

Legislative Assembly of Alberta

Title: **Tuesday, November 27, 1990 2:30 p.m.**

Date: 90/11/27

[Mr. Speaker in the Chair]

Prayers

MR. SPEAKER: Let us pray.

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

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

Amen.

head: Presenting Petitions

MR. GIBEAULT: Mr. Speaker, I'd like to present a petition on behalf of some 900 concerned citizens of Edmonton who are asking for greater efforts to be made in identifying and bringing to justice the murderer of Mr. Manjit Dhaliwal, the taxi driver with Yellow Cab who was murdered brutally on November 3, 1988, some two years ago now.

head: Notices of Motions

MS BARRETT: Mr. Speaker, I rise to give oral notice of two procedural motions I wish to advance under the provisions of Standing Order 40 at the end of question period, the contents of which have been circulated previously to you and to the other House leaders.

head: Introduction of Bills

Bill 237

An Act to Amend the Dairy Board Act

MR. TAYLOR: Mr. Speaker, I'd like to introduce Bill 237, an Act to Amend the Dairy Board Act, which allows the processors of milk to use the type and size of container they wish without being hassled by the Minister of Agriculture.

[Leave granted; Bill 237 read a first time]

head: Tabling Returns and Reports

MR. ORMAN: Mr. Speaker, I'd like to table with the Assembly the 1990 annual report of the Alberta Oil Sands Technology and Research Authority.

CLERK: Introduction of Special Guests.

MR. SPEAKER: The Member for Westlock-Sturgeon, followed by the Member for Three Hills.

MR. TAYLOR: I'm sorry. I was moving to try to get into Tabling Returns and Reports, Mr. Speaker. [interjection] I was there, but the others weren't.

MR. SPEAKER: Hon. members, we have a request from a member. Might we have unanimous consent to revert to tablings?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried. Thank you.

Hon. member.

MR. TAYLOR: Thank you, Mr. Speaker. I'd like to table a letter from the Provincial Treasurer to me dated October 10 talking about the foreclosure of the Schopman farm, which I brought up yesterday and which he pleaded ignorance of.

head: Introduction of Special Guests

MRS. OSTERMAN: Mr. Speaker, it gives me a great deal of pleasure today to introduce a group of grade 6 students from the Acme school. That's centred in the middle of the Three Hills constituency. The students are accompanied by Mrs. Peggy Reddekopp, Evie Hannah, Audrey Hope, and Randy Seiler. The students' visit today coincides with their government studies that are going on in the school right now, and I indeed hope that they will find the visit fruitful. Would you rise, please, in the members' gallery and accept the warm welcome of the House.

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

MR. GIBEAULT: Thank you, Mr. Speaker. It's my pleasure this afternoon to introduce to you and the other members of the Assembly a dynamic group of young students from Weinlos elementary school in the constituency of Edmonton-Mill Woods. They're accompanied by their teachers Mr. Sharples, Mr. Foo, and Mr. Marah plus parents Mrs. Preeper, Mrs. McDonald, and Mrs. Tarasuk. I'd ask them now to stand in the public gallery and receive our very warm welcome.

MR. TRYNCHY: Mr. Speaker, on behalf of my colleague the hon. Member for Barrhead, Ken Kowalski, I'd like to introduce 20 students from the Neerlandia school. They're accompanied by their teacher Mr. Jim Bosma and a number of parents, and they're seated in the members' gallery. I'd ask them to rise and receive the warm welcome of the House.

MR. GOGO: Mr. Speaker, I would like to introduce to you, sir, and to members of the Assembly the vice-president academic of the University of Lethbridge, who has served there for some 18 years and has recently been hired by and will be leaving shortly for Mount Allison University at Sackville, New Brunswick. I'd ask Dr. Newbould to rise and receive the cordial welcome of members of the House.

head: Oral Question Period

Conflict of Interest Guidelines

MR. MARTIN: Mr. Speaker, to the Premier. Confusion still reigns supreme about the Premier's business dealings. The Legislative Assembly Act, which I'm referring to, requires each member to file a statement with the Clerk setting out those persons with which he is directly associated. In defining who is an associated person, the Act specifically lists agents. Mr. Lloyd McLaren is on record as stating that he is an agent of the Premier, yet we find that the Premier has not listed him as an associated person on his return, an apparent direct violation of the Act. My question to the Premier: will the Premier explain to the House why Mr. McLaren is not listed on his statement?

MR. GETTY: Well, Mr. Speaker, I'll certainly check into it for the hon. Leader of the Opposition. I'm not sure in what context Mr. McLaren used the term "agent," but if there is anything that's been overlooked, I'll certainly correct it.

Mr. McLaren used the term "agent," but if there is anything that's been overlooked, I'll certainly correct it.

MR. MARTIN: Mr. Speaker, my supplementary to the Premier then. The question very simply is: is Mr. McLaren the Premier's agent or not?

MR. GETTY: Mr. Speaker, Mr. McLaren is the person who administers my blind trust.

MR. MARTIN: Mr. Speaker, then the Premier is saying, because this is a very serious matter, that Mr. McLaren is acting as an agent for the Premier, and therefore he's admitting that he should be put down in that disclosure, following the Legislative Assembly Act.

MR. GETTY: As I said, Mr. Speaker, Mr. McLaren doesn't take direction from me, but if there is some legal interpretation that he is an agent as a result of a blind trust, then that would be straightened out.

MR. SPEAKER: Thank you.

Second main question, Leader of the Opposition.

MR. MARTIN: We'll look forward to that.

Gainers Agreements with Province

MR. MARTIN: My second set of questions come back from yesterday. To the Premier. We talked about the old boys' network, the Conservative Party, and the Premier having a mortgage from key people from MIC Holdings who were involved with the Principal Group, North West Trust, Churchill Corporation, and of course Mr. Pocklington. Mr. Speaker, the Premier seems to have great difficulty understanding why people are upset about his mortgage dealings. He says that this has nothing to do with the fact that there were prominent Conservatives involved in all these things, that all he was trying to do was help small business in Alberta. I'm sure they really appreciated it, Mr. Speaker, and I suppose we all believe in the tooth fairy too.

MR. SPEAKER: Question please, hon. member.

MR. MARTIN: My question simply is this, Mr. Speaker. The company that gave the Premier mortgage money was the same person who later wrangled \$60 million in loans and loan guarantees from the government for Mr. Peter Pocklington. Now, the Premier says this is just a coincidence. That's basically it, even though he held the mortgage.

2:40

MR. SPEAKER: Question.

MR. MARTIN: Mr. Speaker, this has never been answered: can the Premier tell us why the government gave Gainers a \$60 million loan guarantee when they were obviously such a bad risk? Even Peter Pocklington said that.

MR. JOHNSTON: Mr. Speaker, with respect to the question of Mr. Pocklington and the relationship with Gainers and the province, I should say that that is in no way connected with the question of the Premier's mortgage. Let's make that very clear.

We have dealt with this matter through a broad policy which provided for assistance to the red meat industry. Through the

Gainers initiative, we have protected over 1,200 jobs in Alberta and in this city, and you saw the spirit of those workers when they returned to work with a clear settlement, contrary to the policy of Mr. Pocklington.

Let me be on record again, Mr. Speaker, that we're in court with Mr. Pocklington on about six major cases right now, so if there's any inference about friendship or double-dealings with Mr. Pocklington, I can assure you that'll all come out in the court process. We're in full litigation right now. There is absolutely no connection or linkage between any other deal that's been made and the Gainers deal. Let's get that on the record, because the rest of this nonsense is just that: pure nonsense.

MR. MARTIN: Mr. Speaker, to the . . . [interjections] Don't be so defensive, Mr. Treasurer. We know you're losing a lot of votes with your connections, but you don't need to get excited. Just relax. Relax.

Mr. Speaker, my question is back to the Premier then. [interjections] Oh, boy. We really tugged their chains today on this.

He says there's no linkage to the old boys' network; it just was coincidence. My question back to the Premier: cutting aside the Treasurer's mumble-jumble and recognizing that this is the Legislature, where we should be dealing with this, will the Premier then direct the Treasurer to make public the master agreement with Gainers Properties Inc.?

MR. JOHNSTON: The Member for Edmonton-Norwood has been away for a while here, and it's always hard for him to catch up, but I recall, Mr. Speaker, that I answered this very question yesterday. I made it very clear that the master agreement is pivotal to our litigation against Mr. Pocklington. At some point this will become public as the court process unfolds, but at this point I'm acting at the direction of our lawyers not to reveal that master agreement. It'll be coming forward in the legal process. Again, Mr. Speaker, the member should understand that there is absolutely no linkage between any other deal that's done by this government and the Gainers deal.

MR. MARTIN: Mr. Speaker, if that was the case, you'd be a lot more forthcoming in this Legislature, and everybody knows that.

I want to come back, Mr. Speaker, because it has to do with the way decisions are made by this government: behind closed doors, with their friends, with the old boys' network. That's what we're talking about. My question then in retrospect, having had some time to think about it, is to the Premier. Maybe he'd rather answer this than the Treasurer. Does the Premier still believe it was acceptable behaviour on his part to hold a mortgage from these people at the same time that they were doing business with the government? Does he still believe that was acceptable behaviour?

MR. GETTY: Mr. Speaker, I think the hon. member would rather that in some way I try and find some enemies or NDP to deal with.

Conflict of Interest Guidelines

(continued)

MR. DECORE: It's a matter of public record and it's been well chronicled, Mr. Speaker, that friends of the Premier and friends of the cabinet and friends of this government have been treated exceptionally well with special arrangements, special concessions,

special assistance. Amongst those special deals are three: \$12 million in grants and guarantees to Alberta-Pacific Terminals, some \$14 million in taxpayers' moneys that were routed through Vencap to Churchill development corporation, and to the granddaddy pal of them all, a \$60 million infusion to Peter Pocklington to help him sort out his financial difficulties. Mr. Speaker, it's important that we know who the parties are, on the government side and on the other side, to know how policy was set and executed. My first question to the Premier is this: I'd like to know from the Premier what involvement, any kind of involvement, direct or indirect, he had in helping Churchill secure the \$14 million in assistance.

MR. GETTY: Absolutely none, Mr. Speaker.

MR. DECORE: Mr. Speaker, given that Mr. Robert Lloyd is a lawyer who represented the Pocklington companies and given that he is known to the Premier, will the Premier inform this House whether he had any dealings whatsoever, directly or indirectly, with this lawyer, Robert Lloyd, in helping Mr. Pocklington get the \$60 million in assistance that this government gave Mr. Pocklington?

MR. GETTY: First, absolutely none, but I'd draw to the attention of the House, Mr. Speaker, that I answered the same question yesterday.

MR. DECORE: Given that Mr. Agrios was the lawyer representing interests during the Principal Group matter, did the Premier in any way deal with Mr. Agrios in assisting him in issues that affected the Principal Group matter?

MR. GETTY: No, Mr. Speaker.

MR. SPEAKER: The Member for Wainwright.

Natural Resources Conservation Board

MR. FISCHER: Thank you, Mr. Speaker. Yesterday the Minister of Energy and the chairman of the economic planning cabinet committee announced during the debate on Bill 52 that the natural resources conservation board would be located in Edmonton. Is the minister prepared to advise the House today as to the potential budget, why the specific location, and the number of employees that would be on the board?

MR. ORMAN: Mr. Speaker, the hon. member is correct. Yesterday during debate of Bill 52, the Natural Resources Conservation Board Act, I indicated that the government's decision was to locate this body in northern Alberta in the Edmonton region. [some applause] I see that at least the members from Edmonton in the government caucus are pleased with the decision. I know the NDP don't support it because it's good news, even if it means it's for the people of Edmonton, Alberta. [interjections]

MR. SPEAKER: Order.
Hon. minister.

MR. ORMAN: Thank you, Mr. Speaker. We decided to locate the natural resources conservation board in the city of Edmonton because in our assessment the bulk of our economic diversification thrust is in northern Alberta. Most of our natural resource development will occur in that area of the province,

so we felt that it made sense to locate this body in the Edmonton region. At the current time, Mr. Speaker, we have not decided as to the number of employees or a budget, but it certainly will be commensurate with its responsibilities.

I should say, Mr. Speaker, that we have also made the decision that in that the model for this important board has been the Energy Resources Conservation Board, there will be an interim period where the members of the board will be located with the ERCB in Calgary. That will be simply to get the experience of that . . .

MR. SPEAKER: Okay. Thank you. We've got time for a supplementary on the same issue.
Wainwright.

MR. FISCHER: Thank you. Could the minister please advise the House as to when the NRCB will be in full operation?

2:50

MR. ORMAN: Mr. Speaker, we are proceeding with the Bill through the House, and I guess it all depends on the extent to which the opposition intends to hold it up. We of course would like to get this legislation through the House. It may be that once the legislation has proceeded through the House, we may consider developing regulations and rules of practice that we may put out for public comment and advice. The receipt of that information and that advice may coincide with the proclamation of the legislation. I should say that we hope it will be in a very short period of time, and certainly it will not be before the new board members are comfortable with their new responsibilities.

MR. SPEAKER: Edmonton-Calder.

Social Assistance Policy

MS MJOLSNESS: Thank you, Mr. Speaker. My questions are to the Minister of Family and Social Services. Yesterday the minister introduced what he calls social reform, emphasizing training and obtaining employment for people who are on social assistance. His announcement failed to recognize that the problem isn't only with the number of people who are on social assistance but also the 43,000 working families who currently live below the poverty line. In view of the fact that the Alberta minimum wage is the third lowest in Canada and that a single mother with two children has to work 91 hours a week just to achieve the poverty line, what guarantee can the minister provide that social allowance recipients will not simply be forced off assistance and into low paying, poverty-line jobs?

MR. OLDRING: Mr. Speaker, we're not talking about forcing anyone off social assistance and into low paying, minimum wage jobs. What we are talking about is helping some of those Albertans that have turned to us for assistance through our supports for independence program to get back into the mainstream, to get the necessary training, to get the necessary assistance that they want. I can tell you that it was those Albertans that are dependent on these programs that told me, "We want to be part of the mainstream, we want to be back into society in a meaningful way, and we need your help to do it."

Mr. Speaker, we've responded. We've said, "We're prepared to work with you." We're doing it through the new initiatives that we've announced. They're pleased with that. I'm surprised that the member opposite would take exception to us helping people get employed again.

MS MJOLSNESS: Well, Mr. Speaker, I find the minister's comments quite interesting, because in fact the minister has stated that if a person does not become self-sufficient under his new program, their benefits may be reduced or terminated. It says this in his documents. There are many reasons why people may not be able to get employment. Will the minister make a commitment to people on social assistance and to their families and their children that they will have their basic needs met at all times and that they won't be arbitrarily cut off assistance to save this government some money?

MR. OLDRING: Mr. Speaker, again: no arbitrary decisions to cut anyone off the social allowance. What we have said is that when people come onto the supports for independence program, they still have some responsibilities. One of their primary responsibilities is going to be to sit down with our employment client support services people and establish a plan together. The key, Mr. Speaker, is for them to sit down together and say: "Okay, we understand the situation of today. What are we going to do about making our situation a little better tomorrow?" So together they'll establish a game plan. Yes, we'll expect them to meet some of those minimal responsibilities, and if they're not willing to be a part of the solution, then they can potentially face some repercussions.

MR. SPEAKER: Thank you.

Edmonton-Centre, followed by Calgary-Buffalo.

Health Care Services

REV. ROBERTS: Thank you, Mr. Speaker. The longer this Tory government remains in office, the longer become the waiting lines and the waiting lists for Albertans who are waiting for needed health services throughout the province. For instance, there are elderly people who are waiting months for cataract surgery, for hip replacements, for beds in long-term care. There are others who are waiting for kidney dialysis, for psychiatric assessment, for heart surgery. There are women in crisis who are waiting weeks for therapeutic abortions and end up having to leave the province, and there are hundreds who have waited in the halls of the Royal Alexandra hospital just to be admitted for care. I don't want any more of the Minister of Health blaming the universal system or blaming hospital boards for such mismanagement. I do want to know today what plan the Minister of Health has in place to reduce the risk she has put on the health of so many Albertans who are on these many, many waiting lists.

MS BETKOWSKI: Well, Mr. Speaker, it would be interesting to see the statistics from the hon. Member for Edmonton-Centre which show that we are reducing the health level of Albertans. I would be fascinated to see some of that evidence.

Certainly when we look at government expenditures in health, I think we can all be proud as Albertans that we spend the largest proportion of our provincial budget on health services and at a level that grew this year in terms of its proportion of the total budget. Is the additional \$240 million that we've given to health this year, in '90-91, enough over last year to cover all of the wants? No, it is not. Is it reasonable? We believe it is. The whole health system and health providers throughout this province are working hard to ensure that the health of Albertans is maintained, and that is certainly the goal of this government.

REV. ROBERTS: Mr. Speaker, if the minister is doing her homework, she would know herself just how many people are on these waiting lists and how the Alberta Hospital Association is saying: a \$55 million shortfall or longer waiting lists.

I'd like to at least ask the minister if she has some sympathy, some concern, some plan of action for the children in this province who are on waiting lists; children who are waiting, for instance, for speech therapy services, children who wait six months or more for community mental health services, or 70 children at the University of Alberta hospital who are waiting for vital heart surgery. Will the minister, for the sake of our children and for a healthy future for our children, at least thoroughly investigate and remedy the problem of these waiting lists, which are so difficult for the children, their parents, and their families?

MS BETKOWSKI: Mr. Speaker, there is no doubt with respect to children that we are trying. Certainly I think we can be proud of the level of services that we have in this province. We also have some needs with respect to pediatric surgery at the University of Alberta hospital, but I'm pleased they are able to work through that waiting list, and certainly that is their intention.

Interestingly, the hon. member mentions speech therapy. In fact, by the decision made by this government about a year and a half ago to fund speech therapy through the Department of Health and the increases that were provided accordingly, we are serving many, many more children now in speech therapy services – and I would be pleased to give the hon. member the relative numbers – than we were ever able to serve before, when this responsibility was divided between the Department of Education and the Department of Health.

I think it speaks to the reform that is under way in our health system. It doesn't mean it's easy, but I think the action plan Alberta has in place, including the acute care funding study, including all of the other efforts that we have to ensure we are spending our health dollars where they are needed most, including the transition into community support as opposed to institutional services, which the hon. Member for Edmonton-Centre of course preached about last year when we were in this Legislature, is now making the swing into the acute care side. Well, welcome to the world of health, Mr. Speaker. There are lots of transitions going on, there are lots of changes going on, and we can be proud of the service being provided in this province by Albertans for Albertans.

MR. SPEAKER: Calgary-Buffalo, followed by Calgary-Glenmore.

Alberta-Pacific Terminals Ltd.

MR. CHUMIR: Thank you, Mr. Speaker. This is to the Minister of Economic Development and Trade. The provincial government, as part of the old boys' network, has since 1988 provided a \$9 million loan guarantee and a \$3 million loan to Alberta-Pacific Terminals, a B.C. company controlled by Mr. Bill McKay, a well-known government supporter. The \$3 million loan was advanced just three months ago, and now we find that the company can't pay its debts and just last Friday filed for protection from its creditors in the British Columbia courts. Obviously we now have another \$12 million at risk to add to the hundreds of millions of dollars we've lost in the last couple of

years thanks to this government's good management. I'm wondering whether the minister would be able to tell this House what business the government has putting up \$12 million of taxpayers' money to a private company, particularly when other financial institutions including the Treasury Branch have found that this company is so unworthy of credit that they won't provide the money.

MR. ELZINGA: Mr. Speaker, as usual the hon. Member for Calgary-Buffalo has his facts in error. He relates back to their own involvement. I served where the Liberals did practise the type of thing he has just indicated whereby they do have the old boys' network, and the leader of the Liberal Party is a fine example of that. Also, he is incorrect . . . [interjections] The hon. member is not proud of his old boys' network in the Liberal Party? I'm glad to have it on the record.

3:00

As it relates to his second accusation, as to issuing the \$3 million only two or three months ago . . . [interjections]

MR. SPEAKER: Order. Order. [interjections]

MR. TAYLOR: Where's the \$6 million you said Pocklington . . .

MR. SPEAKER: Thank you, hon. Member for Westlock-Sturgeon. If you want to shout, you can go out in the back halls.

MR. TAYLOR: You'd still hear me.

MR. SPEAKER: We probably would. Thank you for stating the obvious.

The minister, please.

MR. ELZINGA: Secondly, Mr. Speaker, as it relates to his accusations that the \$3 million was only approved some three months ago, that was approved in February of '90. The hon. member has to increase his mathematics.

Thirdly, as it relates to dealing with this issue in secrecy, if the hon. member would check the element details within the budget, he would find that Alberta-Pacific Terminals is highlighted within our budgetary statement. It's all out in public.

Mr. Speaker, we're happy to share whatever information the hon. member would wish, because we're proud of our involvement as it relates to the creation of jobs. This province is the leading province on an economic base of any in Canada because of our Premier's involvement, because of this government's involvement. We're creating jobs so that Albertans can have a meaningful way of life.

MR. CHUMIR: I'm delighted that the minister is prepared to change the government's policy and share information, because Albertans are sick and tired of losing hundreds of millions of dollars and the government's claiming it's private business.

I'm wondering: in that spirit of sharing the information, will the minister agree to table the documents relating to this guarantee on this loan in this House tomorrow?

MR. ELZINGA: I'm amazed, Mr. Speaker. The hon. member's a lawyer. I'm not; I'm only a layman. He should know better than I that if something's before the courts, we have to be very cautious as to what we do.

MR. DECORE: It's secret. Right; it's secret.

MR. SPEAKER: Order.

MR. DECORE: Hide again. Hide again.

MR. ELZINGA: Mr. Speaker, I offered the Liberal leader the courtesy of listening to the questions, but he won't offer us the same courtesy in this House. [interjections]

Let me indicate to the . . .

MR. SPEAKER: No. Hold it, hon. minister. If the Member for Edmonton-Glenarry wishes to persist in shouting, he'll be asked to go somewhere else and have a cup of coffee, please. Enough is enough.

The hon. minister with the answer, please.

MR. ELZINGA: Mr. Speaker, the only thing that Albertans are sick of, and I think it was highlighted in an editorial from the *Calgary Sun*, is the gutter politics that members opposite are practising.

MR. SPEAKER: Calgary-Glenmore, followed by Edmonton-Avonmore.

Trade with Soviet Union

MRS. MIROSH: Thank you, Mr. Speaker. This summer I had the opportunity of signing a protocol trade agreement between the state committee for economy of the Russian Soviet Federated Socialist Republic and the Ministry of Economic Development and Trade here in the province of Alberta. The signing of this agreement meant a great deal to Alberta businesses and to companies that want to do business in the U.S.S.R. as there is a great potential. However, as a follow-up to the signing of this protocol agreement, many of the businesses have experienced frustration as to how they can enter into the market on their own. Could the Minister of Economic Development and Trade relay to the businesses in our province how they can access, with government help, these trade agreements and make these trade agreements more effective?

MR. ELZINGA: Mr. Speaker, we're delighted to work hand in hand with the private business sector in increasing their trade opportunities in Russia. The Minister of FIGA signed an overall umbrella agreement with the U.S.S.R. in 1989. My colleague who just put the question had the opportunity to follow up with a protocol agreement with them as it relates to our own department and specific commercial enterprises. We are presently working on two specific joint ventures with the state of Russia. One is an engineering service whereby we are hoping we can share technology with them to increase their heating services within a number of their buildings. In addition to that, we have offered them two scholarships here at the Banff school of advanced education.

We are working hand in hand with the private business sector, and we are gratified that the federal government has indicated, too, that they are going to relax credit restrictions so that we can have greater access into what we consider a very important market. They are presently the sixth largest trading partner with the province of Alberta, taking some \$170 million worth of our goods. We are hopeful that we can increase that number with the liberalization that is taking place in eastern Europe.

MRS. MIROSH: Mr. Speaker, many in the private sector who have been doing aggressive marketing in the U.S.S.R. have expressed a problem with no hard currency with the Russians. I wondered if the minister could explain how these businesses could obtain deals in the Russian market and obtain hard currency or payment for their work in that country.

MR. ELZINGA: Yes, Mr. Speaker. As I briefly touched on in my initial response, the federal government has overall responsibility for this area. We are working very closely with the federal government, and we are delighted that they have indicated a willingness on their part to offer a greater relaxation as it relates to the credit that will be extended to the Russians. We hope to take advantage of that relaxation of credit that the federal government is going to offer.

MR. SPEAKER: Edmonton-Avonmore.

Family Violence

MS M. LAING: Thank you, Mr. Speaker. The government, through its ministries of Family and Social Services and the Solicitor General, has taken note of November as National Family Violence Month by promoting an awareness of the seriousness of violence in the family. However, insufficient funds have been forthcoming, and the number of women and children reportedly turned away by the province's shelters increased by 346 percent to over 4,000 families in 1989. My questions are to the Premier. Will the Premier now acknowledge that lack of awareness is not the problem, lack of resources is, and that he needs to target funds to support victims?

MR. GETTY: Mr. Speaker, this is a matter the Minister of Family and Social Services has responsibility for.

MR. TAYLOR: He has a responsibility, but he's doing nothing about it.

MR. SPEAKER: Order please.

MR. OLDRING: Mr. Speaker, I guess a mixed response in terms of the news. I think the member opposite would agree that it is good that we as a society have been able to at least help people find the courage to come forward. We've done a good job of bringing the issue of family violence into the open. Yes, that brings with it new challenges and new demands on government and society overall. I can only relate that our commitment to the women's shelter program in this province is second to none in Canada. In this year's budget they received a 9 percent increase, the year before that it was a 24 percent increase, the year before that it was a 10 percent increase, and the year before that it was a 30 percent increase: a pretty substantive commitment.

We also, as the member knows, were the first government in Canada to establish an office for the prevention of family violence. Last year we announced new funding that helped to provide for 36 community-based educational projects and another 14 community-based demonstration projects. Mr. Speaker, we are doing everything we can to put an end to family violence. I could reference as well the efforts of the Solicitor General, the Minister of Labour, and some of my other colleagues. We recognize that it's going to require a multidimen-

sional approach to a multidimensional challenge.

MS M. LAING: Mr. Speaker, the minister's words are small comfort to the women who turn to shelters for help and then have to return home possibly to increased risk because there are no beds for them.

My second question is to the Premier. In the month that the government stressed the need to work effectively to eradicate violence in the family, treatment programs for offenders were closed due to lack of funding, yet we know that charging and treatment are required to reduce violent behaviour. Will the Premier direct his Solicitor General, who is responsible for corrections not just policing, to target funds to treatment programs for offenders?

MR. GETTY: Mr. Speaker, I'd ask the Solicitor General to respond.

MR. SPEAKER: The Solicitor General.

MR. FOWLER: Thank you very much. It seems that from opposite comes the automatic answer to every problem in this province of more money – more money for this, more money for that, more money here, more money there – but nowhere are we told where this money is coming from at any time.

Now, in respect to the . . . [interjections]

MR. SPEAKER: Order. [interjections] All right; take your place, hon. minister. [interjection] Order. The Chair can't hear what the answer is, and the Chair has no . . .

MR. TAYLOR: You didn't miss anything.

MR. SPEAKER: Order again, Westlock-Sturgeon. The Chair is appreciative of your sense of humour, but your timing is sadly inappropriate.

There's no need to have this House come to the noise level of the federal House of Commons.

The Solicitor General.

3:10

MR. FOWLER: What we have not ascertained yet in this province is how we get more money without taxing people beyond a reasonable belief.

In any event, Mr. Speaker, with the budget that we had at the beginning of the year in the Solicitor General's department, it was the determination of the department that what was of priority first and foremost was to stop the abusive action that was taking place in these tragic circumstances. Our research has indicated that intervention at the police level is one of the best ways to stop it and, in fact, one of the surest ways to do it. It is not within my budget to treat these men, and I'm not convinced that it is my responsibility within the department to treat these men. If somebody is sick or has a problem, surely we have not in this province gone beyond all reason, where there is no more personal responsibility for taking corrective action on one's own behaviour. To the degree that we can, we do in this province assist the treatment of men, but it is not the sole responsibility of this government or any government to be responsible to that degree.

MR. SPEAKER: Edmonton-Gold Bar.

Social Assistance Policy*(continued)*

MRS. HEWES: Thank you, Mr. Speaker. Finally the Minister of Family and Social Services has completed his task, his exercise of crossing t's and dotting i's on the long overdue social service reforms. One would wish, perhaps, that the minister had spent a bit more time on giving us some substance and details of the reforms rather than just penmanship. We're asked now to accept a reform package with a lot of promises but leaving many questions, and I hope that the minister will answer a couple of them today. The minister evidently believes that there are 2,000 jobs available now and that programs for training and retraining are available. You and I, Mr. Speaker, know the situation in postsecondary education and in employment. I'd like to ask the minister: on what basis did he make these assumptions for employment and training opportunities?

MR. OLDRING: All the member opposite has to do is look at the track record of this government. If she looks at the last four years, she knows that this government has created more jobs in the province of Alberta than has ever been the case in the history of this province. She knows that. And not just jobs but good jobs, because the member also knows that we have among the highest average weekly earnings in all of Canada. Mr. Speaker, the member also knows that all the economic forecasts from many sources across this nation point to Alberta as having the most buoyant economy in all of Canada.

MRS. HEWES: That answer would be funny if what is happening out here weren't so tragic. We know the jobs aren't there, and we know the training isn't there.

Mr. Speaker, my second question. I've got many of them, but this one I'll try. Will the minister now explain if the AISH program will remain as it is, without change, or is it his intention to phase the AISH program out and incorporate it in his new reforms?

MR. OLDRING: First of all, it's interesting that the member opposite seems to think there's something funny about providing jobs in this province for Albertans.

Mr. Speaker, I'd be happy now to respond to her other question as it relates to AISH, to tell the member opposite again that as is always the case, we take the time necessary to consult with Albertans, to hear from the community agencies, to hear from advocacy groups, to consult with the Premier's Council on the Status of Persons with Disabilities, and to consult with my colleagues. I'm happy to say that we will be making an appropriate announcement within the next two weeks.

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

Education Funding

MR. LUND: Thank you, Mr. Speaker. In an effort to find a more equitable system for financing our education system in the province, the minister once again has raised the spectre of the dreaded corporate pooling. School boards and boards of education from across this province thought they'd put this scheme to rest some two and a half years ago. To the Minister of Education: why has the minister chosen to go against the express wishes of the Alberta School Trustees' Association and the Association of Municipal Districts and Counties and raise this issue once again?

MR. DINNING: Despite what the hon. member may say, the Minister of Education in this province has a responsibility, both a constitutional and a legislated responsibility which he shares with all school boards across this province, that every child in this province must have an equal access, an equal opportunity to a quality education. It doesn't matter where the child lives nor the wealth of the community in which he lives, whether it's Calgary, whether it's Canmore, Rocky Mountain House, or Fort Saskatchewan. As I travel across this province, Mr. Speaker, I find school boards without a strong property tax base increasingly unable to raise their local share of education costs, at least not without an undue tax burden on those local property tax payers. That means that some school boards are not able to live up to their legislated responsibilities. That simply isn't fair to children, and we've got to find a solution now.

MR. LUND: Well, that's pretty tough talk, Mr. Minister, but I would like to know how you're going to consult in the future with the school boards and the boards of education to ultimately come up with a solution to this problem.

MR. DINNING: You're right; the words are tough because the problem left unresolved cheats some of our children out of the full, basic education that they have a right to. I have laid a proposal on the table. I've laid it out before school boards and met with 150 school board chairmen during the last ASTA convention and said that the proposal I laid out on the table was based on about seven basic principles. If I may, Mr. Speaker, one of them is that under my proposal nonresidential properties will be taxed for education purposes only. Secondly, the provincial assessment system would be overhauled and brought into the 1990s. Revenues would be protected in a educational trust fund, and the autonomy of operating school boards in this province would be maintained. Current costs and expenditures would be fully recognized. Transitional funds would be provided, and we would make sure that efficiency was the hallmark of our school system. On that basis, I hope to work with my colleagues in caucus and cabinet and with all school trustees across this province to come up with a resolution by March of 1991.

MR. SPEAKER: Edmonton-Jasper Place.

Lubicon Band Land Claim

MR. McINNIS: Thank you, Mr. Speaker. A question for the Minister of Forestry, Lands and Wildlife. The government has been heavily criticized by many Albertans, not least the independent expert panel on forest management, for failing to obtain the knowledge, consent, and involvement of local residents before timber is cut in the area. Now, on August 17 of this year a Forest Service officer named Ralph Woods handed Chief Bernard Ominayak of the Lubicon band a document showing that the Alberta government had granted five timber leases for harvesting this year in disputed Lubicon lands. The Daishowa company was involved. On September 24 Lyman Brewster, the president of Brewster Construction, a Daishowa subsidiary, wrote to the Lubicon band and said, and I quote:

The Alberta Forestry Service has approved our licence and given us the go ahead to cut timber in the two specified areas mentioned. We as a subsidiary of Daishowa have no alternative but to cut timber in the designated areas to keep our Mill in operation.

I emphasize "no alternative." I ask the Minister of Forestry, Lands and Wildlife why he has chosen to provoke confrontation

with the Lubicon people by directing Daishowa to log disputed lands this winter.

MR. FJORDBOTTEN: First of all, I didn't direct Daishowa to cut in any disputed territory. In fact, Daishowa themselves are not logging at the moment. There are two subsidiary companies that have been there for some time, and the area they're logging in at the present time is some distance from the Lubicon land entitlement that is presently under negotiation with them. We established some 95 square miles that would be set aside for a land base settlement for the Lubicons, and negotiations are under way now between the federal government and the Lubicons. The area that was bordering that is one area where there would not be any cutting done by any of the companies. With respect to the large portion of northern Alberta that's claimed by the Lubicons, of course it would be unrealistic to prevent all logging that takes place in the area, but I want to emphasize, Mr. Speaker, that there is no logging taking place on the land entitlement area of the Lubicons that's presently under negotiation with the federal government.

3:20

MR. McINNIS: Well, Mr. Speaker, that's an outrageous answer. He says that because they're subsidiary companies, it doesn't count. He says that because they're not within the 95 square kilometres where he wants to make the settlement, it's okay. The fact is that when he writes to Albertans – I have a letter signed by the minister a week ago stating that Daishowa or Brewster Construction or Boucher Bros. "will not be logging in the area of concern"; that is, lands claimed by the Lubicon people – he's misleading Albertans. I ask him to explain why he says one thing in one context and quite another in another context.

MR. FJORDBOTTEN: Mr. Speaker, I find that offensive, saying that I'm misleading Albertans. I would ask him to retract that, because there is no basis in fact for that at all. I have to ask the question: what area of concern are we talking about? It's not good enough to read a statement like that without knowing the background. I would ask the Member for Edmonton-Jasper Place to for heaven's sake do his homework.

Speaker's Ruling Parliamentary Language

MR. SPEAKER: Hon. member, is it your intention to withdraw the word "misleading"?

MR. McINNIS: It's my intention to file the documents which back up my statement, Mr. Speaker.

MR. SPEAKER: All right. Then the Chair understands that you are refusing to withdraw the use of the word misleading. Is that correct?

MR. McINNIS: That's precisely correct, Mr. Speaker.

MR. SPEAKER: The Chair takes it under advisement.

Tablings are usually tabled at the usual time in the process. Thank you.

The Chair recognizes the Minister of Health with supplementary information with regard to question period today.

Speech Therapy Services

MS BETKOWSKI: Mr. Speaker, I told the hon. Member for Edmonton-Centre I would give him the facts and figures on speech therapy in Alberta, and I'm pleased to do so. In the spring of 1989 about 3,500 school kids in this province were receiving speech therapy services. That was before the transition took place to move the program into the Department of Health as the single responsibility. I'm pleased to say that at the end of October 1990 over 13,000 children across this province were receiving speech language therapy. I think that's an impressive record.

MR. SPEAKER: Edmonton-Centre on a brief supplementary. This is not the time for a speech; it's a supplementary question.

REV. ROBERTS: Mr. Speaker, the issue of speech therapy continues to plague both the educational system and the health system as one item. The other item that's even more serious is community mental health services for so many children who have both mental and emotional difficulties compounded by their speech problems. I'd like to know what she's doing on that issue as well. I applaud her for finally getting some speech therapists in at the low rate of pay that they're getting, but what about the community mental health aspect, if she wants to answer the whole question I raised.

MS BETKOWSKI: You didn't raise it.

MR. SPEAKER: Edmonton-Jasper Place is now doing what?

MR. McINNIS: I wish to file copies of the letter I referred to in question period containing the statement by the Minister of Forestry, Lands and Wildlife.

MR. SPEAKER: It already transpired, hon. member. Thank you.

With regard to a Standing Order 30 request, the Member for Edmonton-Gold Bar.

head: Request for Emergency Debate

Royal Alexandra Hospital

MRS. HEWES: Thank you, Mr. Speaker. I rise to request leave to move to adjourn the ordinary business of the Assembly in order to discuss the need for an immediate resolution to the critical conditions at the Royal Alexandra hospital.

Mr. Speaker, speaking briefly to the urgency of the matter, we have all watched with great anxiety the deteriorating conditions at the Alex. I'm not speaking here about the urgency to deal with the closed 107 beds or the 22 bassinets or the two operating theatres. I'm talking about the urgency for the minister and the government to commit themselves to the redevelopment plan and to do so now. This is long overdue, and it is an emergency situation as it exists.

The anatomy of this particular emergency has been described very well by the hospital itself. Beginning in 1975 and going through '81, '83, '84, '85, '86, '87, '88, '89, and '90, each year a different plan, a different response to the plan. Finally in this year the minister informed the hospital . . . [interjections]

MR. SPEAKER: Order please, in the whole House, including this back row.

MRS. HEWES: . . . that due to a slowdown the plans could not go ahead. So we're now looking at yet another stall in the project.

Mr. Speaker, our own Premier noted and responded to the urgency in 1986 following a tour that he made of the facility. The Premier in 1986 personally approved the completion of the programming for the master development. The situation today is far more critical than it was in '86. The emergency department built to handle 35,000 patients now treats 80,000 patients a year. The Alex receives close to 40 percent of all ambulance cases in the city yet is frequently under a red alert or a yellow alert, and we know what those are. The Alex emergency is open, but there are extensive waiting times for patients to get medical attention. The average length of stay from the time a patient enters emergency to the time they get on a nursing unit is 29 hours.

MR. HORSMAN: Emergency.

MRS. HEWES: They are items that attest to the emergency, Mr. Deputy Premier; no question in my mind about that. The situation is critical in emergency and diagnostic imaging, in pharmacy, in all of the service areas of the hospital. This redevelopment plan is for central services, Mr. Speaker, and they are needed not only to serve the existing hospital and its beds but to serve satellites and off-site developments as they would occur.

Finally, Mr. Speaker, the Canadian council on health facilities accreditation just this fall has identified this urgent need to proceed. The Alex received its 1990 accreditation report from the council, but in that report the accreditation team mentioned serious space inadequacies 17 times. I have a quote here:

The Board and Management are encouraged to persist with their efforts. The space deficit is serious and the search for solutions is strongly supported.

Despite these critical points the minister seems to remain firm in no commitment. All we have heard is that the project is a priority. The list of capital projects is still being completed, and we don't even know if the Alex is on the list.

Mr. Speaker, I submit that this is an inexcusable situation. We know it's a crisis. We in the Liberal caucus believe that the minister should commit here and now that this project for redevelopment will go ahead in the spring so that the plans can get finalized now, before there is any further delay.

REV. ROBERTS: Mr. Speaker, I would like to support this motion for emergency debate, because it has been a long-standing, urgent, and emergent situation at the Royal Alexandra hospital. I'm sure that no doubt you will rule that the motion fails because it probably does not meet the test of an emergency nature which could be raised at other points in debate. We've already raised it in question period and at other times. Particularly the New Democrat caucus has been legitimately trying to raise this issue in the House in proper ways for the last three or four years. Perhaps it's urgent that the Liberals finally get on board and start supporting this issue and begin to speak out about it.

The government must be responsive on this issue. I know that in a sense the minister herself has spoken about the soft spot in her heart for the Royal Alexandra hospital, possibly because, as she said, her father practised there or because a lot of doctors

in Glenora work at the Royal Alexandra hospital, and it's a very important issue. Maybe it's the Treasurer and other members of cabinet that need to get clear in their thinking and their politics that this kind of emergent situation just can no longer go on, not only because of the red alert situation, Mr. Speaker, but I dread any catastrophe that might happen, any fire, any great disaster that would happen in downtown or northeast Edmonton and how the hospital would manage. The Royal Alexandra hospital would not be able to provide the care that would be called for in such a catastrophe or disaster.

The whole situation has been exacerbated by the Edmonton General hospital's emergency closing. Now, in the city of Calgary they might not have that problem because they have so many hospitals with so many emergency care facilities, but in downtown Edmonton they closed the Edmonton General's emergency several years ago. I said that would be fine as long as the Royal Alexandra critical care wing was up and running. That has not taken place. We can't have people with bleeding ulcers waiting overnight in the halls of this hospital for admission when in fact other people can get in within a matter of hours at other hospitals. It's an emergency. Care is suffering; that hospital is having to compromise its care. It's an emergency that this government, having made promises year after year after year, has not come through and fulfilled those promises while they've built places at the University hospital, at the Glenrose, at the Grey Nuns, and at the Cross Cancer Institute. Why has the Royal Alexandra hospital been left to languish by the inaction of this government? It's not fair to the residents of downtown, to northeast Edmonton. It's an emergency situation that we get this situation rectified with a master agreement being funded ASAP.

Thank you, Mr. Speaker.

3:30

MS BETKOWSKI: Mr. Speaker, I'm puzzled why the matter would be raised under Standing Order 30. Let me explain the reason for my puzzlement. The Royal Alexandra redevelopment project is a high priority of this government. In fact it is proceeding in the fiscal year of 1991 as one of a handful of projects which were allowed to proceed as planned, as opposed to about 40 that were deferred, and no new projects were announced at all. That announcement was made in this Legislature as part of the budget announcement for March of 1990.

The second point I would make is that as the Member for Edmonton-Gold Bar pointed out, it was our Premier, in fact, who recognized the need for the upgrading of the emergency facility at the Royal Alexandra hospital. What we are awaiting now is the decision with respect to capital expenditures in '91-92. That is part of what our Treasury Board process is involved in right now, and the response will come further. Let me assure the very hardworking staff at the Royal Alexandra hospital that government has not forgotten about the project, because certainly the fact that we put it on our lead list this year as a high priority is indication of the priority we place on that project.

Finally, if the opposition thinks that even with the completed emergency redevelopment plan there will not be moments when red alerts will occur or when perhaps patients are waiting in emergency for placement in the hospital, then I think they're dreaming. In fact, it is the nature of our health system that if you have an emergency, sometimes you can't get the admissions in, but the care is proceeding along within that emergency department, appropriately so.

So we are moving towards the '91-92 budget. I know hon. members are anxious to hear, and we will proceed further along on that in the next several months.

Finally, Mr. Speaker, I think it is interesting to note that the two opposition parties that have been such longtime critics of our government's capital plan for spending in the health sector are now, when it's politically convenient, all of a sudden becoming the great advocates for capital spending. I can say without question that the Royal Alexandra hospital is one hospital that is in a difficult situation with its emergency. We have recognized that. It is part of our budget plan this year. As for next year, we will be making those announcements in due course.

MR. SPEAKER: Hon. members, first of all, as the House well knows, the Standing Order 30 request did arrive in plenty of time, so it meets that requirement under Standing Order 30(2). The Chair wanted to hear indeed what the matter of the last line of the request was – "an immediate resolution to the critical conditions at the Royal Alexandra hospital" – in case there was some additional information to be brought to the attention of the Assembly. That means information in addition to what had been carried in the local media reports. The difficulty the Chair experiences here, that to single out one hospital within the total province of Alberta as being of sufficient urgency to set aside the business of this Chamber, is an interesting issue to be debated, whichever side one decides on. Indeed, as all hon. members know, there has been sufficient time in terms of budget estimates to have raised a number of factors. As the hon. Member for Edmonton-Gold Bar herself pointed out, some of these issues have been brought forward on a number of occasions.

The Chair would also like to point out that during question period today, if matters are of sufficient urgency – and that's what question period is supposed to be about – perhaps the Member for Edmonton-Gold Bar would have raised a question on that issue, directing a question to the Minister of Family and Social Services.

The Member for Edmonton-Centre did indeed raise questions related to conditions at the Royal Alexandra hospital, and to the mind of the Chair that does mean that there is sufficient opportunity for discussion to take place in continuing question periods with regard to this issue if members feel sufficiently committed to the issue itself. Then again, listening to the remarks of the hon. Minister of Health with regard to this issue, members have indeed also listened with care and have *Hansard* to peruse.

Therefore, in terms of putting all those things together, the Chair rules that this fails to meet the test of urgency under Standing Order 30.

The Chair now recognizes the Member for Edmonton-Highlands, who has three motions, the first of which is a request for unanimous consent of the House to deal with the other two issues.

head: **Motions under Standing Order 40**

MS BARRETT: It's pretty rare, Mr. Speaker, that you're moving my motion. So moved.

MR. SPEAKER: The first is a request for unanimous consent. Those in favour, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. Carried. Thank you. Hon. member, first motion.

MS BARRETT: Yes, Mr. Speaker. Normally, I like moving motions. The first one is one I wish I didn't have to move. So is the second.

Motion and Bills Sponsorship Changes

Moved by Ms Barrett:

Be it resolved that the following motion and Bills in the name of the late Member for Edmonton-Strathcona stand and retain their places on the Order Paper and on notice in Votes and Proceedings under the names of the members indicated as follows: Motion 290, Edmonton-Highlands; Bill 282, Edmonton-Kingsway; Bill 283, Vegreville; Bill 241, Edmonton-Highlands; Bill 270, Edmonton-Highlands; and Bill 275, Edmonton-Kingsway.

MS BARRETT: As I said earlier, Mr. Speaker, copies of these two motions were previously circulated to the House leaders of the other caucuses.

MR. SPEAKER: Discussion?

SOME HON. MEMBERS: Question.

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

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. Carried unanimously. Thank you.

Edmonton-Highlands.

MS BARRETT: Thank you, Mr. Speaker.

Committee Membership Changes

Moved by Ms Barrett:

Be it resolved that the Member for Edmonton-Mill Woods replace the late Member for Edmonton-Strathcona on the Standing Committee on Law and Regulations and the Standing Committee on Privileges and Elections, Standing Orders and Printing.

MR. SPEAKER: Thank you. Is there a call for the question? The Government House Leader.

MR. HORSMAN: Mr. Speaker, I'm rising to support the motion. I must take this opportunity, since I was unable to be here at the outset of the business of the House yesterday, to add my thoughts to those of others with respect to the late Member for Edmonton-Strathcona, to pay tribute to his service to the Assembly and the people of Alberta, and to make note of the fact that during the time he acted as my critic in my previous portfolio, he conducted himself with exemplary courteousness and without, at the same time, giving up in any way his firmly held political and philosophical views.

This House is saddened by his loss, and I wanted to take this brief opportunity to add my words as Government House Leader and as a former Attorney General to those that have already been uttered by other members of the Assembly.

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

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. Motion carried unanimously. Thank you.

Orders of the Day

MR. SPEAKER: Might we have unanimous consent to revert briefly to the Introduction of Special Guests?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried. Thank you.
Edmonton-Centre.

head: Introduction of Special Guests (reversion)

REV. ROBERTS: Thank you, Mr. Speaker. In the public gallery are 28 students from the Alberta Vocational Centre who are visiting with us today to observe the proceedings of question period and have a visit at the Legislature. They are with their teachers Connie Roch, Atiya Siddiqui, and Judy Dobbs. I'd ask that they please rise and receive the welcome from the members here.

Thank you.

head: Written Questions

MR. GOGO: Mr. Speaker, I move that all written questions appearing on the Order Paper except for 391 and 400 stand and retain their places on the Order Paper.

MR. SPEAKER: Thank you, Deputy Government House Leader.

Having heard the question, those in favour of the motion, please say aye.

[Motion carried]

Kananaskis Country Golf Course

391. Mr. Chumir asked the government the following question:

- (1) When and with whom was the current leasing agreement for the operation of Kananaskis Country Golf Course entered into?
- (2) Was the right to lease and operate the Kananaskis Country Golf Course put out to competitive tender and, if not, why not?

3:40

MR. SPEAKER: Let it be noted in the *Hansard* record that the Deputy Government House Leader did indeed agree. Thank you.

AIDS Conference

400. Mrs. Hewes asked the government the following question:

- (1) How many Alberta government employees attended the recent AIDS conference in San Francisco?
- (2) How much did the Alberta government contribute toward the costs of those employees attending the conference?

MS BETKOWSKI: I accept the question, Mr. Speaker.

head: Motions for Returns

MR. GOGO: Mr. Speaker, I move that all motions for returns appearing on today's Order Paper except for 396 and 403 stand and retain their places on the Order Paper.

MR. SPEAKER: The Chair recognizes the Member for Edmonton-Centre.

REV. ROBERTS: Mr. Speaker, what a disappointment. We've been out of the House since July. August, September, October, we're now into late November: four months at least when ministers could well have gotten the answers to these other motions for returns. If they have some problem about not providing that information, maybe we should have that on the Table and debate it, but I cannot understand why after four months or more we have so many other motions for returns, several that I have and that others have at the top of the list that have been on the Order Paper for all this period of time, that are not forthcoming today.

It's important, Mr. Speaker, that the government not underestimate the fact that this information is essential and vital not only to us in Her Majesty's Official Opposition but to Albertans so that we can have a sense of accountability, we can have better clarity with a number of issues which we're working on, and that the government do its duty and in a diligent and timely fashion provide answers through these motions for returns. I will try to be a bit more patient, I suppose, in the next week or two, but I certainly do hope that more of them are forthcoming in the near future.

MR. SPEAKER: Thank you.
Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Speaker. I, too, want to lend my concern to the motion we have before us at the moment. As the hon. Member for Edmonton-Centre has voiced his concern, I would like to add my voice to it. I, too, have a number of motions for returns on the Order Paper which have been there for quite some time; in fact, since shortly after the Premier made the announcement regarding the privatization of AGT. One of the motions for returns in particular that I want to highlight and that I'm most concerned about, and we have seen the problem, is the information I have asked for regarding NovAtel Communications' annual report. Of course, we've seen that because of an "oversight" we have a \$21 million error and a problem: a further \$21 million subsidy by this government of the purchasers of AGT shares.

Now, I don't know if the information had been available back in June that it would have made a difference, whether there would have been a \$21 million shortfall or not, but it surely could not have hurt any had we had the information made available to us. Clearly, what we had is a government acting slowly and dragging its heels on this particular issue, and perhaps as a direct result of that inaction we have a \$21 million cost. Now we see after some nearly four months of recess from the summer session that we still don't have the information available. So I would urge the government and the Deputy Government House Leader to please request his colleagues to get the information out as quickly as possible.

MR. SPEAKER: Thank you.

Calgary-Buffalo.

MR. CHUMIR: Thank you, Mr. Speaker. Just a very brief comment to second the concerns that have been expressed by my colleagues not only with respect to the government's failure to deal with these motions but also with respect to the written questions. It's ridiculous that we don't even have a decision after four months during which these matters have sat on the Order Paper. The government has been able to get away so far with hiding information from the people of Alberta, but more and more as I go around this province I sense an awakening of the community with respect to the fantastic manner in which this government hides information from the people. I predict that the electorate very quickly is going to sense this and is going to arise and will hit this government hard for that. You can't keep doing it forever.

MR. SPEAKER: A call for the question?

HON. MEMBERS: Question.

[Motion carried]

Rural Physicians Action Plan

396. Rev. Roberts moved that an order of the Assembly do issue for a return showing a copy of the draft document entitled the Proposed Action Plan for Addressing Rural Physician Recruitment and Retention Issues.

REV. ROBERTS: Mr. Speaker, the whole issue of not just hospitals in rural Alberta but of physicians and other health care workers in rural Alberta – nurses, rehab people, and the rest – is a major issue, one I think often overlooked by members of this government across the way there. The whole issue has been raised several times by members who know that hospitals don't provide health care but the doctors and nurses do, and that we need to continue to strategize and develop much better ways of developing physician recruitment and retention in rural areas.

Mr. Speaker, I think this issue was raised just about a year ago by the Alberta Hospital Association and the Alberta Medical Association, and then I was advised in a telephone conversation that, in fact, the government did have a proposed action plan on this that was being debated by a select committee. I forget all the details that I was advised of in this telephone conversation, but I do certainly hope that the minister has this draft document which outlines for us and rural MLAs the strategy, what the plans are for retaining and recruiting particularly physicians in rural Alberta.

MR. GIBEAULT: Mr. Speaker, I want to support my colleague from Edmonton-Centre in his Motion for a Return 396 here, because in various communities around the province there are very serious problems with obtaining physicians and retaining them, of course. I have had discussions with members of different small communities, including communities like La Crête, for example, and many others who have been making efforts to try to engage doctors who have come here either as refugees or as immigrants, without much support from the minister and her department, and are running into different snags to try to get licensed so that they as professionals can provide service to communities who want them to come to their community to provide service.

We would like to see a copy of this document on just how the government is proposing to recruit rural physicians and keep them there, because it seems to me that they're overlooking – judging from the kind of correspondence and communication I have had from, as I say, communities around the province that want to have doctors, and La Crête is only the most recent one. They know qualified, professional doctors who are prepared to come to those communities, but they have been caught up in the red tape of licensing and so on, internships and what have you, and they have been prevented from providing those services to those communities.

I want to strongly support my colleague's Motion 396 so that we can see if the provincial government has, in fact, been serious about making efforts that will ensure that physicians are recruited and retained to serve people in rural Alberta.

MRS. HEWES: Mr. Speaker, I support this motion. Nobody here needs to be told again about the problems that rural communities have expressed over and over regarding getting professionals for health care, not only physicians but pharmacists, nurses, and other professionals to assist in supporting either their institutions or to provide emergency care in rural and isolated areas. That's a well-known fact.

Both the AHA and the AMA have produced documents in this regard with recommendations. To date I have not seen the government's precise response to it. I'm glad to know that the government has, in fact, a paper on it. I am puzzled when we all experience things like La Crête and Kinuso, the activity that's going on, or not going on perhaps is more correct in those communities. What is to be secret here? If there is a document with recommendations and ideas, why not get it out to the public? Why not let us have a look at it? We might even have some ideas that would help to support some action here. [interjections]

MR. SPEAKER: Order.

MRS. HEWES: I really think the notion of keeping documents that are useful to our communities and to all of our publics hidden and mysterious and secret is one that went out with high button shoes, and I don't understand the minister's resistance to making this document public.

3:50

MR. DOYLE: Mr. Speaker, I stand in support of the motion for a return by the Member for Edmonton-Centre. I well know the need for doctors in rural Alberta. I find in my riding of West Yellowhead that the community of Grande Cache is consistently concerned about bringing doctors to their community, and we on this side of the House would like to add to any documents the government might be able to turn over to us.

MR. SPEAKER: Edmonton-Kingsway.

MR. McEACHERN: Yes, Mr. Speaker. I just want to add a brief point that I don't think has been brought out as strongly as it might be yet. The document that's asked for seems to be aimed at trying to find physicians for rural Alberta. It doesn't point out that there are a lot of doctors from other parts of the world now living in Alberta. Some of them have been here for many years and are having a lot of trouble getting placement. Quite frankly, since we always find room for all the doctors that

come out of our universities and all the doctors that come from Europe, I can't help wondering if there isn't some racial prejudice involved in the process of deciding who gets to have an internship and thereby get qualifications as a doctor here in Alberta. I think the minister had better look pretty sharply into that problem, because there have been far too many doctors here for far too long taking underpaid jobs and not using their qualifications because they can't get a placement in a hospital to get their qualifications accepted so they could then go out and fill these rural jobs. I think it's downright disgraceful.

MS BETKOWSKI: Mr. Speaker, I think the members of the opposition must be a little worried about all those rural hospital trustees who are here for the Alberta Hospital Association convention in Edmonton this week, because you know when the opposition talks about rural health issues, they certainly have been critical of this government and its interest in rural health care for a very long period of time.

The request on the Order Paper by the Member for Edmonton-Centre is for a copy of a draft document. I want him to know that I am not going to provide him with a copy of a draft document. Certainly the issue of retention and distribution of physicians throughout Alberta is one that we are responding to and will respond to.

The Member for Edmonton-Kingsway raised the point about racial discrimination: his words, and I quote. In fact, what has occurred is that the matter did go before the Human Rights Commission. The Human Rights Commission deemed that the role of the College of Physicians and Surgeons was inadequate with respect to the discrimination issue and, therefore, told the college that what must occur is that everyone must go through the two-year internship program. As a result of that, when the college recommended to the Ministry of Health that that be the case, I said that until we have in place a rural physicians manpower, supply, and distribution policy, we are not going to implement that request for a bylaw amendment by the College of Physicians and Surgeons.

So in fact that is exactly where we are. When the document is ready, it will certainly be provided in this House. I am not going to provide draft documents at this point, because they're not ready to be provided to the members of this House.

MR. SPEAKER: Thank you.

The Member for Edmonton-Centre, in summation.

REV. ROBERTS: Well, Mr. Speaker, this is a regrettable turn of events. The minister knows that she has in her department so many advisers, so many consultants, so much money that she can hire consultants and people outside of the department as well, and that in fact she's been beaten to the punch by this one badly by both the Alberta Medical Association and the Alberta Hospital Association that have put out their ideas, their concerns in this regard, and their solutions for how to deal with the problem.

Now, I know there might be some difficulty in terms of cabinet decision-making with respect to what policies might be followed, but again what we're talking about here is the basic issue and some good thinking and some clear thinking about how to resolve it. The matter may not just be recruitment but also retention. I'm told that a lot of hospitals could work with their communities to develop programs for both the physician and their spouse in various places. Maybe that's an alternative. Maybe there could be a number of slots in the medical schools

here in Alberta which are reserved for incoming students from certain rural areas so that they can be trained and equipped and then go back there. I mean, there's a lot of good ideas, a lot of good will on this issue I think from all sides of the House that we need to get on and resolve this dilemma.

The minister is not correct at all in talking about the Official Opposition's critique of rural health care. What we and the people of rural Alberta are saying is that it's not enough to have hospitals with no physicians in them to provide care; it's not enough to have nursing homes in places where there aren't physicians or nurses to be able to admit people and to provide the care that they need within those facilities. It's not just us who have said that. Of course, the minister knows that last year the Alberta Hospital Association said, I believe, that there had to be at least three physicians for every two hospitals in rural Alberta; that there were certain criteria which had to be met. So it's not just any kind of unthinking criticism of rural health care. It's saying that we have the infrastructure there; we have the hospitals and other things; what are we going to do to provide the necessary medical personnel that are required? There's a lot of good ideas. I wanted to pursue this one, to say to the minister that in spite of it being a draft document – let's get it off being a draft document, let's get it to some completion, let's get it tabled in this House as soon as possible.

Thank you.

[Motion lost]

Daishowa Construction Fatality

403. Mr. Gibeault moved that an order of the Assembly do issue for a return showing a copy of the report into the investigation of the February 23, 1990, death of Larry Bourdon on the Daishowa construction site, excluding that part which is confidential.

MR. GIBEAULT: Mr. Speaker, in speaking to that motion for a return, I'm hoping that the Minister of Occupational Health and Safety will finally have seen the light and will be telling us he's going to give us this report, because I know on previous requests he has turned them down every single time. That kind of attitude on the part of the government makes it very difficult for people in the province to have confidence in the minister and his department in ensuring that the fatalities that take place here – and there have been so many of them – are, in fact, properly investigated and there are some initiatives that come out of those deaths to ensure that health and safety is improved for the workers of this province in the future, to try and reduce those numbers of fatalities that cause such a hardship for the families of the people involved. So I call upon all members of the House to endorse this so that we may get this report and start a new trend of openness on the part of the government when it comes to fatalities of workers on the job here in Alberta.

MR. SPEAKER: The Member for Edmonton-Whitemud.

MR. WICKMAN: Thank you, Mr. Speaker. I'm going to support the motion as put forward by the Member for Edmonton-Mill Woods. In his motion he makes it very clear that it excludes that portion which is confidential, and the hon. minister, of course, has the right to determine that portion that is confidential so there is no possibility, no concern that information may be made public that should not be made public or that may not be appropriate to be made public.

I think it's very, very important, Mr. Speaker, when we address these types of major concerns that involve workers' safety – and here we're talking in terms of a situation that involved a fatality – that we be very, very clear as to what that investigation shows, that we can provide our input, and that members of the public who are experts in the area also have the opportunity to address shortcomings that may be there. I think it's very, very important that that information be made public, and I do support the motion as it stands on the Order Paper.

MR. SPEAKER: Additional? All right.

The Minister of Occupational Health and Safety. [interjection] Well, hon. member, you were not really showing and you're not recognized. I'm sorry.

The minister.

MR. TRYNCHY: Mr. Speaker, the hon. Member for Edmonton-Mill Woods has suggested that I would not accept questions on the Order Paper, and I would agree with him that I will not accept today or in the future those questions that include confidential material. He knows that very well. The question he put today, 403, is a question I asked him to change to make sure it excluded that part which is confidential, and I'm prepared to table that document now. [interjection] Next time ask the question; you'll get the answer.

MR. SPEAKER: Now Calgary-Forest Lawn.

4:00

MR. PASHAK: In speaking to this motion, in terms of the response I was expecting from the minister, I was hoping that if he couldn't provide any information with respect to the confidential matters, he could at least provide the Assembly with the criteria with which matters would be judged to be confidential, but my response is now somewhat out of sync.

MR. SPEAKER: Edmonton-Mill Woods, summation. Thank you.

[Motion carried]

head: **Motions Other than Government Motions**

Foreclosed Farmland Incorporation into Woodlots

218. Moved by Mr. Paszkowski:

Be it resolved that the Legislative Assembly urge the government to consider a policy whereby farmland acquired through Alberta Agricultural Development Corporation foreclosures would be incorporated into Crown land woodlots in cases where the foreclosed land is on or close to the fringe boundary of a green zone.

MR. PASZKOWSKI: Thank you, Mr. Speaker. Motion 218 asks the Alberta government to consider a policy that would establish woodlots on farmland acquired through ADC foreclosures which is adjacent to or near fringe areas along the green zone.

There are three primary reasons that we call for implementation of this policy. The first: current economic conditions have changed somewhat from what has been historical in the past. Benefits of forest-related initiatives over agricultural initiatives have increased, so perhaps we have to consider land uses for different merits. The formal woodlot program is consistent with

the provincial government policy and position on environment and conservation. Third, and most important, is that it fits well within the economic development proposal the provincial government is adopting and endorsing.

I just want to review the current situation regarding woodlots. The Alberta Forest Service has allocated approximately 10 percent of the provincial annual allowable cut to miscellaneous timber users in the province. These areas are managed by the Alberta Forest Service to provide wood supply to local residents. They are often referred to as woodlot areas, but in essence they're not. Alberta is currently investigating the development of a woodlot program, and such a program could be realized if Alberta is successful in securing a new Canada/Alberta forest resource agreement. This one, of course, would replace the original agreement that expired in April of 1990. The Department of Forestry, Lands and Wildlife endorses the concept of private woodlot development. Despite support for the woodlot concept, the government is not currently operating large-scale commercial woodlots or providing information or incentives for the development of private woodlots for a similar purpose. The policy proposed by Motion 218 could meet these objectives.

Let's review the current situation for reforestation. The demand for forestry-based products and industrial wood fibre has been supplied mostly from Alberta's vast public or Crown-owned land base. The government legislation requires that harvested public land must be reforested to provincial standards within 10 years of harvest. Seedlings used in the reforestation have increased dramatically in the past decade – as a matter of fact, in the last three years. In 1988-89, 25 million seedlings were planted; in 1989-90, 35 million; and in this past year 40 million seedlings were used. Forest management agreement holders carry out all reforestation activities at their costs. They have to do the reforestation themselves. Larger quota carriers have to do their own. The smaller quota holders have three options they can use: they can do it themselves, they can hire it done, or they can let the government do it. So those are the differences between the two major developers. Despite Alberta's comprehensive reforestation program, proposed forestry projects will continue to create a great demand for feedstock, and all or most of it today is coming from the green zone. Implementation of motion 218 will alleviate some pressures on the Crown lands and the Crown forests.

The current situation for ADC foreclosures: let's consider that for a moment. ADC foreclosures basically fall into a distinct three-phase process. The first is after the foreclosure has taken place; sealed tenders from the private sector are received, and they have to be close to market value. Should it not be sold under those circumstances, government departments have the option to retrieve that land. Third, should the government departments not be interested, the land can be sold under unreserved public auction. The current ADC policy allows land to be sold to local producers for agricultural production. This still is the best course of action for this land in most areas of the province. However, Motion 218 allows for special considerations of woodlot options in areas where land conditions, local terrain, and surrounding infrastructure and industry may be better suited for forestry development.

Forests in transition areas on the boundaries of green zones have been historically viewed by the majority of landowners and government as an obstacle to agricultural development. Hundreds of thousands of acres of productive forest land have been cleared and burned in order to prepare the land for grain production and other traditional agricultural developments.

Times and attitudes are changing, needs and values are changing, and we have to be able to change with those times.

Land clearing continues today, but at a much reduced rate than we have known in the past decade. Transfers from green zones to white zones in the last eight years have been roughly three-quarters of a million acres. Transfers from white zones to green zones in the last eight years have been about a half million acres, and proposed additional transfers in the next decade are roughly a quarter million acres. So the two work out relatively even. These numbers reflect the definite move by Forestry, Lands and Wildlife to establish additional feedstock for forestry projects while meeting provincial goals of the early and mid-80s for agricultural development. In some cases the transfer of green zone lands to the white zone for agriculture was unsuccessful and should never have taken place. This was reflected in the poor soil conditions for grain production – class 4 lands, for example – and failure as an agricultural endeavour, leading to eventual foreclosure. According to forestry experts, lands indicated as marginal for agriculture on the green zone/white zone boundary are most often high-quality sites and have tremendous potential for forestry development. Motion 218 presents the opportunity to return this land to its natural state and utilize the conditions that are best suited for forestry development.

[Mr. Jonson in the Chair]

Let's look at the economic considerations. It has only been in recent years that the extensive loss of global forest cover has received widespread recognition and international concern. The loss of forests through neglect and inadequate forest management programs has already impacted on industrial and non-industrial countries. The consequences of this abuse of the world's forests are global. The recent interest in Alberta that is shown by major forest corporations is partially a result of the growing demand for fibre-based initiatives throughout the world, coupled with an increasing shortage of timber in other areas, and Alberta has remained one of the few areas that really hasn't been picked up on its availability of forest-oriented resources.

At this time I'd like to point out that Alberta is also one of the best suited for forestry resources as well, because we don't have our forests growing on rock outcroppings or on the Canadian Shield. We have our forests on soils, and soils of course can regenerate the crop that much quicker.

Long-term growth in forest product demand is expected to increase at about 2 percent annually. The major growth area has been and continues to be in paper products. This is seen in the demand for Alberta aspen, once referred to as the Alberta weed, now used as pulp, which has doubled in the last 10 years.

Looking at the value of pulp has added to Alberta's resource. Poplar, of course, in the past has been useless, and today it has added very significantly to the resources of the province. Resources from Alberta's productive forest land will continue to increase as the world's productive industrial forest land base continues to decrease.

4:10

The additional wood volume needed to supply new industry by 1995 is projected to be roughly 14 and a half million cubic metres. This is a significant amount of wood. At least a million and a half cubic metres of this wood is identified as coming from sources other than the standing timber of forest management areas. It is anticipated that timber deficits will be filled through wood purchases from private and Crown-owned woodlots. A

portion of this wood could flow from woodlots established under the policy proposed by Motion 218. In addition, government information and incentives could be provided to help establish new woodlot developments. Both types of woodlots developed on former farmland have the advantage of developed highways, developed infrastructure, bridges, and proximity to forest industry developments: for example, pulp mills.

What are the economic considerations for private woodlots? Motion 218 calls for the establishment of Crown land woodlots on ADC foreclosures near the green zone. Government-owned and maintained woodlots represent the most feasible approach to the initial stage. However, after evaluation, perhaps this could be joint-ventured or private ownership options could be considered and implemented. Area farmers could purchase ADC foreclosed land for the purpose of forestry production. Production and utilization of private forests is a low priority amongst Alberta farmers today. However, the concept of private woodlot development represents an untapped resource for this province, capable of providing supplementary revenue to the agricultural community.

In the past there have been many historical factors responsible for owners' attitudes toward forested land. The predominant position of the conventional agricultural sector in the provincial economy has been the number one problem in forestry redevelopment. No perceived commercial value for this species of tree that grows so well and so lucratively in Alberta – and by that I refer to the aspen – and no market within economic distance for a species' commercial value, spruce and pine. Since that time we've developed a pulpwood network, a multi-use network of woodland forest products that has now located in strategic areas. And last, the abundant supply of wood available on public lands that satisfies industrial needs.

Those historical factors which have acted as obstacles to effective private woodlot management are no longer relevant because of the following developments: the rapid expansion of the Alberta forestry industry, technical developments that allow things like aspen to now become a valuable commodity; and the development of a transportation infrastructure that has extended to distance travel. Despite these developments, private forest owners still remain biased toward conventional agricultural land use. There is evidence that the majority of owners elect to liquidate the forest stock when harvesting. The value of the timber is often used to subsidize the initial investment, and then it's a once-in-a-lifetime type of use.

Landowners tend to view long-term investment in timber as unreasonable. This is compounded by the fact that there is uncertainty and lack of information on the relative performance of any forest land investment. There are other factors that deter this type of investment, such as availability of tax concessions for managing land for agricultural income. Another factor is related to the high transaction costs for small suppliers of wood doing business with industry. Of course, we have to consider the large investment of tax in land that doesn't have a return for a long period of time.

There is a variety of potential programs that could be instituted in Alberta that would work to alleviate these obstacles. Government or forest industry companies could provide information services to landowners. A recent study prepared by Forestry Canada conducted a survey of landowners on supply opportunities, forest management practices, market structures, forest inventory, and prices. That would suggest that the wood supply from private land could be enhanced if indeed this information was made available. Tax incentives or programs that encourage landowners to manage their forest for wood

supply could also cause landowners to seriously consider the option of a long-term investment. Landowners could also consider the benefits of pooling their wood supply in the form of a marketing board or a similar agency. Industry may be prepared to pay a higher price for the timber that is easily accessed or perhaps may be of a superior quality. For example, they wouldn't have to build the infrastructure to obtain the wood, and consequently it would be cheaper to access.

What is the revenue potential for a private woodlot? At present there is no information specifically collected on the private woodlot forest resource or wood harvesting in Alberta. However, a recent Forestry Canada publication guideline on small private forest management land programs determined that 441,000 cubic metres of wood was harvested from private forest owners in Alberta in 1988-89. The harvesting of this volume of wood created 900 direct jobs and added over \$30 million to the forest sector's gross domestic product. In addition, 1,500 indirect jobs were created, adding \$42.7 million to the gross domestic product of other sectors of the provincial economy. Add to this the fact that Alberta has 1.251 million hectares of privately owned forest which contains an estimated growth-stock volume of 150 million cubic metres of wood.

[Mr. Deputy Speaker in the Chair]

The marketable wood volume is composed of 12.4 percent softwood, 87 percent hardwood species. In other words, it's mostly, as I mentioned earlier, the poplar variety, the aspen, that in the past we have had no value for. It is estimated that land base could sustain an annual harvest of roughly \$2.5 million cubic metres of wood under a no-management practice. Under an intensive forestry management practice the land base could yield at least twice as much and perhaps even more.

Let's look at the economic consideration of agriculture versus forestry for marginal lands. Motion 218 does not propose that we abandon traditional agricultural efforts in the green/white transition zone. Rather, what motion 218 calls for is greater utilization of an existing renewable resource that prospers in a particular area of the province. For example, with respect to private ownership of woodlots, farmers could continue traditional farming activity of most of their land and set aside one quarter for timber. For a quarter section in the Peace River region, class 4 soil, the optimum growing potential, after input costs are taken out, would be: wheat, \$10,000; barley, \$6,000; canola, \$10,000; hay, \$8,000; aspen, \$54,400, taking into account average growing conditions, a harvest occurring once every 20 to 30 years, input costs, seeding, fertilizer, and insect control.

A 1983 study for Alberta Energy and Natural Resources on land values in northern Alberta presents a stronger case for using marginal land for forestry development. The study was based on a 20-year cycle of forestry and agricultural use. Forestry values represent better land use in class 2, 3, and 4 agricultural lands. While forestry land uses will generate positive economic rents or net benefits, only farming operations based entirely on class 2 agricultural land or better will generate continuous positive benefits. Farming operations based entirely on class 3 and 4 agricultural land have negative benefits, implying that a subsidy from the rest of the economy would be required to maintain these operations. Economic benefits accruing to society from agricultural development on forested lands are negative or much lower than that of forestry in northern Alberta.

4:20

Along with the higher land values or net economic benefits generated by development of the forestry industry, there would be a sizable contribution to employment, community stability, and economic diversification in northern Alberta through expanded production.

There are significant environmental benefits to establishing woodlots on land previously utilized for agricultural production. Wood areas provide soil protection from wind and water erosion. Woodlots also provide a natural shelter for livestock and habitat for wildlife. Woodlot areas also provide numerous environmental recreational opportunities. A well-maintained woodlot serves as an ideal camping or picnic ground because there is virtually no underbrush. Crown-owned woodlots could also serve as bird or wildlife sanctuaries, ensuring further protection to Alberta wildlife. Woodlots of this kind would also provide valuable data and information for forest regeneration: how it impacts different soil zones, fertilizers, insect control.

Establishing more woodlots in Alberta will also relieve some of the pressures on our Crown forests. Throughout the world massive forest regions are being eliminated because of demand for farm and forestry products. Alberta has a vast land base naturally suited for agriculture and forestry. To this point limited forestry industrial development and an aggressive reforestation policy have left Alberta with one of the most productive forest regions left in the world. It is the objective of this government to manage our green zone in such a way that we still have one of the largest and most productive forest regions in the next century, and our current reforestation policy reflects this goal. Crown land and private woodlots that supply timber and pulp to Alberta mills will alleviate some demand for resources from Crown land forest regions and ensure that our forest regions remain strong and productive well into the future.

In conclusion, Crown-owned and privately owned woodlots established on marginal land are an economically and environmentally responsible measure. Historically Albertans have always viewed the production of agricultural products as more lucrative than the forestry resource. Current industrial forestry development in the northern part of the province, in utilization of aspen for pulp production, demands that we reconsider our position of land use for agriculture only, particularly along the green/white zone boundaries. We also come to realize that agricultural production on marginal land is not always profitable. Woodlots present a feasible diversification option that should be pursued by the government and landowners in this region of the province. Through this process we also make a significant contribution to the environmental protection of our forests and wildlife. For these reasons I urge all members of this Assembly to support Motion 218.

Thank you.

MR. DEPUTY SPEAKER: The hon. Member for Dunvegan.

MR. CLEGG: Thank you, Mr. Deputy Speaker. It's certainly a pleasure to say just a few words here to support the motion by my hon. colleague. As many of you know, I've been in the Peace River country for almost 50 years, and I've seen what's happened over that period of time. What happened in the '70s, when there was a real need for agricultural products, is that ADC was giving out money to farmers to break land that had poplar — a lot of poplar in some cases — spruce and pine on it. Certainly it was always my belief that it would have been better

to leave them. But when there is a demand for a product, everybody wants to get into the farming industry. So I'm not specifically blaming the government of the time for wanting to promote agricultural use.

However, things have changed. Diversification has taken place in this province, and we must diversify with it. We must look at a program to get ADC land back into not just poplar especially but spruce and pine too, because it creates a lot of problems for municipalities. It causes a lot of problems for school boards. I've seen many times that when we gave out land through ADC or even through farm development sales, people got land back in the bush three miles from nowhere or two miles from nowhere or four miles from nowhere. The municipality was, in fact, forced to build roads into these areas, because in a lot of cases they had school children they had to get out to go to the nearest town or village. It put a real burden on municipalities and school divisions and cost local governments and provincial governments a lot of money to try and develop that land for agricultural purposes.

So I am very, very supportive of this motion. I don't think we should stop with ADC land, because it's so important. There is so much marginal land out there, and not just specifically in the Peace River area but in northern Alberta, that it would be far better to have that land as a woodlot. Certainly, like I said earlier, I promote this woodlot motion, and I am sure our environment . . . Everybody today talks about the environment. Well, with these kinds of woodlots we're improving the environment. We're improving the environment by having these woodlots. We won't have the wind. We won't have the water erosion. We won't have to use a pile of chemicals. There are many advantages in having these woodlots.

So I would certainly support this motion, and I'm sure everybody in this House supports this motion. I would ask that the question be called.

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

MR. TAYLOR: Thank you very much, Mr. Speaker. I too would like to congratulate the Member for Smoky River . . .

AN HON. MEMBER: Smoky Lake.

MR. TAYLOR: No, he doesn't raise chickens.

. . . for doing a very good job, a well-researched paper, on the reasons for developing woodlots. I certainly think he's on the right track, and he's a bit of a breath of fresh air to the Department of Agriculture that's been so firmly anchored in the 19th century. I hope he can bring some of those ideas forward.

However, that's not what the motion reads. The motion isn't for the establishment of woodlots. This motion is for land that is foreclosed on by the Ag Development Corporation to be incorporated in the Crown land woodlots. In other words, what we have is a motion here by a so-called conservative government – small "c" conservative or small "c" communist it sounds like – to nationalize or take away land and put into the hands of the Crown. I don't know whether the hon. Member for Vegreville has been able to get over and vaccinate the members for Dunvegan and Smoky River with the idea that the Crown take over things, but what bothers me here is that although I grow . . . [interjection] I know the Member for Vegreville takes great pride if he can grow anything, least of all hair. The fact of the matter is that we're talking about taking land that has not had payments made on it or has been foreclosed by the Ag

Development Corporation and permanently putting it back into the hands of the Crown. At least that's what I read here.

I think the hon. Member for Smoky River gave a lovely speech, a great, good speech, but to the wrong motion; either that or I'm speaking to the wrong motion. I read that 218 says very clearly here:

. . . farmland acquired through Alberta Agricultural Development Corporation foreclosures would be incorporated into Crown land woodlots in cases where the foreclosed land is on or close to the fringe boundary of a green zone.

4:30

AN HON. MEMBER: Check the foreclosure arrangements in ADC first.

MR. TAYLOR: I'm listening, but I'm still not hearing any sense.

But the fact of the matter is that we are talking about taking foreclosed land . . . [interjections] I've got both sides turned up, but all I'm getting is CKUA.

Nevertheless, I would say it's coming through that this Motion 218 isn't for the establishment and encouragement of farm woodlots; it's for putting into permanent Crown ownership forest lots or land that's been foreclosed adjacent to Crown lands and forever taking them into the jurisdiction of the government. Now, I think that's probably okay in many cases, but what I'd like to do is voice a word of caution. For some farmers that are being foreclosed on and not making a leaseback deal with it, like the Farm Credit Corporation does and some other banks have been known to do, that might ruin that particular farmer or rancher. And I don't see the willy-nilly idea of taking all foreclosures, and this is what this quite clearly reads: "land acquired through Alberta Agricultural Development Corporation."

We've seen how the Minister of Ag and the provincial Treasury through the Treasury Branches and AADC are probably some of the most voracious, vicious foreclosers in the market today. So what we have is some civil servant wandering through the north country deciding, "Ah, those trees look better over in the Crown's ownership than they do in your ownership, so we're going to foreclose that and put it in with the Crown." Even Robin Hood wouldn't have the courage to suggest that Sherwood Forest be expanded that way, yet we have the people over there suggesting that these marginal – and he mentioned that much of this is marginal area. Farmers and ranchers are having a tough time to get by, and they would go out and foreclose this land to put it in the Crown's inventory. This is what bothers me.

I believe in trying to encourage woodlots. All the reasons the hon. member gave are very good ones. Right now I'm tangled up with one of the minions of this government, TransAlta Resources, trying to keep them from cutting down the trees out in front of my place underneath the power line, when the power line could easily go across the road where the trees are already cut down. I'm raising hell with them, and I hope to get the support of people. Those trees could be very useful in eating up Edmonton's smog, if nothing else, because I live downwind. But no, no; they want to cut them down because they might grow up and short-circuit one of the wires. Actually, until I got out there, I didn't realize that 120 volts alternating current meant one hour on and one hour off.

But the fact of the matter is that what we're getting at here is that we have a couple of Conservative backbenchers suggesting that one of their departments foreclose on land and throw it into

the Crown inventory. Personally, as far as I'm concerned, the local farmers and ranchers should have first crack at it, and if it might break a farmer's back if it's part of the land, it shouldn't be allowed.

Consequently, Mr. Speaker, I just can't go along with this, and I'm surprised that this would have been proposed.

MR. DEPUTY SPEAKER: The hon. Member for Rocky Mountain House.

MR. LUND: Thank you, Mr. Speaker. I take a great deal of pleasure to rise in support of this motion of the hon. Member for Smoky River. Maybe to start with I should – Westlock-Sturgeon, if you're listening, we'll get it straightened out as to how ADC operates. Turn the other one up.

Mr. Speaker, the hon. Member for Westlock-Sturgeon seemed to miss completely what the motion calls for. The motion does not call for ADC or the Crown or anyone else to run out there and start foreclosing land on farmers and ranchers. But just to talk about the process that ADC uses once they have foreclosed – the hon. member talked about the local farmers and ranchers having the first option. Well, clearly, the number one phase is for the calling of sealed tenders from the private sector, not from the Crown but from the private sector. So once ADC has finally, because of default, closed on a piece of property, the private sector – the local people, the ranchers and farmers in the area – have the opportunity to bid on it. That is not closing for the sake of putting it into Crown land. Then under phase 2, if the land has not been sold under phase 1, government departments then have an opportunity to bid on them, but it's only after the private sector has had the opportunity. So this is the process that's currently in position.

MR. TAYLOR: Give the original owner a leaseback option.

MR. LUND: He has that opportunity.

MR. DEPUTY SPEAKER: Order.

MR. LUND: So, Mr. Speaker, I think there are so many positive things to this motion. When we look at what has been happening, how the demand for this timber has been increasing and how the projections of the need for this in the future are increasing, I think it's just a wonderful way of allowing some farmers to get into something that doesn't have a high input cost yearly but over the long haul will have many benefits.

There are, of course, some problems associated with this. The Department of Forestry, Lands and Wildlife has been looking at the operation of woodlots in other provinces, and we see that most of those woodlots have come about through the federal resource development agreement. That's where the money has come from to set them up.

MR. TAYLOR: But not from foreclosing farmers; not from foreclosing marginal farmers.

MR. DEPUTY SPEAKER: Order in the House, please.

MR. LUND: Thank you, Mr. Speaker. A successful woodlot program, of course, is going to cost some money to start with, and if the provincial government is going to purchase that land, which clearly is the mechanism that's in place, they would have to bid on it. Then, of course, the cost of that could be quite substantial.

Now, one of the ways that the province probably could assist immensely would be to allow the farmer to proceed with a woodlot and the province provide the seedlings and some expertise in the management of the woodlot. I recognize that it's going to be difficult to get individuals to invest in this because of course it's a long-term investment. You don't go out every year and harvest like you do with normal agricultural products, although I'm sure that in many cases we've seen a certain market for things like Christmas trees. While it's a very small market and wouldn't require a lot of land, there is a potential there for some people to turn some of this very marginal farmland, often with a soil rating of about class 4, with many limitations as to the growing period, the frost-free days, which simply do not allow it to be really productive in the area of grains . . . Some of it, yes, will grow very good hay and pasture, but the grains part is very difficult.

Other benefits, of course, that could come from these woodlots are in the improvement of wildlife habitat. One of the things that has been coming to the fore very forcefully lately is the situation with the enhancement and protection of wildlife habitat. Of course, we know that if you cut down all the forest in a large area, it does have a very detrimental effect on the wildlife. Putting these areas into woodlots would very much enhance the habitat.

4:40

Another area where it would greatly assist is in erosion control. We've seen a lot of places where on some of this marginal land, once the timber is cleared off and the topsoil disturbed, we have a problem with erosion. By taking this land and putting it into a timber cover, of course you will develop grasses and sods, so the erosion problem will be alleviated as well.

We've seen through the last number of years where a lot of emphasis has been on the environment and the effects of cutting down trees. I believe that if we could turn some of this very marginal land back into timber production through the woodlots, we would increase the awareness of forest operations in general and the acceptance of growing trees and using them to their full potential.

Mr. Speaker, I think the two hon. members that spoke ahead of me outlined in much detail the very many benefits that would accrue from the province adopting Motion 218. Therefore, I would ask that we call for the vote in support of Motion 218.

MR. DEPUTY SPEAKER: Does the hon. Member for Smoky River wish to close debate?

HON. MEMBERS: Question.

[Motion carried]

Economic Development Strategy

219. Moved by Mr. McEachern:

Be it resolved that the Legislative Assembly urge the government to incorporate the following principles into its economic development strategy:

- (1) redirect support away from economic activities by foreign-owned and big business corporations and toward small business and locally based economic development,
- (2) a "green" jobs strategy whereby support is directed to initiatives which incorporate the recycling of resources

and innovative technologies which minimize or eliminate environmental pollution, and

- (3) support for projects with clear communitywide backing, particularly those initiated by nonprofit groups, including local authorities, native organizations, and co-operatives.

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

MR. McEACHERN: Thank you, Mr. Speaker. Motion 219 was put on the Order Paper last spring, so it's been around for a long time for people to have a look at. There are three main suggestions in Motion 219. Point (1): I intend to spend a fair bit of time on that. On (2) I'll be looking for some help if there's time next day, if this goes on that long, from my colleague from Edmonton-Jasper Place, but I will certainly outline some basic points.

Mr. Speaker, it's my contention that the Alberta government, for all its talk about being a Conservative government that's supposed to know and understand business, in fact has messed up the economy of Alberta considerably over the X number of years that they've been in power, nearly 20 years actually. They've taken a province that had an incredible amount of oil money and wealth and squandered that wealth. We'd stacked up the heritage trust fund, and now we've turned around and blown it in four or five years and without really diversifying the economy in a way that gives Alberta a sound economy to move into the future.

There's a number of areas in which the government has failed the people of Alberta. One of the most obvious and worst was in the area of the free trade agreement. This government took us and backed Brian Mulroney into taking us into a free trade agreement without one study to indicate that it would be good for Alberta. They just did it on faith. They said: leap through the window of opportunity and grab onto this big American market. Of course, they forgot that we would have things such as high interest rate policies that stop us from taking advantage, getting any of the positive effects of what should have been there out of the free trade agreement, so all we've had are the negative effects, which anybody could have seen if they'd looked, but of course these people did not. We're losing jobs in the manufacturing sector in the country at an incredible rate, some 165,000 jobs last year alone. It's interesting to note that in the energy sector we've basically sold out, that we must keep on selling to the Americans whether we have a shortfall of energy production ourselves or not. It was interesting on *The Journal* the other night when Bill Cameron asked the . . .

AN HON. MEMBER: Oh, good source.

MR. McEACHERN: Well, it's *The Journal*.

He asked the economic development and trade man from Mexico who is negotiating the fast-track American deal about energy. His response was that they sure did not intend to do what Alberta did and hook themselves into having to supply the Americans whether they wanted to or not. [interjection] We'll wait and see what Ontario is doing.

Also, another area where the free trade deal has been particularly harmful, of course, is in marketing boards. We will see the demise of all our agricultural marketing boards in this country under the free trade arrangement. Now, there are other problems with the free trade arrangement, but I'll stop there for

the moment and move on to talk a little bit about the attempts of the government to diversify the economy.

One of the areas where they've had a modest amount of success, I think, is in tourism, but it's been very modest compared to the ambitious plans that they made. I might say that the community tourism plan that they now have in place is a pale imitation of one that myself and my colleagues suggested in the heritage trust fund hearings some time ago. We talked about \$75 million for the province of Alberta in joint projects with communities. That was for the north half of Alberta, assuming that the south half had already had a number of major, major tourism projects and that the emphasis should be placed on the north. This government put in \$30 million over several years – I forget the number of years now – over the whole of the province. That's a good program, so the government hasn't totally failed, but certainly tourism has not turned into the huge industry that they thought it would as quickly as they thought it would.

Their attempts to diversify and develop secondary industries based on agriculture have been basically rather futile and under a free trade agreement will be totally disastrous in the long run. We will not be able to compete with prepared foods kinds of things with big American corporations in a free trade arrangement. It's really kind of odd, I think, that the government jumps into a free trade arrangement and at the same time scrambles like crazy to try to help local people do local things, having bared them to an international competition that they're not ready for. So they end up wasting a lot of tax dollars.

I guess I would say that in terms of the diversification of the economy, the government would probably have to admit that most of the diversification has taken place through private enterprise, through small businesses that were just determined to start some kind of a business and make it work. It's true that when the downturn came in the oil patch in '86 and the provincial economy looked like it was going to collapse, in fact we found out that there were a lot of small businesses out there that hung in and kept the economy from going as sour as we expected it to go. It surprised the government. It surprised everybody. But it was not any government programs that caused that; it was just the initiative of Alberta small businessmen, who I think have shown remarkable resilience considering that both the Ottawa government, by and large, under Liberals and Conservatives over the years, and the Alberta government, certainly under Conservatives and under the Social Credit before that, have basically run policies that have bared us to international and foreign competition.

That means, of course, that local small Canadian businesses have been borrowing money at a disadvantage compared to big foreign corporations. I mean, if you're Imperial Oil, you can get a pretty good rate at the bank, and they can borrow our own money and use it to develop our oil industry. A small Canadian or Alberta company trying to get into the oil industry has a hard time getting money and has to pay more for it. That has been going on for years and years. So I think that the small businessmen of this country have been remarkably resilient, unlike a lot of Tories who just say, "Oh, well; Canadians aren't willing to invest," whenever you talk about too much foreign investment in this country.

4:50

The sector where the attempts to diversify have been the most poorly done is probably in the pulp industry, with the recent announcements by the Premier just before the last election. He did steal the election with those announcements, I will admit,

and the promise of jobs. A lot of people believed that it would work, and to some extent it has provided a bit of a boost to the economy as companies go in and start constructing new pulp mills. But the environmental costs have not been considered. The terms on which it's being done are ridiculous. We're selling out our northern forests the same way we sold out the oil industry to big multinational corporations and then sitting back and saying that whatever is good for Imperial Oil or whatever is good for Mitsubishi is good for us. That does not make any sense, Mr. Speaker.

The use of our northern forests needs to be much more prudent. It needs to be much more locally based. It needs to have much more involvement of the local communities in it. It needs to be done on a smaller scale. I mean, it is totally ridiculous that we would announce as many pulp mills as we now have – something like 11 pulp mills when they're all on stream, if all the announcements follow through – and one of them produces paper. One produces paper, or will produce paper when they get around to building that part of the plant; they've promised to. It doesn't make any sense to take our trees, pulp them, send them off to Japan, and then buy back paper. There isn't anybody here who can't see the stupidity of that. I don't understand why we did it again, but that seems to be typical Tory economic planning.

I want to turn also to some of the present government programs. I don't mean this to be a comprehensive analysis – certainly one is going to have to give more details – but there are some things that are going on that need to be said and some holes in the way the government operates that should be pointed out. One of my favourite companies to pick on is Vencap, and I've made my complaints about that many times. I'll just say that one of the problems with Vencap has been that they tend to give too much money to too few companies. I will say that the present chief executive officer is starting, or at least trying, to correct that a little bit. He's moved from in the neighbourhood of 30 companies that Vencap is involved with to 40. His intention would seem to be to go to more and, I assume, then also for smaller amounts.

But I think it illustrates the basic problem of government trying to get involved in the economy. It doesn't seem to me that it's possible for government to pick the winners. I've heard Dick Johnston stand right in this House and say that, and I agree with it, in terms of investments in specific companies. So here's Vencap on behalf of the government then picking specific middle sized companies and trying to turn them into big winners on the international scene. I don't think it can be done, particularly in the face of a free trade agreement that puts them up against some giants around the world. It seems to me that it's like whistling against the wind.

Some of the other programs. The Alberta Opportunity Company is supposed to be doing . . . If we are going to put money into companies on either an equity basis or a preferred share basis or as grants or loans or loan guarantees, perhaps we should consider – and this sort of fits into solution (1) that I mentioned in my principles – that the money go to smaller companies, the smallest of companies trying to get started. They've got a new and innovative idea; the amount of money they should be getting should be in the tens of thousands of dollars, not in the millions of dollars. It's like putting too many eggs in one basket to try to pick a winner in the mid-sized or big-sized companies. Therefore, if we're going to be helping in the venture field, it should be just the smallest of companies and there should be a limit of some \$50,000 or \$100,000 or \$150,000. I don't have a magic number off the top of my head for this, but

it's something that should be arrived at and stuck to and not gone beyond for any company. If it can't make it with that kind of dollars and then get private enterprise dollars and go on to success, then so be it.

But it isn't up to the taxpayers to try to push into situations like the Myrias corporation, the GSRs, and those kinds of things, where we put millions of dollars into one company and then decide that we can't afford the competition with bigger American or German firms, who can afford to put hundreds of millions into that kind of industry, and then say, "Oh well; I guess we'll just have to stop there," as this government has done a number of times.

A couple of other programs that have come and gone, the Alberta stock savings plan and the SBECs, were not particularly good plans, a little bit pie-in-the-sky thinking on the part of the government when they instituted them. We still need a complete accounting of how those programs made out – what was spent, what was gained, what was lost – and they do not lend themselves to the kind of program, I think anyway, that makes a lot of sense.

I guess there's a number of other government programs. There's the export loan program, and that has exactly the problem I mentioned with Vencap. It's not to say that there shouldn't be some kind of an agency set up to help companies that want to break into the international market. Trading is important for Alberta and for Canada, and I don't deny that. I would like to encourage trading, but you've got to be careful how you do it. If you're going to have a loan guarantee program for exporters, then you need to set up some kind of a general fund that companies also get involved in supporting. It shouldn't be just a government handout to specific companies behind closed doors, as it is now. We don't even know from the public accounts which companies are getting money from the export program, so we can't even tell which ones have failed or which ones have succeeded, so we don't know how the program is going. We hear the minister bragging in glowing terms about it, but we don't have any proof of that. It doesn't seem to me that it makes a lot of sense to try to do a general government program and then keep everybody in the dark about how it's working.

I guess the program, and I'm not sure it's worth calling it that, that bothers me the most, however, is the ad hoc cabinet program of deciding, "Well, yes, we will put money into Myrias; yes, we will put money into GSR; yes, we will put money into Climate Master; yes, we will put money into Alberta-Pacific Terminals" on a one-shot – one or two or three shots; it sometimes follows that there are two or three more injections into specific companies, but for what specific purpose? We do not get a full accounting of where and why and how that's a good idea before it's done. It's usually done by cabinet in secret. They maybe put out a press release; they maybe don't. If it's under \$5 million and done through Economic Development and Trade, they don't have to tell anybody about it. It shows up in the public accounts a couple of years later, but you can't even identify it with the program because it'll just be listed generally under Economic Development and Trade that so and so got such and such dollars. You have no way of linking it or relating it back to on what terms or for what purpose. Mr. Speaker, that's just not an acceptable way for a government to run an economy.

I want to go back, then, to the principles. I would like to say this: I do not intend that these three principles be the whole and sum total of New Democrat economic policy as a government. Obviously, there's much more to the economy than I can

cover in something like this. But it does lay out three areas where I'm comfortable with governments' getting involved in the economy. The more I talk to businesspeople right across this province, the more I find they say for the government to get out of the economy. They don't want the government interfering. They don't want government picking winners so that one company goes down the tubes because the neighbour's getting money from the government and beating them. That happens quite a lot in the province. So if you're going to have programs, they've got to be very well structured and available to everybody that qualifies. They've got to be sort of universal programs that anybody who is involved in that kind of an industry can apply for and be treated fairly and not just sort of hand-picked, specific people, specific companies, the old boys' network. There's been a lot of talk about that today. There's far too much of that that goes on in this government.

These three principles that I've laid out here I am comfortable with, and I think the government should be too. Some of the programs they've brought forward in fact do overlap into these areas a little bit. These are not totally new or something that the government has not considered, but I just think they should be expanded and thought through a little more carefully.

The first one is the one about redirecting support away from the foreign-owned companies and more towards small local businesses. I think that is one area where the government fails. They sort of tend to think that what Imperial Oil thinks or does or wants is fine by this government. Sometimes Imperial Oil has the same interests as Alberta, but they have a worldwide network of oil industry, and sometimes their interests are not the same as Albertans' that own a resource. So you need to look at that with a jaundiced eye and keep your powder dry and bring in policies that are good for the people of Alberta; Alberta's oil industry, for example. We should have done the same thing with the pulp industry, and we haven't.

5:00

We would all admit, I think, that the first need, if you're going to have government involved in the economy in any way, is for good research institutions, so we need to make sure that we fund the universities properly; we need to fund the Alberta Research Council. We've got to be a little jaundiced about how effective the National Research Council is, but probably Alberta could do more in co-operating with it and in sharing – we've not been getting our share of national research dollars in this province. We've tended to go it alone and say we don't need them, I guess. Even joint programs like Westaim may be worth trying. Certainly we'll keep a good eye on it and see if that's the kind of thing that can help pay off.

I know one of the main difficulties is going from research to commercial development. It's always going to be a problem, and I'm not sure the government is the right place to try to get the commercialization value out of the fruits of our research. Maybe you have to leave that to private enterprise.

AN HON. MEMBER: You're a socialist?

MR. McEACHERN: Well, who's the socialist around here? I mean, I'm a socialist, and I admit that. I believe that economic production should be for the benefit of helping people to shelter themselves, to have food to eat, to have clothing to wear. Too often the problem with the people who consider themselves to be the great private enterprisers is that they tend to think of labour as just another input cost. They don't think of that unit of labour, that person, as having needs for food, clothing, and

shelter, a decent job, in other words, so you can afford to buy the goods and services produced.

When you guys start talking about free trade with the United States and Mexico, be aware that labour rates in Mexico are low enough that the small businessmen and the workers in this province are going to be really against the wall for the next five to 10 years as we work this through and try to sort out the differences between Mexico . . . United States is going to use their technology and capital – they'll use some of our capital as well – to exploit our cheap resources and Mexico's cheap labour, and the small businesses and the workers of Canada are in real trouble, believe you me, as we try to sort out the next 10 or 15 years on this North American continent.

I guess what I'm trying to say to the government is that they should switch from putting the emphasis on big business and trying to make middle sized businesses into big businesses to putting the emphasis on very small businesses. If we are going to get into the commercialization of production – our products, inventions, innovative ideas, new service ideas – it's got to be new, innovative ideas and only tens of thousands of dollars, not more than that. Some people would argue not even the tens of thousands of dollars; leave it totally to private enterprise. One of the programs the government has put forward and that I support and think should be expanded is the small business incubator programs. Those are a way of helping small businesses get started that can be useful.

I had a chance a short time ago to go to a conference put on by EDA, the economic developers' association of Alberta. These were people from all the various economic development agencies around the province, different municipalities, different cities, plus there were quite a few local elected officials there. I found it really enlightening and really interesting. The topic of debate for the first day, particularly in the morning presentations, was an idea called the import replacement program. It was a great idea. I'll describe it to you a little bit. But the thing that concerns me is that the Alberta government and the federal government took us into a free trade deal before we did any of the kind of work that that import replacement program suggests should be done. So now here we are, scrambling to try to repatriate some of the economic production and distribution back home in a free trade climate that says that giants in Dallas, Texas, can undercut the procurement policies in the city of Edmonton because under the free trade arrangement we're not allowed to have any preferential procurement policies. Now, these people weren't talking about preferential procurement policies in the sense that there would be a 10 or 15 percent penalty for any outside company trying to get procurement from any government institution in Alberta, but as I said, they didn't need to subsidize. All they needed to do was to have better information.

One of the basic tenets of the market economy is that you need full knowledge of what's available. You need suppliers and buyers that have full knowledge of what the prospects are and where they can get the products. The main presentation was really about what had happened in the state of Oregon. In 1982 Oregon found itself with an economy that was in disarray because the lumber industry had gone into a major slump, and they had unemployment of up to 25 percent. So they said, "What can we do?" What they decided to do was to set up basically an information-gathering organization, done at government level but eventually farmed out. What they started to do was they went to all the big procurement agencies like school boards and said: "Where are you getting your supplies now? What are they, how much are you spending on them, and where

do they come from?" Then they looked around the community and said: "Well, would you consider – we're not telling you that you should – buying it from some local people if you knew they could supply your needs? You could maybe break the contract down into smaller parts if necessary, but as long as you could get it for the same price and get good delivery of services and good backup services afterwards, would you consider buying it locally?" Of course, most of them said yes. So what they started was an information-gathering system then. Of course, it mushroomed from there.

Victoria started one. An interesting story illustrates kind of how this can really startle people and make them realize that they're chasing halfway around the world for nothing. A businessman that wanted some particular product had tried all over the world to get this product, and then at one of the meetings planning this local procurement, import replacement program, he found himself sitting next to a neighbour who had a store just down the street, one block from him literally, and he in fact produced that product. Here he'd been chasing around the world at great expense trying to find this product and had not been able to. So it just shows the need to be able to gather and collect and disseminate information. There are a few systems in place and some small starts in that direction, but I think we will see a lot of it.

My main regret is that it's being done now in a climate of free trade. If we had started locally, with the local towns and then local regions and then provincewide and then next-door provinces together, then we might have been ready for free trade. Quebec did, you know. Quebec actually was a very protective economy for a number of years. It finally got its economy off the ground, and now that's why they feel confident they can compete in a free trade atmosphere. But the rest of Canada is not ready. We have been bared to international competition that we can't meet, and it's going to be a very rough process getting there.

Now, one of the things that really thrilled me about the import replacement program was that the ideas and techniques behind it are very, very much like the kind of ideas that Bob Hawkesworth put forward in our economic development paper a year or so ago called Community-based Economic Development. The New Democratic Party held hearings all around the province and talked to a lot of small businesses, and the overwhelming evidence was that the government should quit imposing programs from on high and start listening to the local people.

That, of course, dovetails with the last point, also, of the three points – I'll just skip over (2) for a moment because I think these two are tied together – that it's local people that know what's needed in the local area; it's local people that will come up with the best ideas of how to develop their economy. It is not going out and getting some big Japanese company to come in and build a pulp mill and devastate your forest and pollute your rivers that is the way to develop an economy. The way to develop an economy is to go talk to the local people and say, "What is possible here, and what can we do that will be environmentally sound, and what can we do that will mean there will be economic activity in this area for years and years and years, for our children and our grandchildren and our great-grandchildren?" Not just for a quick buck and then leave, like some of the big multinationals are quite prepared to do.

5:10

The third point, then – and I've skipped (2), as I said, purposely – to some extent is also along the same line, although it's more specific. It says that an economic development strategy

should support "projects with clear communitywide backing." Now, that means going into the community and talking to the whole community, not to just a few people. It doesn't mean sending Daishowa in with a document six inches thick to talk to a few mayors and a few elected officials and then calling that public hearings. That's not adequate. You need to talk to all the people. All the people have to be brought into the process and know, understand, and feel comfortable with what's going on. There has to be a much more democratic process, then, for deciding on the direction of the community, for deciding what projects should go and what should not.

I mentioned the communitywide backing: "particularly those initiated by nonprofit groups." Lots of nonprofit groups need support in this society. What this government tends to do is underfund the nonprofit groups because usually they're providing a service. Services are just as important as production of goods. Galbraith will tell you a buck is a buck is a buck and it doesn't matter much what the project is as long as it produces a dollar. Well, up to a point. At this point we'd just say that something like the *Valdez* spill in the Gulf of Alaska made the gross national product of the United States much bigger, but it wasn't very productive. I guess we'd all admit that.

So with that caveat, that you have to take into account the environmental concerns of what you're doing and the environmental costs – which will not show up in the traditional accounting processes that we use now but will in the future, hopefully. I think I mentioned in this House once before that there's a fellow from the U of A that has gone to the United Nations to work with other accountants to try to figure out how you can set up books that will take into effect the environmental considerations and costs of any project, and that will have to be built into the projects, into the annual reports and financial reports of companies in the future. I'm sure we'll have to move to that; the quicker the better, quite frankly.

What this government, to go back to the nonprofit groups for a moment, tends to do is underfund a lot of those nonprofit, social. . .

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

The hon. Member for Smoky River.

MR. PASZKOWSKI: Mr. Speaker, it's my pleasure to rise on this occasion to speak to the motion brought forward by the Member for Edmonton-Kingsway. I would first like to recognize the member opposite for his efforts to enlighten us on economic strategy and economic importance. It seems that for years terms such as "economic development" have been a no-no with the Official Opposition for fear that they might have Karl Marx turning in his grave. But now times are changing; the rest of the world, the Soviet Union, the eastern bloc countries have changed, and the New Democrats are following too. I commend you, and I congratulate you for the initiatives that you've brought forward. It's a pleasure to recognize that the words "economic development" now exist in your vocabulary, and I want to compliment you and commend you for that. I would like to point out, however, that while we see bold economic reform and progress being made in these countries, it seems that the Alberta New Democrats' attempt to keep pace while still hanging on to their old socialistic baggage is not keeping up with the rest of the world.

Motion 219 proposes an economic development strategy that identifies particular types of business and areas of economy that we should support, and it identifies other areas that we should

not support. That's not the way a government should operate. A healthy government supports all business development, be it large or be it small, because one basically complements the other. I would hope that we, in the true democratic society that we live in in Alberta, never adopt a policy that we start using a checklist of support and a checklist that we do not support for development in this province.

Mr. Speaker, what we have in Alberta today allows for creativity, for natural economic development and diversification. This indeed is a healthy process, and it has been proven by the healthy economy of the province that we have today. Let's look at the statistics. We in Alberta are faring better than anywhere else in all of Canada. Canada's growth in 1990 is anticipated to be 1 percent, and in 1991 it will be .5 percent. What's Alberta's growth going to be? Two percent in 1990 and 1.5 percent in 1991. We're not doing that bad. We're doing better than any other province in Canada, so let's recognize the true success of our system and our process.

I would expect that most of the members opposite would attempt to have the people of Alberta believe that we've been successful only because of the increase in oil prices. Really that's not true, because indeed the statistics for the drilling activity have not increased that dramatically. So why are we increasing? It's obvious: because of the diversification that we have implemented, because of our policies that we have brought in place, because of the successful policies that we have brought in place. They are working, as the statistics verify.

There are more significant reasons for our bright economic outlook as well, and that is for the projects that we are working hand in hand to develop. I would like to point out that in my own constituency we are now looking at a possible development, a major, owned by a major foreign investment company, and it's called a big company by the hon. member's standards. I'd like that hon. member to go back to my constituents who are in small business, who are indeed looking forward to the development so that they can keep their small businesses alive. I've got a group that's also looking at initiatives of starting up their own little businesses to support that big business. So let's not tell the world that big business isn't motivating, isn't the motor that drives this country.

The hon. member brings out the Essos and the Shells. Yes, indeed; when the Smoky River was being developed back in the '50s, '60s, and '70s when the oil industry was developing, it was the Essos and the Shells and the Gulfs that had the initiative to come into the area. As a result of those developments and of those people that had the finances, the small companies were able to grow alongside and support those big industries. As a result, we've had a successful and happy marriage that we wouldn't have today simply because we as local businesses would not have had the finances to undertake the tremendous investment that would have been required to develop that industry.

So small business and big business have to work hand in hand. We can't adopt this method of saying yes, we indeed will support one line and not the other. That's not the way successful business operates. On the other hand, I want to commend you for taking the first initiative that I have seen as far as business development is concerned. You've actually recognized that there is such a thing as economic development. I congratulate you, hon. member, for having this tremendous insight. You are a true leader in your party. I commend you for that.

Mr. Speaker, we in Alberta have tremendous opportunities, and I want to commend in particular the Minister of Municipal Affairs, who's just undertaken the municipal initiatives study. I

don't know if the member has taken the time to read that or has talked to anyone along the way. Indeed, I consider this as being a true initiative for the development of Alberta. If the member has any other ideas, I'm sure our minister would be quite glad to sit and hear him out. But they'd better be positive ideas, not the usual rhetoric that we get, the complaining and the basic negativeness that comes forward.

MR. FOX: Hurry up.
5:20

MR. PASZKOWSKI: Thank you, thank you. I take it you enjoy what I'm saying and you want to hear more. [interjections] Yes, okay.

The success of big business doesn't weigh on small business. The two work hand in hand, the big business and the small business, and the small business works as a complement to the larger business. The two really accentuate each other, and that's where you get true success.

One of the other items that was brought forward . . . I'm running out of time here, and I really feel this is unfortunate, because I'd like to spend quite a bit of time on this. But you addressed the issue – the motherhood issue, by the way – of environmental concerns. This is like talking about telling Mother how good she is on Mother's Day: I agree; I think that's wonderful. This government recognizes it as well, and they have recognized it in the past, and that's why we're bringing forward legislation in the spring that deals with specifics such as this. It's very interesting . . . [interjection] You had your chance to talk; now allow me to have my chance. I never once interjected on you.

MR. FOX: That's because you were asleep.

MR. PASZKOWSKI: If I was asleep, it's only because the content wasn't worth listening to.

Indeed, if the member isn't aware of some of our environmental problems, we are. We're dealing with them, and we're dealing with them in a positive way. The minister is going to bring forward legislation this spring that I'm sure even the hon. member will be pleased with, because we know that all Albertans will be. But we have to realize some of the impediments that we have in Alberta, and we have to work with those impediments. We have a large land base in Alberta. We have a large, large area to cover, transportation. So when we talk about things like recycling industries and business and development, transportation costs become a major factor. Population base becomes a major factor. Issues such as gathering products become a major factor. Those are all issues that we have to deal with, not an easy matter because we don't have that large population base that some of the world has, and we have to reconcile ourselves and come forward with good, positive, affirmative action that can deal with the issues.

We, I am pleased to say, are doing it. We've done it with a group that's traveling throughout the province, that's meeting with the people. The hon. member said: why don't you sit down and meet with the people, talk to the local people? Well, that's what we're doing with the commission, with the group that the hon. member Mr. Evans is chairing. We've gone out to meet the people. We're actually doing what the hon. member said, and still we're being criticized for doing that exact thing.

[Mr. Speaker in the Chair]

What's wrong with talking to the mayor and the elected officials? How did they get to their position? They got there by election of the people. The local people felt that they, indeed, should be in that position. I see no reason why we shouldn't spend time talking to elected officials, the mayors and their representatives, just as much as we do to the common people, and we're giving the common people that opportunity through hearings such as we're conducting. [interjections]

MR. SPEAKER: Order. [interjections] Order. The Chair is back. [interjection] You might not be.

MR. FOX: He's trying to turn it into the House of Commons, Mr. Speaker. You should hear him.

MR. SPEAKER: Order please.

MR. PASZKOWSKI: Thank you, Mr. Speaker.

What have we been doing with small business, and how successful have we been with small business development in Alberta? Let's go back to some statistics again, if I can share with you. During the decade between '78 and '88 the number of Alberta businesses with less than 20 employees increased by 66 percent. During the same period more than 70 percent of private-sector jobs created in the province, a total of 189,000 jobs, were created by small business. So we're looking after small business in a pretty good way. New business incorporations is another indicator of small business growth. Currently Alberta averages 1,400 business incorporations a month compared to 95 that go down or go into bankruptcy. Fourteen hundred relative to 95: a true success story in itself. How can we suggest that we're not looking after small business? I would therefore suggest to the members opposite that small business is indeed prospering in Alberta, and we need to continue the support for small business as well as large business as well as all forms of business.

Mr. Speaker, I feel strongly that the members of the Assembly recognize this success and give credit where credit is due. It is the people of Alberta, the businessmen and women in each city and small town throughout the province, who deserve this credit. They have simply asked the government to provide the atmosphere which invites investment and development at all levels, and with that we are giving them the opportunity.

I'm not going to spend much time, as I said, on the second principle of 219, because I consider that to be a motherhood thing. As I mentioned earlier, we are looking after the environment in our business development. We plan on looking after the environment in our business development and in our growth, and we will continue to do so. Our challenges are before us and will continue to be before us, but we must develop in a positive way, in an affirmative way, and business development must feel comfortable to bring forward their prosperity to the province.

I guess we're running out of time. I would like at this time, Mr. Speaker, if we could adjourn debate. Thank you.

MR. SPEAKER: Thank you.

I have the motion by Smoky River. Those in favour of adjourning, please say aye.

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no.

SOME HON. MEMBERS: No.

MR. SPEAKER: Motion carries.

Deputy Government House Leader.

MR. GOGO: Thank you, Mr. Speaker. The business of the House this evening will be debate on Motion 20.

[The Assembly adjourned at 5:26 p.m.]