

## **Legislative Assembly of Alberta**

Title: **Thursday, November 29, 1990 2:30 p.m.**

Date: 90/11/29

[Mr. Speaker in the Chair]

### **Prayers**

MR. SPEAKER: Let us pray.

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

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

Amen.

### **head: Notices of Motions**

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

MR. PASHAK: Thank you, Mr. Speaker. I'd just like to announce my intention upon completion of question period and under Standing Order 40, to move the following motion:

Be it resolved that the Legislative Assembly congratulate Holy Cross school in Calgary for receiving a National Council of Teachers of English Centre of Excellence Award for helping students at risk, an award of special significance given that there were 500 applicants from across North America and only two awards were made in Canada.

### **head: Introduction of Bills**

#### **Bill 57**

#### **Electoral Boundaries Commission Act**

MR. ROSTAD: Mr. Speaker, I request leave to introduce a Bill, the Electoral Boundaries Commission Act.

This Bill is the result of the report of the Select Standing Committee on Electoral Boundaries, and I look forward to the debate.

[Leave granted; Bill 57 read a first time]

MR. SPEAKER: The Member for Westlock-Sturgeon.

#### **Bill 253**

#### **Alberta Farm Security Act**

MR. TAYLOR: Thank you, Mr. Speaker. I request leave to introduce Bill 253, the Alberta Farm Security Act.

This Bill would appoint a board that would have the power to suspend or stretch out payments and forestall foreclosures on any owner-occupied farm.

[Leave granted; Bill 253 read a first time]

### **head: Tabling Returns and Reports**

MR. ELZINGA: Mr. Speaker, it's my pleasure to table four copies of the annual report of the Alberta Opportunity Company for the year ended March 31, 1990. Copies of the report have been made available to all members previously.

MR. JOHNSTON: Mr. Speaker, I'm pleased to file with the Legislative Assembly the financial statements for the year ended December 31, 1989, of the Alberta Resources Railway Corporation.

MR. SPEAKER: The Minister of Recreation and Parks.

DR. WEST: Yes, Mr. Speaker. I'd like to table six copies of a response to Written Question 391.

### **head: Introduction of Special Guests**

MR. SCHUMACHER: Mr. Speaker, every year since 1974 the Alberta Legislature has invited a distinguished group of university graduates to experience firsthand the functioning of Alberta's Parliament. At the same time, these interns provide members with exceptionally competent assistance in research and in work for constituents. Part of this program has been made possible by generous donations from Canadian Airlines and Petro-Canada. I am sure that every member will agree with me that this program is of great value not only to the students but to each member who has had the privilege of working with an intern.

I know many members know one or more of these interns personally, but I don't think they know all of them. Mr. Speaker, I would like to introduce to you and through you to all members of the Assembly this year's group of legislative interns who are seated in your gallery. They are: Patricia Mappin, Laura Mensch, Theresa Roy, and Jennifer Wispinski. I'd ask them to rise and receive the cordial welcome of the members of the Assembly.

MR. ORMAN: Mr. Speaker, I'd like to introduce to you and to members of the Assembly Mrs. Helen Yau. Mrs. Yau is a member of the Alberta Multiculturalism Commission. She's a very strong community worker, and she's here to watch the Legislature in action today. I'd ask Mrs. Yau to rise and receive the welcome of the Assembly.

MR. GIBEAULT: Mr. Speaker, I am pleased to introduce to you and to the other members of the Assembly this afternoon a dynamic group of young students from Bisset elementary school in the constituency of Edmonton-Mill Woods. They're here today with their teachers Mark Edwards, Gerry Mittelstadt, and Kelly Kaye, as well as student teachers Susan Holland, Jill Archibald, and Karen Davidson. I'd ask them now to stand in the galleries and receive our very warm welcome.

MR. DOYLE: Mr. Speaker, I'd like to introduce to you today 36 very bright and very conscientious young students from the town of Edson, Vanier Catholic school. They're assisted by their teachers Mr. Kevin Bergen, Mr. Desmond Kilgannon, and Mrs. Kathy Velichko. They have parents Evert Jonker, Teresa Langridge, Marion Bachand, and they're assisted by their bus driver Mr. Perry Shack. I'd like the members of the Legislature to give them a warm welcome.

MR. FJORDBOTTEN: Mr. Speaker, there was a group from my constituency and other constituencies here this morning to demonstrate to everyone their support for our court case against the GST. They're in the gallery: Allan Bulloch, Mr. Gordon Scott, Erin Wall, Mary Ellen Riemann, and Mr. and Mrs.

Goslin. I would ask them to stand and be recognized and receive the usual cordial welcome.

### head: Oral Question Period

#### Telus Corporation

MR. MARTIN: Mr. Speaker, to the Minister of Technology, Research and Telecommunications. It's becoming clearer with each passing day that this government's sale of AGT is turning into the type of financial fiasco which has made this government famous. It's called bungling, bungling, and bungling. This privatization has become the taxpayers' worst nightmare. Two months ago taxpayers found out that they would be forced to pay \$21 million because of this government's bungling of the prospectus. Today we learn that taxpayers could be stuck with another huge bill because a German company called Robert Bosch is backing out of a deal to buy a half interest in NovAtel and the government has given Telus the option of selling NovAtel back to the taxpayers at the same financial terms rejected by Bosch. My question to the minister is this: would the minister confirm that because of this government's mismanagement and bungling, the taxpayers could end up being on the hook for \$150 million?

MR. STEWART: The short answer, Mr. Speaker, is no, I wouldn't. In fact, the inaccuracies contained in the hon. Leader of the Opposition's comments – it would seem to me that with such inaccuracies it almost looks like he's a devoted reader of the *Globe and Mail*. [interjections]

MR. SPEAKER: Order.

MR. STEWART: Mr. Speaker, the so-called privatization of AGT was the most successful share offering in the history of Canada, and we take great pride in that. AGT, now Telus, is positioned for the future. Indeed, the taxpayers, who now are 44 percent of the shareholders of this company – in the last quotation I have seen, their interest has appreciated by about \$70 million.

2:40

MR. MARTIN: Mr. Speaker, people want some answers from this government. Don't hand us this claptrap. I want to know how much this could possibly cost. It's already cost us \$21 million. Don't ram on about privatization. Isn't it true that this could end up costing the taxpayers another \$150 million?

MR. STEWART: Mr. Speaker, in order to preserve the integrity of that share offering at the time that the information with respect to NovAtel came to light, this government acted quickly and effectively in order to preserve that. The indemnity to which the hon. leader refers is something that will be determined at the end of this year, and it's true that the forecasted earnings as provided by NovAtel were inaccurate. We acted in a responsible way to respond to that rather than pull the share offering. But the fact of the matter is that that information I referred to, that came from NovAtel, was looked at by two separate firms of accountants; it was looked at by 11 different underwriting firms and certified; it was looked at by the directors of the two companies, all of whom verified those figures as being accurate. It was on that basis that the government acted.

With respect to the \$150 million that the hon. Leader of the Opposition has referred to, the moneys that were put forward by

investors in acquiring the shares of Telus included the entire package, including NovAtel. Mr. Speaker, if NovAtel does come back, which is not a conclusion one can draw at this point in time at all, but if it does, then it will be the investors', money that they paid for that portion, being NovAtel, that will go back to them, and the assets will be reversed.

With respect to the extra amount that would be payable to Bosch, the \$50 million by way of a bonus: \$50 million of that goes to the company. But we own 44 percent of that company, so really the net cost would be \$28 million at the very, very most.

MR. MARTIN: I can't believe that the minister would stand up and give an answer like that. Aren't you embarrassed to give an answer like that?

My question, Mr. Speaker, is to the minister who says this is such a great deal for the taxpayers of Alberta; it's going to cost us \$21 million. I say probably another \$150 million, because if it was a good deal, Bosch would have stayed in it. He knows full well about that. Will he tell us how shrewd a deal it was to sell the telephone company we already owned and it's going to cost the taxpayers another \$170 million? Will he explain how that's such a shrewd deal?

MR. STEWART: Mr. Speaker, I'm very sorry that the hon. leader can't follow that simple sort of logic. But let's look at the privatization against which his party put up such a fight. The very fact that there is privatization now will mean that a substantial amount of money will apply towards the accumulated debt of our province. Approximately \$600 million will be in the Heritage Savings Trust Fund, and the taxpayers will not have to foot a \$2 billion capital investment in the years ahead, which under the reasoning of the hon. leader they would have to. And any losses of NovAtel would have been the government's or the taxpayers' in any event.

MR. MARTIN: Mr. Speaker, Conservative free enterprise. Isn't it wonderful? The taxpayers love it.

#### Health Care Funding

MR. MARTIN: I'll direct my second question flowing from that over to the Minister of Health, Mr. Speaker. Because of this government's bungling – this is the latest example with NovAtel and we've had previous examples; we'll come to that – we now have a crisis in the health care system. Everyone involved in the health care system, everyone except the minister, says there is a crisis. They're warning that if there isn't more money put into health care, then more hospital beds will close, waiting lists for surgery will lengthen, and patient care will generally get worse. I would point out that two-thirds of the hospital districts right now have deficits. The minister's response to this is: so what? She puts on her second-rate Maggie Thatcher act and says they'll balance the books, just like they do here. My question is this, trying to deal with priorities in government: how does this minister sit there as Minister of Health and justify this shortfall of funds for health care at the same time they've given away millions of dollars to their friends? Now we have the l a t e s t . . .

MR. SPEAKER: Thank you, hon. member. Thank you.

MS BETKOWSKI: Mr. Speaker, what the hon. Leader of the Opposition is suggesting is that we use increasingly the borrowing power of this government in order that by doing so we systematically and deliberately are going to be lowering the

standard of living of our kids in the future. Now, I happen to believe that living within our means is an important principle, and I think that applies to health as well. When we look at the resources that have gone into health this year over and above last year, we are looking at an additional \$240 million. [interjections]

MR. SPEAKER: Order. Thank you. On to the next question.

MR. MARTIN: Well, Mr. Speaker, isn't that nice? We've got to live within our means. Tell it to the minister of technology: \$150 million. Tell it to the Pocklington: \$60 million. Tell it to GSR. Tell it . . . [interjections]

MR. SPEAKER: Order. [interjections] Order. It's your time we're wasting, hon. members.

The Leader of the Opposition, with a question.

MR. MARTIN: My question is very simple and straightforward to this minister. How does she justify this waste of taxpayers' money when there are no more funds for health care, which is a needed service?

MS BETKOWSKI: Mr. Speaker, he's wrong; there is more money for health this year. There's \$240 million more this year than last to acute care in this province, over an 8 percent increase. I do believe it's important to live within our means, and I think health has to be part of that. If the hon. member doesn't share that view, I'm glad it's on the record. But that's where this government stands, and that's why we're working on the health system.

MR. MARTIN: What a weak-kneed answer. This is a government wasting millions and millions and millions of dollars, and she's saying that there's no more money.

The Alberta Hospital Association has said: we need \$55 million. Will the minister go to that minister that's going to waste \$120 million and ask for that \$55 million back for health care? [interjections]

MR. SPEAKER: Order.

The Leader of the Liberal Party.

### **Telus Corporation**

*(continued)*

MR. DECORE: Mr. Speaker, hundreds of millions of dollars of taxpayers' moneys have been used to supposedly diversify the Alberta economy, but as a result of bad management of this government, we now have a state-owned lamb processing business, a state-owned hog processing business, a laser business, and soon to come, a cellular telephone business. What should have been an easy thing, a proper thing, an issue without difficulty, has become a nightmare, and that is the sale of AGT. The prospectus, Mr. Speaker, shows that \$105 million is needed by the government to pay for the equity in NovAtel. It shows that there's \$100 million in capital that's needed either in the form of cash or a guarantee. My question to the minister responsible for telephones is this. You know, it's easy to slough off and say that accountants looked at it and engineers and lawyers and everything else, but, Mr. Minister, you're the minister responsible. I want to know whether you're prepared to take responsibility for this terrible mess that's now been created.

2:50

MR. STEWART: Mr. Speaker, I can tell you . . . [interjections]

MR. SPEAKER: Forgive me, hon. member. Do I need to install telephones to some members of this House? At least you could be quiet enough so the minister can get the first couple of sentences out.

Hon. minister.

MR. STEWART: Mr. Speaker, I can tell the hon. leader that the people of Alberta certainly didn't agree with him in responding to the most successful offering in the history of Canada and almost twice the largest ever to occur in a very difficult market. Eighty-four percent of the employees certainly don't agree with him either, because they bought into this too. Ninety-six percent of all the investors were individuals. It was a very successful offering, and we're very proud that Telus is now positioned for the future.

MR. DECORE: Mr. Speaker, the minister obviously didn't hear my question. We have a \$21 million botch-up because of the minister not looking at the prospectus in the way he should have or not having the right army to look at it. Then because of that error, likely Bosch disappears, takes off. They're not interested in NovAtel any more, and the taxpayer has to pay for it. Now, that's the mess. You're responsible. Will you accept responsibility for allowing yet more taxpayers' dollars to go out and fix your mess?

MR. STEWART: Well, Mr. Speaker, I've already explained in answer to an earlier question with respect to the facts of the figures and the forecasted earnings for NovAtel for the last six months and how they were arrived at and what we relied upon in the certification of those figures.

With respect to the other matter that the hon. leader mentions, I can tell you that the company intends, as it has indicated to me, to pursue the matter of a strategic partnership, which is in the longer term interests of both Telus and presumably that partner and the shareholders of Telus generally. That will be pursued, and I'm very encouraged by the potential that is there. But at the same time, if in that remote eventuality there were a put-back, as the expression goes, of the company – and let me say it one more time, and maybe both the Leader of the Opposition and the leader of the Liberal Party will understand if I put it in these terms. When the government sold Telus shares, it in effect sold, for example, a car and a house. The car has now been returned in those circumstances, and they get their money back. So it's the investors' money that would be going back if that put were ever exercised, not the taxpayers' money.

MR. DECORE: Mr. Speaker, I give him credit for this: he's trying. He's trying to explain it, but he can't.

My last question is to the Premier. Given that we now have state-owned hog processing and lamb processing and we're into the laser business and we're into cellular telephones, you're starting to look like an NDP government over there, for goodness' sake. [interjections] We touched a nerve over here.

MR. SPEAKER: Order. [interjections] Order. The House needs to be reminded that if the uproar continues the Chair has the right to discontinue question period.

AN HON. MEMBER: We can't compare to them.

MR. SPEAKER: Order.

The final question. Just the question, please, without comment, leader of the Liberals.

MR. DECORE: Mr. Premier, is state-owned business your idea of a successful diversification strategy for Alberta? Is that what you want us to do?

MR. GETTY: Mr. Speaker, one of the things that the government of Alberta and the people of Alberta are most proud of is that we have come through one of the most difficult periods of time that our province has ever faced, and we've been able to build a strong energy industry, strengthen our agriculture industry, diversify our economy, build a technology industry, have the forestry industry, have a tourism industry booming, and have people all over the world selecting not Canada but Alberta as the place to invest in in the world.

MR. SPEAKER: Cypress-Redcliff.

#### **General Agreement on Tariffs and Trade**

MR. HYLAND: Thank you, Mr. Speaker. My question is to the Minister of Federal and Intergovernmental Affairs. The deadline is rapidly approaching for the General Agreement on Tariffs and Trade in Europe, and I understand that the minister will be part of the Canadian delegation. I wonder if he can share with the House the stand he will be taking on some of the issues there, because it's probably the most important thing that's affecting agriculture and other products and processes in Alberta.

MS BARRETT: The American stand.

MR. HYLAND: If the opposition doesn't think it's important, I feel sorry for them.

MR. HORSMAN: Mr. Speaker, there are, indeed, in the next week very important discussions taking place in Brussels. It's the final set of discussions with respect to the Uruguay round of the GATT. Four years ago in Punta del Este, Uruguay, the federal government invited four provincial representatives to be in attendance. Two years ago in December, in Montreal at the midterm review, all provinces were represented by ministers, and at this current round at least 10 provincial ministers will be in attendance. The federal government has made a real effort to involve the provinces in developing their position with respect to the GATT.

Agriculture is probably the most important aspect of these GATT rounds insofar as Alberta is concerned, and we have urged the federal government to do everything possible to continue to see liberalization of international trade, particularly with respect to the removal of export subsidies on the part of the European community, which has resulted in retaliation by the United States. We want to see an end, quite frankly, to this international trade dispute and the potential for an international trade war. I would therefore assure members of the Assembly that we will be going to those discussions on behalf of Albertans to make sure . . .

MR. DECORE: Speech.

MR. HORSMAN: The hon. leader of the Liberal Party thinks it's an amusing question, but quite frankly I think that the

GATT and the agricultural interests of Alberta, as I'll be representing them, are important. If the Liberals don't think it's an important issue, it's a sad commentary on their state of mind in this province; I can tell you that, Mr. Speaker.

MR. HYLAND: Mr. Speaker, because of the seemingly so intransigent positions taken by other nations regarding agriculture positions, I wonder if the minister can share with the House if there are any alternative or backup positions that they will be working on over there.

MR. HORSMAN: Mr. Speaker, it's a little early to say. The alternatives, I think, are basically three: that the talks will succeed and an appropriate ratcheting down of international distorting trade measures will take place, or they will fail completely, the alternative, and this has been suggested by the U.S. recently, is that an extension will be granted for the determination of the issue in the few remaining months available to the United States in their fast-track process in the U.S. Senate. But quite frankly, I don't know what the outcome will be. I can say, however, that I am very apprehensive that if the current state of affairs continues, Canadian and Alberta agricultural interests will be sadly put at risk as a result of being ground between the two super powers, the Europeans and the Americans, in what could be a very devastating trade war. Our government takes this to be a serious issue. We will work very hard with the other provinces and the federal government and the Cairns group of nations to see that there is a successful conclusion to this round, because it is vital to the future of Alberta.

MR. SPEAKER: Edmonton-Highlands.

#### **3:00 Conflict of Interest Guidelines**

MS BARRETT: Thank you, Mr. Speaker. Yesterday the Premier strolled in, plunked down a three-page memo as if he was exonerated from charges of failing to comply with the legislative rules, and strolled out again. But I wonder if the Premier bothered to read the memo, because on page 2 it says very clearly that

during the period of the direct association and as the agent of the Member with actual authority from the Member . . .

which the Premier has already acknowledged is true,

( a ) became a party to a contract to which the Crown was also a party,

which the Premier has also acknowledged is true. He failed to realize that he should have registered Lloyd McLaren as his agent on the public disclosure file. Is he now prepared to admit that he has failed to do that under the rules of the Assembly?

MR. GETTY: Mr. Speaker, unfortunately, I assume that the hon. Member for Edmonton-Highlands disagrees with the document which I filed, which was provided to me by Parliamentary Counsel, who felt that I had lived within the guidelines that we have in this province, and therefore I filed them.

MS BARRETT: Mr. Speaker, the memo says no such thing. The memo indicates that the Premier is responsible for registering the person he declares to be his agent, the person who declares to be the Premier's agent. The point is that this whole mess is a result of confused legislation and lack of rules or loose rules. Given that and given that B.C. has already acted on the Wachowich report, will the Premier now commit to bringing in legislation this sitting, this fall, to clean up the whole mess?

MR. GETTY: Mr. Speaker, the hon. member makes several comments in her question, several of which have been dealt with before in the House. The whole idea that there are loose conflict of interest rules: I think she is merely following along with newspaper articles she is reading. I think we have remarkable, unprecedented action taken, which I find really something special, when Parliamentary Counsel have written to the *Globe and Mail* and have set out in fact how misleading and wrong the *Globe and Mail* have been in their assessment of the conflict of interest legislation, and pointed out the strong conflict of interest legislation that we have. In addition, Mr. Speaker, as you know, I have told the House that the report is being assessed and that we will have conflict of interest legislation and potentially an additional code of ethics from a Premier's position for his cabinet in the spring. That has been dealt with several times in the House.

MS BARRETT: Either you need it or you don't.

MR. GETTY: The hon. member may have a legal opinion, but that's her legal opinion.

MR. SPEAKER: The Member for Calgary-McKnight.

#### Advanced Education Enrollment Limits

MRS. GAGNON: Thank you, Mr. Speaker. In the throne speech – remember the throne speech? – this government committed itself to ensure that Alberta students have access to all levels of education regardless of where they live in the province. When faced with statistics that prove there is no room in the postsecondary institutions, the Minister of Advanced Education always claims that there is. My question to the minister is: since the minister continues to operate under this delusion despite overwhelming evidence to the contrary, will he agree to provide for this House exact numbers of spaces still available in universities and university transfer programs, to prove his assertions?

MR. GOGO: Mr. Speaker, the hon. member knows full well that we have the 28 institutions in Alberta plus the private colleges, plus some 105 vocational institutions. It would take some considerable time for me as minister to enquire as to which institutions have spaces. I would think if the hon. member is frankly all that keen on it, the hon. member's caucus could make those enquiries.

MR. DECORE: We did. There is no room, and you know it. There is no room.

MR. SPEAKER: Order, hon. member. You're not there to interrupt.

MR. GOGO: Mr. Speaker, I think the hon. Member for Calgary-McKnight or her caucus could make those enquiries just as easily as I could.

MRS. GAGNON: Mr. Speaker, we have made very thorough inquiries, and there is no space. Even the University of Lethbridge vice-president on Wednesday indicated that they are beyond capacity and will be turning students away next year, students who have Rutherford scholarships and 82 percent averages. It's unbelievable. Given that the minister is reported

to have said to the Southern Alberta Institute of Technology newspaper that people can count on competing to gain access and that we are entering the real world and that is based on the ability to pay, will the minister confirm that he really wants access to be based on the ability to pay, rather than on ability?

MR. GOGO: Mr. Speaker, the hon. member knows full well that I've never made such a statement. . Institutions in this province, which have great track records, have said, and rightly so, that they will not turn away any student who has the capability of getting into the institution as long as that student is prepared to compete. Now, if the hon. member is suggesting that our institutions should not be able to set admission standards to enter those institutions, then the hon. member should say it. At the moment the admission policies are set by each of the institutions, and if they feel that the admission standards must be made higher, surely we must have confidence in those institutions to allow that.

#### Wilderness Preservation

MRS. MIROSH: Mr. Speaker, the Alberta Wilderness Association has been circulating some literature that has caused the public a great deal of concern regarding the future use of land protection towards the natural wilderness of wild rivers and wildlife. There has been indication that in the year 2000 the possibility of dedicated wilderness lands to conservation will vanish, and that vast resource development and urbanization are encroaching on these wildlife boundaries. Apparently, the Department of Recreation and Parks has been doing assessment on these boundaries, and I'd like to ask the minister if he could indicate how he has planned to retain the provincial wildlife protection, particularly in relationship to Kananaskis Country.

DR. WEST: Mr. Speaker, the question alluded to the Alberta Wilderness Association's recent report in relation to the amount of lands in the province of Alberta that has been set aside. In answering the question, I might first go back to the throne speech on March 8, 1990, as delivered by Her Honour the Lieutenant Governor in which she said,

My government recognizes how important the environment has been to Albertans and how important this issue will continue to be as we move towards the next century.

Mr. Speaker, my response is that there has been a total irresponsibility by many groups in this province, including the AWA, in reporting the track record of this province over the last 18 years under this government and the future that this government will provide in endangered spaces protection, as stated by Her Honour in this Speech from the Throne.

Let me point out that there are 164 million acres in the province of Alberta, and today under legislative protection or protective notation there are 24 million acres or 10 acres per man, woman, and child in the province of Alberta.

MR. SPEAKER: Thanks, hon. minister. Save a bit for the supplementary, please.

Supplementary.

MRS. GAGNON: The supplementary is, Mr. Speaker, that there's also fear of the Eastern Slopes being threatened by encroaching industrial development, and I was wondering if the minister of forestry and natural resources could comment on his policy regarding the Eastern Slopes.

MR. FJORDBOTTEN: Mr. Speaker, since the 1930s the policy of the government has been to protect and conserve the areas, particularly in the Eastern Slopes. There certainly is pressure from economic activities taking place in the area today, but under our land planning management system we have in Alberta, that can certainly be accommodated in a very realistic way.

We are also identifying even more natural areas and ecological reserves and wilderness areas that can be established along the Eastern Slopes, and we'll continue as we have in a very meaningful way, particularly since 1970, to add much more to the protected areas in this province.

MR. SPEAKER: The Member for Edmonton-Kingsway.

**3:10                      Telus Corporation**  
(continued)

MR. McEACHERN: Thank you, Mr. Speaker. My questions are to the Minister of Technology, Research and Telecommunications. Our leader has already pointed out that the government has put taxpayers on the line for about \$150 million to buy back NovAtel. Will the minister admit that that's \$30 million or \$40 million higher than the market value, and that the government is putting the taxpayers' dollars at risk merely to cover his own political ass for selling a company that should never have been sold in the first . . .

**Speaker's Ruling**  
**Parliamentary Language**

MR. SPEAKER: Hold it. Would you like to stand up and retract the word you just used?

MR. McEACHERN: I'll just turn the word "ass" into rump; it's not much different.

MR. SPEAKER: No. No.

The Chair recognizes the next questioner. Edmonton-Avonmore, please.

MR. McEACHERN: Point of order.

MR. SPEAKER: Excuse me, hon. member; don't even bother trying.

The Member for Edmonton-Avonmore. [interjections] Just keep your place. Thank you. The Member for Edmonton-Avonmore has been recognized for the third time. Please continue.

**Family Violence**

MS M. LAING: Mr. Speaker, my questions are to the Solicitor General. The response Tuesday of the Solicitor General to my questions in regard to treatment for men who batter their wives reveals a profound lack of understanding of the dynamics of spousal abuse. Batterers are not mentally ill, and they rarely take responsibility for their behaviour unless forced to do so through court mandated treatment. Given that untreated offenders become repeat offenders and if the minister does not take action even more women will have to be turned away from our shelters, will the minister now reconsider his position in regard to treatment?

MR. SPEAKER: May we have order in the House please, so we can hear the question and the answer? Thank you.

MR. FOWLER: Mr. Speaker, in response to the question from the Member for Edmonton-Avonmore, I would like to review very quickly and very shortly the initiatives of this department, as Solicitor General responsible for policing.

AN HON. MEMBER: Just answer the question.

MR. FOWLER: I'm going to answer the question, but I'm merely saying to begin with that I am the minister responsible for policing, and that is what we did in our initiatives. We looked to reduce the incidence of family violence through early police initiation. We looked to increase the public awareness of the criminal nature of family victims, and we looked to design initiatives in a number of key areas which would reduce the incidence of family violence. It's of very great concern to us. However, there has been a department involved in this area for at least a number of years. Also I have no jurisdiction whatsoever to be advising the judges what type of sentences they should be handing out in these incidences.

MS M. LAING: Mr. Speaker, as far as I understand, the Solicitor General is responsible for corrections as well as policing, and that criminal justice intervention includes rehabilitation as well as punishment. The minister recognizes the need for treatment for a whole range of offenders that are incarcerated through the provision of programs in correctional facilities. Will the minister tell us why he will not commit to providing treatment to those who have been found guilty of spousal assault but who are not incarcerated?

MR. FOWLER: Insofar as I am aware, Mr. Speaker, we have found it almost universally unacceptable to force treatment on somebody where in fact treatment is not requested, desired, or wanted by the person who has been sentenced. In fact, where the courts have not ordered treatment or counseling, we have no authority or power to do so whatsoever.

MR. SPEAKER: The Member for Edmonton-Gold Bar.

MRS. HEWES: Thank you, Mr. Speaker. On very much the same subject: I've been pleased with the strong position that the Solicitor General has taken in regard to spouse abuse and family violence, but I'm very surprised by his statement earlier this week. It's clear to me that he is responsible for the implementation of the Corrections Act. Section 2, subsections (b) and (d) of that particular Act read as follows:

(b) the provision of probation and parole supervision and counselling services to offenders against the law; and

(d) the supervision, treatment and training of inmates with a view to their ultimate rehabilitation in society.

Now, I happen to disagree with the Solicitor General's suggestion that people don't respond to treatment.

Mr. Speaker, I have two questions for the Solicitor General. I'd like to know what action, if any, he has taken in consultation with other departments to develop a comprehensive approach to treatment of batterers. What, if anything, is being done, *is* being planned to fulfill his mandate?

MR. FOWLER: Mr. Speaker, we most certainly do fulfill our mandate, and the legislation that was being read by the hon. member opposite in fact is where there is counseling needed and required as a condition of probation. There is no question in the world that we fulfill that role where it is a condition of

probation; we have never avoided it nor tried to avoid it. Our area on this whole matter was in enforcement, police education, victim support, public awareness, and research. Those were the five areas announced, and those are the five areas that we are, in fact, following through with.

MRS. HEWES: Well, I hope, Mr. Speaker, that the Solicitor General will report to the House on that particular item and where there are people being treated as a result of what he has just told us.

My second question is to the Solicitor General. Is the minister aware of the very successful program in London, Ontario, which employs a team approach when an incident of family violence is reported, where a social worker accompanies a police officer into the home with extensive follow-up counseling for the victim and the abuser? Is there any intention to develop such a plan and such a sensitive system for Alberta?

MR. FOWLER: I thank the hon. member for the suggestion, and it may well be worth looking into. I would suspect any successful program, in fact, would be. But the Solicitor General operates a police force where we perceived that early intervention was the best action this department could take through those forces that we, in fact, are responsible for.

MS BETKOWSKI: May I supplement some information given by my hon. colleague?

Mr. Speaker, I think it's important to put on the record as well through the departments of the Solicitor General, Family and Social Services, and Health the role of the Interdepartmental Committee on Family Violence, which is looking at services for victims and perpetrators of family violence and is, through the direction of the hon. Minister of Family and Social Services, looking at the things we might do, as was suggested by the hon. member, in a more co-ordinated way.

There is some issue with respect to the role of mental health in the issue of family violence and with perpetrators of family violence, and some question whether or not it is an appropriate place. The Interdepartmental Committee on Family Violence is making those recommendations to those ministries and then through to our social planning committee.

MR. SPEAKER: The Member for Wainwright, followed by the Member for Calgary-Forest Lawn.

### **Ethanol Fuels Industry**

MR. FISCHER: Thank you, Mr. Speaker. My question is to the Minister of Agriculture, and it's concerning the ethanol industry. Farmers are searching eagerly for new markets for their grain. In 1986 your department did a study regarding the feasibility of an ethanol industry here in Alberta which showed that the industry could not operate without being quite heavily subsidized. Given that there have been some significant changes in oil and grain prices, has the minister considered an update of that study to take another look to see whether or not the industry could be viable?

MR. ISLEY: Mr. Speaker, I could share with the hon. member that we are currently finalizing a study that we funded jointly with one of the Community Futures groups in the province. I haven't had the opportunity yet to review the final draft, but I have seen the preliminary version of it. The study was designed

to look at an integrated plant tied in with a feedlot operation. The preliminary information would indicate that it would still require a subsidy to the tune of about 25 cents a litre for ethanol, which would translate to 2 and a half cents per litre for a 10 percent gasohol mixture.

3:20

MR. FISCHER: To the minister: would the change in the method of payment of the Crow benefit be enough to allow the industry to become viable and competitive so farmers could have these markets?

MR. ISLEY: As soon as the first study is finalized, the next study we're going to proceed to will be the impact of a change in the method of payment on that potential industry. I can't say at this point in time whether that would bring it to the turning point economically without a subsidy. I would doubt it, but it would certainly be an aid in that direction. I suppose in that connection I would be very interested in seeing how the Official Opposition takes a position on Motion 221 next week.

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

### **Court Caseloads**

MR. PASHAK: Thank you, Mr. Speaker. As the Attorney General is undoubtedly aware, there's a serious backlog of cases in the court system in Calgary. This represents a serious threat to the whole judicial system of the province. Now, a major cause of the problem is the fact that each month hundreds of Calgary youths are forced into mandatory court appearances for relatively minor transit violations, mostly for trying to ride free of charge on the LRT system. My question to the Attorney General is: why doesn't the minister use the scope provided under the Young Offenders Act and allow these youths the option of paying a fine?

MR. ROSTAD: Mr. Speaker, I'd like to, first, correct the hon. member in the allegation that there are serious court delays. We have the best court system in Canada. We have the shortest delay times in Canada, and I defy the hon. member to show anything different.

There is definitely an increase in youth offenders in Calgary in the context of the judicial system across Alberta, and most of them do relate to the C-Train or the LRT system in Calgary. The judicial system, which includes the Attorney General's department, the judiciary, and justices of the peace, is looking at alternative ways of handling the less serious offences. They could be brought before justices of the peace, the alternative measures programs could be implemented, and that we are looking at to ensure that the delay in the youth court is affected.

MR. SPEAKER: Supplementary, Calgary-Forest Lawn.

MR. PASHAK: Thank you, Mr. Speaker. Well, I just wish the minister would quickly follow his own advice, which is to look at nontraditional ways of doing things. In the case of the young offenders, it could include educational programs in the schools; it could look at a first warning strategy, or having some type of community mediation. Why is it taking the minister so long to implement these alternatives?

MR. ROSTAD: Mr. Speaker, it isn't. I guess he just woke up to the fact that we are working on it.

**Speaker's Ruling**  
**Parliamentary Language**

MR. SPEAKER: Question period point of order, Edmonton-Kingsway.

MR. McEACHERN: Yes, Mr. Speaker. I will withdraw the word I used, and I apologize.

MR. SPEAKER: Thank you, hon. member.

**head: Motions under Standing Order 40**

MR. SPEAKER: As noted earlier, a Standing Order 40 request. The Member for Calgary-Forest Lawn.

MR. PASHAK: Thank you, Mr. Speaker. With respect to urgency, yesterday the Holy Cross school in the city of Calgary was awarded a Centre of Excellence Award that was presented to them by the national council of teachers. Now, this is a high-needs school, and present at the awards ceremony were representatives from the Catholic board of education as well as a representative from the Department of Education. I think it would generate considerable positive reinforcement if that award that was presented yesterday were followed up by support for this motion, which I've introduced today.

MR. SPEAKER: Now the question. Is the request for unanimous consent in order? Those in favour, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. Thank you. Carried. The Member for Calgary-Forest Lawn.

**Holy Cross School Award**

Moved by Mr. Pashak:

Be it resolved that the Legislative Assembly congratulate Holy Cross school in Calgary for receiving a National Council of Teachers of English Centre of Excellence Award for helping students at risk, an award of special significance given that there were 500 applicants from across North America and only two awards were made in Canada.

MR. PASHAK: Thank you, Mr. Speaker. First of all, I would like to express an appreciation to the government and to the Minister of Education for introducing the high-needs funding program, which made this program at Holy Cross school possible. The Catholic board of education of the city of Calgary provided Holy Cross school with some \$40,000 as their share of the funding that went to a high-needs school. Out of that they developed a program to meet the needs of children in kindergarten through grades 1, 2, and 3 that were at high risk.

The program had just a very few simple elements to it. It involved hiring two instructional aides. It involved the hands-on experience with the students. It involved such things as expanding cooking opportunities, crafts opportunities, music opportunities, et cetera.

A third element involved a program for parents to help them develop parenting skills. A fourth part of it was a home reading program. So all in all, it was a very successful program. As I point out in my motion, this was only one of two schools in Canada that was recognized by the national teachers of English, so I think it's a deserving program, and it has made an effective

contribution to the community. By extending this recognition, I think it will encourage all of the people that participated in this program, who weren't just teachers, by the way; many parents donated a lot of volunteer time.

I would ask the members to support this motion unanimously.

MR. SPEAKER: The Member for Calgary-McKnight.

MRS. GAGNON: Thank you. Mr. Speaker, I'm so pleased that the Member for Calgary-Forest Lawn has brought this motion forward. Of course, the success of the program at Calgary's Holy Cross school is an indication of the former leadership of the Calgary Catholic school board. [interjection] I do want to be more serious than that and say that I believe it's so important that we address the needs of our students at risk, and that I am most pleased to support this motion and ask that the Assembly also support it.

Thank you.

MR. GOGO: Mr. Speaker, we on the government side would be pleased to support the motion of the hon. Member for Calgary-Forest Lawn. It's long been known and stated by the Minister of Education in Alberta that Alberta students are second to none. When one sees a program such as the centre of excellence, it reminds people of something that occurred some 15 years ago in Alberta when one of our own members of this Assembly, the Minister of Public Works, Supply and Services, was the leader of a team that won national honours on the program *Reach for the Top*. I think we can all be proud, Mr. Speaker, that the Hon. Ken Kowalski, with a master's degree, I believe, in Chinese studies, is indicative of the highly educated people we have in Alberta who are prepared to assume public service.

I simply close, Mr. Speaker, with saying to all hon. members: this is an indication of not only the dedication and commitment of government but, more importantly I think, the recognition by all members of this Assembly that students in this province in our school system are our first priority. So I, too, would urge members to support it.

MR. SPEAKER: Thank you.

The Member for Calgary-Buffalo.

MR. CHUMIR: Just a brief word of support for the motion, Mr. Speaker. As former education critic for the Alberta Liberal Party caucus this is an issue and a cause which has concerned us for some four and a half years. We have been pushing for greater attention to and funding for schools in high-needs areas and students at risk. This particular example that we have before the House this day shows what this program can do. This is only the start; we need to continue with even greater efforts for schools in these areas.

MR. SPEAKER: Is there a call for the question?

HON. MEMBERS: Question.

MR. SPEAKER: All those in favour of the motion as proposed by the Member for Calgary-Forest Lawn, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. Let the record show it carried unanimously. Thank you.



**Orders of the Day**

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

HON. MEMBERS: Agreed.

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

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

MR. DROBOT: Mr. Speaker, it's my pleasure to introduce to you and to Members of the Legislative Assembly 78 grade 6 students from Ecole Racette school in St. Paul. They are accompanied by teachers René Lafrance and Alain Leclerc and parents Lynn Woytiuk and Irene Zarowny. They are seated in both galleries. I would like them now to rise and receive the traditional welcome of this Assembly.

3:30 head: **Written Questions**

MR. GOGO: Mr. Speaker, I move that the written questions appearing on today's Order Paper stand and retain their places, with the exception of written questions 397 and 406.

MR. SPEAKER: Thank you. Speaking to the motion, the Member for Calgary-Buffalo.

MR. CHUMIR: Well, I'm certainly not very happy with that, Mr. Speaker, particularly noting that my Question 392 has been on the Order Paper for well over four months at the present time. I would certainly like to hear comments from the Minister of Recreation and Parks, who is responsible for this particular matter, as to why the very basic information that I've requested in this question has not been forthcoming some long time ago, not to mention why we have to wait even further to find out whether he is going to answer the question or continue to stonewall as he has been doing for these many months.

MR. GOGO: Mr. Speaker, in closing debate on Written Question 392, I'm sure the hon. Member for Calgary-Buffalo is aware that the nature of the question is such with its three parts that it does not just involve one minister of the Crown but involves another department. It will be answered when the government is in a position to either accept it or not to accept it. In the meantime, I think it's important for the member to realize that the government is seriously considering the request by the hon. member.

[Motion carried]

**AOSTRA Publication**

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

- (1) What was the total cost of publishing and distributing the government document entitled AOSTRA: A 15 Year Portfolio of Achievement?
- (2) How many copies of this document were published, and how many individuals, groups, or companies received free copies of the document?
- (3) Who was awarded the contract to publish this document, and was this contract put to tender?

[Question accepted]

**Cochrane Rancho Museum**

406. Mr. McInnis asked the government the following question: With respect to the western heritage centre at the Cochrane Rancho:

- (1) Has the government committed funds for the construction of this project, and if so, how much money has been committed and from what sources?
- (2) Has the government received a revised capital budget for the project, and if so, what is the budget?
- (3) What is the source of the nongovernmental portion of the capital cost of this project?
- (4) What is the operating budget of the project, and how is the budget financed?
- (5) What is the policy position of the government respecting operating subsidies for the project?
- (6) Has a formal environmental impact assessment been conducted into this project?

MR. GOGO: The government rejects that question, Mr. Speaker.

head: **Motions for Returns**

MR. GOGO: Mr. Speaker, I move that the motions for returns appearing on today's Order Paper stand and retain their places, with the exception of Motion for a Return 394.

MR. SPEAKER: Motion 394. Thank you.

The Member for Edmonton-Centre, on the procedural motion?

REV. ROBERTS: Yes. Mr. Speaker, just a procedural matter, perhaps. In debating this motion, I'm wondering if the minister might give some clarification about the status of my Motion for a Return 331, which has already been denied by government. We're just wrapping up debate on that, and it probably could expedite matters at some point to have that called so we could deal with it.

MR. GOGO: Mr. Speaker, that's a motion for a return to the hon. Minister of Health, who is sitting as a member of Treasury Board today and not available.

MR. SPEAKER: Thank you.

[Motion lost]

CLERK: Motions Other Than Government Motions. Motion 220.

AN HON. MEMBER: What happens now?

MR. SPEAKER: We'll just pause for half a moment.

[The Assembly adjourned from 3:33 p.m. to 3:35 p.m.]

MR. SPEAKER: All right, hon. members; we're now back.

MR. WICKMAN: I think the government's fallen.

MR. SPEAKER: It's hardly an issue of such national import.

What has occurred: the procedural motion failed because no one voted in favour of it and a number of voices were heard against.

AN HON. MEMBER: I voted in favour.

MR. SPEAKER: Hon. members, don't bother with the chitchat. There were no voices heard in favour of the motion, none whatsoever. There were some opposed to the procedural motion, so we are still on Motions for Returns, and the Clerk will now start to work his way calling through the motions for returns.

### Health Studies

331. Rev. Roberts moved that an order of the Assembly do issue for a return showing copies of all studies undertaken in the last 18 months by the Department of Health to determine the health status of Albertans relating to
- (1) physical and mental health indicators,
  - (2) children, adults, and the elderly,
  - (3) various geographical areas of the province, and
  - (4) the setting of targets for improvement of health status.

[Debate adjourned June 21]

REV. ROBERTS: This is wonderful, to have an opportunity to get so many of these issues in these motions for returns finally on the floor for debate in this Assembly.

Motion 331, for instance, is a matter of high importance, Mr. Speaker. We've had debate for some time here about the costs going into the health care system in this province. I want to know and Albertans want to know on what basis the funding is going forward. To eradicate what illnesses, to be targeted to what health status issues: we need to find out this kind of information because . . .

MR. SPEAKER: Hon. member, I hesitate to interrupt you. The House is called back to order. Now, all these little conversations going on can just as easily happen out back over a cup of coffee. So from all parts of the House, please, come back to the decorum of the House.

Thank you, hon. member. Please, I apologize for the interruption.

REV. ROBERTS: Mr. Speaker, as I was saying, what this motion calls for is fundamental to any good health planning, health delivery system. We need to have information about the health status of Albertans. What this motion asks for are copies of the studies that the Minister of Health has done over the last 18 months as she's been in office, otherwise known in the trade as epidemiological studies. We want to know how many Albertans are sick with heart disease, how many Albertans are sick with cancer, how many Albertans have mental health difficulties so that we can better plan programs to meet those particular needs. Gone are the days when we can have global funding for certain hospital and health unit programs without particularly knowing what the goals are, what the planning is to meet the real health needs.

Mr. Speaker, we not only have a lack of this kind of information in the province of Alberta, as I said previously, I recall that last July the minister said, regrettably, that she didn't want to give me this kind of information. It's entirely regrettable because in fact even the federal government, the Mulroney government in Ottawa, has similarly, under Perrin Beatty, cut

back funding for this kind of essential health status information. The minister herself came back this summer after meetings with other health ministers and said: you know, we have to get on and look at health status figures. She said similarly that she wanted this kind of information, that people across the country are clamouring, for how we can know what sort of services should be designed for what number of elderly, for what kind of children? What about the rural needs? How different are they than urban needs in the multicultural setting? We need to have much better research into this whole area.

The minister acknowledges that; people throughout Canada are acknowledging that. At the same time, we have the atrocity of the federal government cutting back its share of dollars to go into this research. We have a Minister of Health right here who tries to stand up and say that we're putting so much money into health without even having the basic planning data available here. That's a sham, Mr. Speaker. It's just unacceptable that we don't have this kind of information, that the minister could stand up and say, "I'm sorry, we are still groping our way through a number of people who are clamouring with special interests in their particular areas of health care," without having good epidemiological data, good health status data.

That's where health planning has to begin. I really know that other members will agree, that they in their own constituencies might have a better sense of what the health care needs of certain segments are. For instance, native people in this province have particular health needs and health indicators. Native children in this province have among the lowest health status indicators of any, yet out of the \$3 billion in health funding, what can we say of that money is going to meet that health care need, that indicator which is such a tragedy? What this is saying is, "Let's get that data on the table; let's get those studies under way, let's be clear." It really provides for a level playing field in many respects. It says that despite ideological or political differences we know in fact that 10 percent – I'm saying, for example, that we could determine that 10 percent of native children in the province are born with a low birth weight. Let's target special dollars to improve maternal and infant health to improve low birth weight children. That's the kind of health planning that urgently needs to go on.

3:40

We know the health budget is strained. We know that hospitals are in crisis. Let's not leave it up to political whim or to the powers of certain vested interests and boards. Let's base it on good health status epidemiological data to say "Yes, we know; we can identify this. We know beyond a shadow of a doubt that if we target dollars in this area, it's going to prove beneficial." Mr. Speaker, without this kind of information we're left just languishing in all manner of political intrigue in the health care system. This is essential. As I have said, people throughout Canada are coming to realize this. I think that if the minister can't provide, as she says, this information, she must be the most embarrassed of all. I mean, it just shows how blind she is or how blind her department is in terms of health care planning with any clear direction in terms of the real health care needs of Albertans.

Mr. Speaker, I urge all members to look carefully at this issue, to speak to that Minister of Health, to speak to the government health caucus committee or whatever it's called. We have to get on with this kind of information. It's been left on the Order Paper now for months upon months upon months, and until we get better answers to these precise questions, the health care spending will not be efficiently spent, will not be effectively

spent, nor will evaluation be able to be done effectively in terms of what benefit we get from those dollars. It's an urgent matter, and I'm so very glad that we've had an opportunity to raise it on the floor today.

Thank you.

MR. SPEAKER: Thank you, hon. member. That was concluding debate on Motion for a Return 331.

[Motion lost]

MS BARRETT: Mr. Speaker, I move that the remainder of the motions for returns appearing on the Order Paper, with the exception of Motion 394, stand and retain their places.

(Motion carried)

### Alberta Library Board Report

394. Mrs. Gagnon moved that an order of the Assembly do issue for a return showing a copy of the Alberta Library Board's April 1987 report on school/public library co-operation and copies of all government responses to that report.

MRS. GAGNON: My purpose in asking for this information is that I believe that the report included many excellent recommendations, and I would like to know what the government's response and/or actions have been in this regard.

Thank you.

MR. SPEAKER: Thank you, hon. member.  
The Deputy Government House Leader.

MR. GOGO: Mr. Speaker, first of all, the government cannot accept Motion for a Return 394 for a variety of reasons, some of which will be explained in a moment by the hon. Minister of Culture and Multiculturalism.

The motion for a return requests a report on the public school and library co-operation. One of the problems is that in order for governments to have the confidence of various institutions as well as companies, when they ask for a serious of reports, they are to be treated in confidence. I believe that's the understanding by which schools and public libraries co-operate with government in sharing that information. So it would be my view, and I'm sure the hon. Minister of Culture and Multiculturalism could flesh out other reasons, but it's on that basis that I would recommend members vote against Motion for a Return 394.

MR. SPEAKER: The Minister of Culture and Multiculturalism.

MR. MAIN: Thank you, Mr. Speaker. The Libraries Act in part 1, 2(2) says, "The Alberta Library Board shall advise the Minister," and it is on that basis that reports are prepared from time to time by various boards, including the Alberta Library Board, to advise the minister. For that reason this report will be held as such, and it's my recommendation that this motion be defeated.

MR. SPEAKER: Additional comments?

SOME HON. MEMBERS: Question.

MR. SPEAKER: There is a call for the question.

[Motion lost]

### head: **Motions Other than Government Motions**

#### **Goods and Services Tax**

220. Moved by Mr. Hawkesworth:

Be it resolved that in light of the government's opposition to the federal government's goods and services tax, the Legislative Assembly urge the government to devise and implement a provincewide campaign to persuade the Alberta electorate to vote against any Alberta Member of Parliament in the next general federal election who votes in favour of the said tax.

MR. HAWKESWORTH: I'm delighted to be able to debate Motion 220 this afternoon, although a few minutes ago I was beginning to have my doubts whether it would come forward, but I must say even that has made it worth the price of admission to be here this afternoon. I've enjoyed it very much, and I'm also going to enjoy, I'm sure, the debate that follows this afternoon regarding what various members across the way and in various corners of the House are going to say about the proposal.

[Mr. Deputy Speaker in the Chair]

Although I suppose the wording of the motion dates it, it was submitted way back in the mists of time earlier this year before the actual vote took place. We now know that with the exception of the Member for Edmonton East, the New Democrat member Ross Harvey, basically all the Members of Parliament in Alberta voted in favour of the goods and services tax. Being elected as Conservative members, I guess they've decided to go along with the Conservative government, and those that didn't have found out in short order that they're no longer welcome in the Conservative ranks. That would be Mr. Kilgour and Mr. Kindy.

Well, it's a very straightforward proposition to this government here in this Legislature: you helped elect them; next time around you help unelect them. The precedent was set, Mr. Speaker. I didn't set it, the members of my caucus didn't set it, but it was the Premier, the cabinet, and the Conservative caucus in this Legislature that set the precedent during the last federal election. That was to dip into the pockets of the Alberta taxpayers, whether they liked it or not, and to publish and promote an issue on which the last federal election was decided and to make it clear in no unmistakable terms that this government believed Albertans ought to vote for their local candidate for the Conservative Party of Canada. That was the message supported by the taxpayers of this province.

Now, it was interesting, of course, that they couldn't even do it right. They had a householder printed. In fact, it had even been delivered to the post offices in this province. I don't know how many hundreds of thousands of households there are in Alberta, but each one of them was slated to receive this householder. It was sitting right there waiting to be delivered to each and every Albertan's house. But you know what happened? They realized that there was false information in that householder. They had to yank them all back, reprint them, and then finally they were delivered to the householders in Alberta. We still don't know, this government is too embarrassed to tell us, exactly how much that little mistake cost us. They talk about a new awareness of the environment. We don't

know how many cubic tonnes of newsprint had to be destroyed because of this little error.

Nonetheless, this government was out there in no unmistakable terms trying to get this government that we have in Ottawa re-elected. Now, it wasn't us that said they should do that. It was not us that said that they go dip into the taxpayers' money. It was this government that did it. They set the precedent.

3:50

Now, what they did tell Albertans they had to correct before they distributed the householder, but what was not told to Albertans in that free trade brochure – and, in fact, throughout the federal election campaign by this government – was that it was a package deal. Mr. Wilson had made his intentions very clearly known prior to the last federal election that were they to be re-elected and to form the next government of Canada, they would proceed with further changes to the Canadian tax system. Inherent and understood as a fundamental aspect of that tax change was the goods and services tax. That was not unknown to this government. It shouldn't have been. I mean, I would assume that people who make their living in politics have an awareness of what's going on, particularly with their federal brothers and sisters in Ottawa. They would have known that that was the intention and that that was part of the Conservative government's agenda for Canada. It was a package deal.

But now there's been a bit of, I guess, a conversion on the road to Damascus or a conversion on the road to political oblivion or something, I'm not sure which. But since November of 1988 this government here in Alberta has had a change of heart. They're not embracing their friends and relatives in Ottawa quite as frequently as they once did. They're certainly not knocking on doors as they were in the federal election, going door knocking and canvassing Albertans with their federal colleagues. No, we haven't seen too much of that recently. I wonder if it might be perhaps their awareness as well as ours . . . Just as an example, I could pick many, the most recent Angus Reid report: I thought it was quite interesting. They asked the question of Canadians across the country: please name the most significant accomplishment of the Conservative government in Ottawa during their second term since they were re-elected in November of 1988. Do you know, Mr. Speaker, that over seven out of 10 Canadians drew a total blank on that question? Less than three out of 10 Canadians could name a single accomplishment of the federal Conservative government in Ottawa since their re-election in November of 1988.

On the other hand, they were asked: what would you say were the greatest failings and shortcomings of the federal Conservative government in Ottawa? There was no lack of information and feedback provided to the pollsters on that particular question, and leading the list, number one, named by all Canadians as the most significant disappointment and failure of the federal Conservative government was the goods and services tax. I say today, Mr. Speaker, that Albertans can thank their Conservative government here in Edmonton for making the goods and services tax a reality, because had the people of Alberta not been convinced to send 20-some Members of Parliament from Alberta to the Conservative benches in the House of Commons, I can tell you that the chances of the goods and services tax being implemented would have been a very remote possibility indeed.

Well, what did we have from this government? I can't speak for what the government's private position might be and whether there's some difference between their private position and their public position, but I can say for a certainty that the govern-

ment's public position has recently come around to be in opposition to the goods and services tax. In fact, I remember even seeing a paper that the hon. Provincial Treasurer wrote about the goods and services tax that was somewhat critical. I noted that many of his arguments were some that the federal New Democrats and the provincial New Democrats had been pushing even before the last federal election. But I figure a deathbed conversion is as good as any other, and I'm happy to see the Provincial Treasurer support our opposition to the goods and services tax.

Recently, however, I've been intrigued that apparently this government here in Alberta has decided that they would go even further, that simply publishing a paper and perhaps phoning a few MPs, perhaps even a call to Michael Wilson were not sufficient, and now as late as the first part of October, or it might have been the last week of September, the provincial government has decided to proceed with some kind of case to test the goods and services tax in court.

Well, I found this very interesting, Mr. Speaker. Why would the government wait until late September 1990 to launch a court case over the goods and services tax? After all, the contents of the goods and services tax Bill was known many, many months ago. In fact, certainly the government knew the final parameters of that legislation back by midspring of this year. But even far earlier than that, when the Bill was first introduced for first reading in the federal House of Commons, they knew the general outlines of where the government was going with the goods and services tax months and months ago. In fact, I'd say that there's not much doubt that the legal question upon which the court case is based was probably known to this government at the time of the last federal election. They knew that the federal government was considering a broad base tax, a sales tax unlike anything we've ever seen or known in any province in Canada. They knew at that time that Mr. Wilson and Brian Mulroney were intending to cast an exceptionally broad net to gather in as many of the taxpayers' dollars as they could under this goods and services tax. So they knew at the time of the federal election what the parameters of the goods and services tax were very likely to be.

So I come back to this question. Knowing this to be the case in November of 1988, or for that matter November of 1989, why did the government of Alberta wait until the final week of September 1990 to challenge the goods and services tax in court? Let's just think for a moment, Mr. Speaker, what this challenge at this particular time might mean. Potentially if the court in the unlikely possibility were to find in the government of Alberta's favour, what then would the government of Alberta say to all those businesses who have undertaken the costs of changing and preparing for the implementation of the goods and services tax? Businesses don't like the tax, but they've made the changes that they're required to make in order to prepare for the implementation and to prepare for their responsibilities and obligations to collect that tax.

If the court case takes a year to make its way through the courts, what happens now after the tax has been in place for many months if the government of Alberta might even happen on the outside chance to win? Well, that would certainly gladden the hearts of many Albertans, but it would create tremendous chaos and difficulty at the same time, whereas if the government had perhaps implemented its challenge and stopped the tax dead cold before it was ever implemented, we would have had a dead tax plus there wouldn't be the costs and the chaos that business would have to contend with as is the possible

scenario if the Alberta government is to succeed in its current court challenge.

4:00

Why wait until late September and create potentially this significant difficulty for Albertans and Alberta business? Well, Mr. Speaker, I think there's only one reason that makes sense as to why this government finally realized they needed to do something more significant than write papers and make telephone calls. It is no coincidence that it was Bob Rae and the New Democrats who were elected in the first week of September in Ontario. That had more to do with the government deciding to go to court at the end of September. Yes, and the fact that Gary Doer and the New Democrats in Manitoba came roaring back in that province had more to do with this government deciding finally to go to court in September than anything else. That had more to do with this government finally waking up to what the political implications mean for the goods and services tax for this government here in Alberta, because they know Albertans don't have a short memory. Albertans remember who it was that this government was supporting and canvassing for and on whose behalf they were sending out householders during the last federal election, and Albertans are blaming this government in Alberta for the goods and services tax.

DR. WEST: Oh, come on.

MR. HAWKESWORTH: I guess there's still a little bit of public scepticism on the benches across the way, but that's okay. The hon. gentleman's entitled to his opinion, but I'm confident that Albertans know which side this government's on and they will remember that when it comes to the next provincial as well as the next federal election.

I find it also intriguing that the members opposite are going around saying: "We don't know those guys in Ottawa anymore. Who invited them to the party? We have the same name, you know, but they're not our relations anymore." It's like somebody married the wrong in-laws and you don't really want to talk about that part of the family anymore. Now I hear they're going to sever their connections with the federal Conservative Party, or at least they're thinking about it, as a way, I suppose, of trying to jettison any connection they may have with the Mulroney Conservatives. Of course, I'm not sure the Mulroney Conservatives in Ottawa feel badly about that themselves. They may have their own reasons for wanting the Alberta group to jettison themselves from the government caucus in Ottawa.

So what I see as the sum total of the government's strategy was to write a paper in opposition to the goods and services tax, circulate it to a few people, make a few phone calls; they've launched a court case. That's about it, Mr. Speaker.

AN HON. MEMBER: What have you guys done?

MR. HAWKESWORTH: The hon. member wants to know what we've done. I can tell him that we tried to get 23 different Members of Parliament elected in the last federal election from Alberta, and I think Albertans are much happier with us today for having done that than they are with the member opposite.

Anyway, Mr. Speaker, I'd encourage the government to adopt the motion and to adopt this strategy. However, given the track record of the government opposite, I'm not even sure I'd want them to support this strategy. I can't believe a government that would take a profit-making company like Alberta Government

Telephones and it cost a quarter of a billion dollars to get rid of it. Any government that is so incapable of even being able to carry out a simple thing such as privatization of a profit-making corporation – I really wouldn't want them to touch anything else. After all, when they implemented a strategy to get the government elected here in Alberta last time around and had to reproduce the householder a second time because they didn't get it right the first time, I don't know whether this government should be given the responsibility to take on such a strategy. Nevertheless, Mr. Speaker, they were able to elect some members last time around. If they can find some of those members for the next election, I think they'd be doing Albertans a favour if they were to devise a campaign to get the Alberta electorate to vote against them. But then again, Albertans are going to do that anyway.

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

MR. DAY: Thank you, Mr. Speaker. How do you reflect on the mental capabilities of a member like the one for Calgary-Mountain View, who sputters such a spurious speech, spews out such inanities and inaccuracies and insanities? All I can say is that he's got a pretty good shoulder on his head. I say that from the heart of my bottom.

You know, he talks about severing relations with a federal party. Mr. Speaker, it's no secret that many members of the Alberta Progressive Conservative Party, the folks all around Alberta, have questioned policies of the federal PC Party. They're not embarrassed about the fact that they have the freedom and the independence to raise those kinds of questions and to state them boldly. Knowing some of the members across the way, I know they are of course totally bound in some kind of unthinking fashion to their federal party, but they must shiver when members like . . . Well, I guess I can't mention names of people who aren't in the House, but one former labour leader from this province, for instance, boldly and openly talked about the fact that he was – I don't want to have to retract this statement, because this is fact – a card-carrying Communist. At those times I know some of the members opposite who aren't totally given over that far to Communist principles shiver, but they don't dare divorce themselves from any policy or leading thinker of their particular party.

#### Point of Order Relevance

MR. McEACHERN: Point of order.

MR. DEPUTY SPEAKER: The Member for Edmonton-Kingsway is rising on a point of order. [interjections]

SOME HON. MEMBERS: Citation, citation.

MS BARRETT: Oh, shut up. Shut up.

MR. DEPUTY SPEAKER: Order please. Order. The hon. Member for Edmonton-Highlands is not even in her seat. She should know better than opening her mouth when she's not in her seat. Sometimes she should think about opening her mouth when she is in her seat.

MS BARRETT: Just a minute, Mr. Speaker. He didn't. . .

MR. DEPUTY SPEAKER: Order.

MS BARRETT: Sony.

MR. DEPUTY SPEAKER: Behave yourself.

MS BARRETT: No.

MR. DEPUTY SPEAKER: Does the hon. Member for Edmonton-Kingsway have a citation he wishes to cite to the Chair for his point of order?

MR. McEACHERN: This particular point really doesn't require a point of order. It's merely just that the member speaking is supposed to be on the topic. That's simple enough.

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Kingsway had no point of order.

The hon. Member for Red Deer-North.

### Debate Continued

MR. DAY: Thank you, Mr. Speaker. I'm merely following the rules of the House by reflecting on the exact comments brought out by the Member for Calgary-Mountain View in his debate. That is total parliamentary procedure; and the record will show that most of the government members endured – with considerable pain, but did endure – the remarks of the Member for Calgary-Mountain View. Then I rose to bring some quiet comments and thoughts to bear on the House and the entire side opposite came unglued. It was the most amazing spectacle I've seen in, oh, the last hour or so, since the last time they spoke. It's quite a situation.

Reflecting again on the members talking about the fact that there is some departure on the provincial side here with the PCs from the federal side, before they got rattled and came unglued, I was commenting on the fact that Conservatives are independent and free thinkers and can totally remove themselves from policies of various levels of government. Just to bring members to remembrance, I was recalling for them their inability to do that themselves as a provincial party. I was saying – and I was trying to give a compliment, because there's so very little to compliment on the other side – that knowing some of the members, I know they don't espouse the views of the Communist Party of Canada. There are one or two that don't. I know that, because I know the people personally.

4:10

Mr. Speaker, all I was saying was that they must be very uncomfortable in those moments when members of the NDP stand in public and say that they're card-carrying Communists. That's just a statement of fact. [interjections] Here they go again. They're starting it. There they go. I know it possibly makes one or two of them uncomfortable that they have a policy or there has been a policy in the past of taking union dues from hard-working members and extracting from those dues, whether they like it or not, dollars to go to the NDP. Without consulting those hard-working people, they rip those dollars from their grasp and force them into a certain party.

MR. DEPUTY SPEAKER: Order please. The Chair has been fairly lenient in the introduction to the burden of your message to the Legislative Assembly this afternoon on the GST, and the Chair would ask if the hon. member could get a little closer to the meat of the motion in front of us.

MR. DAY: Thank you, Mr. Speaker. I will pay attention to your remarks. I thank you for your good wisdom on that. As the remarks of the member opposite were going down the drain, I was carried away in the vortex momentarily.

I would like to say that actually we're tired of the opposition's publicity stunts. One of the stunts they have is to identify a good initiative of this party and then claim it as their own and run with it and try and get some media attention or otherwise. It's a stunt we're quite familiar with, knowing the vacuum in which they operate. They do and are able to see our good ideas. One of the things that has been clearly evident to Albertans throughout this whole process of the federal government's ill-thought-out moves with the GST, one thing that has been very clear in the minds of all Albertans, is that this provincial government, under our Premier, Premier Getty, has opposed this from the start. We have made our opposition clear.

The Member for Calgary-Mountain View talks about our filing the court action in September as if that was the first glimmer of any awareness we had at all that there was a GST coming – a real lapse of memory there, Mr. Speaker, that unfortunately we're going to have to give some remembrance and reminders to. I believe it's high time we called up the opposition on what they're doing here in this publicity stunt. The opposition is fickle. This could be a little painful for them, and they could be jumping up on points of order which don't have citations. I'm just giving you advance warning of that, because for some people the truth does hurt. This could get a little painful, because it was on May 7, not 1990, not 1989, not '88 but May 7, 1987, that the Premier in response to inquiries made by the Leader of the Official Opposition said:

A federal sales tax is certainly within their jurisdiction. For our part we do not believe a sales tax is appropriate in Alberta, and therefore we will resist one at every opportunity.

May 7, 1987. [interjections]

Now, I know that was painful enough; it caused a few squeaks and squawks over there. But there's more. It's interesting that we have faithfully catalogued the response of the opposition at that moment in history, an historic moment, I might say. The Member for Edmonton-Kingsway, with the scintillating, searing, piercing approach he always takes to economic issues, dazzled us that day with this statement. He said that we need to "make an enlightened response to the federal initiatives," federal initiatives which were calling for the tax rape of Albertans. Our Premier stood in his place and said no, and what does the economic critic say? We need to "make an enlightened response" about this. Well, his ability to make an enlightened response about anything has come into question for years in this House and on this issue. Our government has been most clear all the way down the line on this issue, led by our Premier, that we are opposed to this type of taxation. He wants "an enlightened response."

Now, the Member for Westlock-Sturgeon is looking across the way and holding his breath, and I would anticipate . . .

MR. TAYLOR: It's my nose that I'm holding.

MR. DAY: You're going to have to pinch it really hard, hon. member, when I give you this next statement. I know even now a prayer is going Heavenward from his mind, saying, "Oh, Lord, I hope they don't have my comments that were recorded; I hope they don't come out with mine," because listen to what he said. He said this: "Has there been any input to the federal powers

that be to think about the new tax in the way of a shared tax?" We will now share with the feds. We'll link arms with the feds, says our Liberal counterpart. We'll link arms and beat the heads of Albertans with a shared tax. Let's split the booty with them.

MR. TAYLOR: Like income tax. That's what income tax is.

AN HON. MEMBER: A just society.

MR. DAY: Yeah, a just society is right.

In 1988 both the federal NDP and the federal Liberals participated in a finance committee which produced a report unanimously supporting this type of sales tax reform. That's on record. And what do they do, Mr. Speaker? When they finally come out of their cloud and see that Albertans are absolutely opposed to this type of thing, when they see our government taking the lead in opposing it, when they read the polls, they start to say: "You know, we could be in a little trouble here. We'd better not let Albertans know what our real agenda is. We'd better come up with a way to try and oppose this tax too. But we don't want to make like we're doing it with the Conservative government, so we're going to have to try and come up with something of our own." Frankly, that's a very fickle approach, and Albertans are a little tired of it.

Motion 220, I submit to you today, really insults the intelligence of the Alberta electorate, because Albertans know as well as anyone where we have stood all the way on this GST. They know clearly – they know clearly, Mr. Speaker – and yet they're trying to piggyback our opposition and our resistance to it, take our good ideas and somehow paint them with a pink or purple or fuchsia brush, whatever the colour is, and try and claim them for their own. If we're to follow what the Member for Calgary-Mountain View says, we're to launch this attack against the GST on their initiative, surprise all Albertans that we're against it and spend all kinds of money doing it, when Albertans already know in their heart of hearts, in their own instinct, that this is a bad tax move, that this tax, as we have said, is counterproductive. They already know that. So what we're supposed to do is launch a campaign now to convince them of something they already know and something we have already linked arms with Albertans on. It's typical of the opposition's thinking on these types of issues.

Mr. Speaker, we have a far better plan, and the plan has been in place. Again the member opposite tries to allude that something just mysteriously happened in September or this year that showed our opposition. Our first move when talk of this came out on the federal scene was to say no in an instinctive way, and in a realistic way we know that this type of taxation is bad for Albertans and bad for Canada. Our second move was to do a very extensive analysis of what would be the effects of the tax. That was done in a very careful, unemotional, coldly statistical way. That analysis was done by our own economic people here in Alberta and from around the country. The analysis showed what we feared instinctively, that this would be a negative influence on our economy, and so a report was produced. We produced a report. This government produced a very definitive report in point form showing why people should oppose this tax, and the opposition say we've done nothing.

4:20

Well, I know what they did. They took their report home; then they had to bring it back to their researchers so their researchers could help them understand the meanings of all words that had more than two syllables. But after they had

done that, they said to themselves: "You know, the government really has something here. They're really onto something. What are we going to do? We've gone on record, we pumped up our finance critic and got him to say that we should have an enlightened response to this, and now we could be in trouble. What are we going to do?" I think their policy then was: "Well, let's just hang back in the weeds for quite a few months and not say anything so people will forget that at one point we thought this was a kind of nifty idea. Then, after several months, let's come out with some kind of motion that will distract Albertans and help them forget that at one time we kind of thought this was an idea worth considering."

Well, we did that analysis. That was the next part of our plan, Mr. Speaker. We painstakingly and very carefully did that analysis. We then published it and made it available to all Albertans. All Albertans who had any sense at all took that analysis and read it, and with most Albertans it confirmed what they already knew in their hearts, that this would be a bad tax. Without going point by point into all the analysis, because I know statistical facts are not something with which members opposite are familiar, I will say that the analysis pointed out that this tax would be inflationary. We knew that. Also, when you have inflation, what has been Mr. Crow's response to rising inflation? Raise the interest rates. So we were going to see interest rates go up again, and of course that compounds the inflationary factor. It would be regressive. We knew that it would bring out an excess burden, especially on small business, small business that can't afford either an extra accountant to help them sift through it all or the time it takes to sift through it all.

Recently I personally was able to hear testimony of some businesspeople from New Zealand who talked about the fact – and they've had the GST for a number of years down there – that first of all whatever level at which the government introduces it, it will increase. So we've got it entered here at 7 percent, a 7 percent tax the feds are trying to put on us. We know it won't stay at 7 percent, Mr. Speaker. We know it will climb. It has done that in New Zealand and in every state in which the GST has been introduced. These people from New Zealand went on to say and catalogue how certain businesses which were surviving in a marginal way just prior to the tax coming in actually went under just because of the increased bookkeeping and increased accounting costs. We knew those things would happen, and here we were hearing testimony of it having happened in other jurisdictions.

The fact that it will continue to rise is something that is just second nature to taxation. I don't think any of us here can recall the debates in 1915 in the House of Commons, Mr. Speaker, when an income tax was first introduced. It was first introduced in 1915, and it was introduced because there needed to be some assistance to the war effort. When it was introduced at 1 percent, one member of the Assembly rose that day and challenged and warned the other members of the House of Commons. He said this: if a government is allowed to tax income at 1 percent, mark my words, Mr. Speaker, the day will come where there will be a government bold enough to tax people's income at 3 percent. They just about laughed him out the place, and what do we see? Taxation around the world and even around our own country far in excess of 3 percent. We're glad that in Alberta it's the lowest of anywhere in Canada, but it's still a lot higher than 3 percent. But those are some of the factors that we knew would happen and will definitely happen with the GST being introduced.

So having done the analysis and having made it public, we then took that analysis to the federal counterparts – our Premier to the Prime Minister, our Treasurer to the Minister of Finance – and we ourselves as individuals in many ways lobbied the federal government, saying please reconsider, this is not a positive tax, this is not a good tax, this will be detrimental. A very intensive effort went on for months, Mr. Speaker, using a variety of approaches, both public and private, to try and turn the federal ship of state around a few degrees to steer them off this course which we believe is going to put the economy on the rocks. Having seen and having done all we could to change opinion from that point of view, we then felt there was no recourse but to make it a court issue. So in September we filed papers and in effect have taken the federal government to court for having this taxation policy.

Just very briefly, of course you also know that British Columbia and Ontario have joined us in the effort. We're attacking the court issue on a variety of questions. We believe the GST infringes on provincial jurisdiction over property and civil rights because it interferes in the regulation of commerce, a very clear area of provincial jurisdiction. Businesses along each step of the production and distribution chains are going to be forced to collect this tax all the way up to the final consumer. On top of that, it's going to be a bookkeeping nightmare. We know that.

Secondly, we feel another area of jurisdiction is being violated. It contravenes section 125 of the Constitution Act by taxing federal government fees charged for some uses of its natural resources, what we believe to be a very clear violation on a jurisdictional issue.

Finally, we believe the proposed tax, of course, is going to increase the tax load on health care, on education, on municipal services – these again are responsibilities of the provincial government – a clear invasion in areas of provincial jurisdiction. Even the opposition has to admit that pursuing a court case that is this specific at this particular time is a method far better than some nebulous kind of campaign to run around the streets and byways and highways of Alberta and try and convince Albertans of what they already know. Both instinctively and now, due to the efforts of the provincial government, statistically they know that this is a bad tax for all the areas in all the reasons I have enunciated.

Mr. Speaker, I find that this Motion 220 is insulting to the intelligence of Albertans. I find it is a copout in one of the worst ways. It is a diversionary attempt to try and camouflage their own one-time openness to this type of tax. At one time they were actually open to this federal tax rape, and they're trying to use diversionary tactics to camouflage that in the minds of Albertans. For all these reasons we find that highly offensive.

Mr. Speaker, I would urge all members of this Assembly to withhold their support of Motion 220.

MR. GIBEAULT: Mr. Speaker, it's regrettable that I only have a few minutes here to respond to that load of claptrap given to us by the Member for Red Deer-North. But let me just get a couple of moments . . .

Point of Order  
Parliamentary Language

MR. DEPUTY SPEAKER: The hon. Member for Red Deer-North is rising on a point of order.

MR. DAY: I have the citation right here. It's 458. Could I refer you to 458, Mr. Speaker. [interjections] I have the

reference. I'm waiting for the Speaker to get it, Gerry. Go find a street corner to stand on, would you?

As you'll see, number 458 very clearly refers to decorum in debate. This is n o t . . . [interjections] I'll have to wait till they quiet down, Mr. Speaker. Thank you. [interjections]

Can I proceed? They're making quite a bit of noise, Mr. Speaker. I'm making reference to decorum in debate, and unless I heard incorrectly, I think when the member stood in his place – he's off the street corner and he's here – he used the word "crap."

MR. ADAIR: Claptrap.

Debate Continued

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

MR. GIBEAULT: Thank you, Mr. Speaker. I just wanted to get on the record this government's complicity . . .

MR. DEPUTY SPEAKER: Order please. I regret to interrupt the hon. member, but pursuant to Standing Order 83, the Assembly is required to move to the next order of business.

**4:30 head: Public Bills and Orders  
Other than  
Government Bills and Orders  
Second Reading  
Bill 217  
An Act to Amend  
the Labour Relations Code (No. 2)**

MR. SIGURDSON: Thank you, Mr. Speaker. It's my pleasure today to move second reading of Bill 217, which is An Act to Amend the Labour Relations Code.

Mr. Speaker, may I start by saying that while in the last hour I've certainly enjoyed listening to debate, one of the comments that was made by the speaker opposite was that there was some publicity stunting going on. Well, let me tell you that recently I have been amazed by a number of Conservative members, or those people that at least purport to stand for Conservative ideology, at the stunting that they seem to be doing with respect to matters that relate to the labour code. You know what we've got? What we've got, quite frankly, is . . . I've heard a minister that stood up and said, sort of on a political deathbed as it were, that maybe we ought to redress the matter of replacement workers and give public employees the right to strike. Indeed, in the campaign that's going on just across the river, where we can see on a clear day the constituency of Edmonton-Strathcona, we see the Conservative candidate there running around the constituency, knocking on doors, saying: Elect me; it's time for a change. If you elect me, I'll stand up to the government that stands for the repression of workers, and I will try and get into the caucus and uphold the values of the worker. Oh, what a publicity stunt. What a publicity stunt that one is, Mr. Speaker.

What's going on there? All of a sudden we have this Conservative that's not such a Conservative trying to adopt the policies of the New Democrats because at this moment in time, Mr. Speaker, it's convenient to do so. My God, you would think that the member of the Conservative Party, the individual that's running for the Progressive Conservative Association in the constituency of Edmonton-Strathcona, was a Liberal, adopting our policies at a more convenient time. But that's all right. I



don't mind if they adopt the policies. I don't care if they go door to door and suggest that the policies of the New Democrats are correct; I know they are. The problem is that when they get into the Assembly, they soon forget what they've promised the people that elected them. That's part of the problem.

Well, Mr. Speaker, let me tell you that what we've got with Bill 217 will not change the entire labour code. This is, at the moment, a band-aid solution, sort of like providing a band-aid to a corpse, because the labour code really should be shot. It should be taken out and shot. It should be put out of its misery. What this is is a band-aid for a corpse. Until we have the opportunity to try and do some thorough surgery on this body, on this code, what we can do is to only fix it a bit at a time.

The part that we want to fix through this amendment to the Act is the part that allows for replacement workers to cross a picket line in the event of a strike or a lockout. Now, Mr. Speaker, what this Bill would do is provide quite a deal of equity to workers that go out on strike or are faced with a lockout. This would provide kind of an equal footing, more of a balance than what we've seen currently in the Act for workers that, unfortunately, have to choose some rather dramatic economic action. It would also provide honestly an economic power that is currently not available to workers. It would give workers an economic power at the negotiation table that they currently don't enjoy. That's an economic power that is currently enjoyed by the employer but not by the employee. It would also get rid of some of the violence that we have seen on the picket lines in our province, and it would, finally, shorten the duration of strikes and lockouts that we have had in our province.

Currently what have we got? We have in the labour code provision that allows for replacement workers to go in in the event of a strike or lockout. Now, when you have that kind of provision in place, that doesn't lead to collective bargaining in good faith, because quite frankly all of the benefits are on one side of the table, and it's now on the side of the employer. They're not evenly spread across the table. There are no bargaining chips to be played with. What we've got are all of the chips stacked on one side, because once you have the plant workers depart from the plant or the factory, if the employer brings in replacement workers and production continues after a period of downtime – downtime is usually minimized with replacement workers – once you've got that downtime right back up to normal production time, the profits continue. And when the profits continue and the money's coming in and you're satisfying your shareholders, what's the point in bargaining? We've certainly seen that example in any number of industrial disputes that we've had across our province, where the employer refuses to get back to the bargaining table and bargain in good faith with the employees that have worked at their plants for long periods of time. The only thing the employees can do is watch from the picket line their jobs being done by somebody else.

There's no equity at the bargaining table as long as we have replacement workers. That's part of the problem. If you take away the ability of production and thereafter goes the ability to produce a profit, you're going to have meaningful negotiation at the table, because it's in everybody's interest to make sure you get production back so that you get profit back, and you've got the workers back at the plant. It's more of an equal footing. It's called economic power. Economic power: we talk about that all the time. It's exercised on a regular basis. Economic equity: is it so bad? My goodness; you know, look around the province at the people that make investments and the good

friends of the Conservatives. Peter Pocklington says: "I will invest money if I get certain conditions. If I have a loan guarantee, if I have a grant, if I have a no-interest or low-interest loan, I will invest," essentially the people's money, because it's almost a gift after that point, "and I will create opportunity, and we will have jobs for people to work at." It's called economic power.

The same thing happens – we can go through the list. Cargill in High River was given how many millions of dollars? The largest privately held corporation in North America was given how many millions of dollars in order to set up a plant? [interjection] Four million dollars. Grants, guarantees, loan guarantees . . . [interjection] No loan guarantees? Four and a half million dollars in an absolute grant.

AN HON. MEMBER: Four.

MR. SIGURDSON: Okay, \$4 million: a heck of a lot of money for a company that has an awful lot of profit. And what do they get? It's a gift, an absolute gift. It's called economic power. If they didn't get it, would they have built here? I don't know, but it's an economic power that they have to exercise.

There are professionals that work in our province, doctors, lawyers. They, too, have a sense of economic power. What they can do is go out and agree to withdraw their services, as they have at times. Indeed, the Attorney General has a bit of a problem at the moment because what he's got are those lawyers that provide some legal aid not satisfied with their hourly rate, and they've threatened to withdraw their services. So we have a process of negotiation going on. You know what? Because those people are professionals and they have certain degrees and certain qualifications, they are not going to be replaced by replacement workers.

[Mr. Jonson in the Chair]

What we largely have are some people with economic power and other people without. Nurses and teachers, too, have a degree of economic power because they have acquired over the course of time certain skills that lend themselves to a position where, should they withdraw their services or be forced into a lockout situation, they are not easily replaced.

Mr. Speaker, for many people economic power isn't theirs. For too many people, quite frankly, economic power isn't theirs. When we saw the Gainers strike – Peter Pocklington, in 1982 I believe, made a commitment to the workers that as soon as times got better, wages would go back up. Times got better, the company made profits, they went back into negotiation, and what happened? He proposed a further wage cut. Fairness? Not at all, and the workers didn't accept it. They went out on the picket line, and what did we get? We had a lot of violence because the employer was able to hire replacement workers and tried to get them into the plant the very next day.

4:40

I can recall the buses coming down 66th Street, down the Fort Road, trying to get across the picket line, and all the violence that was going on at that time between United Food and Commercial Workers and the Pocklington replacement workers. I don't think there's a single member of the Legislature that can forget the kind of pictures we saw on television every night of the violence that was going on, the buses that were being hammered, and the replacement workers that were trying to get across the picket line.

AN HON. MEMBER: Promoted by the NDP.

MR. SIGURDSON: Promoted by the NDP? Well, let me tell you, I was on the picket line. I was proud to be on the picket line, and you know what? I know where I stand, and those workers know where they stand, and those workers also know where this government stands: they were standing arm in arm, linked together, with Peter Pocklington. Now it's a little more embarrassing. We don't want to have Peter Pocklington hanging around. We try and divorce ourselves from him in the same way that they're trying to have a legal separation, I suppose, with their federal counterparts in Ottawa.

But, you know, we had an awful lot of violence. That wasn't just the New Democrats that were out there. That wasn't just the unionists that were out there in an expression of solidarity on the picket line. There were community groups that were out there. There were churches that were out there. Indeed, the social justice commission has produced a film about the Alberta labour code, about the Alberta labour laws and the problems that were created through the code and through the inadequacy of our legislation. But there was another group that was out there: police, an awful lot of police. At times there were almost as many police out there as there were people that were walking on the picket line. Incredible numbers of uniformed officers were out there trying to uphold the rotten, stenchy law.

You know, the same thing happened up in Fort McMurray when the energy and chemical workers went out: massive protests, and not just by unionists who were expressing solidarity with the workers that were out. The community groups were out there as well and so, too, were the church groups and so, too, were the police, Mr. Speaker. Not just in Fort McMurray, but if you look at what was going on in Slave Lake with the Zeidler's plant, five years ago when they first went out, again you had the same massive protests and the same massive police force out there. Why? Because we have people crossing the picket line and workers watching their jobs being taken away.

You know, interestingly enough, when the nurses went out on strike not all that terribly long ago, yes, there were police there on the picket line. But they weren't there in the same number, and they weren't carrying their nightsticks, and they weren't wearing riot gear. They were there almost as traffic cops trying to direct the traffic and making sure that the nurses were on a particular side of the street and not interrupting the flow of traffic. It's quite amazing, the difference that you see between the strike where you have replacement workers crossing the picket line and you have a lot of police, and a strike where you haven't replacement workers and what you have *is* police there more for control of traffic than anything else.

What about the duration of a strike? The duration of the strikes that we have in our province is shameful. In some instances, Mr. Speaker, we have had strikes that have gone on for more than six years. Isn't it amazing that in this day of industrial negotiation and the ability, at least purportedly, for people to sit down at the bargaining table and collectively bargain, that we would have strikes or lockouts that go on for up to six years? It's going on in Brooks. There's still the picket line out there. The strike is apparently lost, but there are still people that maintain the line. It's going on in Slave Lake at the Zeidler's plant, into their fourth or fifth year. Those people are still out on strike and maintaining the picket line there. In Edmonton, just down here as you go down 99th Street and Argyll Road, you'll see a picket line that's maintained by the International Woodworkers, the IWA, still out on strike after three years. We have Wittke steel in Medicine Hat. That strike

has been going on for well over two years now, the picket lines still there.

Those kinds of periods of time that are allowed to pass just ought not to be allowed, and I would hazard the guess that if we had a ban on replacement workers in our province, what we would find is that that period of time wouldn't pass, that negotiations would continue at the bargaining table so that production could resume and the profits could get back into the pockets of the shareholders and people could get back to work.

You know, we've got a potential here in the city of Edmonton. Something that I'm quite concerned about is that we have the Edmonton public school support staff currently out on strike. And while they're walking picket lines at high schools, I'm told now that some of their services are being contracted out to Comcare so that they can come in and look after some of the needs. Some of the students that are on work experience programs are doing the jobs that the support staff were formerly doing, and some of the teachers have been reassigned to do the work that support staff was doing just a short few weeks ago.

Now, there's probably cause for that strike. We met with a delegation of the strikers today. They're making \$15,000 a year — \$15,000 a year — not a lot of money for putting in a 40-hour week. Mr. Speaker, I would hazard the guess that if the minister or all of the government collectively were providing educational funding at a proper level, perhaps some of the school boards would be able to pay their staff a decent wage for the service that they're getting, or maybe if we had pay equity, because this is mainly becoming a women's issue. Most of the support staff happen to be women, who are told that maybe all they're doing is trying to support a main income, that all they're doing is trying to go out and work to get a little pin money. How insulting that is. But maybe if we had pay equity legislation so that we realize the value of the work that these women are doing, we might not have that strike. We might not have that strike if we didn't have the replacement workers that are doing their work as well. This Act hopes to recognize their ability and their importance and to try and ensure that when they withdraw their work, we appreciate the value that they provide.

There's one province in Canada that has anti replacement worker legislation, and that's Quebec. Now, I've heard arguments that if we were to have anti replacement worker legislation in Alberta, what we would do is price ourselves out of the market. Quebec hasn't done that. The market in Quebec hasn't suffered since 1978 when they first introduced their Act. It didn't happen in 1983 when they took their Act and tightened up the legislation so it became even more effective. The workers there in Quebec know full well that they have to be competitive, because if they're not competitive, Mr. Speaker, they lose their jobs. Quite frankly, they don't want to lose their jobs, and they know that. When they go to the negotiation table, they know full well that they have to be realistic, because they want to maintain that competitive rate.

What about other companies that perhaps fall into jurisdictions where there's a purportedly free market and there's no provision for anti replacement worker legislation? Well, in Ontario the three large motor vehicle manufacturers, whenever there is a strike or a lockout at the plant, all — all of them — refuse to hire replacement workers. Why is that? Perhaps it's because they have respect for the worker. I would suggest that they know full well that the talent that's on the factory floor, the talent they have hired over the course of the years, those workers who have made an investment in their corporation in terms of time and in terms of sweat and in terms of their labour deserve a fair shake. So they shut down production and they

shut down their profit-making ability to make sure that they can as soon as possible get back into meaningful negotiations and get those workers back to work. I don't recall there being violence on the picket lines at the motor vehicle factories when those workers have gone out on strike.

4:50

Bill 217 makes sure that there's provision for a picket line to be crossed when necessary for the protection of property, so that if, in the event of the duration of a strike, there is something on the worksite that has to be protected, there's no problem with crossing the picket line to protect property or personnel. That's clearly in there. But the majority of Bill 217, Mr. Speaker, is provision for respect for the workers who have made an investment perhaps not in capital but certainly in terms of time and sweat. They've made an investment, and this amendment to the labour code, sir, is just provision for respect for the workers of our province.

Thank you.

MR. ACTING DEPUTY SPEAKER: The Member for Clover Bar.

MR. GESELL: Thank you, Mr. Speaker. I welcome the opportunity to participate in and join the debate on Bill 217 put forward by the Member for Edmonton-Belmont. He's raised a number of issues here. The first one was related to stunting, and he's referring to publicity stunts. Here we've got a perfect example of a publicity stunt, because the policies of the New Democrats, the socialists, that the member has referred to are extremely distasteful. They're convoluted, but worst of all they're not in the best interests of the worker, and I will make that point. The member has referred to his amendment as a band-aid solution: his words, not mine. It's worse than a band-aid; it's counterproductive.

Now, the member has raised the question of equity and fairness, and those are important considerations that need to be addressed in any legislation that is proposed – and I intend to do that – to achieve that balance of equity and fairness not just for one party, the workers, but for all that are involved in labour negotiations. He's talked a bit about economic power. Now, economic power is very important, but it has to be balanced and it has to be fair. I think that's an aspect where the member is somewhat off the track, because he wants to shift the power to one particular area rather than have the balanced approach. He talked about violence. He talked about shorter duration of strikes. I find that very interesting, and I will get some specific information for you, Mr. Speaker, which shows that that is not in accordance with empirical data that has been gathered by reputable economists. He talks about profits and costs, and those are related to the duration of strikes. He talked about Quebec as a good example, and I'll get into that.

Mr. Speaker, I welcome this debate because it provides a tremendous opportunity for the people of Alberta to learn firsthand about the differences between the balanced labour relations system that we've initiated in government and the unbalanced system that is being proposed here by the Official Opposition. I think we'll all agree that an industrial relations system must be flexible enough to cover not in a band-aid way, as has been suggested here, but to cover in a fair manner all the needs of Albertans. Oftentimes the needs of the Alberta workers are very diverse and complex, and they need to be met. I agree with that, but the needs of Alberta businessmen and

women that are in business must also be recognized, and they must be dealt with in an equally fair manner. You know, that's where I have the difficulty with the member's amendment of the Labour Relations Code, because it is unbalanced; it is not fair. It does not create that balance between the worker and the employer. The employer's rights must be recognized the same as the worker's rights. That's the purpose of fairness and equality. The prime purpose of our industrial relations and our system of industrial relations is to enhance the relationship between the employer and the employee. That is the critical aspect that I want to refer to, and that's why I'm saying the amendment is counterproductive, because this amendment will have the opposite effect. It will not enhance that relationship between the employer and the employee.

Above all, any labour relations discussion has to be based on equality and on commonality of interests. Now, I realize that that balance may not be what the Member for Edmonton-Belmont is after with this Bill, and that's where the publicity stunt comes in. What he wants to create is an imbalance in labour relations and, more particularly, an imbalance which is tipped in favour of labour in Alberta. I've mentioned, Mr. Speaker, that I want to treat the workers fairly, and we in government do, but there also needs to be fair treatment for the employer. The importance here – and that's sometimes missed – is really the worker and the employer. That is the overriding purpose of labour legislation, not so much specifically the union but the workers and the employer. The union is a facilitator here.

Now, if I could remind you, Mr. Speaker, of the consequences of the previous imbalance in labour laws which existed not that long ago in our province, the ugly incidents – and the member has related some of them – which took place during past labour disputes, which brought shame, I think, to all parties that were involved in those disputes and brought shame, I think, to all Albertans. Fortunately, I feel the government has corrected that imbalance that used to exist, in the Labour Relations Code that was passed in 1988. Now we've corrected that, where there's co-operative effort to resolve that, and the member wants to skew that again. I want to relate that and draw a parallel to the annexation process. I've raised some questions about that in the House. That process is confrontational. We're trying to fix it so that it is a negotiation process that doesn't pit municipalities against one another. Now, we've achieved that success in the Labour Relations Code, where we have negotiated settlements, and here the member is proposing an amendment that would get us into a process that is again confrontational. Mr. Speaker, we're debating a Bill today put forward by the New Democrat opposition which, if passed, will take us back to the time . . .

AN HON. MEMBER: A great improvement.

MR. GESELL: The member says, "A great improvement." I'll deal with that right away.

It'll take us back to a time prior to the current labour code, a time that all Albertans felt had passed; we'd overcome that; we'd gone past that; we'd left that behind. Mr. Speaker, the amendment before us today would preclude an employer from using so-called replacement workers, sometimes referred to as scab laws, for the production of goods and services during a strike or lockout.

REV. ROBERTS: Order. It's unparliamentary. You can't say "scab" in the Legislature. Where's the Chair?

MR. GESELL: Maybe the hon. member wants to raise a point of order. I would encourage him to do so.

Now, we have already heard about how the province of Quebec, and this is a good example that's been provided . . . [interjections]

MR. ACTING DEPUTY SPEAKER: Order please.

Proceed.

MR. GESELL: Thank you, Mr. Speaker.

Now, we've been given the example of Quebec, and it's an interesting example. They've had this type of legislation in effect since 1977, yet I notice that the Member for Edmonton-Belmont neglected to mention that in the 13 years that they've had this legislation in effect – the Parti Québécois actually introduced it – not one of the other provinces in Canada has followed Quebec's lead. Now, that should tell the hon. member something about the rules that are in place there. I find that very interesting indeed, Mr. Speaker. Could it be that the studies into the Quebec model have proven quite conclusively that prohibiting replacement workers does not in fact help to avert strikes, or worse – and this is the critical part – procure an early settlement? The member has quite openly stated that with this amendment there will be a shorter duration of strikes; there will be more profits; there will be less costs to the parties affected. Well, I don't buy it, Mr. Speaker, and I don't think Albertans will buy that.

5:00

Well, for those members of the opposition who have failed to do their homework, maybe I should provide some information here, Mr. Speaker. Studies have shown that since 1978, when Quebec legislated against the hiring of replacement workers, the average number of productive days lost to strikes has increased by 14 days. Now, if that's not a substantial cost, I don't know what is, and it's a cost that's attributable to both parties, the workers as well as the employer. The duration of strikes has not decreased, as the hon. member has indicated, but increased, and I want to stress that.

[Mr. Speaker in the Chair]

Now, perhaps the members can doubt the federal Department of Labour statistics. Perhaps the members opposite might take the time to look at the November '89 issue of the *Canadian Journal of Economics*, where an article appeared – and I have it – titled "The effect of labour relations legislation on strike incidence." It's an article that was written by Morley Gundersen, John Kervin, and Frank Reid of the University of Toronto. If the hon. members took the time to read the article, they would learn that research done by these gentlemen clearly shows, and I will quote page 799 of the citation:

Prohibition of replacement workers and employer initiated strike votes are associated with significantly higher strike probabilities. Now, if increasing the probability of strikes in Alberta is what the members are after, the Member for Edmonton-Belmont in particular, and if he's trying to accomplish that here today, by all accounts he will succeed. He will succeed with this particular proposed amendment.

The members in opposition, Mr. Speaker, also argue that the use of replacement workers encourages picket line violence. They argue that the government should legislate against workers because of the violence which occurs when strikers see them crossing the picket line. Forgive me; I'm a little bit confused,

but I understand that assault and vandalism are a crime in this province and, indeed, in this country. It would seem to me that the true criminals are those individuals who regard their right to strike as a carte blanche effort to break whatever law they please. Violence, as we all know, is wrong. I abhor it. I fail to understand why this or any other government should be forced to concede to lawbreakers. The issue, as I see it, is whether or not Albertans will be held hostage by a small group of strikers who flaunt all laws which perhaps may not suit them for their immediate purposes. I would strongly urge this government to refuse to bargain with thugs.

MR. GIBEAULT: Unparliamentary language here.

MR. GESELL: We believe that Albertans do not want to bargain with . . .

### Speaker's Ruling Parliamentary Language

MR. SPEAKER: Hon. member, if you indeed want to be a stickler about parliamentary language, would you be good enough to withdraw the word "thugs."

MR. GESELL: Thank you, Mr. Speaker. I do withdraw that particular word and apologize.

MR. SPEAKER: Thank you.

AN HON. MEMBER: And don't let it happen again.

MR. GESELL: I will watch that it will not happen again. Thank you.

### Debate Continued

MR. GESELL: We believe that Albertans do not want to bargain with people that may break laws. Mr. Speaker, we believe that Albertans want a system which is fair to the workers, which is fair to the employer. If we were to prohibit the hiring of replacement workers, our system would not be fair anymore. The balance of power would firmly shift into the hands of unions, not specifically workers but unions.

We agree that during a strike, prohibiting replacement workers imposes a very real economic imperative to resume collective bargaining, but to whom is it imperative to get back to the bargaining table? The strikers? No; those strikers receive benefits. All the incentive, all the risk of a strike is placed firmly on the shoulders of the employer. It is he that will quickly go under if a resolution to the strike is not reached, but the strikers are not so affected.

As the situation currently exists with our code, strikers can supplement their income, they can supplement their strike benefits, by moonlighting. But what of the employer? Can he moonlight while his source of livelihood dries up? Well, the answer, of course, is no. There's no way he can come up with the thousands or hundreds of thousands of dollars, or lost dollars, more importantly, during that strike while he cannot continue to operate his business. Mr. Speaker, if this legislation were passed, I wonder if the member opposite would support an amendment that I might be inclined to produce which would prohibit strikers from receiving any strike benefits or from moonlighting. That would shift the balance again somewhat and create a fair situation. If they believe in the basic premise of a balance of power in the collective bargaining process, they must cut off all sources of income to the strikers in the same way that

they propose to cut off the employers' source of income. This is the only way that an equal playing field or fairness can be maintained at the bargaining table. It's clear to me, Mr. Speaker, that to cut off all sources of income to strikers and employers is ridiculous. I don't think that can be done. That is why I find it so difficult to believe that the Member for Edmonton-Belmont could propose this particular amendment, because it unbalances the present situation.

Now, Mr. Speaker, although the province has seen its share of labour conflict, for the most part by North American standards Alberta has a history of stable labour and management relations. The reason for that balanced relationship can be found in the province's labour legislation and the strong effort made by all the parties to work in good faith and try to reach a consensus. How to best meet a consensus and how to best meet each other's objectives, to deal fairly with each other and to deal with the needs that exist on both sides, the employer's and the worker's? I believe our Labour Relations Code has gone a long way to make our system fairer when I compare it to what existed prior to it.

The question today, then, is: does the amendment abide by the principles of fairness and equity? Well, the member has talked about that. But there are questions we need to ask. Does it meet both labour and management needs, and does it do that in a very objective and fair way? Does it strengthen labour relations in the province, or does it erode them? Does the amendment add to the existing legislation or take away from it? The words of the member himself were that this is a band-aid amendment. Does this amendment contribute to greater harmony in the workplace, or does it simply make one party overpower the other?

5:10

Now, the member has talked about economic power, and I believe that may have been his main purpose in proposing this amendment. This amendment will not lead to greater harmony in the workplace, and that is what labour relations should be all about. I would have expected more, especially from the members in the New Democrat Party. I would have expected them to strengthen that harmony in the workplace so that workers can work and achieve and be paid and so that employers can have workers work and, yes, gain a profit. But not only that; the member has referred to profits and costs. I've made the point already, with respect to the duration of strikes, that if replacement workers are prohibited, there's an increase of some 14 days. Well, there's a cost associated with that, a cost to the employer but also to the worker. So I have some difficulty buying the argument from the member that if we do proceed with this amendment, there will be more profits and less costs. Well, the opposite is true, if I believe the empirical findings that have been provided and that I've cited.

I think the answers to these queries that I have are obvious to any fair-minded Albertan. The proposed amendment put forward by the Member for Edmonton-Belmont I think would only create more problems where right now none exist. Mr. Speaker, this government takes pride in the fact that we listen to Albertans. I listen to Albertans. In '86 Albertans wanted to review our labour relations system, and we did that. We have worked long and hard with Albertans from labour and management to develop a balanced and equitable labour relations legislation. We've done that. To accept the amendment now put forward by the member opposite would be to go against the wishes of those Albertans by skewing again that balance and by setting the stage for acrimony and distrust between labour and

management. When I talk about how I find the policies of the New Democrats distasteful, I also indicated that the amendment is not in the best interests of the worker. Well, that is exactly the point I'm raising, that this amendment would not create harmony between workers and employers. It would create distrust between labour and management.

As it is today, Mr. Speaker, the current legislation, the code, meets the needs of Albertans. For that reason I cannot support Bill 217 and must vote against it.

MR. SPEAKER: The Member for Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Speaker. I rise to join in the debate on Bill 217 as put forward by the Member for Edmonton-Belmont. I must say that I appreciate his efforts, but I must disagree. I shall proceed to outline the Liberal position. I actually feel quite fortunate in speaking in this particular area, because we've had the opportunity to listen to the position as presented by the left and the position presented by the far right, and of course what we need is something that shows balance and harmony and occupies the middle ground. Therefore, I shall attempt to educate both of those extremes and bring them to the centre, where we really need the balance and harmony in this province. I would like to briefly review the cases put forward by the proponent of the Bill, the hon. Member for Edmonton-Belmont. I must admit that given his ideological orientation, he's proposed a Bill which fits very neatly within his particular set of blinkers.

I agree that this is a very serious issue. There is no doubt that the strikes to which the hon. member has referred, of three and four and five and six years, are not in the best interests of either the management or the labour unions involved. But I do not believe that this piece of legislation would solve that problem, and I guess my concern is twofold. The particular Bill we have before us, Mr. Speaker, talks of two related but actually different and distinct items. One, it talks about strikes and lockouts. Those are, as I've said, two related but distinct items. Now, in the case of a lockout what you have, of course, is the employer saying, "I'm no longer interested in negotiating with these employees and I'm going to lock them out." I would argue that in such an instance the hiring of replacement workers would be inappropriate. In the case of a lockout we feel that the hiring of replacement workers is not in the best interests of either the worker or the company involved.

AN HON. MEMBER: What about a strike?

MR. BRUSEKER: Now, the question was raised: what about a strike? In the advent of a strike, the concern that I have regarding this particular piece of legislation is that it simply, in short form – I'm not going to read it out for everyone – really suggests that a strike can occur and can continue on and on and on ad infinitum, and as has been pointed out, that serves no one's interests. On one hand, if the company does not hire replacement workers, the company goes broke, the economy goes downhill, and the jobs are lost permanently. On the other side of the coin, if the strike continues on and on and replacement workers are hired, then you can get that acrimony that we have seen, unfortunately, on the picket lines. So in the case of a long strike, Mr. Speaker, no one would benefit by this clause because the economy would falter, jobs would be lost, and in the end perhaps the whole business goes down. So on the one hand, supporting, as the proponent of the Bill does, only the labour side, as this particular amendment to the Labour Relations Code

does, really does not benefit management, so when we look at something that is only for the benefit of the employees, that unfortunately is too one-sided.

Now, on the other side of the coin, we go to the second speaker who addressed this particular Bill and talked about the need for management to have the right to hire replacement workers. The implication, although you didn't say so, would be that perhaps on the first day of a strike the management company could go out and hire replacement workers because that would be their prerogative, and under the current Labour Relations Code that is, in fact, their prerogative. I would argue that that also is not appropriate.

So the question is: what do we have to do? The question that always is asked is: what is the Liberal position? Well, here it comes. What we need, Mr. Speaker, what we in Alberta need . . . [interjections] Listen carefully. I don't want you to miss it. I can repeat it if need be. What we need is a Labour Relations Code amendment – I do believe we need an amendment to the Labour Relations Code; I don't think this is the one, but we do need an amendment – that is going to be industry driven. Notice that I said industry. I didn't say labour; I didn't say management; I said industry driven, because industry isn't simply one side or tother. It's both of them working together, both of them working together in harmony for the benefit of each other, because one has to work with the other, and also, therefore, for the benefit of the province and ultimately, I suppose, the country as a whole.

I think what we need is something that is going to be shaped with all of the key players involved working together. We need to get some kind of a mechanism. Now, I have to admit I don't have the answer as to the details of the mechanism, but what I would suggest as a possible solution would be that government could act as a facilitator, bringing together a variety of different labour union groups, bringing together a variety of different management groups, to work together to create a new labour relations board – whether we call it that; I'm throwing out a title as a possibility – wherein we have an administrative review board to look at cases where there are disputes, whether that dispute is a lockout or whether that dispute is a strike. Because in the end result nobody benefits when workers aren't working. The workers don't benefit because they don't get their paycheques; the company doesn't benefit because they don't make their sales and sell their products and so on. So nobody benefits by a strike; nobody benefits by a lockout. What needs to be addressed is some kind of a middle ground, a Liberal ground, that requires equal input, not ideological blinkers that don't allow for any freedom of thought or freedom of direction, but we need a variety of different places.

5:20

On the one hand, we have the management perspective that simply looks at a strike as an economic test. Whoever has got the bigger will and the bigger club can then win, and often it's management. That doesn't serve the best interests of the workers. On the other hand, if we were to pass this particular piece of legislation, as has been mentioned before, it would shift the economic power or the imbalance, two phrases that have been used, too much in the direction of the labour force.

So there ought to be some kind of a reasonable limit, and what I would suggest, Mr. Speaker, is that in the case where you do have a strike – and I'm not talking about a lockout; when you do have a strike – there be some time to allow for a cooling-off period, if you will. A strike vote is taken, of course; the strike goes ahead; the workers withdraw their services, which

I believe should be the right of every worker in this province, not only some specified workers. I believe that every worker in this province should have the right to withdraw their services when they feel they are not being compensated appropriately. Then there should be a time span to allow for the negotiations to occur. But this Bill 217 doesn't really suggest any mechanism to really get things going. It simply suggests that the workers would withdraw their services and that the company or firm, or whatever it may be from whose employ the workers have withdrawn their services, would then be left with no opportunity to have any kind of recourse whatsoever.

What we need, Mr. Speaker, is that after negotiations have been attempted – and of course the whole negotiation process. There are negotiations occurring before a strike, there's the strike vote, more negotiations occur, and then you get perhaps the withdrawal of services and you're into a strike mode. Now, I think anyone who's had the unfortunate experience – and I do believe it to be an unfortunate experience to have to endure a strike from either side, because I believe everybody loses in a strike – to have been involved in a strike knows that there is anger, there is hostility. It has on occasion led to violence, and I think that's very unfortunate. But what we need is a cooling-off period. Let the strike go ahead. Allow the workers to attempt to negotiate, their negotiators to attempt to raise their issues; allow management to push forward their issues. But if it's clear that there are two completely diverse positions and they are completely at loggerheads, then something must be done to bring those two groups back together. Now, that may be compulsory arbitration. Call it what you will, but what we need is a mechanism imposed that would require those two parties to get back together for the benefit of each of those two parties.

Now, to that end, Bill 217 does not satisfy that need. By disallowing replacement workers, it does not facilitate the process of going back together. We've had some statistics quoted that suggest that this kind of legislation in fact increases the length of strikes. But I think what we need to do is look at the fact that we've got a contract occurring, and behind the contract there also should be an intent. It's not simply dollars and cents, but there's a commitment on behalf of those workers to work for that company, and, on the other side of the coin, there's a commitment on behalf of the company to employ those workers.

So to endorse 217, I believe, does not serve the interests of either of those two groups, and for that reason I will not support it.

MR. SPEAKER: Athabasca-Lac La Biche.

MR. CARDINAL: Thank you, Mr. Speaker. I am very pleased to have the opportunity today to speak on this Bill, but more specifically I'm pleased to have the opportunity to speak against this Bill which, if passed, will drastically undermine the existing balance of power between labour and management in the collective bargaining process. Bill 217, an Act which, if passed, will preclude the hiring of replacement workers during a strike, will return Alberta to the days of violence.

This government believes and Albertans believe in the collective bargaining process. We believe that the Labour Relations Code of 1988 goes far in creating an effective collective bargaining process. We are not, as some members of the opposition would like to assert, antilabour, but neither are we antimanagement. We believe in a balanced labour relations system which encourages trust, respect, and hard work towards a common goal. The goal, Mr. Speaker, is a better province for

all Albertans. This balanced relationship between labour and management can be found in the province's existing labour legislation and in the strong effort made by all parties to reach consensus on what works and what doesn't work.

Yet labour legislation is only one of the three key elements in industrial relations. Two other elements, the attitude of the participants and the economic realities of the time, play equally important roles in the employer/employee relationship. The Member for Edmonton-Belmont wants to undermine all of these three key elements, Mr. Speaker, which Albertans have worked hard to obtain. First, he refuses to give the existing labour legislation code a fair trial period. To remind the member to my left — far left — this is the same code that resulted from the labour relations review committee's recommendations. This committee consulted with labour and management groups from all across the province. In fact, through this committee the government received over 300 public submissions and attended over 200 meetings in its effort to ensure that all Albertans who chose could participate in the creation of a new labour relations system. But the Member for Edmonton-Belmont wants to ignore what Albertans want. He wants to throw it away before we can intelligently assess the code's effectiveness.

Second, the Member for Edmonton-Belmont refuses to put

responsibility for an effective labour system on the shoulders of labour and management. We believe that labour and management want to work together in creating a better Alberta for all Albertans. Both parties must work together in resolving labour disputes. They can only work together if they are on an equal footing at bargaining tables. They will not be on an equal footing when labour has the power to crush the small businessmen and women in this province.

Mr. Speaker, it is my firm belief that this Bill is not in the best interest of Albertans, and as such I cannot give my consideration at all to supporting it.

Mr. Speaker, due to the time I would move that we adjourn debate.

MR. SPEAKER: Having heard the motion, those in favour, please say aye.

HON. MEMBERS: Aye.

MR. SPEAKER: Opposed, please say no. The motion carries.

[The Assembly adjourned at 5:29 p.m.]

