, farm families, small businesses, and people who rely on a telephone a great deal. Rural communities are going to be the losers, including most Albertans. Who are going to be the winners? As I've already mentioned, it's obviously going to be the friends of the government, both at the federal and provincial levels. It's unfortunate, Mr. Speaker, because when it comes to providing services, making money available for such things as proper Medicare, child care, protection of our environment, there seems to be no funding. Yet the same government can give millions of dollars away to Albertans in interest-free loans to buy shares in a company that we as Albertans already own. Instead of using its profits to provide

better service in the future, AGT will now provide an income, first and foremost, to its shareholders, who will demand, of course, to get these dividends on a regular basis.

Mr. Speaker, we really can't trust this government to represent the people and to serve their best interests. Why can't we? We can't trust this government to protect communities because they're going to experience the action of this government through higher rates for using and higher rates of installation. The workers: while the minister speaks about the protection of AGT workers, there's a great air of concern for employees of this corporation with the advent of the privatization. Real quality telephone service is something of the past. Obviously, from now on it's downhill.

Mr. Speaker, we already own it. It's our corporation. It's our company. It's a good company, and it provides good service to Albertans. The old cliché: if it's not broken, why fix it? There's no doubt in my mind that what's happening now is simply a foot in the door. The intent of the government is much more than simply to privatize this corporation, because we know what they've done historically in this province. You privatize it, issue a few shares to Albertans, but sooner down the road, as they've done in British Columbia and other provinces, the sale ends up in foreign control, a foreign sale.

So, Mr. Speaker, while I support the motion, I do think that perhaps it doesn't go as far as I'd like it to go, and I'd like to submit a subamendment. This amendment will add the following words after "20 individuals or corporations":

, and because this House believes that any foreign ownership or partial ownership of a public utility in Alberta is wholly inappropriate.

I would like it to be considered.

MR. SPEAKER: Order please. Order. [interjection] Order. The Chair has notice of a subamendment. The subamendment is in order, but the Chair would also point out that it severely limits where the debate will be in terms of discussion with regard to the subamendment.

Edmonton-Beverly.

MR. EWASIUK: Thank you, Mr. Speaker. As I stated, Albertans already own AGT. We have benefited from good service at reasonable rates for a long, long time. So why are we divesting ourselves of this heritage of Albertans for Albertans? Now the government is suggesting that to continue to survive and to be successful AGT must be sold, be privatized in order to compete in a world market.

Well, I believe that the privatization of AGT will be a disaster for Albertans. We as Albertans will lose the necessary control to a few rich and powerful individuals and corporations, and while Bill 37 limits the size of holdings of foreign owners, we know, as I said earlier, the history of this government. They can quite easily remove any restrictions on foreign ownership. There are examples where they've done that with the Alberta Energy Company and others. So this is just another example, Mr. Speaker, of saying one thing and doing another.

I think of the progressive government to the west, in British Columbia, where the British Columbia Resources Investment Corporation, known as Westar Group at the present time, was privatized in 1978 with similar commitments as this Bill has at the present time. The shares were made available to the citizens of British Columbia. However, it wasn't long before the legislation was changed; in fact, in 1988 that legislation was changed to remove all restrictions. So it was made available very quickly to other big corporations and to foreign interests.

I believe the potential for this particular action by the government is here, that the history speaks for itself. So I make this amendment to ensure that we do not allow this fine company that was started for Albertans, that has served this province for such a long time, to become part and parcel of foreign ownership, foreign control, and that we really don't have anything left as a heritage which was started for us as a heritage.

MR. SPEAKER: To the subamendment.

Edmonton-Highlands.

MS BARRETT: Mr. Speaker, I do speak in favour of this subamendment. I think it's right on the money when it comes to the most objectionable part of the government's intention with respect to this Bill. I found an article on June 4, 1990, from the *Financial Post* that might be interesting to refer to. At the end of the article entitled, "Unitel spots opportunity in AGT sale," it says:

One Western phone official said: "They're trying to block Bell, but Bell will get it in the end."

BCE spokesman David Orr repeated the company's position that it was interested in acquiring AGT, but that more information on ownership restrictions would be needed.

If that doesn't tell you what the plans are for Ma Bell, the American parent corporation, with respect to AGT, then nothing does.

I'd like to remind you that this is the government that created the Alberta Energy Company as a publicly owned company for the good of Albertans and said, "Oh, don't worry about foreign investment," and then last year opened the doors almost completely wide to foreign investment in Alberta Energy. I think we've hung around this place long enough to know, Mr. Speaker, that we can't trust Conservatives not to change this legislation at the earliest possible opportunity, because these are the guys, like their federal counterparts, who don't care how much of our country is owned by foreigners, least of all Americans. If there's any doubt about that, look at who it was who pushed through the free trade agreement nationally. They knew what they were doing was opening the doors to more foreign ownership of Canada, and they didn't care. I don't think these guys care either. Otherwise, there would be no provision at all in this Bill for foreign ownership. They say: "Ah, don't panic. Don't worry about it. Maximum 10 percent." Yeah, maximum 10 percent this year. What is it, maximum 30 percent next year, maximum 100 percent the year after? These guys don't care. You know what they're up to. They're looking for a fast buck, and they don't care where they get it from.

Now, I say, why on earth would you have to open this company up to foreign ownership if you believe the words uttered by the Premier on the day this Bill was introduced? Mr. Speaker, he glorified the whole issue. He said people are going to come running to buy this company. They want to do it. They want to buy what they already own. They're going to come back, and they're going to buy it again, by cracky. They're so excited to do this that we're going to give them interest-free loans for them to do it, and we have so much faith that Albertans are going to buy up what they already own that we're even going to open the doors to 10 percent foreign ownership. Now, go figure, Mr. Speaker. I mean, you can't have it both ways. This government always wants it both ways.

Well, let me tell you a few things about foreign ownership in Canada, Mr. Speaker, and what's gone on in terms of our relationship with the United States, because I can tell you, Ma Bell wants this company. I think that guy that was quoted in the

Financial Post is absolutely accurate. In fact, I have a feeling he probably works for this government and couldn't let his name go on the record or he'd be up the creek. So he had to remain unidentified. I think this guy knows exactly what he's talking about when he says Ma Bell wants it, and he's talking about the American Ma Bell, Mr. Speaker.

Well, let's have a look at what's happened with our trading relations with the United States, the greatest competitor and home of the largest privately owned telecommunications company – I mean, not publicly owned telecommunications company – in the world. Well, our trade balance with the U.S. is headed down after quite a few years of going upwards. It started to go down almost the minute the federal Conservatives came to power. Our merchandise trade surplus with all countries, Mr. Speaker, has declined significantly; in fact it's down to \$4.7 billion as of 1989. Now, what's more important is the relationship between Canada and the United States in that ratio, and Canada's current account balance with the U.S. is minus \$3.5 billion approximately. Well, that's a heck of a good situation to be in the first place, and now we want to make it worse by letting them buy up part of our company and take the money out? Well, that's what they're going to do. I mean, there's just no question.

You have a look at the foreign investment income payments. I mean, every year we hand out billions of dollars a year in profits to companies that originate in other countries, and right now – well in fact this is two years old – \$29.3 billion is the last information I have. That's a lot of money, and we're prepared to hand out the profits of this company, Alberta Government Telephones, the people's telephone company, to our counterparts south of the border? Why on earth would this government who's always arguing for balancing the budget want to do that? That's not going to help balance the budget; it's going to make it worse. Our net indebtedness to nonresidents is at an all-time high: \$225 billion by the end of 1988. That's an all-time high, and we want to make it worse? Well, I shouldn't say "we." I do that accidentally because I make the mistake of – well, I guess it's not a mistake; I'm referring to "we" as MLAs, but I really should be referring to "they," because they, the Conservatives, are the people who are sponsoring this Bill. They are the people who don't care if Canadians or Albertans own our company. They are the people who don't care that our annual net international investment income deficit is also at an all-time low of \$18.5 billion. It's going to get worse – worse not better – if they proceed with this Bill, which I hope they don't do.

You know, I remember when we were fighting the free trade agreement proposal. I was stunned to find that Canada's ratio of foreign ownership of business was the highest in the industrialized world. No country even came close. Now, ours stood at almost 40 percent, Mr. Speaker. The country that came closest out of the entire industrialized world was Switzerland, and theirs was at about 10 percent of ours, around 4 percent foreign ownership. Believe me, as the Provincial Treasurer can tell you, that country's got a high degree of foreign ownership because of the commodities in which it does trade, not least of which relate to international exchange mechanisms such as gold, diamonds, and currency. So little wonder that they have such a high ratio, but can you explain Canada's high ratio? I can. It has a lot to do with government policy. It has to do with government policy that says it doesn't matter who owns what in Canada and who takes the profits out. Well, what they should keep in mind is that the industrial decline of the United Kingdom can be directly related to the fact that they were losing

the profits from their own investments. They've got all these foreign investments, money originally from Britain spent in the developing world, extracting quick, cheap labour, but the money wasn't even coming back home. If they think what's happened there is bad, it ain't nothin' compared to what's going to happen here.

I'll tell you, if there were a company you wanted to cash in on as a foreigner, man, you know, you couldn't find one that would be more attractive than AGT. AGT, I remind you, wholly owns NovAtel, which has quite a comfortable monopoly on the cellular market, Mr. Speaker, throughout all of Canada. The last, I understand, is that they're the exclusive producers of the cellular systems and of the telephones. Now, I'll tell you what monopolists know, and believe me, telephone companies are into monopolies. They say that they're into competition, but that's until they eat each other up. That's the nature of their competition. It's called integration, and that's what they do. They eat up their competitors until they've re-established a monopoly. Only in this instance it's not a monopoly in the public sector operated for the public good as a primary goal; it's in the private sector operated for the bottom line, that is, the profit margin, as the primary goal.

These guys couldn't ask for a better deal than to have the doors open for 10 percent of AGT considering that AGT fully owns NovAtel, which already has a very comfortable monopoly position on the production of cellular technology. What a deal. You know, here's the deal: the Alberta public pays for all the technology, all the research and development, and Ma Bell comes sniffing around saying, "Hey, we want a piece of that action," and they get their 10 percent. Well, actually they can only get 5 percent right now, and maybe one of their parallel companies or one of their children companies under another name can get another 5 percent. But that gives them 10 percent right now effectively, and you know, they'll lobby these guys. They'll make handsome contributions to the Tory election fund, and they'll get their way as long as these guys stay government for the next few years. I can assure you they won't stay government for beyond that, Mr. Speaker, but by then it's too late. By then Ma Bell is probably going to own 50, 75 percent of this company.

I know these guys are going to stand here and be sanctimonious and say, "That's not true." But you know what? I remember them saying it's not true when it came to AEC, and I'll tell you, they had a different plan in the long run. Their big plan was to open the doors wider, because they don't care where the profits go. All they know is that they need a quick fix to supply some cash to the one minister who brought us from no deficit up to now an 11 and a half billion dollar deficit in a record four-and-a-half-year period. A remarkable feat: I can assure you not one that I would want to boast about, and I'm sure the Provincial Treasurer doesn't either.

MR. SPEAKER: The deficit is not involved in this subamendment.

MS BARRETT: Oh yes, it is, Mr. Speaker, because I think that the reason . . .

MR. SPEAKER: Thank you, hon. member.

MS BARRETT: May I draw the argument, Mr. Speaker? I think it's a very good one. You see, if this Provincial Treasurer . . .

MR. SPEAKER: Thank you, hon. member. Speak to the subamendment without hassling through the Chair.

MS BARRETT: No, no. Mr. Speaker, the subamendment has everything to do with this argument. You see, that's why I believe they want to open this up to foreign investment. They're not convinced that Albertans are going to go out and buy what we already own, so they open the doors to make sure they get some of the quick fix that they think is necessary to cover up for the Provincial Treasurer's sloppy bookkeeping or bad election campaign promises. That's what they're really up to. But I think, ideologically, they're also completely in cohort with their American counterparts, who believe that if there's a nickel to be made, it had better not be made by the public sector in the interests of the public good. So they go along with this American fiction of so-called competition in the telecommunications industry. They pretend it is going to stay competitive, Mr. Speaker, when it is very clear that it is a natural monopoly and what happens where it is given over to the private sector is one eats up the other until all the competition is gone, and then they've got a very handsome monopoly; not only that but a monopoly that's enjoyed by foreign owners who then extract the profits.

See, Mr. Speaker, foreign owners don't reinvest the profits here in Alberta or in Canada. They're not used to doing that, and if you don't believe me, just have a look. I mean, total dividends sent out of Canada for 1978 to 1987 inclusive – this is just dividends – is \$37.6 billion. There's a lot more than that. When you consider their subsidiary-to-parent service payments and so forth, it comes to \$73 billion. That's in a nine-year period, and I want to remind you that this figure is going to accelerate, has already begun to accelerate, as a result of the free trade agreement.

There's no reason to believe that anything is going to be different with partial foreign ownership of AGT, Mr. Speaker. In fact, one can predict that this will do nothing but promote the acceleration of that trend. Now, I mean, what an insanity. You've got a profit-making company owned by 2.4 million Albertans approximately. You say you want to sell it back to the people, but you know that only some of the people can afford to buy it. You're so scared that even they won't be able to afford to buy it that you sponsor an interest-free loan program so that those who can afford to borrow in the first instance go out and borrow the money, and then you say, "Well, that's not good enough; we've got to open it up to foreign owners." Now, no one has ever explained why it is that if the Premier's statement was accurate about Albertans running gleefully towards whatever sort of institution it is that's going to be selling these, why it is that you have to have foreigners entitled to own. I think it's got to be ideological. Either that or it means that the Provincial Treasurer and the Premier, who uttered those words, are really nervous about their whole concept. They're really worried, and they've decided they'd better make this available to foreigners.

If foreigners are the first ones to take up the maximum 5 percent of the first issue, if two foreign companies are the first past the post in this endeavour: well, heck of a deal. Then they can come back next year, and they can say: "You know, we were going to issue that second issue share, the next half-billion dollars, but we realized something. It was foreign investors, foreign owners, who came up first and said, 'Let's pig out here. We're going to capture a little monopoly.'" Now, because Albertans won't buy their own or because they're not the first up to buy their own company, the one they already own, you

know, we're just going to have to open the doors more to wider foreign ownership." So in stage two, Mr. Speaker, they could say, "No holds barred; we'll make it 100 percent open to foreign ownership."

Well, let me tell you something about foreign ownership, Mr. Speaker. These are not the people who are creating jobs. These are not the people who are investing in R and D, the technological edge that has made AGT the success it's been over the years. No siree. These are the guys who take over extant Canadian businesses and inevitably in the most profitable sectors. They ain't interested in the little league stuff. No, no. They want the big monopoly sector stuff like telecommunications. Ninety-six percent of the so-called foreign investment – remember; that is a euphemism just like the title of this Bill – between June 30, 1985 and June 30, 1989, was in the form of business takeovers. Only 4 percent was in new investment. Now, a heck of a deal, eh? These guys aren't interested in creating jobs. They're not interested in research and development. They're interested in pigging out on a quick access to profit, a profit that AGT should be claiming for itself, as it has done in the past, Mr. Speaker, so it can reinvest in the R and D that has led it to the technological edges that AGT currently boasts, including NovAtel.

Now, if you have any doubt about where these guys are investing, when you take a look at the accumulative flow of foreign direct investment into Canada, you'll see that the ebbs and tides are not that great. But when you look at the book value of the investment, man oh man, these guys knew exactly what they were doing. This outstrips all sorts of trends. It's because these guys are going for the major blue chip stuff. They're going for natural resources – you know, the stuff that Canadians and Albertans are supposed to own – and they're going for things like telecommunications, because the last year for which figures are available show a net investment in 1988 of \$11 billion or \$12 billion from foreign investors. But when you compare the book value of the foreign direct investments in Canada, it's well over \$100 billion. These guys are not stupid, and what this government is doing is bending over backwards to accommodate them. Like I say, you can argue only two ways, Mr. Speaker: either they're ideologically committed, or they're misleading the public when it comes to the Premier's statements about how gleeful Albertans are going to be to jump up and buy their own company from themselves. It's got to be one or the other. I mean, logic just forces this issue.

Now, Mr. Speaker, when it comes to foreign direct investment in Canada, it's interesting to see that investment compared to our investment abroad. It's very interesting, and what it proves is that the American companies and governments don't go out of their way to make a natural publicly owned utility available for private purchase by foreigners. They're too smart. They want the rules all one way, not another way. They're too smart. Because in fact in 1989 alone the ratio of investment into Canada compared to Canadian investment outside of Canada is out of balance to the tune of about \$6 billion. That is, the money's coming in faster than it's going out. Well, that tells you that these companies know a good deal when they see it. Heck, if I'd written this Bill, that's the way I'd advertise it. I'd be taking out ads in the *Wall Street Journal* that say: come on in gang; Ma Bell, the future is yours; it looks bright and rosy. One more stroke of the pen a year or two later, when nobody's looking, in the middle of a summer sitting and by cracky, the whole thing is yours.

Like I say, that article I referred to at the commencement of my comments: I think that guy got it right on when he was

talking about the Bill's desire to have this golden share for a little while. A sunset clause built right in might as well be written in sand, because it says up to 5 years. They could write that out tomorrow if they want. He says they're trying to block Bell, but Bell will get it in the end. I have no doubt about that. Bell is a gigantic company. That's like if I were . . . You know, I've been thinking lately that I should invent this covered motorcycle as a really useful vehicle for getting around town in a way that protects you in the event of an accident, protects you against inclement weather. But I know that if I were to patent such a design, one of the big American car firms would come along and buy me out, and they'd spend a lot of money to do that because they don't want competition. Now, if we think the oligopoly of the auto production sector in the United States is powerful, it's nothing compared to telecommunications. This is the big, growing field. I mean, we are in the next . . . I know that in the past we had an age of information, and it was probably aptly titled, but we're in the next age of information revolution. This is where it's at, this is big business, this could make Albertans a lot of money, and instead these guys want to hand it over to foreigners. Go figure. I can't imagine the logic behind this, Mr. Speaker.

Let's have a look at the jobs that are created. You know, these corporate takeovers and mergers are the way they come and so-called invest in Canada. It's mainly buying out their competition to guarantee a more enhanced market share. Well, let's have a look at who's creating the jobs in Canada. It ain't foreigners, let me tell you. That's right. Canadian controlled companies between 1978 and 1985 are responsible for the creation of 876,000 new jobs. You want to know how many new jobs the United States controlled companies created in the same period of time? Fourteen hundred. You think that American ownership isn't going to drive down toward the American average the wages that accrue? Don't you think that what they're going to do is make a push towards what is euphemistically called rationalization, which usually means layoffs? Of course they are. See, Albertans have already paid for the groundwork for a lot of the technology and a lot of the research and development, Mr. Speaker. These guys are going to come in, scoop up as much of the company as they can, force the American style of monopoly economics on the internal operation of the company, and jobs will be lost. These guys say: "Aw, no, don't worry about jobs. We're going to protect your jobs." Hey, that's all on paper. I've seen it happen in too many instances, particularly where you have American interests acquiring part of Canadian companies. That's exactly what they do: reduce the workforce, maximize the profits, take the money, and run, and to heck with what they leave in their wake.

Well, Mr. Speaker, I have no interest in sponsoring such a Bill. I don't want this kind of activity to happen. I mean, we've got a company in which Albertans have invested something like \$3 billion. These jokers across the way want to sell it off for \$1 billion. Like I say, can you imagine? What company like Ma Bell would turn down an offer like that? I'll tell you, if I were on their board of directors, I'd say, "Run for it."

MR. SPEAKER: Forgive me, hon. member. I believe I heard you say, "These jokers across the way." That's not the way we refer to other members in the House, and the member is well aware of that in terms of both *Beauchesne* and *Ersine May*.

AN HON. MEMBER: They're a bunch of cards; they're a royal flush.

MS BARRETT: Sorry. What was the royal flush comment?

Well, joker in this House has certainly been suggested to be . . .

MR. SPEAKER: Thank you, hon. member. The Chair has ruled. Would you be good enough to withdraw?

MS BARRETT: Well, Mr. Speaker, I'm prepared to withdraw . . .

MR. SPEAKER: Order please. Order.
Now, Edmonton-Highlands.

MS BARRETT: Are you for sure seated? I wouldn't want to jump up now.

MR. SPEAKER: That would be a nice change, Edmonton-Highlands.

MS BARRETT: Mr. Speaker, you usually almost sit down when I'm about to jump up to retreat on a particular word, and then you call "Order" again.

I'd be glad to withdraw a comment about jokers in the House. They're Conservative jokers who pretend to be politicians, and I find that their version of economics, their version of business . . .

MR. SPEAKER: Order please. Order. Perhaps the member would be good enough to bother to look into *Beauchesne*, really look, and come back to the business of how the other members are referred to in the House without this kind of mealy-mouthedness going on.

MS BARRETT: Mr. Speaker, of course we've never been victimized by Conservative mealy-mouthedness. No. In fact, tonight another member across the way was asked to withdraw a certain comment which was clearly out of order and has yet to do so.

In any event, Mr. Speaker, I know that the subject at hand is a lot more important than that. I know that these guys play Ouija board economics. It's obvious by the Treasurer's own errors of the last four and a half years, which have brought us to 11 and a half billion dollars in debt, which I believe is one of the reasons these guys are running to the American border to encourage Ma Bell to buy up part of Alberta Government Telephones.

I can't believe that anything else could be true. Why else would they do it? Do they think that they have to do this to comply with the free trade agreement? There's no such rule, Mr. Speaker. They don't have to do this. They're doing it because they need the money, and they know that they can go to big companies like Ma Bell and say, "You know, eat up; have a big piece of the pie." And they've got it even better, because you see, the Canadian subsidiary might not even count as an American company, so they can get it both ways, Mr. Speaker. That's what these guys are up to. They ought to be ashamed of themselves. An Alberta company paid for by Albertans decade after decade, and they want foreigners not only to own it, but they're not even going to control reinvestment of the profits of those shares.

They say they want the money because AGT needs more money; it's got to invest — how much did the minister say? — \$2 billion over the next five years. Mr. Speaker, if you want the money for investment, the fastest way to lose it is to allow

foreign investors to own part of the company, because they don't have to reinvest. In fact, they're not inclined to reinvest. They want to take the money and run until they're in a perfect monopoly situation. Then what they get to do is gouge the consumers and take their profits outside the country. So if the arguments proposed by the minister and by the Premier, which, by the way, were themselves contradictory, if either of those statements is true, I think their real intentions are betrayed by the concept of foreign ownership in this Bill, Mr. Speaker.

For that reason I concur in the amendment sponsored by the my friend and colleague the Member for Edmonton-Beverly. I'm proud of him coming forward with this amendment, and I hope that all members of the Assembly will support this really important amendment for the future of Alberta, the future of Canada, and the future of this very important industry.

Thank you, Mr. Speaker.

MRS. OSTERMAN: Mr. Speaker, I beg leave to adjourn the debate.

MR. SPEAKER: Order please. The Member for Three Hills has moved to adjourn the debate. Those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: The motion carries.

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

[Eight minutes having elapsed, the House divided]

For the motion:

Ady	Johnston	Orman
Black	Klein	Osterman
Bradley	Laing, B.	Paszkowski
Cardinal	Lund	Rostad
Cherry	Main	Severtson
Clegg	McClellan	Shrake
Day	Mirosh	Speaker, R.
Dinning	Moore	Stewart
Drobot	Musgrove	Tannas
Gesell	Nelson	Trynchy

Against the motion:

Barrett	Gibeault	Pashak
Bruseker	McEachern	Sigurdson
Ewasiuk	McInnis	Woloshyn
Fox	Mitchell	

Totals: Ayes – 30 Noes – 11

[Motion carried]

MR. SPEAKER: Order please. A few minutes ago the Member for Edmonton-Highlands raised a complaint that another member had not been called to order in the Chamber earlier this evening. At that time the Deputy Speaker did indeed make the ruling, and the question was:

If not, the Chair would say that the context always has to be considered, hon. member, and in this case, subject to the Blues, the Chair feels that the use of the word was not used specifically towards any particular person. It was used in the generic sense.

The Chair having reviewed the Blues here, the initial comment as made by the Minister of Energy was this:

That is part of the offensiveness of being in this Legislature: you start to be hypocritical and pontificate.

In that context it doesn't appear to be directed at any particular member but perhaps to all members.

[At 11:47 p.m. the House adjourned to Tuesday at 2:30 p.m.]

