

## Legislative Assembly of Alberta

Title: **Friday, June 29, 1990 10:00 a.m.**  
Date: 90/06/29

[The House met at 10 a.m.]

[Mr. Speaker in the Chair]

### Prayers

MR. SPEAKER: Let us pray.

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

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

Amen.

### head: Presenting Petitions

MS MJOLSNES: Mr. Speaker, on behalf of my colleague from Edmonton-Centre I would like to present a petition signed by 57 Albertans. These Albertans recognize that the provincial government expenditure on home care services isn't adequate and that the government regulations governing home care must be broadened.

Thank you.

### head: Tabling Returns and Reports

MR. OLDRING: Mr. Speaker, I am pleased to be able to table the annual report of the Department of Family and Social Services for the fiscal year ended March 31, 1989.

MRS. BETKOWSKI: Mr. Speaker, I'm pleased to table a report called A View to the Future, which incorporates recommendations on the proposed Alberta family life and drug abuse foundation, which was prepared by the Alberta Health Policy Advisory Committee, chaired by the Member for Lloydminster. Copies have been distributed to all members.

As well, Mr. Speaker, I am tabling a response to Question 189.

### head: Introduction of Special Guests

MS BARRETT: Mr. Speaker, it's my pleasure to introduce on behalf of my colleague the Member for Edmonton-Centre 12 visitors from the Alberta Vocational Centre who are studying English as a Second Language. They are in the public gallery, accompanied by teacher Joanne Abramyk, and I'd ask them to rise and receive the warm welcome of the Assembly.

### head: Oral Question Period

#### Automobile Insurance Rates

MR. MARTIN: Mr. Speaker, to the minister responsible for the Human Rights Commission. An Alberta Human Rights Commission board of inquiry has recently ruled that the use of gender by insurance companies in setting car insurance rates is discriminatory and has ordered an immediate stop to this practice. In other words, insurance companies' practice of setting different rates for men and women, especially for young

male drivers, is discriminatory and unfair. However, the government's Automobile Insurance Board, under the Minister of Consumer and Corporate Affairs, has thrown a wrench into the works by appealing that decision. In the meantime, Albertans' rights under the Individual's Rights Protection Act are being denied. My question is: why is the minister allowing a government body to deny Albertans the right to be afforded equal treatment regardless of their gender?

MS McCOY: Mr. Speaker, the fact of the matter is that the appeal was first initiated by one of the two parties that were before the board of inquiry, and that is the insurance company, Co-Operators Insurance company, and that appeal is ongoing. As I understand the Automobile Insurance Board's position, they are appearing before the courts suggesting that they were denied natural justice and the right to appear at a critical point in the hearings. Their claim will be determined by a judge of the Court of Appeal. If the process was wrong, of course, the judge will rule so, but in any event, at all times anyone withstanding has the opportunity to pursue the full process and full steps in natural justice, and I see nothing incorrect or improper in that.

MR. MARTIN: Mr. Speaker, natural justice: we should be worried. This minister is in charge of the Human Rights Commission; she should be worried about natural justice for the people that are being discriminated against, not about the insurance companies.

Now, Mr. Speaker, this has been going on not just recently. This government has been protecting the insurance industry for 11 years now: the commission ruled on this point in 1979. Since then the government has, first of all, refused to enforce it; secondly, exempted the insurance industry from complying with the Act; and then even went so far as to create a defence for discrimination. My question to the minister is this: will the minister be honest with Albertans and admit that the government is putting the insurance industry's profits ahead of Albertans' rights?

MS McCOY: Mr. Speaker, it continues to amaze me that the Leader of the Official Opposition and others in this House are more than happy to dispense with some of the true protections that we have in a democracy. One of them is that these matters may be pursued with the full rule of law to ensure that all people have a right to hearing, that all people have a right to put their case before an independent quasi-judicial body, that all parties have a right to pursue appeals. That process is under way. Once again we see the NDs being very loose in their appreciation of the due process of law, which I suppose, given their ideology, shouldn't surprise me but does.

MR. MARTIN: Mr. Speaker, this minister is in charge of the Human Rights Commission. This is not the NDs. This is what they said.

The evidence given by the industry representative at the Board of Inquiry shows that the present insurance rates were developed in an effort to increase profits, not out of a sense of social responsibility or fairness.

That's her group that's saying that, Mr. Speaker, not the New Democrats.

I want to ask this question: will the minister in charge of the Human Rights Commission do her job and stand up for Albertans and say clearly that she is now going to get rid of discrimination by gender? Will she now take that opportunity to do that? It's been going on too long.

MS McCOY: The lack of understanding is also amazing, Mr. Speaker. In these cases we appoint a board of inquiry, an independent, quasi-judicial board, and that board has made a decision. But that board's decision is also subject to appeal by the parties through the court system and right up to the Supreme Court of Canada, for that matter, if the parties so desire to go that way. The Human Rights Commission is one party before the board of inquiry. The board of inquiry is not the Human Rights Commission. The Human Rights Commission did put the case in front of the board of inquiry on behalf of the complainant, who was a young male driver. They advocated that side of it, and in fact the board of inquiry agreed with the Human Rights Commission. Now there is an appeal, and now due process of law will continue, and now other judicial tribunals will render a decision. I am not inclined to interfere with the justice system of this province, nor will I be chivvied into it by – again what I say – someone who is in fact trying to bring the entire judicial apparatus in this province into disrepute even by advocating that we should ignore it.

MR. MARTIN: Yeah. Eleven years; another 15 years. It's okay to practice discrimination in Alberta, isn't it? Some minister, Mr. Speaker.

#### **Alberta-Pacific Project**

MR. MARTIN: My question is to whoever's the Acting Premier. I say that not facetiously, Mr. Speaker, because I'm not sure. It's either Boomer or Dick, or whoever. Anyhow, the recent report from Alberta Environment containing a summary of comments from some 4,000 Albertans left absolutely no doubt that there was strong opposition to the development of more pulp mills in Alberta's north. For months now we have been pressing the Minister of the Environment to guarantee Albertans that the revised Al-Pac proposal involving new untested technology will be subject to a full public review. The longer the government dithers over what sort of review it will require, the more obvious it seems that the government has absolutely no intention of announcing this decision on the Al-Pac proposal as long as this House is in session. My question is: will the minister give us his firm commitment that they will announce the decision on Al-Pac while we are sitting in this Assembly?

MR. JOHNSTON: Mr. Speaker, the Member for Edmonton-Norwood knows full well that it's difficult for us to align decisions of government with the timing of this Legislature. This government has worked on the principle that wherever possible major announcements, major decisions are made in the full hearing of the Legislative Assembly so that all members of the Assembly together with all Albertans have an opportunity to evaluate and I think on a reasonable basis ask questions about the decision. But it's impossible for the government to give a commitment that we will make all decisions when the Legislature is on. In the case of Al-Pac, the Minister of the Environment has already indicated he's carefully reviewing the process, and he will be making some announcements in due course. Other than that we can give no further commitments, Mr. Speaker.

MR. MARTIN: Well, Mr. Speaker, the minister is well aware that you control when this Assembly sits and you control when you bring in these decisions. That's a cop-out, frankly. It's an absolute cop-out. I suggest what they're going to do is sneak it in the back door thinking that people will be over their summer

barbecue and forgetting about it. [interjection] I'll ask Premier Cardinal questions later, if I may.

Mr. Speaker, my question then: can the minister tell us whether his reluctance to announce his decision on a public review means also that the Jaakko Pöyry report will be released after the session is over too?

MR. JOHNSTON: Mr. Speaker, truth in advertising might be the slogan here, because we need to make sure that at least the balance of the truth is represented when the questions are given.

I think that if the Minister of the Environment were here, he would say that in fact there has been a full public hearing already under way with respect to this process, one which has been exhaustive, which has been time consuming, where a full range of intervenors have had an opportunity to present their arguments. It's been assessed by a full range of individuals, including a new report which is going to assess the scientific recommendations by the – excuse my Finnish – Jaakko Pöyry consultant group. That report is also being waited for so we can evaluate whether or not the scientific process is appropriate. As well, the government is in the process itself of responding to its own outstanding issues which have arisen from the review, and at the same time there has to be consultation with the federal government as to how the environmental questions are going to be handled.

So let's be absolutely clear on two things, Mr. Speaker. First of all, there has been a very wide public hearing process. An immense amount of time and information has been exchanged among interested parties as to how this process will unfold. The government will always ensure that environment is a very, very important objective to us in this case, ensure that it's carefully handled, and will not respond in a knee-jerk reaction like the Member for Edmonton-Norwood but will have a carefully balanced response . . .

MR. SPEAKER: Thank you. [interjection] Thank you.  
Final.

MR. MARTIN: Mr. Speaker, he can talk almost as foolishly on this issue as he does on his budget. I would remind the minister that this is a brand-new technology, that the public hearings were held on a different process. I would also remind the minister that when they commissioned the Finnish firm to review the review of the original Al-Pac decision, it was promised it would be 40 days. It's now 84 days, Mr. Minister.

My question is to the minister: why doesn't the government just admit that they're stalling for the simple reason that they want to minimize the potential for tough scrutiny of the Jaakko Pöyry report and the decision on the new, untested Al-Pac proposal? It's just stalling; that's what it is.

MR. JOHNSTON: Well, Mr. Speaker, I'm not much of an expert on this technology, I can assure you of that, but I do know that the government is considering the following: that in fact the one item with respect to the new technology has been discussed with a variety of interested people, including the proponents themselves, and their proposal I think will be a mitigation against the recommendations of the task force, which suggested that there may well be some contaminants in the outflow. That mitigation will be examined and the technology will be looked at, and if there are any questions about that process, I can tell you that the government, as it has in the past, will make sure that full information is exchanged on this issue.

MR. SPEAKER: Westlock-Sturgeon.

### Dairy Industry

MR. TAYLOR: Thank you, Mr. Speaker. My question today is to the Minister of Agriculture. For a tale of outright chicanery, vindictiveness, and outright persecution, it is hard to beat . . . [interjections] I'm getting a little more barking from the tame elk on my right again; the rutting season does funny things to people.

What I'd like to know, Mr. Speaker – and I put further emphasis on the Alberta dairy pools. Over the last few years the Alberta dairy pools, acting in conjunction with the Alberta milk board and the minister as their hatchet man, have managed to try to keep Holgerson, an independent, freely competitive dairy, from marketing milk in plastic milk jugs. Holgerson has been at it since the '80s, and since this minister's been in charge of his department, since 1989, he has said he would allow the jugs. A few months later he said no; he had to think about it. Then third he said no and referred it to the Public Utilities Board, who were trying to get him to charge extra for milk jugs. Then he referred it to a tasting panel. Now . . .

MR. SPEAKER: Hon. member.

MR. TAYLOR: Mr. Speaker . . .

MR. SPEAKER: Hon. member. That's enough thens and refers. Let's refer to the question, please.

MR. TAYLOR: We're all in a hurry to get to see the Queen.

Mr. Speaker, to the minister: what possible reason can he give in a free enterprise government on this long tale of persecution to stop a local dairy from marketing its products in plastic jugs?

MR. ISLEY: Mr. Speaker, for the hon. Member for Westlock-Sturgeon to suggest that this government has been harassing or participating in discrimination against Holgerson Dairies is utter nonsense. If you check public accounts I think the record will show that Holgerson Dairies received significant support for their project under the Agricultural Processing Marketing Agreement, and there would be no intent to put provincial grant dollars into a facility and then turn around and frustrate it.

The thing that the hon. member fails to understand, regardless of how many times I have explained it to him, is that although this is a free enterprise government, there is not much resemblance between the dairy industry in Canada, or in Alberta for that matter, and free enterprise. The dairy industry is a supply-managed, highly regulated industry where prices are set, the types of containers are established under regulation, et cetera, et cetera. Holgerson Dairies knew very well the playing field that existed in the dairy processing industry when they went into it, and that playing field has not changed. Holgerson is doing some significant lobbying to get a certain change in the playing field, which affects many other parties. There has been no action taken by this government since the last meeting with all six processors of fluid milk in this province. Following that meeting certain studies were requested. Those studies are still under way. They probably won't be completed until about September of this year, and all we're seeing right now is another media blitz, which the hon. Member for Westlock-Sturgeon seems to like to jump on right away because he's got a particular interest in jugs.

MR. TAYLOR: Mr. Speaker, I think the minister has to admit that what we have here are big companies in conjunction with a minister that is easily led by the nose or any other part to do their beckoning. That leads to the supplemental, and may I refer it to the Minister of Consumer and Corporate Affairs, who is in charge of seeing equity in the marketplace and that the consumers have a right? Can he equate in any possible way the forbidding of plastic milk jugs, which take 65 percent of the American market – trying to shut them out in Alberta because one man has a vindictive crusade against a dairy here?

MR. ANDERSON: Mr. Speaker, the Department of Consumer and Corporate Affairs is leaving all matters related to jugs in the hands of the hon. Minister of Agriculture.

MR. TAYLOR: Draw ears on it, and you know what it is then, eh?

Mr. Speaker, back to the minister in charge of jugs. I would like to ask: in view of the fact that Holgerson and the small independent dairies here are supplied by Palm because the pools refuse to do it, what is this minister doing to make sure that the pools will supply the small independent producers in this province when he lets Palm Dairies go under to the pool?

MR. ISLEY: Mr. Speaker, I'll just correct one misconception the hon. member is leaving with the House. The last time I checked, the Alberta Dairy Control Board is in charge of milk allocations in this province and directs which producers ship their milk to which plants.

MR. SPEAKER: Calgary Bow, followed by Edmonton-Calder.

### Propane Tax

MRS. B. LAING: Thank you, Mr. Speaker. My question is for the Provincial Treasurer. Mr. Treasurer, one of my constituents has a small bus company which has contracted with local school boards to transport their students. As a small company, he has found that the new 5 cent tax increase on propane has created a hardship for a small business. Is there a chance that this tax could be exempted for school bus companies?

MR. JOHNSTON: Mr. Speaker, I think the question was: would the government consider exempting school buses from the propane tax? Generally speaking, the answer to that is no. I should recount the government's policy with respect to propane tax, which was introduced for the first time this past budget, in that consumers of propane have not been paying the normal amount of tax on propane for car gas or transportation in particular. You'll recall that in '87 we did impose a tax on fuel for cars, for natural kinds of gas except methanes and natural gas, but over that period propane was exempted from any provincial tax on the consumption of that gasoline. I should say that the federal government does not impose an excise tax on propane and that our tax is, in fact, below the tax assessed on other kinds of fuel for transportation. The point is that we were attempting to encourage the retrofit of cars and other kinds of vehicles to propane. Over that three and a half- to four-year period we think there's been quite a considerable benefit flowing through to those people who are using propane, and I think it would be inappropriate in the context of an otherwise fair and evenhanded policy of distributing the tax across all users of gas and propane that we would not be able to exempt these users for school bus purposes.

MR. SPEAKER: Supplementary, Calgary-Bow.

MRS. B. LAING: Thank you. Hon. Provincial Treasurer, after the refit program encouragement was given to the companies to convert to propane for economic and also for environmental reasons, under these incentives and encouragements and because of the environmental concerns that exist and also for economic reasons, many of these people feel that the tax on school bus fuel is unjustified, especially as they were partway through their contract year with school boards. Mr. Minister, why should this tax be placed on school bus fuel when the operators have responded to the environmental concerns as good corporate citizens?

MR. JOHNSTON: Well, you make a very important point, Member for Calgary-Bow. It certainly carries a message which has been expressed to us by many of my colleagues here in government. Remember, though, that as you point out, there was the opportunity to retrofit these vehicles. In fact, in some cases that was paid for by the federal government, and we have now provided a four-year period for them to consider that transfer. Again I stress that our tax on propane is far below that imposed on other kinds of fuel usage in this province, and we're all very concerned about the environmental impact, so therefore there is a certain deterrent. Remember as well that the corporations who operate and provide school bus service in fact are taxable, and therefore an increase here could be in part offset against the tax otherwise payable. But I do admit, as the member points out, that there can be at least a short-term additional cost to the school bus operators in that they will probably not be able to pass on to consumers, which presumably is the taxpayer ultimately, the additional costs.

While I'm speaking about fuel propane taxes, it's important to note that other provinces essentially moved to the same level of tax on propane as they do for other forms of use. Certainly in Saskatchewan it's the same as the automobile rates: 7 cents. In the case of Ontario, Quebec, and New Brunswick it's ranging between 5 to 8 cents, the same rate for automobiles. In the case of Newfoundland, it's as high as 12 cents. So you can see that here in Alberta we have differentiated, providing a small benefit in that it's below the tax normally. In fact, it's still one of the lowest taxes on propane in Canada, and we have deferred the decision to impose it since the first implementation in 1987, giving an extra relief to the propane user.

MR. SPEAKER: Happy birthday, Edmonton-Calder. [ap-  
plause]

#### **Day Care Worker Standards**

MS MJOLSNESS: Thank you. Happy birthday, Ernie.

Mr. Speaker, Alberta has no training requirements for day care workers, and Albertans are pleased to see in the white paper that the province is finally moving in the direction of implementing some standards. However, these standards were weak, and now we hear that the Minister of Family and Social Services, under pressure from many of the for-profit day care centres, is considering backing off on his proposals and making them even weaker. So my question is to the Minister of Family and Social Services. In light of the fact that quality care for the children of this province is much more important than lining the pockets of for-profit day care operators, will this minister confirm that this government will not back down on training standards?

MR. OLDRING: Mr. Speaker, a highly hypothetical question, but it is the member's birthday and I want to be charitable. So I do want to assure the member that we intend to continue with implementing training standards, training requirements, and I'm sure that once the member sees the final report she'll want to endorse the recommendations that we'll be bringing forward.

MS MJOLSNESS: Mr. Speaker, my question was: will the minister assure Albertans and parents that have their children in day cares that he will not back down on the training centres that now appear in his white paper, even though they are weak? Will he make that assurance to Albertans?

MR. OLDRING: Mr. Speaker, for a moment there I thought the member opposite was endorsing the standards that we have in the white paper. I think the standards there are a reasonable approach. I've had very positive feedback from Albertans and day care operators and parents as a whole as it relates to the proposed changes, and I would want to assure the member again that we do intend to bring forward the standards that are in the white paper. We're looking at perhaps some moderate changes, but for the most part the standards stand.

MR. SPEAKER: Edmonton-Gold Bar.

#### **Leduc General Hospital**

MRS. HEWES: Thank you, Mr. Speaker. I'm pleased to have today the Minister of Health's announcement regarding increased hospital funding to cover contract settlements. Hopefully that will ease a critical situation. But despite that we continue to have disturbing examples that indicate our health system is anything but healthy. Never a day goes by that we don't have a tragic story related to bed closures, delays for elective and even critical surgery. Waiting lists have shaken Alberta's confidence in the system and, more correctly, have shaken the confidence in the government's management ability. This week our office received another glaring and rather distressing example of the community's criticism with the quality of our health care. My questions are to the Minister of Health. The Leduc General hospital has just completed a community survey that asked residents about their personal experience and comments with the hospital. The results are shocking, to say the least, and point to what could be a very serious problem. My question is: has the minister seen the survey results, which I'll table, and what assistance will her department be providing to help address this critical situation?

MRS. BETKOWSKI: Mr. Speaker, I was pleased this morning to announce a major increase in funding to cover the extraordinary settlement that was reached between the UNA and the AHA in the hospital and nursing home sector. That will add an additional \$47 million of funding into our hospital system, which brings a total of about \$225 million additional resources in the health sector over 1989-90. I think that's very much a statement of commitment by this province and this government towards health services in Alberta.

MRS. HEWES: Mr. Speaker, I don't quite understand what that has to do with the crisis at the Leduc hospital. I want to ask the minister: what steps is the minister going to take personally to help restore area residents' confidence in their local hospital? Is the minister prepared to meet with this board

and with the local sponsors of the survey that has produced such shocking results?

MRS. BETKOWSKI: Mr. Speaker, I meet with hospital boards across this province constantly, and if one of them wants to meet with me, of course I will meet with them. The survey was taken presumably before the announcement this morning of an additional \$47 million for the health system. In fact, I do think some of the services and, with respect, some of the issues the hon. member raised with respect to bed closures could well have something to do with the resources in the health system.

The management of the health system is one that is left to hospital boards. I support that kind of management model, and this government is supporting the health sector in many different ways, which I would be delighted to go through with the hon. member again, beyond what's been done in the estimates. Certainly there are facilities around the province that are working very hard to increase awareness and support within their community, and I hope that the results of the survey will lead the board to look at solutions they may not have considered that other boards might have with respect to the role in the community and the role of the institution in providing services for Albertans.

MR. SPEAKER: Clover Bar.

#### **Petro-Canada**

MR. GESELL: Thank you, Mr. Speaker. To the minister responsible for Occupational Health and Safety. There is concern by some of my constituents who work at Petro-Canada that the investigation that's in process related to the fatalities and the explosion at Petro-Canada be concluded expeditiously. Uncertainty always creates apprehension, so I would ask the minister: will he assure this House and my constituents that the investigation will be concluded promptly? Perhaps the minister could offer a date for its conclusion.

MR. TRYNCHY: Mr. Speaker, it's a timely question, and I welcome it. It's sad that the incident did happen on May 24 and that we had some fatalities. I've been asked by the press on several occasions if I could provide an update in respect to our investigation, and as of this morning I did receive some information which I'd like to share with the House. The investigation is proceeding with a team from Alberta Occupational Health and Safety, working with an officer of the boilers branch of Alberta Labour to determine the cause of the accident. The investigation will also include a review of health and safety program procedures at the site, and I expect to hear the results of that investigation as soon as it's completed. My understanding is that that will happen in the next few weeks.

I'd like to mention at this time, Mr. Speaker, that it's my understanding that the company has moved dramatically in announcing a new policy requiring all workers in the refinery's production area to wear fire-resistant clothing, and I'm pleased that they've made this decision now.

MR. GESELL: Thank you. Mr. Speaker, will the minister assure this House that he will take appropriate action and lay charges if violations under the Alberta occupational health and safety legislation have occurred?

MR. TRYNCHY: Mr. Speaker, determining whether there's been a violation of legislation is a normal process in any

investigation, and we're doing that now. If there are findings of possible violations, that will be reviewed with the AG's department as quickly as possible.

MR. SPEAKER: Stony Plain.

#### **NAIT/Westerra Merger**

MR. WOLOSHYN: Thank you, Mr. Speaker. My constituents in Stony Plain are having trouble believing in the Minister of Advanced Education's goodwill towards Westerra, as with each passing week they discover another way in which Westerra's ability to serve them is being carved away. Programs appear to be in doubt; staff were not treated fairly. The most recent example is with the emergency medical technician program at Westerra, which is administered by the Southern Alberta Institute of Technology. Students from the Stony Plain area are requested to attend the registration in Calgary personally instead of being permitted to preregister at Westerra. Will the minister please explain the logic of administering admission to an institution from a location 200 kilometres away and requesting that people be in personal attendance when they want to register for the program?

MR. GOGO: Mr. Speaker, I very much appreciate the representations made by the hon. Member for Stony Plain. I'm not aware of that situation, but I'll certainly look into it today.

MR. WOLOSHYN: I'll make the minister aware in writing, as I normally do in these situations.

I would like to point out that as of July 1 NAIT is supposed to be running Westerra; on July 3 students are having to travel to Calgary to SAIT to register in Westerra programs. It's clear that Advanced Education has not administered this transition according to the minister's direction of a smooth and logical progression from an independent institution to one that would be enhanced by association with NAIT. Can the minister outline for the House the Department of Advanced Education's plans for Westerra? Is NAIT going to run it, is SAIT going to run it, or does Advanced Education just plan to let it deteriorate and eventually close it?

MR. GOGO: Mr. Speaker, for a member who had been involved in the process for such a length of time, I frankly am very surprised at the naivety of the hon. member. The member is well aware that on February 1, I announced the merger of the Westerra Institute of Technology with the Northern Alberta Institute of Technology. A transition team was put in place to see that that was carried out. As I said earlier, of 110 people involved at Westerra, all but nine have secured employment with the merger or otherwise, early retirements with benefits suitable to them.

Surely the hon. member is not asking this minister, certainly not following arguments that were made with Bill 27 last night, to interfere with the administration of these board-governed institutions. We can't have it both ways. I've committed myself, Mr. Speaker, to see that the concerns raised by the hon. member's constituents, as he's related them to me today, about registering for a program at SAIT – I will look at those today by referring those to the board of governors of the Northern Alberta Institute of Technology, who have that responsibility through the transition team. Other than that, it would be unfair for me as minister to encroach on the powers of the board governed institution.

MR. SPEAKER: Calgary-North West.

### **Tourism Trade Show**

MR. BRUSEKER: Thank you, Mr. Speaker. Rendezvous Canada is a trade show that is an international trade show held in Canada to promote to American and offshore travel agent representatives, and it's the most important tourism/trade show in the country. In May of 1991, next year, Calgary will host this particular trade show. There is a concern that I have expressed in the past, and I want to raise it again today. Each province is allocated a certain number of booths, and the allocation of those booths is determined by the provincial Department of Tourism. Last year our Department of Tourism decided that the umbrella tourism organizations, such as the Edmonton Tourism and convention bureau and the Calgary convention and visitors bureau, would be replaced by individual tour companies. My question today to the Minister of Tourism is: could the minister please inform the House as to whether or not he is willing for next year to return a booth to these umbrella organizations so we can have representation of regions for the province rather than individual tour organizations?

MR. SPARROW: Mr. Speaker, Rendezvous, like a lot of other travel markets, is when you try to computerize and set up appointments between buyers and sellers, and it's important that the parties that are in the booths have the opportunity and have a product they can sell or are looking at buying. There are other booths where we have the groups that will be at the show but not on the buying and selling floor. This is a decision that was made in conjunction with the industry, that in order for our product to be sold in Alberta, the actual sellers had to be there, and it was important that they be there.

MR. BRUSEKER: Well, certainly, Mr. Speaker, we need to have sales, but from the conversations I've had with these umbrella organizations not being on the buying and selling floor, they might as well not have been there, because they really didn't serve any function. So my question to the minister is: will the minister agree at least to meet with these umbrella organizations and to hear their concerns and discuss their concerns with them directly? Because I believe this direction that the minister has chosen is the wrong direction. Will you meet with them, please?

MR. SPARROW: Mr. Speaker, we meet continuously with the umbrella groups, with TIAALTA, who's doing an excellent job. There are 14 zones in the province, and we meet them at their annual convention; we meet them at their quarterly meetings with my total staff. Definitely, if they want to discuss this further, it will be put on the agenda the next time we meet with the umbrella groups represented by TIAALTA.

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

### **Agricultural Assistance**

MR. LUND: Thank you, Mr. Speaker. When one looks at the fact that agriculture produces about \$4.5 billion worth of products and that one in three people in the province of Alberta is employed in agriculture, it's easy to see why agriculture is one of the number one priorities of this government. Of course, farming is a very risky business, and currently farmers are caught

in an international trade war. But this year we have very extreme conditions in the province, with drought which has lasted now for five years out in the eastern part of the province, along with grasshoppers – as a matter of fact, farmers have sprayed three and four times for the insects – and in some areas wet conditions to the extent that farmers have been unable to seed their crops. To the Minister of Agriculture: what is this government doing to help alleviate the serious condition that a number of Alberta farms are getting into?

MR. ISLEY: Mr. Speaker, I think it would be fair to say that at this point in time we are assessing the degree of hardship that exists in various parts of the province, and the hon. associate minister may wish to supplement my remarks when I sit down. We are certainly aware of the ongoing problems caused by too much moisture in the Peace River region. We are certainly aware and have been reminded of the problems to the southwest, and I will be personally touring that area tomorrow. We are quite conscious of the impending drought problems along the eastern border. As I indicated at one point in time in this Assembly, if I could wave a wand and distribute that water evenly, we could probably keep everyone happy.

MR. LUND: Thanks, Mr. Speaker. I recognize that Alberta Hail and Crop have extended the seeding deadline to the 25th, which of course has now passed. I'm also concerned that that extension in some areas certainly could be a problem instead of a help. What is the process for getting some other changes in the hail and crop insurance program that would maybe alleviate that problem?

MR. ISLEY: I will defer, Mr. Speaker, to the hon. associate minister.

MRS. McCLELLAN: Mr. Speaker, the seeding deadline was extended to early varieties of barley and Polish types of canola. We do have that flexibility under the new enhanced crop insurance Act, and the decision to do that was made considering the fact that it could cause some problems. However, limiting it to those varieties, we did feel that it would be an appropriate move.

With respect to changes that we might be looking at in it, we will be reviewing it, and I would remind the member that as he stated, the deadline for seeding ended on June 25. There is a three-day reporting period after that, and we're just past that. When those reports are in, we will certainly have a much clearer idea of the magnitude of the problem of the inability to seed.

MR. SPEAKER: Edmonton-Avonmore.

### **Addiction Treatment for Adolescents**

MS M. LAING: Thank you, Mr. Speaker. My questions are to the minister responsible for human rights. Kids of the Canadian West, an affiliate of the American Kids program, continues to experience difficulties in meeting its opening deadline due to concerns over human rights violations. Recently a third American affiliate has been suspended by a state licensing authority due to allegations of human rights violations. Will the minister responsible for human rights meet with the chairman of the Alberta Alcohol and Drug Abuse Commission and demand that he withhold funding pending a full-scale investigation of proven and alleged human rights violations by the American parent agency in three separate states?

MS McCOY: Mr. Speaker, I believe the situation is being very closely watched by the appropriate agencies and ministers, but certainly the points that the hon. member raises are important ones. I understand that the project in Calgary is stalled at the moment pending further discussions and investigations.

MR. SPEAKER: Supplementary.

MS M. LAING: Thank you, Mr. Speaker. Well, I hope they're more than stalled until we're sure.

Children are extremely vulnerable to the violation of their basic rights to food, clothing, shelter, and protection from violence and abuse. As adults we have a responsibility to act on their behalf in order to protect them. Will the minister responsible for human rights investigate the treatment methods of the Kids programs, including the possible use of unlawful confinement, food and sleep deprivation, and physical violence to break down children?

MS McCOY: Mr. Speaker, many ministers in cabinet work in concert on these sorts of issues, and I can assure the hon. member that the items she is raising are being discussed.

MR. SPEAKER: Edmonton-Whitemud.

### **Municipal Grants**

MR. WICKMAN: Thank you, Mr. Speaker. My questions are directed to the Minister of Public Works, Supply and Services. Recently the minister announced a 6 percent reduction in the grants in lieu of tax programs to municipalities. Yet on June 20, 1990, a press release was sent out in which one paragraph states

These grants are based on the valuation of the property using the same municipal assessment manual formula that would be used if the property was subject to a tax.

This press release was dated June 20, 1990. My question to the minister: how does the minister rationalize a 6 percent reduction if the municipal assessment formula is being used?

MR. KOWALSKI: Well, Mr. Speaker, in order to determine what level of funding the province would provide by this grant in lieu of tax to any particular municipality, we have to have a standard that we would have to follow. So basically we ask the municipality to determine what their assessment level is, and in this year we'll provide them 94 percent of that level. That's the basic reason for the arrangement.

MR. WICKMAN: Mr. Speaker, when I look at a 6 percent reduction and I also look at the fact that taxes have gone up more than 5 percent on average for various municipalities throughout Alberta – in other words, a negative impact of more than 11 percent. Is the minister prepared to sit down with representatives of the two major organizations that involve municipalities, counties, and so on, and ask to get their participation, that they will receive that prior notice in future years when this same situation is dealt with so they're not caught off guard as far as budgeting aspects are concerned?

MR. KOWALSKI: Mr. Speaker, this minister, as all ministers and members of the government, meets with municipalities on an ongoing basis. There is a bit of a dilemma with respect to this matter. It's not at all uncommon that municipal governments in Alberta would meet in January and February of a particular year to already work on their particular budgets. At

that point in time they will set their mill rate. They may not announce that mill rate until the latter part of February and into March as well, and that is a common practice throughout the province of Alberta. It's also been a historic common practice in the province of Alberta that the government of Alberta normally does not provide a budget for a particular fiscal year until March, so we have this bit of administrative dilemma that goes on. Most municipal governments have as their calendar year the calendar year, the January 1 through to December 31 time frame, whereas the government of Alberta has its fiscal year beginning April 1 to the following March 31.

There always will be a bit of a dilemma here for municipal governments in attempting to set their mill rate not knowing what might be contained or included in the provincial budget. Mr. Speaker, we recognize that, and that's one of the reasons why the Premier has set up an advisory council made up and chaired by the Premier. Contained in that particular council are a number of ministers of the Crown, and included in that particular advisory council are the leaders of both the Alberta Association of Municipal Districts and Counties and the Alberta Urban Municipalities Association. This is one of the ongoing matters that we'll be dealing with. In addition to that, both myself and the Minister of Municipal Affairs have already been working on meetings with the executives of both provincial associations, the AUMA and the AAMDC.

MR. SPEAKER: It's been brought to the attention of the Chair that we need to say happy birthday to another member, the Minister of Agriculture. [applause]

### **Orders of the Day**

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

[Mr. Schumacher in the Chair]

MR. CHAIRMAN: Order please.

#### **Bill 26 Utility Companies Income Tax Rebates Amendment Act, 1990**

MR. CHAIRMAN: Are there any further comments with respect to the amendment proposed by the hon. Member for West Yellowhead, or is the committee ready for the question?

The hon. Member for Edmonton-Jasper Place.

MR. McINNIS: Good morning, Mr. Chairman. I would like to address a few remarks in support of my colleague's amendment to Bill 26. My colleague has proposed that the subject matter of section 3 of the Act shall be referred to the Public Utilities Board of the province of Alberta to hold public hearings into that matter and to submit a report, which report, of course, would be tabled at the earliest opportunity in the Legislative Assembly.

Mr. Chairman, this proposal is a poorly thought-out proposal on the part of the provincial government. I believe what actually happened is that a group in Treasury Board sat around one day some months ago, possibly early in 1990 or late in 1989, and decided they were looking for new sources of revenue that they could bring in to increase the revenues to the provincial

Treasury in the budget. At some point somebody must have pulled out the tax expenditure sheet and found, "Gee, look here; we rebate \$95 million to power customers from income taxes which are collected on those private utilities." Of course, that rebate has always been in place to try to put the customers of privately owned, investor owned, utilities on the same financial footing as the customers of public utilities, to try to make a level playing field. I believe that's the term that members of the government like to use. The playing field is very important to them, and of course the reason we have this utility rebate is to make a level playing field between customers of publicly owned utilities and investor or privately owned utilities. So somebody pulled out the tax expenditure sheet and found that there was a \$95 million sum. I can just picture it in my mind: somebody else, perhaps the Treasurer himself, said, "Well, if we simply cancel that, we'll have an additional \$95 million in the Treasury, and nobody will notice anyway because it's somewhere in the power bill, and by the time the various calculations are made, the late charges are added, the prepayment is deducted, the fuel allowance is taken, and the kilowatt hours are adjusted, nobody will know that we've booted the power bill by a grand total of \$95 million across the province.

I'm sure they reasoned that for most homeowners this would be a relatively modest sum of money. I think probably the range of increase is somewhere certainly in single digits for most categories of users, and so they simply said: "What an easy way to get \$95 million in the Treasury. It just takes about a three-lined Bill in the House and all of a sudden, bang, we've got \$95 million in the Treasury, a piece of cake." Well, things in life are seldom as simple as they seem, and unfortunately this one is complicated, Mr. Chairman, and that's why we're going to have to debate in the Legislative Assembly. Simply canceling a rebate imposes an increase on power customers in a manner which may be inequitable, may be unfair, may result in economic hardship for certain people. It may, in fact, result in the destruction of whole industries in the province of Alberta.

I believe that certainly one such industry we have to be concerned about is the fledgling recycling industry in the province of Alberta. You know, we've been losing recycling industries over the past year in this province. In June a year ago, approximately this date, the glassworks in Redcliff near Medicine Hat closed down after I think it was 60 years in operation in that one particular spot. They were involved in the recycling of glass products. They closed their doors because they lost their market. Shortly after that it was announced that Applied Polymer incorporated in the city of Edmonton, which was recycling plastic pop bottles, had financial difficulty and was closing its doors. Two major recycling industries.

Now there is news that Stelco, which recycles steel products in the city of Edmonton, is also in considerable, not to say imminent, danger of closing, and the general manager of that facility points out that the provision of Bill 26, the increase in power rates that would be caused by the cancellation of the rebate, will cause them hardship to the point where they might have to close their doors. Now, it just so happens that Stelco is a major steel producer, and they're quite capable of supplying the Alberta market for steel from their various operations elsewhere in the country. They can make all the steel in Hamilton that we need in the province of Alberta. What they do that's unique in the county of Strathcona adjacent to the city of Edmonton is they smelt scrap steel. They turn old metal products into new steel that can be used, and that's done here in the city of Edmonton.

You know, I recall the times that I've spent discussing recycling industries with the people who operate the recycling system in the city of Edmonton. All members, including the Member for Clover Bar, should go to the Edmonton Recycling Society one day, have a look at their operation, have a look at what's being done. Well, one of the questions I kept asking was: what happens to the various products that are here? Well, the newspapers – that's the biggest part of it – they ship to Korea for reprocessing into paper. The telephone books, which they don't normally collect but they have a lot of them, go to Hong Kong, because in the Orient they're big on recycling. They get some aluminum cans in the system. The aluminum cans that people just put into the blue box rather than taking them back for a deposit are crushed. Every month or so they fill a freight car full of these crushed aluminum cans. They ship them to Alcolu in South Carolina for reprocessing. Until a year ago they sent the glass to Medicine Hat for processing, but of course that facility is closed now, so most of it is in fact landfill. They're trying to work a way to ship that glass to Vernon, which is the next closest glassworks, but so far it looks uneconomical.

The only thing that they could point to me that is actually recycled in the province of Alberta was the steel cans. They have an ingenious little machine that can separate the aluminum cans from the steel cans automatically. They get the steel cans and they're processed right here in the county of Strathcona near the city of Edmonton. But now Stelco, that rerefines, recycles those steel cans, the very steel cans that come out of the blue boxes in the city of Edmonton, the only product that's now recycled in Alberta, is in danger of closing because of this very Bill 26 that we're debating here in the Legislative Assembly today. You know, this is a very serious matter, because there are 550 jobs in the capital region which are at stake. Many of those jobs are jobs of Edmonton residents. Many Sherwood Park residents are employed at Stelco and, I would venture, from elsewhere in the county of Strathcona, in the riding of Clover Bar. So quite a few members of this Assembly are looking at the prospect of their constituents losing their employment because of the increases in electricity costs imposed on Stelco.

Now, I think Stelco has been a pretty good corporate citizen in the capital region. I recall, for example, when the tornado struck a few years ago. Stelco was hit hard. There was major damage to their facility. A lot of people wondered: won't some of these companies who suffered tornado damage simply take the insurance money and run with it? Stelco didn't even think about that for a moment. They were back in operation virtually the next day. Stelco undertook the investment to make sure that their operation continued. There was virtually no loss of employment despite the fact that they took a direct hit from the tornado on their facility.

I believe their commitment to this Edmonton operation runs deep, and I don't believe, unlike the Minister of Energy, that this is some kind of casual bluff on the part of the company. I don't believe that they are merely attempting, through the public letter written by the general manager of Stelco, to take advantage of a situation to increase their profit. I believe that a clear and a definite signal is being sent to the people of Edmonton, the municipalities involved, and this provincial government that that operation is in some danger if we don't watch what's happening to their cost structure.

There are 550 jobs, but there's something else at stake here, Mr. Chairman, something almost equally important. Don't forget that every tonne of steel that they can recycle in that operation there will save one and a half tonnes of iron ore that



has to be mined, not in the province of Alberta but in some other location. It saves the energy equivalent of 3.6 barrels of oil. Every time you smelt a tonne and a half of ore down to a tonne of steel, you use the equivalent of 3.6 barrels of oil, so that operation saves energy, and it certainly saves a great deal of carbon-based energy. Carbon-based energy, when it's burned, causes enormous environmental problems. In particular, it causes what we call the greenhouse effect.

So Stelco is in the position of not merely creating and maintaining 550 jobs in our region, but they are also helping to conserve the earth's resources, the iron ore resources and the petroleum resources of our planet, at the same time that they're reducing overall emissions of carbon dioxide into the atmosphere. Now, I call that a win, win, win situation. You've got jobs, processing in our province, saving the earth's resources, helping to resolve environmental problems. That's the kind of thing we should be fighting for. That's the kind of thing we should be trying to achieve: ongoing, renewable, good jobs in the community, instead of always taking a flyer on these resource extraction projects which run dry and run out and have to be subsidized by the taxpayers and the rest of it.

So this company comes forward and says: "Look, guys. This little proposition you dreamed up in Bill 26 around the Treasury Board, this little operation where you're going to grab \$95 million and nobody's going to notice may very well put us out of business." I think that's something that even this government has to stand up and take notice of. That's one reason why I support the initiative, a very positive initiative put forward by my colleague for West Yellowhead, that this matter go to the Public Utilities Board, because then we have a forum where the effect of this can be assessed on different classes and users. I'm pretty sure the government would go along with me this far and say, "If this proposal is going to deal a mortal blow to recycling industries in the province of Alberta, maybe we should look at some alternative way of implementing it." I mean, maybe we can't convince the government that they should forgo the \$95 million tax increase, which is what this is, but maybe the Public Utilities Board could provide them with some advice on a better way to do it, a way which would not imperil the 550 jobs at the Stelco operation in the county of Strathcona-capital city region. So I think that my colleague is on to something.

I believe that when we're talking about the relationship between energy pricing, which is what Bill 26 deals with, and industrial activity, especially recycling industries and those industries which help to resolve environmental problems, then I think we have some substance to put with this recommendation, some ability to give to the Public Utilities Board a mandate, some instructions so that they will be able to address the problem in a way which deals with the Stelco situation. I think as a representative of the capital city area myself but also as a concerned Albertan that I would like to make sure we have more recycling industries, more industries which help to combat global warming.

For that reason and in order to make it clear to the Chair the importance of the points I wish to make under that, I have a subamendment that I would like to move at this time, Mr. Chairman. The subamendment will add just a few words to clarify the type of investigation and the type of hearing that the Public Utilities Board should undertake. The subamendment will add to their mandate following "public hearings into the provisions of section 3" the words "and the need for strategies to combat global warming." So it would insert those words in the middle of the amendment following the words "section 3."

This subamendment I think will address the minds of the good people of the Public Utilities Board toward even making Bill 26 something that might be a positive force for economic growth, development, and jobs, not just in the city of Edmonton but all across the great province of Alberta. As has been said so often in this Assembly, it's very important that development in the future be sustainable. Now, sustainable development does not mean simply sustaining the activity of growth and development; it means that the developments themselves, once they're in their full operation, in their glory, are able to be sustained over a long period of time because they renew themselves, because they don't pollute our environment, and in that way the jobs are safer and the jobs are more secure.

So if I may, I would like to address a few comments briefly to the subamendment, because I believe that this subamendment really gets to the heart of what I would like to see done with Bill 26 and what I believe my constituents would like done. Some members will, of course, wonder why the problem of global warming should be the focus of the subamendment. Perhaps I could clarify that by just pointing out what the problem is in global warming. You see, the major constituents of the Earth's atmosphere are nitrogen and oxygen.

MR. DOYLE: Could we have some order here, Mr. Chairman?

MR. CHAIRMAN: Order in the committee, please.

MR. McINNIS: Now, nitrogen and oxygen happily allow much of the sun's energy which comes to the earth to escape back into the upper levels of the atmosphere and back out from whence they came, because they don't have the property of hanging on to the heat. Unfortunately, there are some lesser gases, which we call trace gases, which do hang on to the heat, and one of those is carbon. Any carbon-based gas has the property of holding on to the sun's energy once it comes back down to Earth. We have two problems that contribute to global warming. The first is that there are increased amounts of carbon in the atmosphere. Now, there's very little doubt that the increased carbon comes from the combustion of fossil fuels. Carbon, of course, is the key ingredient in life as we know it on this planet. Most scientific people feel . . .

MR. DOYLE: Could we have some order, Mr. Chairman?

MR. CHAIRMAN: Order please.

MR. McINNIS: . . . that carbon and life are essentially the same. Of course, we may very well discover at some time in the future, with space technology, that perhaps there are life forms that don't have carbon in them, but so far, to our knowledge, to the knowledge of human beings, there are none.

Now, not so long ago, I'd say certainly within this century, we had a very nice carbon cycle that operated on our globe in which the amount of carbon that was emitted to the atmosphere from combustion and other sources was brought back down and made into oxygen by the green plants growing on the earth's surface. So there was a cycle of carbon going into the atmosphere and being pulled back out by plants, which of course eat carbon dioxide and produce oxygen. Everything was in balance, and the ecosystem of the earth was doing quite nicely. But then we managed in the last 20 to 50 years to disrupt that carbon cycle in two ways. The first was by cutting down major forested areas, especially in the tropics, which is far and away the biggest carbon sink in the globe. I believe that half or more of the world's

oxygen is produced in the tropical rain forests, which have been obliterated at a very large rate. But then on the other hand, having taken away the carbon sink, we've been increasing the amount of carbon emission in the atmosphere quite dramatically. Most of the studies I've seen indicate that the amount of carbon dioxide has gone from less than 10 percent to something more than 20 percent of the overall composition of the earth's atmosphere, a virtual doubling.

Scientists are still in a position where they're arguing in some measure over the extent of the damage that has been caused by that buildup of carbon in the atmosphere. They all agree that more carbon means more heat will be retained in the atmosphere. Global warming is a reality. You wouldn't find a scientist today of any repute who will deny that global warming exists and what the cause is. What they're arguing about is how rapid it is. How rapidly are we warming? How rapidly are we going to get to a point where serious damage is going to be done to mankind?

The Alberta Research Council did some important work on this a year ago. Last summer they released a report about strategies to cope with global warming. That report, which represents, I think, the best minds in the government and the Research Council, applied to that problem, forecast global warming in the range of five to seven degrees Celsius over the next 10- to 20-year period. I was quite shocked when I read that, because that was on the high end of some of the forecasts I saw, but I think in the last year more and more people have come to the position of the Alberta Research Council, which did this report for the provincial government.

Their overall assessment of five to seven degrees is that it wouldn't be too bad in the province of Alberta. Our climate would shift from being an Alberta climate to something more like Wyoming or Colorado. They looked to what the climate is like in those areas. There is more desert and more semiarid. They thought about some of the things the province could do in order to cope with that and try and get along with it.

What I know about the effects of global warming on that scale is that it would cause a dramatic increase in sea levels because of the physics of water. If you increase the temperature of water, it expands. You're looking at a one- to two-metre expansion in the average sea level with that degree of warming. That would flood areas where some 40 percent of the Earth's population lives. Now, mankind and human beings like to live in the flat coastal plain areas where water is plentiful, where the climate is moderate, and where there's usually fertile agricultural conditions.

Well, if you increase the sea levels one to two metres in those areas, there would be massive flooding unless you go for the Netherlands' solution, unless you create dikes. If you do that, that's enormously expensive. Now, I believe that every industrialized nation that can afford it will do that because nobody wants to abandon their cities. The city of Vancouver will be saved, the city of Seattle. All of the great cities of the world will save themselves with engineering solutions. But what will happen to the impoverished nations of the Earth? What will happen to a place like Bangladesh, where the bulk of the population lives in coastal flatlands, some of which are actually below sea level at the present time? They'll be flooded out, and they won't have the capacity to bring in the Netherlands' solution, to dike and to pump and the rest of it. They will be dislocated from their homes. Where will they go? There would be ecological refugees numbering hundreds of millions, possibly even billions, of people.

Closer to home, in Alberta it's an unfortunate fact that global warming, as the Minister of Agriculture said, doesn't necessarily make it warm for you on a cold day. What it does is give you more extremes of climate. It gives you more severe storms, thunderstorms, more tornadoes. How many of the rapt members of this Assembly recall the number of tornadoes we had up until 1987? Very few that caused that kind of damage. But we've had tornado damage incidents in Edmonton virtually every summer since then. A lot of people feel our climate is changing, and they're not all wrong. It has the unhappy property of making drier regions of our province drier. Southern Alberta: parts of it would become desert. And it makes the wetter areas wetter, so the Peace River area, where they flood and get snowed under most of the time it seems, lately anyways, would have that problem more frequently. So I believe that it's in our direct economic interest in the province of Alberta to co-operate in the best way we can in order to reduce global warming, and there's only really one way to do that: to reduce the amount of carbon dioxide in the atmosphere.

Now, we can't solve all these problems by ourselves. We're not going to be able to plant enough trees in the province of Alberta to recycle all the carbon there, but one thing we can do for sure is to reduce the amount of carbon dioxide emissions in the atmosphere. You know, Alberta emits 25 percent of all the carbon dioxide in our nation of Canada. Now, it's incredible for a province that has just – what? – 11 percent of the population, that we have 25 percent of the carbon dioxide emission. It's been pointed out by my colleague from Edmonton-Meadowlark that Canada produces 2 percent of the world's carbon dioxide, so here in our little province of Alberta we're producing half of 1 percent of all the carbon dioxide on the Earth. That's an enormous amount considering our population is nowhere near one-half of 1 percent of the total. Our population here is emitting – I would wager that per capita we're emitting carbon dioxide at a level greater than any other inhabitants of this Earth that we live on. So we are, I think one would have to say, part of the problem at this juncture as we sit here and debate this, as some of us sit while I stand, and then you sit and we debate Bill 26 here on June 29, 1990.

We are the problem, so we have to become part of the solution. The subamendment I've proposed gives us a first step in that direction. It says the Public Utilities Board. All right; you've got a job. You've got \$95 million to extract from those ratepayers out there, but we also want you to begin the job of attacking global warming. Let's see what you can do by putting those two together. Well, it is literally amazing what can be done if you put those two things together. I believe that this would help to secure jobs for Albertans that are staggering in number. I believe that this little proposal, if we get it going, get it off in the right direction, will create jobs and resolve our environmental problems at the same time. What we have to do is find some way within our system – the modified market system or the non free enterprise/free enterprise system, as the Minister of Agriculture likes to put it – to effect a transfer of funds for services. We've got to get money into areas where it can recycle carbon, and we have to do it in a way that reduces the amount of carbon that we put in.

Now, some people see a situation in which the carbon emitting nations send money to the carbon fixing nations so that we can tackle both problems at the same time. I support that, and I think we have to find a way to do it. I would suggest, and this may come as a shock to the Assembly, that we have to find some way to do it through the marketplace. We have to harness the powers of supply and demand on behalf of this initiative. I don't

believe that the Treasury Board can sit around and make decisions and determine these things altogether. I think we have to give the PUB, not a bunch of politicians, the job of looking at markets, how we can make buyers and sellers work together to solve this problem of global warming. [interjection] I've got a convert coming here, I can tell. A convert to market socialism, because that's what I'm going to tell you about right now, the philosophy of market socialism.

My overall feeling is that we should try to accomplish this on an international basis. It's going to be difficult, but let's look at what we can do in the province of Alberta. I say that we need a market which will offer sufficient incentives to ensure the continued existence of the present supply of carbon consuming vegetation, hoping that we don't mow it all down in the north to create pulp, and to stimulate enough new forest growth to alter the carbon imbalance. But I think we also have to find a way to provide market incentives for people right here in the province of Alberta to do the right thing, to pursue their own economic best interests and help to reduce this problem.

You see, the problem that we have in terms of the pollution of the planet, and this global warming problem is no different, is that our economy does not put any value on pollution. In fact, the cost of pollution to an industry in Alberta is zero. An industry pays zero dollars to apply for a pollution permit; they pay no application fee, no processing fee. An industry pays zero dollars for polluting, in effect, during the five-year term of a clean air/clean water licence; they pay no fee whatever for what they dump in the atmosphere. So pollution is free under our system. When we make pollution free, we distort and alter the marketplace in a way which is costing us the Earth and our health and possibly our lives in the balance. So we have to find some way to price pollution at the long-run replacement cost, not at the zero where it is right now.

Now, it's a renowned fact about markets – and my friend over here representing Clover Bar appears to know something about it. He would know that markets are meant to be efficient, not sufficient, and I'm quoting here from Amory Lovins of the Rocky Mountain Institute. He says:

Markets are meant to be efficient, not sufficient; greedy, not fair. If they benefit whales, wilderness, God, or grandchildren, that is purely coincidental. Markets are very good at what they do, but their purpose is far from the whole purpose of a human being. But I suggest there's something we can do about that. I think there's something we can do to harness the power of markets. It's one thing to penalize people for doing the wrong thing. They'll find a way around that, but . . .

MR. CHAIRMAN: I'd advise the hon. member that his time has expired.

The Member for West Yellowhead.

MR. DOYLE: Thank you, Mr. Chairman. I stand up in support of the subamendment by the hon. Member for Edmonton-Jasper Place. Bill 26, I believe, should be scrapped completely, but this amendment along with my own amendment of June 18 would certainly put this Bill on a different perspective.

Mr. Chairman, in Alberta, of course, most of our power is generated by coal. Coal is a very large polluter and very hard on the ozone layer. Of course, TransAlta is one of the biggest power producers in the province of Alberta. They produce some 72 percent of the energy consumed in Alberta. They supply municipalities, the cities of Edmonton, Red Deer, and Lethbridge. They also directly serve customers in Camrose, St. Albert, Sherwood Park, and Wetaskiwin, as well as some 600

other cities, towns, villages, and hamlets. They use the coal because their generating capacity is very close to where the plant is. Beyond those cities, villages, and municipalities, they serve 108 electrification associations. In 1989 the Highvale mine, both owned and controlled by TransAlta, produced 14.8 million tonnes of low-sulphur coal. Of course, we're fortunate in Alberta to have low-sulphur coal, and the [inaudible] that are installed on the stacks that collect the fly ash have allowed TransAlta to start up another company, TransAlta Fly Ash Ltd., which processes and sells fly ash as a by-product of coal combustion. This, Mr. Chairman, protects our global warming, and it gives another little industry to employ people and to protect our environment. But the total of 15.5 million tonnes represents 21 percent of the coal mined in Canada last year just for TransAlta alone. Of course, Alberta Power has their own power plants, and they also burn Alberta low-sulphur coal.

I was pleased to hear of and visit at Leduc the research centre's pilot project, where the provincial government, the federal government, the Ontario government, and the mines in West Yellowhead at Obed funded a project of over three-quarters of a million dollars on slurry coal to be used in Lloydminster. Some of that project, hopefully, would promote the sale of western coal to eastern Canada, where they burn the very high content U.S. coal. Of course, that coal has about 20 times the sulphur dioxide content that the Alberta coal has.

Mr. Chairman, as we strive for better energy efficiency and less global warming, we have not even explored to any extent in this province the possible use of geothermal energy. Geothermal energy, of course, would not at all contact the environment or cause any global warming. In the geysers of California many power plants are in place using geothermal energy, and they can create as many megawatts out of one well as a hundred tonnes of coal can. At the same time, that hundred tonnes of coal constantly ruins our environment and causes global warming.

Mr. Chairman, also in this Bill, of course . . . One of the power companies has a mission statement: to satisfy customers with safe, reliable, electrical service at the lowest possible cost. This will not be allowed to happen if this Bill is allowed to go through. This Treasurer should be ashamed of himself for taking this income tax rebate away from the power consumers in the province of Alberta.

Mr. Chairman, TransAlta's annual peak demand of course has increased since 1979, by some 59 percent just in the past 10 years. That alone causes effects to our global warming, and there's not much else that they can do because of the fact that we haven't discovered any renewable sources of energy, or, rather, used them. We know they're available, but we have not been using those sources of energy. But TransAlta mines one-fifth of Canada's coal. In terms of production those mines constitute the largest coal-mining operation in Canada and are quite a large employer of people, and because of the devices they have on their stacks, it does not cause too much global warming, in my thought.

The gross revenue last year for TransAlta was some \$154.9 million. The industrial was 39 percent of that. Cities and towns under wholesale contracts were 28 percent. Residential, general services, and small industries – retail, for instance – were 26 percent, and farms in Alberta were 7 percent of that power consumed. The total average cost to the customers of TransAlta through EEMA was some 5 percent.

But, Mr. Chairman, with this cut in the public utilities income tax transfer Act, those figures, of course, will change immensely, because we'll be looking around the province and seeing industries lay off or shut down or slow down and try to become

more energy efficient. I don't believe they could just accept the fact that this government is trying to take out of their pockets an income tax transfer that should be allowed to stay there. The industries in this province such as Luscar Sterco and Obed Mountain Coal and Smoky River Coal at Grande Cache are great suppliers of coal for industry throughout Canada and throughout the world. I would hope those other power consumers and steel plants that use the coal from West Yellowhead are as positive towards the environment as TransAlta and Alberta Power are with the apparatus on their stacks that will allow them to collect the fly ash that so often causes global warming.

Mr. Chairman, the amendment in itself is a positive step towards the protection of the environment. The Bill itself should be scrapped. Somehow I feel that the government cares not about the power consumers or the normal citizens of Alberta, and they're just out there to penalize them for a deficit that's been caused by this government, with no care at all for the power consumers in this province.

So, Mr. Chairman, the slurry coal project is certainly a step for the future to protect against global warming as we ship coal from western Canada to the power plants in Ontario, providing that free trade doesn't stop us from bringing filthy American coal in to be used in competition with the jobs in western Canada and especially the riding of West Yellowhead, where I believe there are probably more miners than in any riding in this province.

Mr. Chairman, I will leave it at that. I believe the government is the one that's going to suffer the consequences if they allow this rebate to be taken away from the customers and the power companies in the province of Alberta. They should be ashamed of this tactic against the industry, small business, farmers, and the ordinary individual Albertan.

MR. CHAIRMAN: The hon. Member for Stony Plain.

MR. WOLOSHYN: Thank you, Mr. Chairman.

MR. HYLAND: Stan, amend the motion to shut down Sheerness in Wabamun out here.

MR. WOLOSHYN: Well, you know, hon. member, that might not be a bad idea. In keeping with this subamendment, we should be looking at what these power plants that are built all over should be doing and what they should be spewing into the atmosphere as compared to what is really happening. So the suggestion that perhaps we should look at an old plant like Wabamun I think has a lot of merit. Its life expectancy has been extended a couple of times. Granted, it has been upgraded, and the technology involved in the operation of it has been improved as we've gone on.

That's basically what my hon. colleague for Edmonton-Jasper Place is looking at. By introducing this subamendment he is suggesting a very, very good process that should be embarked on, and that is that the Public Utilities Board, along with looking at the rates, along with looking at what effects this particularly poorly thought out tax grab would have, go one step further and see what is happening in the whole business of power generation. If you take the trouble to read the subamendment, you will see that the hon. member refers to the need for strategies to combat global warming. Now, it is only in the last two or three years that scientists have started to appreciate the fact that there is a problem with global warming, and the longer we procrastinate with respect to having an approach, having any

kind of game plan in effect to combat this particular phenomenon that is being created by man, the harder it will be for us to cure the matter when we finally take issue with the problem.

[Mr. Moore in the Chair]

Immediately west of Edmonton we have a very, very substantial number of thermal generators. We've got the TransAlta facilities at Wabamun, at Sundance, at Keephills, and now we have added across the river in the same general area the thermal plant operated by Edmonton Power. I think that in view of the amount of coal that's being consumed in our own backyard, within 30 miles of this building, it's very, very important that we have a look at the effects of what's happening there. All the hon. members would be aware that TransAlta is one of the largest private utility companies in the province, likely in Canada, and although they have about 15 hydroelectric operations, coal still fuels about 90 to 95 percent of the power generated from their facilities. I don't believe we can appreciate the volume and tonnage of effluent that goes into the air. We can't appreciate the amount of excess heat that's generated every minute by these plants. We don't even have any concept of the effects of these particular operations until we have a good look at them.

Now, those of you who have been around Wabamun for a while will know that when the plant was first put in there, nobody really thought too much about the effects it would have. Now it has changed the whole complexion of the lake to the point where even TransAlta Utilities has concluded that it would not be a very wise move to continue. They've got a short-term method of cutting weeds with water harvesters – if you want to see an interesting operation, you should watch that – and they chose to invest extra dollars in both their Sundance and Keephills plants to keep the temperature of the lake down. As a matter of fact, they now are pumping water from the Saskatchewan River to their Keephills plant. You'll notice, hon. members, the last few years the Saskatchewan River didn't freeze, and that's largely due to the power operations. When Genesee gets going, we'll have open water in Edmonton for years to come all year round. So we shouldn't be too quick to condemn looking at the broader scope of the effects of activities we enter into.

As the hon. Treasurer has simply introduced Bill 26 as a tax grab, it has greater implications. The amendment, which we'll get to soon again, was a very good amendment. It was introduced by my colleague from West Yellowhead. In the amendment he is asking that the public have input or an awareness of what's happening. My colleague from Edmonton-Jasper Place has taken this one step further. He is saying, "If we're going to look at the effects of power generation, if we're going to have a public hearing into it, perhaps we should look at what it's doing on a larger scale." His amendment requesting that "the need for strategies to combat global warming" be looked at I fully endorse.

On that, Mr. Chairman, I will be concluding my remarks. Thank you very much.

MR. ACTING DEPUTY CHAIRMAN: Edmonton-Jasper Place.

MR. McINNIS: Thank you, Mr. Chairman. I would like to conclude my remarks on the subamendment dealing with global warming. Where I left off I was talking about the need to harness the forces of the marketplace to bring the creative

energy of supply and demand, entrepreneurship, those values, into the fight against global warming. I was hoping on that basis I could appeal to this government to endorse the subamendment, because I think it's time we realized the forces of supply and demand in the market are very powerful and creative forces. We should try to get that creative energy working toward the good rather than the destruction of our atmosphere and the general problem of the buildup of carbon and problems that follow from that.

If you simply impose a penalty on people who burn carbon, which is a proposal that's around – you know, a carbon tax is out there. Some people think all politicians do is sit around all day and think up new taxes. You know, why don't we have a goods and services tax? Why don't we have a utilities rebate tax? Somebody else talks about a carbon tax, and that's just the light some people look on it with. The problem with that is that if you penalize polluters without providing a corresponding opportunity to escape the penalty by translating one person's loss into another person's profit, you don't really achieve very much. If you can address the other side as well, if you can show people how they can receive a benefit from doing the right thing, if you can give them profit and all the things they want in life by doing the right thing, then by golly, they'll do it. That's basically what I'm saying. [interjection] Here we are; I believe we have a convert coming in the person of the Member for Clover Bar.

Just consider this for a moment, Mr. Chairman. Just consider that in many cases the cost of saving energy is about one-tenth the cost of producing new energy: a remarkable economic advantage on the side of conservation, wouldn't you think? But somehow with our system, with all the regulations, the way costs are allocated or not allocated, companies and individuals can't see the direct economic benefit to them of eliminating particularly the use of energy which is created from the combustion of carbon. That includes the vast majority of the electrical energy produced in the province of Alberta. We are for all intents and purposes a coal-fired electrical system, and coal is of course one of the leading culprits in the question of global warming.

So there is an opportunity, I believe, to sell efficiency in the marketplace, and some of the research which is available, to me anyway, is that it would be possible, given tremendous developments in technology in the energy conservation field over the past few years literally – I mean, the advances that have been made in electrical motors, in efficiency of electrical appliances are absolutely astounding. Given the technology that's currently available and now being used, you can – in United States terms anyway – produce savings in the vicinity of .6 cents per kilowatt hour, which is an enormously inexpensive sum of money. In fact, in many cases it's costing 10 times that to create new sources of electrical energy. We're looking at closer to 6 cents a kilowatt hour.

If we can find a way to give people of business perhaps an arbitrage, buying conserved energy and selling it to people who really need it, then we will have a market in what Amory Lovins calls 'negawatts.' Now, we've all heard of megawatts, a very large unit of electricity that comes out of a very large electrical energy generation plant. What's a 'negawatt'? Well, a 'negawatt' is a unit of energy saved. A unit of energy saved is like the old adage: a penny saved is a penny earned. It's nothing more than you may have earned. You could think of a penny saved as a 'negapenny,' because you haven't gone out and earned a new penny, you've earned it by not spending it. Well, the same applies to electricity, only it turns out that what you

save is a lot more beneficial to you economically than what you spend.

What we're saying in this amendment is that the Public Utilities Board should look at creating a 'negawatt' market in the province of Alberta, creating incentives, creating the conditions under which people, individuals, institutions – I believe my colleague representing Calgary-Mountain View went through the top power customers in Calgary the other day. A lot of them are public institutions. Public institutions can also profit from this, as can our good Earth.

So for all intents and purposes 'negawatts' are just like generated watts, only they're cheaper, cleaner, safer, and faster to produce. Such utilities would therefore help their customers save electricity or other fuels through such specific programs as information, technical design support, concessionary loans, leases, gifts, and rebates for buying energy-efficient equipment. Such programs are widely used throughout the United States, Mr. Chairman. They're well understood. They're highly successful, and it's been proven beyond any reasonable shadow of a doubt that they will yield large, fast, cheap savings of energy. I think I can be highly confident about the accuracy of that statement, even though I know the members will all have their researchers try to find some way they can attack it. I believe that what I've said is absolutely right on, and it's backed by solid research.

[Mr. Schumacher in the Chair]

What are some examples of how we can apply this concept in the province of Alberta? I realize that much of what I've said so far is somewhat theoretical in outlook, and the Member for Clover Bar is confused whether it's free enterprise or socialism. I appreciate that he may be confused, because I think he will learn in life that the socialists have a lot more to offer than he possibly thinks, and that's why we're going to govern this province and govern it well one day.

Let us look at our neighbouring province of British Columbia. Now, British Columbia has an easier situation to deal with in terms of combatting global warming and energy savings because they're a single public utility and they don't suffer the problems of a patchwork system of private utilities. But I believe – and that's why this amendment is hooked on to the referral of the matter to the Public Utilities Board – that we can have the Public Utilities Board act in a way to co-ordinate our network so that the same goals and achievements could be realized in the province of Alberta.

What are some of the things the province of British Columbia is doing in this particular area? Well, they have a program that they call Power Smart, and it's a very smart program. I personally know some of the people who are operating it. They're people who have very good technical backgrounds in the field of energy savings. I wish I had copies of this for all hon. members to study, because I think they would find in here some very good ideas. I will make this available to the Public Utilities Board for sure in the event that this amendment and subamendment are passed, because they will find this material extremely useful in conducting the review of this program and maybe save Stelco in the process.

Under Power Smart they have a whole series of programs that help individual homeowners save money on their power bills, and they offer some incredible incentives. For example, they have a refrigerator efficiency incentive program. If you buy a brand-new refrigerator in British Columbia on a list of highly efficient appliances – and there are approximately 160 on the

list; you can get the list from any B.C. Hydro outlet – they'll give you \$50 cash immediately, \$50 cash back from the utility. It seems extraordinary that a public utility would be helping customers buy energy efficient refrigerators, but it pays. It pays in cash dividends to the utilities because they don't have to go out and spend the billions of dollars necessary to create new sources of energy costing 6 cents or more per kilowatt hour when they can achieve this kind of saving for .6 of a cent per kilowatt hour. By March of this year they had 2,214 rebates processed.

They have a refrigerator buy-back pilot. If you've got an old fridge – they don't care what condition it's in, functioning or not functioning – they'll pay you 50 bucks and come and get it. Anybody who's had a refrigerator to get rid of . . . If you don't have a pickup truck and don't have ready access to a landfill – and I don't think a refrigerator should go in a landfill; it should go out to Stelco and be made into new steel products – they'll come and buy your old fridge for 50 bucks and take it away and send it for recycling. Now, why will a utility company buy old fridges? It's quite simple. A lot of homes have two fridges and don't really need them. They buy back the second fridge, cut down on power consumption, save the consumer money. You get 50 bucks to get rid of your disposal problem. The power company saves money; everybody saves money; everybody's happy. Isn't that the nature of markets? Now, here's a socialist idea that will use the market mechanism and everybody's happy.

They have a program of converting electric water heaters to natural gas. Now, I don't think that would be much of a seller in Alberta. There aren't a lot of electric water heaters, although there are some. That certainly would result in some savings on the electrical generation side.

But here's a real good one. They have another energy efficient one, power-smart water heaters. They have a list, again like the refrigerators, of energy efficient water heaters. If you buy one on the list, you get a \$20 rebate. The water heater jacket is quite a novel and interesting one. The power company in B.C. will come and install a jacket on your existing water heater free of charge. It doesn't cost you anything. You just have to phone them up and they'll come. They'll put the jacket around the water heater at no cost – 32,500 installed to date. That saves electricity, saves money for the customer, saves capital investment, and saves our environment. How can you beat a combination like that? All those things follow simply from the utility putting a jacket around everybody's water heater. It's a phenomenally good idea. And think of the jobs. We could be manufacturing jackets for water heaters. We could have designer jackets. We could have a competition on who would design the best jacket for water heaters. Albertans could be employed making those, installing them, and at the same time we would be saving money on our electricity, saving the good Earth from all the carbon dioxide that's causing the greenhouse effect.

They have another broad program called quality-plus homes. This is essentially a promotional educational program. It doesn't involve the transfer of money. What they do is work with the Home Builders' Association to promote higher standards of energy efficiency in new homes, and they have a program. It's a little shield, an award that they call the quality-plus award. Home buyers know when they see the quality-plus shield on their new home that they're getting a state-of-the-art energy efficient home, and that means something to consumers of new homes. It means they're not wasting energy, they will save money, and they will be helping to resolve the problem of global warming. That program doesn't cost a great deal of money. It's

just a sound initiative that's being undertaken as part of a strategy through a public utility to combat global warming.

The savings of the energy education program are so profound that the utility can afford to send people out to schools all over the province to introduce the subject of energy conservation in school curricula. They go and teach kids about energy conservation. The utility company does that, and that serves the interests of reducing long-term power consumption, serves the interests of resolving global warming. And that's basically the residential sector.

Then we move to the commercial sector, and here's where things get really exciting. In the commercial field, you know, people who run a business know the numbers, they know the bottom line, and they can evaluate in a way that homeowners often can't. Homeowners don't do enough accounting, I guess, to be able to see how relatively small changes in their expenditure pattern add up over a period of time, but you really see it in the commercial sector. For example, they have a program called energy efficient lighting. They will help customers convert to energy efficient lighting, offering rebates of 25 cents for each energy saving lamp you buy, each light bulb that is energy efficient, and a \$500 per kilowatt hour reduction for high intensity discharge changes. That has the potential, as I've come to learn, to save enormous amounts of money. It's very difficult to believe how effective some of these new lighting products are. They have new lamps these days which will function 13 times as long as an incandescent lamp. They in fact have lamps that will burn for over 10,000 hours. Can you imagine a light bulb that burns for 10,000 hours without burning out? Look above you. How many light bulbs have burnt out just in the time we've been here this session? We haven't been debating for 10,000 hours. Sometimes it seems that way perhaps, but we have not been debating for 10,000 hours. In fact, I don't have the statistics on how many are actually burnt out, but I'm sure we could get those if we sent somebody to work on them.

So we have this phenomenally successful program. You have \$500 per kilowatt hour of savings that's paid directly to the company for bringing in high intensity discharge lighting systems.

What about municipalities? It was mentioned here yesterday that the number one power customer in the city of Calgary is, in fact, the city of Calgary. It's because of street lighting and a lot of things like that. So they have a program where they do a walk-through audit of municipal buildings. They've done one in each municipality in British Columbia in the first year of operation. They identify areas with potential for energy savings, and they promote the adoption of energy saving programs in the municipality. So that's been a very successful program.

They have another one that deals with areas that are not fully integrated into the grid. It's a little bit complicated, but we would say that they're helping to install alternative fuel appliances rather than electricity because in their nonintegrated areas they often burn diesel, which is very poor. They have a pilot program providing incentives to new commercial buildings to make sure they're the most energy efficient possible. Often it's a matter of not knowing. This technology changes every few months. You have to be a very finely tuned expert to understand the importance of what can be done in today's marketplace, and often engineers and contractors are not aware of the most efficient technology.

They have, of course, their own in-house efficiency program at B.C. Hydro. I believe, as I'm sure most do, that energy utilities themselves should be models of efficiency. In the industrial area – and this is where the biggest savings are – the design of electrical motors is where the most radical savings in

energy have been achieved over the last couple of years. They replace wasteful throttles and fans and pumps with electric controls that draw full power only when absolutely necessary, reducing the standby cost. They have computer programs, software, provided to industrial users almost free of charge. High efficiency motors: they're offering a rebate of \$400 per kilowatt hour saved for the purchase of new energy efficient motors. That adds up. When you have a utility in effect helping companies to purchase high efficiency electrical motors, you save energy and reduce global warming. You have the efficient compressed air program, under which 120 plants have been tested, 35 retested. They estimate they've saved 8.7 gigawatt hours a year under the efficient compressed air program. A high efficiency motors program: 21.4 gigawatt hours. Efficient lighting: street lighting has been mentioned as a culprit for consumption of electricity. Well, high-pressure sodium street lights provide the same light output with 25 to 65 percent less energy than incandescent, fluorescent, and mercury vapour lighting. So just bringing in the high-pressure sodium lighting can save a quarter to a half of the amount of electricity, and Hydro is now offering municipalities a rebate of \$300 for every kilowatt hour they save through the installation of efficient roadway lighting.

Mr. Chairman, these are only a few examples of many. I have so much material because I'm so excited about this proposal that I would actually like to speak about it until the government comes to its senses and does something. So I'm hoping that perhaps we could have a vote on this and get on with the business of creating jobs, saving money, and saving our planet at the same time.

MR. CHAIRMAN: Is the committee ready for the question on the subamendment?

AN HON. MEMBER: Question.

MR. CHAIRMAN: All those in favour of the subamendment proposed by the hon. Member for Edmonton-Jasper Place, please say aye.

SOME HON. MEMBERS: Aye.

MR. CHAIRMAN: Opposed, please say no.

SOME HON. MEMBERS: No. [interjections]

MR. CHAIRMAN: Sorry, hon. Member for Edmonton-Meadowlark. The vote has been called, and the decision of the Chair was that the ayes had it.

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

[Eight minutes having elapsed, the House divided]

For the motion:

Doyle	Laing, M.	Mitchell
Fox	Martin	Taylor
Gibeault	McInnis	Woloshyn
Hewes		

Against the motion:

Anderson	Gesell	Moore
Betkowski	Gogo	Oldring

Brassard	Hyland	Orman
Cardinal	Isley	Rostad
Cherry	Johnston	Severtson
Clegg	Kowalski	Sparrow
Day	Laing, B.	Thurber
Dinning	Lund	Trynchy
Elzinga	McClellan	West
Fowler	McCoy	Zarusk

Totals:	Ayes – 10	Noes – 30
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[Motion on subamendment lost]

MR. GOGO: Mr. Chairman, I move that we adjourn debate on the amendment to Bill 26.

MR. CHAIRMAN: Having heard the motion of the hon. Deputy Government House Leader, all those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. CHAIRMAN: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. CHAIRMAN: Carried.

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

[Motion carried]

[Mr. Deputy Speaker in the Chair]

MR. MOORE: Mr. Speaker, the Committee of the Whole has had under consideration certain Bills, reports progress, and requests permission to sit again. I wish to table copies of the amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

MR. DEPUTY SPEAKER: Does the Assembly concur with the report of the hon. Member for Lacombe? All those in favour, please say aye.

HON. MEMBERS: Aye.

MR. DEPUTY SPEAKER: Opposed, please say no. Carried.

### head: **Private Bills** **Third Reading**

[It was moved by the members indicated that the following Bills be read a third time, and the motions were carried]

No.	Title	Moved by
Pr. 1	Sisters of Charity of Providence of High Prairie Amendment Act, 1990	Cherry (for Elliott)
Pr. 2	Edmonton Research and Development Park Authority Amendment Act, 1990	Zarusk
Pr. 4	Canada West Insurance Company Amendment Act, 1990	Mitchell

Pr. 6	Alberta Wheat Pool Amendment Act, 1990	Hyland (for Elliott)
Pr. 7	St. Therese Hospital (Grey Nuns) of St. Paul Amendment Act, 1990	Gesell (for Drobot)
Pr. 9	Young Men's Christian Association Tax Exemption Amendment Act, 1990	Gesell
Pr. 11	The Campbell McLaurin Foundation for Hearing Deficiencies Amendment Act, 1990	Lund (for Black)

**head: Government Bills and Orders  
Third Reading**

**Bill 31  
Livestock Industry Diversification Act**

[Adjourned debate June 29: Mr. Isley]

MR. GOGO: Mr. Speaker, pursuant to Standing Order 21 I move that debate on the motion for third reading of Bill 31, Livestock Industry Diversification Act, be not further adjourned.

[Motion carried]

MR. ISLEY: Mr. Speaker, in briefly speaking to third reading of Bill 31 earlier today, I stressed that this Bill attempts to be sensitive to the concerns of certain Albertans with respect to poaching, disease control, and genetic purity of our elk herd. I'd like to expand a bit on those three points.

First of all, let me again make very clear to the Assembly that Bill 31 basically does only two things: number one, it transfers the day-to-day overseeing of game animal production units from the Department of Forestry, Lands and Wildlife to the Department of Agriculture, and secondly, it legalizes the sale of elk meat in the province of Alberta, making Alberta the eighth province in Canada which permits the sale of this commodity.

[Mr. Speaker in the Chair]

Having said that and recognizing that we feel that this is an important diversification in the agricultural industry, we also have deep concerns about the welfare of our wildlife in this province and recognize the role that it plays. That is why we attempted to approach very carefully the three areas that I suggested. When it comes to poaching, I think all hon. members should realize that all animals on game production farms are under very strict inventory controls. I won't go into the details of the tamper-proof, government-issued double ear-tagging system. The hon. Member for Drayton Valley explained that fully last evening to anyone that was prepared to listen. All animals raised on game production farms have to be identified individually. Records are kept of births, deaths, and sales so that a periodic check of a game animal production farm will determine whether or not there is any discrepancy in numbers.

Secondly, with respect to the control of the sale of antlers, antlers can only be sold to licensed dealers from this province, and they must arrive at that dealership with a special band on them which is issued only to the game farmers and cannot be replicated. I should also again remind the Assembly that to poach wild elk in an attempt to get velvet antlers is a very touchy thing to be successful at. There's only a short period of time when those antlers will draw the value of velvet antlers, and

if you don't have them in a controlled environment so you know the age of those antlers, the chances are pretty remote of you getting antlers worth very many dollars off a wild elk.

In addition to that, I think I've also tried to make clear to the House that there will only be certain designated slaughterhouses in the province which will be able to receive the elk. The elk must arrive at that slaughterhouse alive. Proof of ownership must be established. There must be a precheck of the animal when it's alive by a meat inspector and another check of the animal after it has been slaughtered. Again, the hon. Member for Drayton Valley explained to you very clearly in descriptive terms what the ribbon brand system is so that you can identify in a restaurant, in a meat market where that elk was slaughtered, and for that matter if you want to go back through the system, you can identify which game farm it came off.

So I think we've put in a system, Mr. Speaker, that will work to deter poaching in this province. I would not suggest that it will work to eliminate poaching. No matter how many laws we make in here, we certainly don't succeed in eliminating any type of criminal behaviour.

With respect to disease all members should be aware that Forestry, Lands and Wildlife have closures on the border to the importation of elk until we get a good handle on the meningeal brainworm. There was some concern it could move in. Until such time as we're satisfied that any animals being imported are completely disease free and genetically pure, they will not be entering the province. The industry will grow based upon the supply of breeding stock that is generated from the 3,300 elk in this province on game farms at the moment. Genetic purity is controlled in the way that I've just described: the only animals that can be imported will have to be genetically pure. Any animals that have been imported in the past that were not genetically pure have been taken care of in a way that prevents them from reproducing.

So I believe that the Bill and the subsequent regulations will address those three areas of, I would say, legitimate concern raised by certain Albertans.

I don't think there's a need, Mr. Speaker, for me to go on much further. There were a lot of, shall we say, strange things coming up in the debate of this Bill: dealing with elephants in Kenya, and we saw the elephant ruling come forward in this Assembly for the first time.

There is one other thing that the hon. Member for Stony Plain brought up that I would like to clarify. He seemed to try to draw some relationship between this and the brucellosis infested herd in Wood Buffalo Park, and that's a herd of bison. Let me say two things with respect to bison in this province: number one, the only way we're going to solve the brucellosis infested herd in Wood Buffalo Park is to eradicate it, and if it were under provincial control, it would have been eradicated quite some time ago. That's exactly how we control the disease with our cattle in this province. So our challenge is to convince the federal government to slaughter that herd totally. Fortunately, so that we can retain bison in this province, it has been legal to game farm and slaughter bison in this province for a number of years, and the game farmers have retained this species of bison. Hence we'll be able to restock Wood Buffalo Park from the bison farming that goes on in this province. I think that's another important reason for looking seriously at well-managed game farming production units with our native wildlife species: to ensure that we never lose those species.

Having made those points, Mr. Speaker, I would encourage that everyone support third reading of Bill 31.



MR. SPEAKER: The Member for Vegreville.

MR. FOX: Thank you, Mr. Speaker. I rise to speak against the motion of the hon. Minister of Agriculture that we support Bill 31, Livestock Industry Diversification Act, in third reading. I'm sure that comes as no surprise to members opposite. I want to, in the short time available to me in this debate, make it very clear on the record again for those members who either didn't hear comments previous, chose to ignore them, or haven't had a chance to look at them.

I've expressed a number of concerns about this Bill and about the development of this industry, and I want you to know that I resent very much the insinuation that because I've expressed concerns about Bill 31 and because it's called the Livestock Industry Diversification Act, therefore I'm against the diversification of agriculture. The minister himself took the opportunity to read into the record last night a letter from a person whose elk ranch I along with the Member for Edmonton-Jasper Place had visited, where this gentleman expressed concerns and I think used words that perhaps the hon. Minister of Agriculture may have suggested he used by implication in his answer to questions I raised. It was the minister that said in response to questions that I asked that he's surprised that the Member for Vegreville, you know, the agriculture critic for the opposition, would be against the diversification of agriculture. That's not true at all, Mr. Speaker. I think members recognize that I speak forcefully and frequently in favour of the diversification of agriculture and the livestock industry, but this is not the diversification of the livestock industry. There are limited opportunities for a few people to get involved in this industry. The expenses are very high. The risks are great. The controversy surrounding the industry is undeniable. Because I express concerns about this government's plans, I don't think that's by implication suggesting that I am opposed to the diversification of agriculture. That's nonsense.

What I want to make sure, Mr. Speaker, is that in the development of laws in this Assembly we as elected members carefully consider the views and opinions and concerns and wishes of Albertans, come forward with legislation that's thoughtful and thorough, debate it at length to make sure that we're not making mistakes, and then pass it. I've stood in my place and voted in favour of a number of pieces of legislation proposed by this government because I felt that it has met the test, and the former Minister of Agriculture would acknowledge that. This Bill fails on all counts in terms of the kind of assessment I have to go through as the Member for Vegreville. The public input process has been a sham, and if the government members opposite think that it's been anything other than that, think that it's been a good process, then they have to get up after me and explain why there are thousands of people in this province who feel angered by the process; thousands of people who feel like they've had this Bill rammed through the Legislature, contrary to previous commitments made not only by ministers but by the Premier of this government; people who feel that . . . [interjection] Well, you're not reading your mail, hon. Minister of Recreation and Parks, because I've got volumes of it here.

MR. SPEAKER: Order please, hon. member. *Ersine May*, page 509, third reading: "Debate on third reading, however, is more restricted than at the earlier stage, being limited to the contents of the bill." Let us return to the contents of the Bill.

MR. FOX: Thank you, Mr. Speaker. The contents of the Bill deal with the proposal that we allow the game ranching of elk in the province of Alberta, and that's exactly what I'm talking about. I think before we . . .

MR. SPEAKER: Thank you, hon. member. Your last comments before the interruption were not about the contents of the Bill.

MR. FOX: Mr. Speaker, the Bill proposes that we legalize the production and sale of elk meat in the province of Alberta. The minister's provided us with some information to substantiate the extent of the industry in the rest of the country, and I would like to point out to the hon. minister that the information he's provided and the statistics upon which he's based that are incomplete. The fact is that elk meat – what we're doing here is something that is permitted in a few other provinces in Canada, but in fact the combination of legalized sale of elk meat along with the legalized production of elk for the purposes of slaughter is something that's allowed currently in only four provinces in the country. Several that he referred to yesterday where you can sell the meat but you can't raise it: I think he should have been a little more honest with his colleagues when he presented that information to us last night.

Anyway, Mr. Speaker, the minister is suggesting that the Bill contains sufficient safeguards to allay any fears that people may have about the development of a game ranching industry in the province of Alberta, and I suggest that that's not the case. I've tried to outline in this Assembly how it is virtually impossible to guarantee that there will not be mixing occurring or that the wild populations can be prevented from migrating into domestic herds and vice versa, that the more that we develop this elk ranching industry, the greater the threat to the wild population through this mingling. The example used in question period, Mr. Speaker, I think should illustrate that the regulations contained in the Act are not adequate to prevent that.

The minister did acknowledge that you can't guarantee a fail-safe operation any time, and I think that minor admission on his part ought to be enough for him to acknowledge that there are some legitimate concerns being expressed by people in the province of Alberta about this very industry, that what we're seeing are situations where accidents can occur, they do occur, and they will occur with increasing frequency, where elk raised in captivity will escape and will have an opportunity to mix with populations in the wild. Because that's the case, we should at least make sure that we consider the legitimate scientific opinion, independent scientific opinion of the people who've been contacting us expressing concerns about this Bill. We should at least consider that before ramming this through the Legislature under closure. I think the minister would be wise to reassess his opinion in that regard.

The minister hasn't told us what the outcome of certain provisions of this Act will be in respect to additional species being included. Currently elk is the species of major interest, and I suggest for that reason that it's the subject of greatest controversy, because the elk is an animal native to the province of Alberta, and it's one that is highly valued by people who like to go out and enjoy the wonder of Alberta's wilderness, and there's a very sensitive aspect to the ranching of elk. But the other animals permitted to be farmed under the Bill are moose, white-tailed deer, and mule deer. Again, all species native to the province of Alberta and their production in a commercial sense

does give concern to a number of people, and those concerns have not been addressed.

Under the regulations that append the Act, the minister hasn't told us – he does say that Forestry, Lands and Wildlife will continue to determine which species can be game farmed under the provisions of the Act, but he hasn't told us. You can look in the Wildlife Act, captive wildlife regulation, and see that people can go out and collect all kinds of animals for a pittance, whether it be cougars or bears. I gather some of these animals – bears have parts that are highly valued by the foreign markets, and there's some concern that the government's actually done some studies on the economic potential of raising bears in captivity. I wish the minister would tell us what the plans are long term. What are they going to use this Act for in the future? They're talking about elk, moose, white-tailed deer, and mule deer right now, but I think he needs to be up front with the people, although based on experience, I'm not sure that we could count on his word lasting for any particular length of time.

MR. SPEAKER: Hon. member, that's not proper.

MR. FOX: Well, Mr. Speaker, the government was saying a year ago that they weren't going to allow game ranching in the province of Alberta. Game ranching, as defined in their own documents, is the production of big game animals for the commercial sale of meat for public consumption. Now we hear that what it means according to this Act . . .

MR. SPEAKER: Thank you, hon. member. Your comment now is with respect to the government as a whole. Your comment previously, which caused the interruption, you directed at the minister in his own right as a person.

MR. FOX: Mr. Speaker, this Bill attempts to redefine ranching as it's been traditionally practised in the province of Alberta. Ranching no longer means the production of big game animals for the purposes of slaughter and sale of meat. That's not what ranching means anymore; it's been redefined by this Act. Ranching suddenly means paid hunting and the production of big game animals on Crown land. That's what the minister has said, and they say that we do not allow big game ranching in the province of Alberta because that means paid hunting. I suggest that there is already pressure on the government to move towards paid hunting in the future. They were saying a year ago that there would be no production of these animals for the sale of meat. But as the industry is developed, with more and more people getting into it to sell breeding stock, to raise the elk for the purposes of harvesting and selling the velvet antler, there comes pressure from the industry, from those who have made an investment, to allow the sale of meat.

The government's now gone step 1 and step 2. I suggest that as more and more people make investments in the industry, try and get involved in the production of elk for the purposes of selling their meat and their horns, there is going to be increased pressure on the government to allow paid hunting. It's done in other jurisdictions. It's the inevitable result of the proliferation of an industry based on the privatization of a wildlife resource, the commercialization of animals that are raised in the wild. Paid hunting is a big industry in some places in the United States, and I suggest that this government buckled to the pressure of the game growing industry in a heck of a hurry, with alarming suddenness, to allow the production of big game animals for the sale of meat. I wonder how long it'll take them to do the same with respect to the paid hunting regulations.

I just want to remind hon. members that we needn't have proceeded with such haste with this Bill, that there were other options available. It wouldn't have hurt to allow some of the people expressing concerns to have the opportunity to do that, to make sure that there's a thorough . . . The Member for Vermilion-Viking could have trotted out his scientific credentials and opposed some of those. That would be legitimate, and I respect his expertise. I alluded to the public input process in second reading. There are a number of people who feel that they've been disenfranchised, that the government's done an end run around them in terms of the development of this industry. I think that's unfortunate, because the result of that is going to be a history of controversy. That ought to be of concern to the people involved in the industry as well, because their moves are going to be subject to controversy at every step. That's unfortunate, because I think that most of the people getting involved in the industry, at least the ones I've met, are doing it with the best of intentions. They believe that there's an economic opportunity here, and they're going to pursue it.

I want to emphasize, Mr. Speaker, that the Bill does contain provisions that require that a number of steps be followed prior to the issuance of a licence for people wanting to get involved in game ranching. I admit that. It does contain a number of provisions that require a number of hoops be jumped through in order for people to transfer stock or sell stock or bring stock in. In fact, the herd is monitored in a very close way, there's no doubt about that, with the provisions contained in the Act. You know, it's no doubt. The people who are involved in the production of these animals, many of whom have had experience with other types of legitimate domestic livestock like cattle, horses, or indeed bison – because bison has to fall into the category of domestic livestock now; it's no longer wild in a general sense in the province of Alberta – people who have had experience with these other animals will recognize that the provisions contained in the Act are quite stringent by comparison.

You know, the things that you have to do to produce elk, to monitor their movement, and to handle the harvest of the antlers and the sale of the animal for slaughter and subsequent sale of meat, are all stringent by comparison. I'm not suggesting that anybody currently involved in the industry is going to have an interest in abrogating the provisions of the Act. The minister refers in a lighthearted way to the experiences with elephants elsewhere in the world, but I suggest we can learn from the experience of others when we develop legislation in Alberta. The fact is that the restrictions on the harvest of ivory from elephants is much more dramatic than they are with what we're proposing in this Act here. The penalties are stiffer. But the fact is that the poaching has occurred, and it's occurred with increasing frequency, and they've not been able to stop it. So I suggest that no matter how stringent the government may feel these regulations are, the fact is that poaching is going to occur, and it will occur with increasing frequency because we've created a legal avenue not only for the disposition of the antlers. People found it profitable to try, as difficult as the minister says it is, to slaughter animals in the wild for the sale of antlers. We've now created an additional legal avenue for them to operate alongside for the sale of the meat, and that increases the incentive for people to poach. Though I don't like to admit that there are people in the province of Alberta that do that sort of thing, there are. There are, in fact, people who will abuse the regulations and provisions in this Act, and I think because that's the case, the minister should agree to vote against third reading of this Bill and hold it back so that we can do a proper,

legitimate, public consideration of the impact of the development of the game ranching industry in the province of Alberta on the wildlife resource.

It would have been very easy for us to develop or restrict this Act a little further so that it dealt only with nonnative species. We could easily develop an industry, you know, raising for commercial purposes a number of different types of animals that aren't native to the province of Alberta, and no one would suggest that there's anything wrong with that, because there's no threat to the native species by raising ostriches, for example, which some people are doing.

So, Mr. Speaker, I think the Act is deficient in a number of ways. The process has been thoroughly deficient in every sense of the word, and the haste with which the government decided to ram this Bill through the Legislature and foist it on the public of Alberta is regrettable and something that will come back to haunt the government. It'll come back to haunt the people involved in the industry, and I submit the government's not done them a service in that regard, because this could have waited, a little more thought could have gone into it, more public consideration, and a better job done as a result.

I do find it interesting, Mr. Speaker, that the Liberal Party has had one of their common abrupt flip-flops on this issue. In second reading they were not only wholeheartedly supporting game ranching in the province of Alberta; they were taking credit for the idea themselves. I mean, this was a Liberal conception. It was very much like their position on Senate reform. That's been something that's developed over time. Our position on this Bill has been clear. I submit the government's position, as regrettable as it is, has been clear in this regard, and I just think, you know, for the Member for Westlock-Sturgeon to suggest that he can be wholeheartedly in favour of something one day and wholeheartedly against it the next is something that's typical but regrettable.

I'm presenting that argument in hopes that it will convince members opposite to join me in voting against third reading of the Bill, Mr. Speaker, because I think this is an important Bill. It's an important Bill, and that's why we've put so much effort into trying to put forward compelling and convincing arguments to members opposite. We would have had opportunity, I submit, Mr. Speaker, to fine-tune it and make it a better piece of deficient legislation if we'd had more than 15 minutes for the Official Opposition to speak in committee – that's the sum total of debate in committee – to examine this Bill clause by clause and propose amendments. That's deeply regrettable, but I guess that's part of the process of a government that's running scared from an issue.

I'll leave those comments with the hon. members in the hopes that they will finally have come to their senses, listen to reason, not support the Minister of Agriculture in his request that we vote for this Bill in third reading. I don't think it's a Bill that's supportable. I think the process has been a sham. The Bill contains many deficiencies, and if we as legislators are going to pass things into law, we need to make sure that we're doing a good job of it. That hasn't been done with Bill 31.

MR. SPEAKER: Redwater-Andrew.

MR. ZARUSKY: Thank you, Mr. Speaker. I think it's a pleasure to finally get up and speak in favour of Bill 31, the Livestock Industry Diversification Act. I just want to get on record here as supporting this Bill, and I know our whole government does because it's a great thing for our province, it's a move in the right direction, and I think we're going to get a lot

of diversity out of this. As the minister indicated, this Bill does two things: it transfers elk farming from the department of lands and forestry to the Department of Agriculture, where it should have been many years ago – it is going to the right place now – also the sale of elk meat, which has been happening, as the minister and others have indicated, in seven provinces already. I think it's time we as a free enterprise province got down and did the right thing . . .

MR. TAYLOR: What about milk jugs?

MR. ZARUSKY: . . . and let people have the freedoms of doing business in this province . . .

AN HON. MEMBER: They're not going to milk them.

MR. ZARUSKY: . . . to their best ability. Somebody indicated here that milk from elk is very nutritious.

MR. HYLAND: But you can't buy it in plastic jugs.

MR. ZARUSKY: I think maybe some of the members in some areas should drink some of that milk, maybe out of plastic jugs, and we would think the right way.

I think it's important to reiterate how important diversification is to this province. One area this Bill touches on is diversity. I can use an example in my own constituency where people have gone into game farming and raising some bison also. [interjections]

MR. SPEAKER: Through the Chair, hon. member. Ignore your colleagues.

MR. ZARUSKY: Mr. Speaker, sorry about that, but I guess distractions do come at times.

Getting on back to diversification, in the Redwater-Andrew constituency we've got not all that many game farms – I believe two or three – but I know it's important to the whole province. Getting right in my own area of farming, the Plum family, which moved into the area a few years ago, did buy a cattle ranch, a farm I know real well, and from that noticed that there was an area where they could diversify. This farm could probably run up to about 500 head of beef cattle, and right now they are only raising elk and bison. You can see that this opens it up for other individuals that are interested in raising beef, and other products and not elk, to get the opportunity to get a decent price for their beef. So you can see that in that area diversity is working. I know that these people are serious about game farming because they've invested a lot of money into this ranch. It's much more complicated than raising beef cattle, and they've taken the steps and initiatives to put up the right fences, the right facilities, and actually make sure that they're doing a good job of it. They are serious about this.

MR. McINNIS: How does it compare with chicken ranching?

MR. SPEAKER: Order, hon. member. That's the second comment I've heard over there, and there's no need for it at all.

MR. ZARUSKY: They are people that are serious in their business.

I can see the NDP aren't serious in whatever they do here, because they're the ones that kill diversity; they kill growth in rural Alberta. They've done it many times, and they are doing

it right now. That's the comments you get from them, and that's what rural Alberta is hearing from them. I'm glad that they are getting on record for killing growth in rural Alberta.

So you can see that people out there understand that this government cares about people, and that's why this Act was brought in. It's nothing but positive feedback from wherever you go, and the only reason that some people are against it is because they don't understand it at this point. I think it's the poisoning of the NDP opposition out there that makes people not understand it, but once it's done, people will realize that it is the right thing.

Mr. Speaker, it's an area in which I think people will be pleased, because it's going to be a specialty meat. You are not going to see this meat on sale in any supermarkets or butcher shops in the very near future, because there is a need for breeding stock. This is where the antlers fit in. Because of the demand for antlers in the world, in the Asian market, these farmers know exactly what they have to do at this point. So you will not see, I don't think, too many meat sales in the very near future. Once it does come, it's going to be a specialty meat and is not going to interfere with any of the other markets of beef, pork, and poultry. So I think that as this time comes, there will be a demand for a lot of it for export markets. I know that Europe has a great demand for this sort of meat.

We go back to some of the opposition members saying that there is going to be mixing with the wildlife out there. Well, let me tell you that I visited a few of these farms. The facilities they have, the fences they put up, and the safeguarding in the fences that they have – I tell you, Mr. Speaker, that those fences are built in a way that an animal probably couldn't even get underneath them or couldn't even jump over them. I guarantee that even a fox couldn't get under that fence or jump over it. This is the seriousness of the people that are involved in this industry. They're serious people, they invested a lot of money, and they're going to make a success of it.

Another thing we have to realize is that not every person can raise these animals. It takes people with certain animal husbandry that can get in and know how to handle these animals. They can be domesticated very easily, but they also have to be handled properly. There were some comments, I know, on extracting the antlers of these animals. Well, I can tell you that those antlers are extracted much safer and in a way where the animal is protected much better than a lot of the dehorning that's done on beef farms. In a beef operation when you dehorn cattle, you dehorn them only once. In this case, the need is there for these antlers to grow again, so there has to be a certain area where they're cut and actually where it wouldn't hurt the animal. These are handled much better than any of the beef cattle.

Some of the concerns and points in areas of safety, making sure that no poaching is done and that the meat is handled in a way where inspection is easy – I think the Member for Drayton Valley yesterday outlined the safety precautions, and the minister did also. I just want to reiterate that point. They are double tagged, and these metal tags are placed in a way that they are hard to lose. The only way they can be is if they maybe get ripped out of the ear. These tags have pliers used on them that put them in safely and imbed them into the ear where it doesn't hurt the animal, yet the identification is there.

When they are slaughtered, the inspection and the ribbon down the back of the animal are another safety which I think has to be mentioned again. In that case, every piece of meat, every steak will have a mark on it that it was inspected, so I don't think there are any fears there. I think we have to give

our meat inspectors some credibility. They are people that care about the safety of people.

You can see that the protection is all there. Indeed, this government understands that you need some protection, but at the same time you have to give people the freedom to do things on their own, where government doesn't mix into every little area or step where it interferes with people's needs for free enterprise.

Mr. Speaker, going on to some of the other areas. There have been indications that some animals have escaped off a game farm. Nobody really knows probably what happened there, whether it was vandalism or in fact they did escape. But I can tell you that the Act states in the regulations that when an animal gets out of the game farm, the owner is responsible to get it back and pay for any damage it may incur. So the owners, I'm sure, don't want these animals to get out, because at this point they are very expensive animals. It's not the cheapest business to get into. It's a very costly one right now. We've got the protection there. Every member should know that every animal, whether it be a cow or horse or whatever else, that gets out, the owner is responsible for. So anybody that's been in the farming or ranching business understands that you are responsible for the animals that you own.

Also, getting on to some people out there probably getting the misconception that these animals are much happier living out in the wilderness, out there where these hunters can go and at times get near them and just about blow their heads off without thinking too much about this poor animal, there have been indications . . . The hon. Member for Drayton Valley mentioned yesterday, and I think that was a very valid point that should be repeated, about how these wolf packs get out there and actually round up these elk and chase them till they can't go anymore. They round them up, and then they'll chew at their hooves first; they'll just start chewing at them as the poor animal tries to get away. This is some of the stuff that happens in the wild. It doesn't happen to these animals when they are actually domesticated and kept for human consumption.

I think it's time we showed this province, our good free enterprising people of this province, that we're a government that cares about people. We care that they get to do what they can make a profit on. I know the NDP hate that word "profit." But this is the bottom line on any place . . . The hon. leader even makes a joke out of industries that do generate millions of dollars into this province. [interjections] That's right. Even the chickens. The NDPs killed an industry in rural Alberta that could have created maybe 20 jobs. They killed it. The people out there know that. They're trying to kill this industry. We've got many game farmers out there that invested millions of dollars. They want to survive. They create jobs. The NDP want to kill that also. They want a welfare state, and that's what we see out there, Mr. Speaker.

I think this is right for Alberta. This is right for the people of Alberta. They're excited. They're interested, and I think we are going to see a lot of positive points come out after the people see the right things coming out, after they get a taste of this meat. Maybe the NDP might taste this meat, and they might like it also. It's a very good combination: chicken and elk. It'll work very well.

Mr. Speaker, I think we've got a great industry out there. I'm glad this government took the initiative, and I'm glad I'm part of this government that had an input on this decision. I hope all members support this Bill. As time is running out, I think it's time we had a vote on this Bill.

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MR. SPEAKER: In accord with the provision of Standing Order 21, third reading is called of Bill 31, Livestock Industry Diversification Act.

[Motion carried; Bill 31 read a third time]

[At 1:01 p.m. the House adjourned to Wednesday at 2:30 p.m.]

