

## Legislative Assembly of Alberta

Title: **Wednesday, March 20, 1991**

**2:30 p.m.**

Date: 91/03/20

[Mr. Speaker in the Chair]

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

MR. GOGO: Mr. Speaker, I wish to table the 1989-90 annual reports for both Lakeland College and Lethbridge Community College.

MR. ROSTAD: I would like to table the '89-90 annual report for the Public Service Employee Relations Board.

MRS. GAGNON: Mr. Speaker, I'd like to table four copies of the summary of recommendations of the Mayor's Task Force on Community and Family Violence, which provides sad comment on the lack of action on family violence by this government.

MR. SPEAKER: Order, please, hon. member. That's not the way to do it. You've been here long enough, two years; you should know. Thank you.

head: **Introduction of Special Guests**

MR. MAIN: M. le Président, je désire faire les présentations cet après-midi de deux acteurs canadiens très distingués. We have in your gallery two distinguished Canadian actors, Huguette Oligny and Gratien Gélinas, who are appearing at the Citadel Theatre's Rice stage in the production of Mr. Gélinas' play *The Passion of Narcisse Mondoux*. Both actors have made a long-standing contribution to the Canadian and international theatre scenes. They are both recipients of the Order of Canada. I would ask that the Assembly dise bonjour et bienvenue in the traditional fashion.

MS BETKOWSKI: Mr. Speaker, it's my pleasure to introduce to you and through you to members of the Assembly Major Andrew Allen. Major Allen is a mission specialist and astronaut with the National Aeronautics and Space Administration who is in Edmonton to assist the Edmonton Space and Science Centre launch its new NASA/IMAX Canada coproduced film on our environment called *Blue Planet*. It is also the *Challenger* learning centre launch, which will be starting in Edmonton in October and which will simulate space travel at its first international site outside of the United States. Major Allen is joined by Patricia Hutchison, from the Edmonton Space and Science Centre, as well as Bernie Hughes, who is a volunteer with the centre. Please join me in welcoming with a warm Alberta welcome Major Allen along with his two companions who are with him today.

MR. SPEAKER: The Member for Edmonton-Kingsway.

MR. McEACHERN: Thank you, Mr. Speaker. It's my pleasure today to introduce to you and to members of the Assembly 14 students from the Winnifred Stewart campus of the Alberta Vocational Centre. They are studying English as a Second Language. They are accompanied by their teacher Sonia Ostashevski. I request that they stand and receive the warm welcome of the Assembly.

MR. SPEAKER: Edmonton-Mill Woods.

MR. GIBEAULT: Thank you, Mr. Speaker. It's my pleasure to introduce to you and to the other members of the Assembly this afternoon 40 students from Ekota elementary school in the constituency of Edmonton-Mill Woods. I'd just like to thank my colleague the opposition House leader for standing in for me due to a scheduling conflict when pictures were taken earlier. I'd ask them now to stand and please receive the very warm welcome of our Assembly.

MR. SPEAKER: Hon. members, I would just point out that today marks the second anniversary for 21 members of the Legislative Assembly who were first elected on March 20, 1989.

head: **Oral Question Period**

**NovAtel Communications Ltd.**

MR. SPEAKER: Leader of the Opposition.

MR. MARTIN: Yes, Mr. Speaker. To the Premier. I'd like to continue with the NovAtel bungling by this government. In response to false projections of NovAtel's 1990 earnings contained in the Telus prospectus last September, this government agreed to compensate NovAtel for whatever amount its earnings fell short of the prospectus projection from July to the end of December 1990. In reality what this government did is that the Premier as the leader extended a blank cheque to NovAtel to cover its real losses for that period. According to the government's amended prospectus and an order in council signed by this Premier, no limit was put on the amount of this compensation. Now, this is unbelievable. Any businessman with half a brain would not do such a thing. My question to the Premier: would the Premier explain why this government did not place some limit on the amount of this commitment of taxpayers' dollars?

MR. GETTY: Mr. Speaker, the minister responsible for NovAtel is unavoidably out of the House today. I'll take notice of the question, and the minister will be able to respond when he returns.

MR. MARTIN: Mr. Speaker, I would remind this Premier that he's ultimately responsible for this mess. I notice it's his name that signed this order in council, so maybe he's the guy to answer the questions.

Mr. Speaker, the question is obviously: what has happened here? I'd like the Premier to answer this question rather than pushing it off on poor old Freddie. I must remind this Premier that they gave a blank cheque to NovAtel, and this company just made a serious mistake in its profit/loss projection, even though the minister did not have the 1990 full financial statements of the year. Again, the Premier signed this, and I want to ask him this question: why didn't the government, led by this Premier, compensate NovAtel only up to the amount of its revised

projection of earnings – in other words, about \$21 million – instead of giving it a blank promise of full compensation for whatever losses it incurred?

MR. GETTY: Well, Mr. Speaker, the hon. member can be indignant if he likes. However, he's asked the same question, and the same answer applies. [interjections]

MR. SPEAKER: Order please. Final supplementary.

MR. MARTIN: Let me ask this Premier this question. I asked the minister who was responsible for millions of dollars in losses, and he sat there yesterday. Now I'm asking the Premier the same question. There are so many errors in this thing that it's become a charade, and it's costing the taxpayers millions and millions of dollars, Mr. Speaker. I want to ask the Premier now: will he admit that that cabinet minister and this Premier made these mistakes and somebody has to be held responsible? Who is responsible? Is it him or you, Mr. Premier?

MR. GETTY: Well, Mr. Speaker, those questions have already been dealt with in the House, and the hon. minister responsible has been dealing with those matters with the Leader of the Opposition. He may wish to repeat his questions, and he gets the same answers.

MR. SPEAKER: Second main question, Leader of the Opposition.

MR. MARTIN: Nobody's responsible. Millions of dollars gone, but nobody's responsible, Mr. Speaker, not even the Premier.

### Health Care System

MR. MARTIN: Mr. Speaker, I'd like to ask my second set of questions to this same Premier, who isn't responsible for anything. Time and time again this government shows clearly to Albertans what it does have lots of money for in this province and what it does not. While this government can't jump fast enough to pour taxpayers' dollars into companies like NovAtel, without even having accurate financial statements to boot, it has no money for services like health care for the people of our province. We've done some investigating in the health care area, and what we find is appalling. Since 1987 alone this government has closed over 1,000 hospital beds and cut almost 500 health care workers from our health care system in this province, and we understand more is coming. My question to the Premier: will he explain how it is that this government can find money to backstop NovAtel yet have so little money for health care that hospital beds have to be closed and health care workers fired?

2:40

MR. GETTY: Mr. Speaker, the hon. leader is so far off base that it's kind of scary that he would be so completely wrong. I know the Minister of Health is here and is going to want to respond, but let's realize that the health budget is in excess of \$3 billion, probably greater than all the taxpayers' dollars that are collected in any given year in this province, and last year that was increased by some 8 percent when we know that inflation was somewhere around 3.5 to 4 percent. So the hon. Leader of the Opposition doesn't know what he's talking about. This government has funded, and very well, a superb health care system.

Now, the Minister of Health may wish to expand on this because he wants to get into specifics about beds, but let's be very clear that this government has the funds, it's probably the best health care system in Canada, and it receives the best funding in Canada.

MR. MARTIN: Mr. Speaker, what is frankly scaring the people of Alberta is the absolute incompetence of this government. That's what's scary.

Now, Mr. Speaker, the Premier can stand up and say whatever he wants. The reality is, and I repeat: 1,000 hospital beds closed since 1987, 500 health care workers fired, waiting lists all over the province, and people in the aisles. And he tells us this is a great system. No Albertan believes that. Knowing these facts, can the Premier give us an honest answer instead of trying to slough it off on the Minister of Health? My question: what do these facts say to the Premier about his government's performance in health care for our citizens in this province, the chaos that's going on now?

MR. GETTY: Well, Mr. Speaker, again the poor hon. Member for Edmonton-Norwood doesn't know what he's talking about. I'm going to ask the Minister of Health to try and educate him a little because he's so completely off base. [interjections]

MR. SPEAKER: The Chair recognizes the Minister of Health.

MR. MARTIN: I didn't ask the Minister of Health.

### Speaker's Ruling Respondent to an Oral Question

MR. SPEAKER: I'm sorry, hon. member. *Beauchesne* clearly states that it is up to the government to decide who does the answering.

Very briefly, the Minister of Health, followed by a supplementary. [interjections] Sorry. Minister of Health, briefly.

MR. TAYLOR: Tell them how many beds you closed in Stettler.

MR. SPEAKER: Excuse me, Westlock-Sturgeon. [interjections] Order please, Westlock-Sturgeon. This is not some kind of game.

Minister of Health.

### Health Care System (continued)

MS BETKOWSKI: Mr. Speaker, I think it's important that we do get into the issue of funding for health in this province. We only need look at the \$292 million increase that's going into our health system over and above the \$3.4 billion base that the Premier mentioned. We've already announced an increase in funding of \$83 million for the next fiscal year. I think it's important that I note that during the summer break I looked at many of the other universal and publicly funded health systems that are operating in the world, and it's interesting that the cries of crisis are something that frankly are quite endemic to those systems.

I think it's important to put on the record that I believe in the Canadian health system, and I certainly pledge this government's commitment to sustain it into the future, which is why we are doing the innovative approach rather than the status quo

approach preferred by the opposition towards health funding in our province.

MR. MARTIN: The answers were better from the Premier. It's unbelievable, Mr. Speaker.

My question is to the Premier. This is a serious problem no matter what light you put on it. There are people that can't get beds, and there are people that are suffering emergencies in this province. Anybody knows that that is going on in this province. It's going to get worse because your good friend Michael Wilson cut almost \$900 million in transfer payments for health care over the next five years. Our Treasurer says that that's great, that's the Alberta agenda. I want to ask the Premier this: does he agree with his esteemed Provincial Treasurer that the federal government is following Alberta's agenda and it is reasonable to cut \$900 million from the health care budget for Alberta?

MR. GETTY: That's certainly his quote, not ours. I must say, Mr. Speaker, that if the hon. member is going to move in and take over the health responsibilities of the opposition, he should please get himself up to date on what's going on.

Frankly, Mr. Speaker, there are many matters in which the federal government is following the Alberta lead, yes.

**NovAtel Communications Ltd.**  
(continued)

MR. DECORE: Mr. Speaker, Albertans have the possibility of an exposure of some \$900 million if NovAtel goes down. There is ample evidence that there was mismanagement at NovAtel, and I think pretty good evidence that the minister didn't do his job. My questions are to the Premier. In spite of losses for some seven years by NovAtel, I'm informed that bonuses were paid to senior managers last year and the year before. Will the Premier agree and undertake to table tomorrow in this Legislature the exact amounts of the bonuses that were paid to those senior managers?

MR. GETTY: Mr. Speaker, the minister responsible will be back in the House and will respond to the hon. member. I'd just remind him what he was told yesterday or the day before, that he knows how to request the filing of documents and he should go through that process.

MR. DECORE: Mr. Speaker, the Premier was the one who said two days ago that any MLA need only stand in this Legislature and ask a question and the Premier would answer the question or get the answer. Now, that's a far cry from what he's saying today.

Mr. Speaker, some of the managers that are alleged to have received these bonuses are also the managers that got axed. I'm told that pretty generous severance packages were given to those senior managers. I would like the Premier's undertaking that he will table in this Legislature the severance package details involving the money that was paid to these managers. Will he agree to do that?

MR. GETTY: First, Mr. Speaker, again I think the hon. leader of the Liberal Party in his time here has learned how to go through the process of requesting information.

He did also make some kind of comment about what I said in *Hansard*. What I said is that

there are occasions when you're dealing with the health of an individual . . . the competitive nature of a person or a company or

the security of your country where . . . information can't be put out.

But in most cases all the information is given.

Now, I know the hon. member fails miserably in the Legislature and has to rely on gimmicks like wheelbarrows, but that wheelbarrow is frankly about as valuable as a Liberal membership card.

MR. DECORE: Mr. Speaker, I'm glad that the Premier had to read that from a prepared text, because he wouldn't have enough brains to give it out of his own mind. [interjections]

MR. SPEAKER: Order.

MR. DECORE: Mr. Speaker, I apologize when I said that the Premier . . .

MR. SPEAKER: Sorry, hon. member; you're still not recognized. Perhaps we could have the final supplementary, hon. Member for Edmonton-Glengarry. The Chair would be only too happy to initial a motion for a return, which is really what this line of questions is all about.

MR. DECORE: Mr. Speaker we're trying to get information in this Assembly, and I think you'd be the first to agree that that's an important part of the democratic system.

My last question to the Premier, who refuses to fill wheelbarrows, is an easy one.

AN HON. MEMBER: Read it.

MR. DECORE: I don't have to read this one, Mr. Speaker. There's the man that reads his questions. They're all scripted for him.

My question is this. The minister has attempted to deflect responsibility by blaming underwriters, accountants, and experts that were involved in this Telus/AGT/NovAtel situation. I'd like to know from the Premier whether or not the government has hired legal counsel to investigate whether or not a cause of action exists against these experts that are being blamed . . .

**Speaker's Ruling**  
**Brevity in Oral Question Period**

MR. SPEAKER: Thank you, hon. member. That's the question. You're taking far too long. You're taking the time from your own caucus. Take your place.

MR. DECORE: Is there . . .

MR. SPEAKER: Take your place, hon. member. You've asked the question.

**2:50 NovAtel Communications Ltd.**  
(continued)

MR. GETTY: Mr. Speaker, as the minister responsible for the NovAtel matter has said, all of these matters are being looked at in detail. Legal counsel is looking at the potential for action in the areas that the minister mentioned.

Now, Mr. Speaker, I only want to refer one more time to the Liberal leader's letter here, because he attached a *Hansard* so that I would know what he was quoting and then misquoted it in the letter. I just wanted to ask him to please get his research people going.

MR. SPEAKER: Calgary-Millican.

### Immigration Policy

MR. SHRAKE: Thank you, Mr. Speaker. In Calgary-Millican I've got an area known as Chinatown. On the streets in Chinatown there's a lot of rumours around that for people to immigrate from Hong Kong, it will take two to three years to ever get into Alberta, but if you want to go to Quebec, you can get there in less than a year. Then we get into the statistics. Now, Quebec is taking 40 percent of all the business immigrants, the people with money, and only 17 percent of the refugees, the people who have no money; they're unfortunate. Alberta has taken her fair share of the refugees, which is good: 13 percent. But less than 5 percent of the business immigrants, the people with the thousands and thousands of dollars and the expertise, ever come to Alberta. Can the . . .

### Speaker's Ruling

#### Brevity in Oral Question Period

MR. SPEAKER: Order please, hon. member. We mentioned this yesterday in private conversation. You have to speak much more quickly. Let's get to the point. What's the question? Now, please.

### Immigration Policy

*(continued)*

MR. SHRAKE: Can the minister of career development and manpower please explain to this Legislature why Alberta is coming out this bad on this type of an arrangement?

MR. WEISS: Well, Mr. Speaker, I wouldn't wish to take the time of the Assembly to go into detail, but I should inform the hon. member of the Assembly that, yes, Quebec does have special arrangements that were given to that province by then Prime Minister Pierre Elliott Trudeau. Those special arrangements have seen and resulted in increased . . .

MR. TAYLOR: You're crazy.

MR. WEISS: Pardon me, sir? I can't quite hear. I didn't refer to somebody else as being crazy. I would hope that wouldn't be what I heard as well.

Mr. Speaker, if I may continue. Under those special arrangements that were given, there were new contractual arrangements negotiated by Quebec with the federal minister on February 5. There was a some \$332 million contractual arrangement signed. Yes, Alberta does receive only some 4.6 percent of the entrepreneurial, self-employed, and investor category, but under the new tier 1 arrangements that we have negotiated successfully, in 1992 Alberta will see a strong and vast improvement in those particular areas because the new structure will encourage a higher level of investment. I look forward to some great strides.

It should be known as well, Mr. Speaker, that some \$44 million has been brought into this province since 1986, contributing not only in that area but in the many areas of ancillary benefits: housing, automobiles, and other goods as well.

MR. SHRAKE: A supplementary question, Mr. Speaker. The present policy for all of Canada is that out of 300,000 immigrants or whatever it is that we take in in a year, only 4,000 are allowed for this business immigrant program, which means there are billions of dollars that are going into other countries. Will the

minister take this up with the federal government to see if they won't raise this quota from 4,000? It's ridiculously low.

MR. WEISS: Well, Mr. Speaker, and to members of the Assembly, that is the crux of the issue. At present we're in the stages of negotiation with the federal government, and we'll negotiate taking into consideration the social, demographic, and economic objectives and needs of all Albertans. That's the purpose of our discussions. The federal minister and government are very receptive to these discussions, and I'm hopeful that we will be able to report in due course a positive conclusion to those discussions.

### Young Offenders Programs

MR. CHIVERS: Mr. Speaker, my question is for the hon. Attorney General. Yesterday a Calgary youth court judge threatened to throw a robbery case out of court because of a three-year delay in bringing the case to trial. A 17-year old has become a 20-year old, and the case is still not decided. Does the hon. Attorney General not recognize that the delay in youth court proceedings defeats the fundamental objective of the system? If so, what steps are being taken to correct the situation?

MR. ROSTAD: Mr. Speaker, I'd like to take this opportunity to welcome the Member for Edmonton-Strathcona as the justice critic and to inform him, as we did last fall on this particular issue, that our justice system in Alberta is one of the finest, and we do not have undue delays in our court. In fact, I have said before that aberrations will come through where there's a number of reasons why a particular delay might happen.

In this particular instance it's unfortunate if somebody was unduly held up in having their case heard for a period of three years. I've asked the department to look into the circumstances in this particular issue and would be delighted to discuss that with the member after.

MR. CHIVERS: Mr. Speaker, the Attorney General's staff will be able to deal with that on April 29. The judge has set a hearing to determine exactly that point.

The Young Offenders Act contains a procedure whereby alternate measure programs may be instituted to deal with situations such as this. My question for the Attorney General is: has he considered what alternate measure programs he plans to implement, and if so, will he share with us today what plans may be in the works in that regard?

MR. ROSTAD: Yes, Mr. Speaker. Again, in the fall session that topic was addressed, and in fact there has been ongoing dialogue with the bar, the judiciary, and the Attorney General's office in implementing the alternative measures [interjections] – there is an alternative over here – in the Calgary instance more particularly than in Edmonton and again would be delighted to discuss that with the hon. member.

### Health Units Funding

MRS. HEWES: Mr. Speaker, we're confronted daily with layoffs in health care and what I believe is a gradual, systemic deterioration. It's now come to my attention that the Edmonton Board of Health is faced with a shortfall and will be terminating a number of positions as of next Tuesday, terminating or reducing essential services already pushed beyond their limits. The board has also confirmed the closure of two regional health centres as

of July 1. I want to ask the questions of the Minister of Health. Will the minister immediately contact this board to assure them that resources will be made available to continue their service?

MS BETKOWSKI: Mr. Speaker, I met with the Edmonton Board of Health within the last two weeks and discussed their desire to move with the most effective use of their resources. I provided them a few cautions and some recommendation of direction. I have every confidence that they are working to ensure that the resources dedicated to that board are used in the best interests of health service for Edmontonians.

MRS. HEWES: Mr. Speaker, that's not what I consider to be an answer to the question.

Will the minister answer why she is promoting prevention, home care, and community service collaboration at the same time as she is freezing resources? Let's not say one thing and do another.

MS BETKOWSKI: Well, Mr. Speaker, let's look at the facts in the budget of the fiscal year in which we currently reside. The fact is that we have more than doubled our support for home care, which the hon. member mentions, in the last three years. That home care support is something that's delivered by health units in this province. It's something that I support them delivering, and frankly I believe the \$148 million that we provide to health units across this province is a very important component of moving our health system into more of a continuum of care while recognizing government's desire and, I would say, Albertans' desire to do so within a balanced budget time frame. The Edmonton Board of Health and all boards of health – in fact, the whole health industry in this province is working to ensure that that \$3.5 billion that we dedicate to health is being used in the best possible way, and I applaud them at every step of the way.

MR. SPEAKER: Highwood, followed by Edmonton-Kingsway.

3:00

### Landfill Pollution

MR. TANNAS: Thank you, Mr. Speaker. I rise today to ask a question of the Minister of the Environment. In 1985 scientific tests and studies were conducted on the former Gulf refinery and asphalt plant in Calgary, which led to placing a large amount of contaminated soils in a sealed crypt. However, in 1990 Petro-Canada contracted with the Foothills landfill authority and its operator to dispose of 39,000 tonnes of contaminated soil in this regional sanitary landfill. Because the site is very close to the sandstone formation that contains the water supply of many of the area residents, concern has been expressed as to heavy metals, et cetera, posing a potentially serious health hazard. What is the minister's department doing to verify the degree to which this danger exists?

MR. KLEIN: Quite simply, Mr. Speaker, the department has just completed a sampling program. It was completed late last month, and the analysis is currently under way. That analysis will be presented to the board of health appeal hearing on April 17, and if indeed it's found that these materials are of a hazardous nature, then steps will be taken to get those materials out of the landfill.

MR. TANNAS: Thank you, Mr. Speaker. The minister has anticipated my next question and answered it.

MR. SPEAKER: That's great; thank you.

MR. WEISS: Point of order.

MR. SPEAKER: Thank you.  
Edmonton-Kingsway.

### NovAtel Communications Ltd.

(continued)

MR. McEACHERN: Thank you, Mr. Speaker. My question is to the Premier. On September 23, 1990, the minister and the Treasurer stood up and admitted that they had overestimated NovAtel's revenues by \$21 million. On December 31 the government indicated it would buy back NovAtel, paying \$160 million for a company that had just lost \$204 million. Yet on January 11 of this year the cabinet decided to expose the taxpayers of this province to an additional \$90 million in loan guarantees to the NovAtel corporation. Will the Premier tell this House what information the cabinet requested and received from the minister that led them to make this extra \$90 million commitment of taxpayers' money?

MR. GETTY: Well, Mr. Speaker, I guess the hon. member wants to rephrase a question in a different way regarding the responsibilities of the Minister of Technology, Research and Telecommunications. I'm sure he'll note them in *Hansard* and will respond when he's back in the House.

MR. McEACHERN: No. My question was: what information did the cabinet ask from the minister? The Premier should be able to answer that if he was at any cabinet meetings that made this decision.

Now, given that the minister claimed that he didn't know of the magnitude of the losses in NovAtel until March 12, how could the cabinet commit themselves to this extra \$90 million in funding in January without informing themselves of NovAtel's financial condition? [some applause]

MR. GETTY: Mr. Speaker, I'm sure the applause is for the member getting the question out correctly. He is improving. The minister responsible may respond when he's back in the House.

### Speaker's Ruling Cabinet Confidentiality

MR. SPEAKER: Edmonton-Kingsway perhaps would be good enough to look at *Beauchesne* 411(2).

Edmonton-Avonmore is next.

### Child Welfare

MS M. LAING: Thank you, Mr. Speaker. My questions are to the Minister of Family and Social Services. Two Edmonton volunteer-sector agencies which treat children who have been sexually abused may be the latest casualties in the government's attempt to balance its budget by eroding the quality of services for people. Given that the two agencies are extremely concerned about the change from grant funding to fee-for-service funding, will the minister agree to meet immediately with these two agencies?

MR. OLDRING: Well, I'm always happy to meet with community agencies in Edmonton and other parts of the province. In reference to the specific question being raised by the Member

for Edmonton-Avonmore, what I would want to point out to her is that the changes are really about making more services available to children in need. This government makes it very clear that it's children that we focus our efforts around; it's children that we set our priorities around. In this instance there were three or four agencies that were being funded on a contractual basis to provide those services. We're trying to make those services available, Mr. Speaker, through a number of additional agencies on an equal and fair footing. I know that the member opposite has raised concerns about waiting lists. We're doing something about waiting lists by making these services available on a fair and equal and reasonable basis by all agencies that are providing them here in the city of Edmonton.

MS M. LAING: Mr. Speaker, what the minister is advocating is the cutting of services, because one of the agencies will have to cut treatment for adolescent offenders, and advocacy services by both agencies will jeopardized.

Given that a department official bluntly said that it was not worth the money to send a child's therapist to court with that child, will the minister reconsider his policy of saving dollars on the backs of abused children?

MR. OLDRING: Mr. Speaker, let me make it very clear. Not one single dollar is being cut, not one. What this is about is making sure that those children in Edmonton and region that need services on a timely basis are going to get services on a timely basis, and . . . [interjection]

MR. SPEAKER: Order please. [interjection] Order, Edmonton-Avonmore. You asked the question. You cannot shout back and forth.

MR. OLDRING: Mr. Speaker, previously services were being made available through three or four agencies in the city of Edmonton. Now services are going to be made available through all the agencies and corporations that are providing those services in the city of Edmonton. I think it's a very progressive step. Again, our focus is on children and making sure that they're getting the services that they need from professionals on a timely and appropriate basis, and there are other professionals in the community that are providing those services.

MR. SPEAKER: Calgary-Buffalo.

#### Access to Information

MR. CHUMIR: Thank you, Mr. Speaker. The Premier sounds like a 19th hole comedian when he joshes us about the information that's so freely available from his government. He's actually quite funny and obviously kidding when he tells us to put questions and motions on the Order Paper when last year two-thirds, 169 in total, were flatly refused. For example, last year his government refused to answer the question that I put on the Order Paper about the cost of the Kananaskis golf course, the amount of rent and expense to the province with respect to the golf course: hardly state secrets. So I'm wondering whether the Premier will regale this House by telling us on what principle this information with respect to the Kananaskis golf course was refused to Albertans?

MR. GETTY: Mr. Speaker, those, I think the hon. member knows, are put before the House and the House decides.

MR. CHUMIR: Well, there you go again. What a joker; what a kidder.

I'm wondering whether the Premier would undertake this; that is, publish specific written guidelines for the release of this information and then appoint an independent commissioner to adjudicate disputes, perhaps even the ethics commissioner that we expect to be appointed under the conflict of interest guidelines. Let's get it pinned down.

MR. GETTY: Well, Mr. Speaker, the member's been here long enough to now about *Beauchesne* and the directions that are given. Surely if the hon. member is unable to frame a request in a way that convinces the House, that's his failure, not the rules' failure.

MR. SPEAKER: Well, I don't know what your supplementary is, but Recreation and Parks very briefly.

DR. WEST: Just supplemental, Mr. Speaker, to the answer. The hon. member has posed a question about information. I am aware that he has received the full information package from the private-sector operators of the Kananaskis golf course plus the agreements this summer, and he can look at that information. [interjections]

MR. SPEAKER: The Member for Calgary-Fish Creek. [interjections] Order. Order. The Member for Calgary-Fish Creek.

3:10

#### Fish Creek Park

MR. PAYNE: Another illustration of Alberta's buoyant economy came recently with the announcement of an imaginative new subdivision in the Calgary-Fish Creek constituency called McKenzie Town. Mr. Speaker, as exciting as this new announcement is, it unfortunately will exacerbate the very serious problem of access to Fish Creek park from the adjacent communities on the south side of the Bow River. To illustrate the problem: in the absence of a footbridge youngsters are biking along Highway 22X in order to reach the park, with the obvious risk of a serious accident. I'm wondering if the Minister of Recreation and Parks could advise the Assembly what he proposes to do to resolve this very serious issue.

DR. WEST: Mr. Speaker, the Member for Calgary-Fish Creek has certainly identified a concern that we have. He has a very unique situation in his constituency, one that we would all envy. Fish Creek provincial park is unique in that it's surrounded by total high-density residential housing, and it has about 2,000 acres of beautiful wilderness for recreational activity. What we're doing is looking now at the design, the cost, and the site of a footbridge to allow some 3,000 residents from the McKenzie Lake area and their children to access Fish Creek park. We're looking at a site on the Bow River that's opposite where the Burns Ranch homesite used to be, but in looking at it we have to also consider the financial costs, the budgetary implications as we look at our fiscal responsibility.

MR. PAYNE: Well, Mr. Speaker, on behalf of those 3,000 constituents to whom the minister has referred, can he put a time frame on his analysis of the data and a time frame as to when these capital initiatives might be expected by those constituents?

DR. WEST: I can't give an absolute time frame for the capital initiative directive, but we in the department are now working at the site. We have met recently with Carma, the developers in the area, and we will be meeting with the city of Calgary. I'm going to put together a package and be back to you in a two-month time frame.

MR. SPEAKER: The Member for Edmonton-Belmont.

### Minimum Wage

MR. SIGURDSON: Thank you, Mr. Speaker. On Monday in the Assembly the Minister of Labour said that the government hasn't got any plan to raise the minimum wage but that the government is indeed reviewing it. The last time the minimum wage was raised was in 1988. They took a 70 cent an hour increase, but it took eight years of government review to go from \$3.80 an hour to \$4.50 an hour. I would ask the minister: can you at least advise the Assembly what standard you will use when you set the minimum wage this coming time? Will it be the consumer price index, the average industry wage, or WBTU, which stands for "whatever business tells us"?

MS McCOY: Well, it won't be WNDTU, whatever NDs tell us.

Mr. Speaker, once again the right question is not being asked. Once again there is a formulaic approach, a simplistic approach, attempting to reduce a very serious question of minimum wage and what appropriate level might be set into a simple A plus B equals C kind of response. The minimum wage is one of those pieces of the overall social security net, and it has to fit into the web that is established. One of the things that we have to consider, of course, is the overall economic strength of Alberta. I'm pleased to say that at the moment and for the foreseeable future Alberta does have and is predicted to have the strongest performing economy in Canada, but there are other aspects that need to be factored in as well.

MR. SPEAKER: Thank you, hon. minister. Let's go with the supplementary.

MR. SIGURDSON: Thank you, Mr. Speaker. I didn't know that I was on *Jeopardy!* or that I was going to get a lecture on the A plus B theorem.

It seems that every time we ask for a review of the minimum wage, we get a commitment from the government that it's going to be reviewed, and we never know when that's going to take place. So I'd ask the minister: will she at least commit to the Assembly today to bring to the cabinet a suggestion that there be an annual, legislative review so that the working poor of Alberta can find out who's on what side on this issue?

MS McCOY: Mr. Speaker, I am committing to the Legislative Assembly that the matter is under review, including process.

MR. SPEAKER: Calgary-McKnight.

### Family Violence

MRS. GAGNON: Thank you, Mr. Speaker. Earlier this week the chairperson of the Mayor of Calgary's Task Force on Community and Family Violence submitted a report in which he said, and I quote: it is the provincial government that has been a disappointment; there was not an organization that came to us that didn't speak to the problem of either underfunding,

cutbacks in funding, or lack of funding; sexually abused children, battered women, and male batterers seeking treatment go without help. To the Minister of Family and Social Services: given that there are inadequate treatment facilities, does the minister have a plan which includes increasing the number of spaces to provide counseling and treatment for abusers both before and after court appearances?

MR. OLDRING: Mr. Speaker, I'd want to point out a number of things. As the Member for Calgary-McKnight knows, it's an issue that crosses the boundaries of a number of ministries. As I've said in this Assembly on many occasions, these ministries are working very closely together to resolve some of the outstanding issues. We have an interdepartmental task force that is addressing it.

I'd also want to comment on the mayor's report itself. As the member knows, there are over 60 recommendations in there. I've taken the liberty of contacting the mayor's office to thank him for undertaking the initiative of a review of family violence in the city of Calgary and to indicate to him that we as a government are very anxious to work with him to find some long-term and meaningful solutions. We've made it very clear all along that it's important for all levels of government to work together on this. It's important for all levels of government to work with community agencies and individuals. We've made some meaningful progress, and we're going to continue to make meaningful progress through a joint effort.

MRS. GAGNON: Thank you. Mr. Speaker, I'm very pleased that the minister will be co-operating with the mayor's task force.

Section 7 of the report deals specifically with child abuse, and in this regard I'd like to ask the minister: what are you doing today to provide counseling for traumatized and broken children? These children cannot go without help any longer.

MR. OLDRING: Well, again, Mr. Speaker, certainly I'm responsible for children that come under the mandate of the Child Welfare Act. I can only say to the Member for Calgary-McKnight that in those instances we're making sure that services are provided on a very timely and effective basis, and we'll continue to do that.

MR. SPEAKER: Edmonton-Meadowlark, followed by Edmonton-Beverly.

### Stumpage Rates

MR. MITCHELL: Thank you, Mr. Speaker. Despite the fact that this government has increased everything from taxes to health care premiums, the Minister of Forestry, Lands and Wildlife continues to refuse to raise stumpage rates above 1975 levels because, and I quote: all the industry right across North America is in a serious problem; we have mills in Alberta that are in a problem. To the minister: is the minister admitting that his government has committed hundreds of millions of dollars to loans, loan guarantees, and infrastructural support to a pulp industry that is in serious trouble? Is this going to be the next NovAtel in this province?

MR. FJORDBOTEN: Mr. Speaker, I wish the hon. Member for Edmonton-Meadowlark would get up to speed and not give the same speeches he gave a year ago. If he were up to speed

with his facts, he would see a couple of things: number one, what has happened to stumpage rates in other provinces – for example, British Columbia, where they increased them dramatically – and the impact it had on their industry. There's a softwood lumber tax that increased the cost to the industry, and that softwood lumber tax is still in place. Also, we put in Free to Grow standards, which make the expense to the industry, their cost of doing business, even that much higher. I would only ask him to use a little common sense and think about it for just one minute. If stumpage rates are so low, how come profits aren't high in the forest sector? Right now we've had closures of plants and others that have been in difficulty with layoffs.

Our stumpage rates, I think, are fair and reasonable. I don't look at reducing the stumpage rates because of the industry problems, but you only have to look across this country, look at what's happening. Look at our stumpage rate in comparison with theirs, and you will say that it's very fair.

3:20

MR. MITCHELL: Mr. Speaker, could the minister please tell us how a company like Alberta-Pacific could project annual revenues of \$700 million to \$800 million while paying Albertans only \$7 million, less than 1 percent, for the trees that they will use to create these revenues?

MR. FJORDBOTEN: The premise on which the hon. member always bases his question in my view is suspect. I don't know where he got his numbers from. I think that he uses the price of a tree on a stump when it's standing. It's not the same price as what it is stacked in a yard. Mr. Speaker, I can't figure out his convoluted economics. If he would provide that information, I'd be happy to give him an answer.

#### Point of Order

#### Allegations Against a Member

MR. SPEAKER: Point of order, Career Development and Employment.

MR. WEISS: Thank you, Mr. Speaker. I rise on a point of order, and I would cite many citations or violations, in particular if one were to refer to Standing Orders of the Legislative Assembly of Alberta under 13(4), 23(h) and (j). I could further follow up under *Beauchesne* 333, 334, 346, and 491. For the purpose of my point of order I'll focus on Standing Order 23(h), and I would quote, "makes allegations against another member."

The hon. Member for Westlock-Sturgeon stated that I was crazy. I may be, and it may be the member's wish, and I don't have papers to say I'm not, Mr. Speaker. The comments were made in reference to a statement I presented to the Assembly in reference to jurisdictional powers given to the province of Quebec by then Prime Minister Pierre Elliott Trudeau. The member's remarks, Mr. Speaker, would imply that I misled the House.

I certainly will abide by your ruling, Mr. Speaker.

MR. SPEAKER: The Chair will take the matter under advisement and will review the Blues.

head:

#### Orders of the Day

[On motion, the Assembly resolved itself into Committee of the Whole]

head:

#### Government Bills and Orders

head:

#### Committee of the Whole

[Mr. Schumacher in the Chair]

MR. CHAIRMAN: Order in the committee, please. If it's agreeable with the Committee of the Whole, we have three Bills to be dealt with this afternoon: Bills 16, 17, and 18. Are we going to deal with these together or individually? What's the will of the committee?

AN HON. MEMBER: One at a time.

MR. CHAIRMAN: One at time? All right.

#### Bill 16

#### Appropriation (Interim Supply) Act, 1991

MR. CHAIRMAN: Any questions, comments, or other concerns with regard to that piece of legislation?

The hon. Member for Edmonton-Kingsway.

MR. McEACHERN: Thank you, Mr. Chairman. I had a number of questions during the general debate that we had the other night and asked a few more yesterday. Of course, so far we haven't had any answers yet. In fact I thought it was quite amusing; the Treasurer kind of caught himself out in his procedures last night. He didn't bother to reply to us on the reading, first, of Bill 16, and he didn't bother to reply to us on the reading of Bill 17. He thought he would do it all on Bill 18 and of course found himself out of order and not able to answer some of the things that had been said about Bills 16 and 17. Of course, given the kind of answers that he was going to give anyway, just so much talk and no real substantive answers to the information we were asking for, we really didn't lose anything. But it was funny to see the Treasurer sit there in silence and then preempt himself from being able to wax eloquent, as he had the night before, with a whole lot of garbage about the opposition that he usually does.

In any case, today what I want to raise is an interesting problem. If you look on the last page of Bill 16, page 12, you'll see the Treasury Department has certain categories. The second category says Revenue Collection and Rebates. It puts me in mind of something I've been wondering about in connection with the AGT privatization and the subsequent NovAtel fiasco, so I wanted to ask the Treasurer some fairly important and serious questions about that.

First a little history. He did start out, as I recall, in his budget speech in 1990 and insisted that he really had foiled the opposition and had fooled us entirely, that there was not a thing in his budget that would indicate that the government had any intentions of selling off any of the assets of the province and using that to reduce the deficit. He said: that's what you said we were going to do and we didn't do it; ha, ha, ha. I remember him standing there crowing.

Now, funny thing, Mr. Chairman. We weren't even through the session yet, and guess what? All of a sudden the Premier and the Minister of Technology, Research and Telecommunications are standing up and saying: we're going to sell AGT. And guess when the first offering was made? In September of 1990. And guess what the minister and the Treasurer started to say almost immediately? Oh, this is a great idea; it'll put \$300 million back in the Treasury; it'll get \$600 million back into the heritage trust fund. Now, this \$900 million – I think the final



figure ended up \$850 million and something. Anyway, this huge sum of money wasn't really going to change the books of the province, because as a debt of the AGT company to the heritage trust fund it really didn't matter very much what form it was in. It was guaranteed, and there would be no problem with it anyway. The sale wasn't really going to change the books of the province.

Now, if the Treasurer did actually take \$300 million of this sale and put it into the Treasury side of it, it would make the General Revenue Fund look a little better, Mr. Chairman. However, it sort of served the government right in a way, although unfortunately it's the taxpayers that pick up the problem. I'm wondering if the Treasurer ever collected that \$300 million, or if he did, how long he's had it. You have to consider that it wasn't too long until we had to buy back Telus. Guess where that money came from? Some \$160 million.

AN HON. MEMBER: Tell us.

MR. McEACHERN: I will.

Another \$15 million for some kind of management agreement over a couple of years. So there was \$175 million back out of his \$300 million.

Now, subsequently, only a few months later, in spite of the fact that this government didn't seem to know anything about what the heck was going on with NovAtel, we end up with a \$200 million loss, which we had also promised to cover in a blind manner, with no idea how big a blank cheque we had given this company. We just said that we'd pick up all the losses. The questions that the Leader of the Opposition was asking today were very pointed and very important to be answered, but of course we didn't get an answer. Why did they commit us with a blank cheque to whatever the losses of NovAtel might turn out to be in 1990? There was evidently no information that was accurate or that told them what was going on.

So I guess my question to the Treasurer is: has any portion of this \$33 million of revenue collection or rebates that you're talking about there been collected, or is it going to be collected, or is this expenses that you paid to try to collect? What relationship does this have to any revenues we might have got out of the Telus sale into the General Revenue Fund of the province? That's my question to the Treasurer.

3:30

MR. CHAIRMAN: The hon. Provincial Treasurer.

MR. SIGURDSON: Did he respond?

MR. JOHNSTON: I did.

MR. McEACHERN: What did you say?

MR. JOHNSTON: I responded.

MR. McEACHERN: What did you say?

MR. JOHNSTON: None, Mr. Chairman.

MR. CHAIRMAN: Thank you.

The hon. Member for Edmonton-Belmont.

MR. SIGURDSON: Thank you, Mr. Chairman. Last evening I had the opportunity to stand up and speak during second reading about some of the programs that we were approving.

I was hoping to get a little bit of information last night. Unfortunately, the opportunity wasn't taken to respond to the questions that I have. The questions still stand.

Here we're being asked to approve a number of millions of dollars for the Department of Labour, yet I noticed that in the Department of Labour's request for interim supply there are a number of changes that certainly are different from last year in terms of the vote as they would have gone through.

MR. JOHNSTON: The changes are different, or the vote is different?

MR. SIGURDSON: The change of the vote is different, yes. I've just sent some stuff out, some photocopies, and it's just been returned.

Last year Labour Relations was in vote 2; this year it's Work and Safety Standards. Last year we had in vote 3 General Safety Services; this year we have Work and Safety Client Services. There's a major difference between all of those. If I look at General Safety Services for last year, approximately \$15 million – almost \$16 million was expended over the course of the year – yet in vote 2 for this year, Work and Safety Standards, we're only spending \$1.2 million. So I have some concern about that amount of money being expended. If this is to cover I don't know how long a period of time – I'm not sure. Still, a major change in the vote and it just doesn't seem to have the same carryover from last year. So if the Treasurer could provide me with an explanation in that department, I'd appreciate that information.

MR. JOHNSTON: Mr. Chairman, we have not made any substantive changes to the funds allocated to the Department of Labour, but from time to time we do make internal adjustments to better align the resources with the kinds of programs that are delivered by the particular department. The member should not read anything into these changes. The minister will be available during the budget estimates to explain, but I can assure the member that there are no substantive changes to the way in which programs are delivered, resources are allocated. The broad policy of Labour has not changed at all.

MR. SIGURDSON: Well, with respect, as I look at it, the other number of votes that are contained in the department are very much the same. Here we were asked to approve something that, to me at least, shows that there's going to be a great deal of change. If we're talking about general worksite safety, if we have a reduction in spending, then we've got a problem there. Our record of jobsite safety hasn't increased so well that workers aren't being injured and being referred to the Workers' Compensation Board these days. If what the Treasurer is telling me is that Work and Safety Standards are about to replace General Safety Services, then there certainly isn't enough money being spent in that area to cover jobsite safety.

Now, the Minister of Labour might on occasion be able to answer those questions, but if you recall last year's budget, the budget prior to that, the budgets going back to 1986, we didn't even have subprogram breakdown. So to say that we're going to get answers at some point isn't very good, and to say that with the change in program, that as I see it really isn't a change in program – I'm sorry; it just doesn't wash. This is a very important issue, and I believe that we ought to have more information before the Assembly endorses this expenditure.

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

MR. McEACHERN: Yes, Mr. Chairman. I was just interested in the Treasurer's answers to my previous question. He said that number 2 under Treasury, this \$33 million to do with Revenue Collection and Rebates, had nothing whatsoever to do with any of the money in or out of the General Revenue Fund, which the Treasurer is in charge of, in terms of collecting that possibly \$300 million out of the original sale of Telus shares. It rather puzzles me a little bit.

Given that the government took the word of certain auditors back in September about what the prospects for NovAtel were; given that was proven wrong right at a very embarrassing moment, in the middle of the sale; and then given that we were given some numbers on January 11 about the end of the year condition of NovAtel that led us to believe certain things, I think some \$33.6 million error instead of a \$21 million error as had been claimed on September 23: given that kind of information from auditors and management of Telus, then I don't understand why this government has not, if they're going to take control of NovAtel, and we certainly own it now, put some senior officials to work or hired some lawyers or accounting firms or somebody to get to the bottom of the problem. Obviously, either the government was lied to by some of these people or else the government just didn't understand or ask the right questions, because that loss turned into a \$204 million hemorrhage.

So I can't understand why at least part of the \$33 million there under Revenue Collections and Rebates isn't attributed to the lawyers or accountants or management of Treasury going after some of these people. Maybe it shows up in number 3, Financial Management, Planning and Central Services or something, but surely some of the funds needed by Treasury in the early part of this year should be geared toward getting on top of this incredible situation with NovAtel and putting people onto that problem and saying, "What is going on there?" So for the Treasurer just to say that these estimates have nothing to do with the NovAtel/Telus story seems to me rather incredible.

If that be the case then, would the Treasurer mind telling us where this money is going to come from? I'm sure Telus isn't paying it, this partly privatized corporation. I'm sure taxpayers are the ones who are going to pick up the losses. I'm sure the taxpayers are also going to pick up the cost of lawyers and accountants and management officials in Treasury who have to now get on top of this situation and try to sort it out. For the Treasurer to deny that seems to me rather weird. If he hasn't got people in there now working on this in this first third of the year, which this interim supply is supposed to cover, then I say the government is totally remiss. Where are they? Where are the people looking after the Alberta taxpayers' dollars? Have they just totally abandoned them as they have abandoned the users of telephone services of AGT? That's my question to the Treasurer.

MR. JOHNSTON: Mr. Chairman, the member asked me if in fact a specific vote included dollars for the collection of Telus. Presumably he was talking about either the legal or the administrative costs attached to Telus. The answer to that is no. If he had gone on to say "Are there dollars in that particular subvote to deal with the collection of the second installment?" still the answer would be no. If he wants to make any kind of muddled argument about the management of Telus, well that's a fair argument, I suppose, but with respect to Telus, NovAtel, or AGT Commission there are no dollars allocated in the Treasury Department for any of the things that he's mentioned.

That does not mean that Treasury does not monitor and obviously is concerned about the size of the losses in NovAtel.

For me to say that I wasn't would be, of course, illogical. To say that I'm not concerned would not be accurate. To say that we're not certain as to how we're going to display the losses would in fact be true because we haven't come to that conclusion yet. Yet I don't think the member should read anything into this particular disclosure. I can assure you that if he would like to ask me questions specifically about Treasury's role in the NovAtel administration, I'd attempt to answer those. To be specific, in that particular vote and in fact throughout Treasury there are no dollars which I would earmark for NovAtel.

3:40

MR. McEACHERN: Then I would ask the obvious question. For one thing, surely the government is going to spend some money covering the \$204 million loss. They may already have covered it for all we know, in terms of actually physically paying the bill; they may not have, but surely in the first quarter to a third of this year, which this interim supply Bill covers. Where then in this – I suppose it could come out of Technology, Research and Telecommunications instead of Treasury, but it really does amount to being out of the taxpayers' dollars. So perhaps the minister would be kind enough to tell us which department is going to pick up the costs.

MR. JOHNSTON: Again I have to ask the member to be more specific. What cost is he referring to?

MR. McEACHERN: I guess we could break it down into several parts. It seems to me there's the \$204 million loss that we have to pick up. Okay? I guess along with that, of course, there is the \$175 million that we paid to get the company back. Maybe you never had to actually put a lot of that out because you hadn't got the \$300 million into your coffers in the first place, whichever department it might be. So there are those kinds of costs associated with the takeover of NovAtel from Telus. Okay? Where do they show up in this interim supply Bill?

There are also costs associated with lawyers, because I'm sure he'd have lawyers involved in this, and accountants and senior management of either Treasury or Technology, Research and Telecommunications or maybe from Economic Development and Trade, I don't know, but from some departments of government involved in sorting out what really happened with NovAtel, why it went this way, and what we're going to do about it. It surely is going to cost the taxpayers – hence the government then, or the government hence the taxpayers: whichever way you want to say that – quite a lot of dollars. If this interim supply Bill is going to take us through the first few months of this fiscal year, it would seem to me there will have to be dollars allocated to do that. I realize that some of the losses that we may not know about may have occurred between December 31 and now, but that's part of the previous fiscal year and, I guess, could be added, then, to the \$204 million loss if there are some problems there we don't know about.

So there are several categories: the losses of the company that have to be covered; the price of the company; there's the cost of lawyers, accountants, and senior management of government from whatever departments have to be involved in sorting out the problem. Somewhere in the interim supply Bill will have to be money allocated toward working on that, and I guess I'm just asking where.

MR. JOHNSTON: Well, again I would say to the member that there were no dollars allocated in this interim supply for

NovAtel losses. This interim supply deals only with the program appropriations of the various departments, but since the member raises it, and I suppose it's legitimate to provide a bit of an explanation as to how the government could deal with it, then I will spend at least two or three minutes on that point.

I'm sure the member knows that in the estimates, usually after all the program expenditures are summarized, there is an item called Statutory Expenditures, Nonbudgetary Expenditures, and those items would include in particular interest on debt, certainly, and other kinds of assets which may be acquired or other kinds of statutory appropriations which are not necessarily program appropriations. Therefore, the government has all kinds of flexibility as to how it could (a) invest general revenue funds in the NovAtel assets or (b) fund the loss.

I can only say that we did not pay \$175 million for NovAtel. We have not judged how we're going to handle the loss at this point. NovAtel is presently owned by something called AGT Commission, and there are a variety of ways in which AGT Commission could be funded. So all of those are open for us in terms of our options, but there are no dollars in these interim supply votes designated specifically for NovAtel, NovAtel asset acquisition, NovAtel loss provision, and nothing specific for any of the legal or accounting fees that may be attached to our review or investigation of NovAtel.

The member should know that once you acquire a corporation, then you have control of that corporation. Presumably it would be also reasonable for some of the expenses to be paid by NovAtel since in fact it is the company itself that's in trouble, not the government and since in fact we're looking to the management team that's in place to solve the problem, not the government. Therefore, it's reasonable, if there is a problem within the entity itself, to seek the resolution of the problem from the entity itself and from resources which the entity has.

Mr. Chairman, if there are any moneys associated with NovAtel in the interim supply estimates, I don't know about it. I can tell you that as far as I understand it, there is none, zero, nothing. We are in the process of handling our purchase of NovAtel in a different fashion. We have not yet concluded how we'll handle the loss, but I would expect that we'll take the loss in the current fiscal year, '90-91, and it also would be a statutory appropriation because it's triggered by an indemnity or triggered by a guarantee.

MR. McEACHERN: I thank the Treasurer for that response. I would just suggest that the statutory route would be a rather interesting one. It seems to me that the government, if I recall right, put out an order in council indicating that they would pay the \$175 million for the company. Now, an order in council then would, I believe, not fit under statutory obligation but would later show up in the budget estimates, the final Bills where you do last year's overexpenditures, orders in council, along with the new budget. So you may find that some of the dollars will show up there; I don't know. In any case, the statutory obligation, I think, really rests on an obligation made by this House, not by the cabinet but by this House, from one year carried over to the next year or some future year generally. Is that not the definition of a statutory obligation? I don't think the cabinet, halfway through a year, by guaranteeing to cover losses should be able to put that into statutory category. I think it should have to come back to the House and ask this House to approve that expenditure.

MR. JOHNSTON: That's not how it works.

MR. McEACHERN: No?

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

MR. CHUMIR: Thank you, Mr. Chairman. Several days ago in the motion with respect to interim supply the minister invited questions, and I quote, "within the context of not providing full information." He's now had two days to contemplate and seek information with respect to those questions in order to if not answer at least creatively not answer those questions instead of simply ignoring them, so I would ask the minister whether we can hear some comment with respect to the I believe it was 300-plus questions that I quickly tabulated were asked that evening.

However, perhaps I might just briefly get into one question that is somewhat within the province of the minister. For some reason this government has indicated that heavy-duty big-money guarantees can't go out without the Provincial Treasurer's signature, although I would have thought that they'd have learned their lesson long ago in light of the problems we've been having with our guarantees. It's quite clear that these have been very, very costly to the people of the province of Alberta. Last year the Minister of Economic Development and Trade, in a moment of guilt perhaps, made a public statement to the effect that the government was going to be winding down its use of guarantees. Contrary to that we've seen that continue with respect to many of the forestry developments, Centennial packers, and so on. I'm wondering, in the context of inquiring about these expenditures under the Department of Economic Development and Trade, whether or not the government is going to continue with its policy of heavy-duty involvement in business through providing such guarantees with backing by the public Treasury.

3:50

MR. JOHNSTON: Mr. Chairman, the notion of guarantees, of course, I agree is an alteration to the normal market forces and does provide a particular player in the field a marginal advantage. There is no question about that. Yet it is a significant policy tool for governments to respond to a particular need to allow the economy to move through the so-called factor level of production into a more enhanced level of manufacturing. Whether it's in a new area, whether it's in a traditional form, these are important tools which governments can use to in fact trigger new investment and trigger new jobs. All of that wrapped together is in my mind a good formula for new economic growth, for a broad-based economy, for opportunities for young Albertans, and for a high real economic growth rate.

Now, it's easy to pick up and say that guarantees have been a mistake and to point the finger, the index finger usually, at the government and say, "Boy, I would never have done that." Of course, the proof is in the pudding. We admit there have been some losses, but at the same time I think it's only fair to show that the economy has diversified, is in very strong economic shape. We have high economic growth rates, high investment rates, new immigration into the province, high retail sales per capita: probably the only province in Canada with that kind of a profile. Part of that is because we made a clear decision to get involved and ensure that the economy started to percolate and to grow and to diversify, and the economic results are confirming the wisdom of that decision.

The member also points out that there are some problems. Sure there are some problems. Let's remember, though, that if he's against guarantees, then he's against over \$2 billion worth of guarantees going to the agricultural sector. I know that the

Liberals have an urban policy only and do not know how to deal with rural Alberta. You saw that in their hospital position certainly, and now you're seeing it when they reject the need for guarantees for rural Alberta. [interjection] Well, that's exactly what they're doing. That's the way in which they're trapped in their own rhetoric, Mr. Chairman. Now here goes Wheelbarrow Larry, or is that Aurum Decore? I think it's Aurum Decore; that's who it is. They're trapped in their own mismanagement, because of course the largest amount of the guarantees goes to rural Alberta.

Now, the Member for Westlock-Sturgeon is particularly reticent today. Usually when he shouldn't be talking, he's yapping, and now when he should be up defending the agricultural policy, he's reticent, comatose in fact.

MR. FOX: He's asleep.

MR. JOHNSTON: Well, comatose is close.

The largest amount of the guarantees, Mr. Chairman, has been to the farming and agricultural sector to see them through this difficult period. That, I think, is what guarantees are for. It's to allow the economy to strengthen the agricultural side. In fact, the farming community has really prospered, I think, in a large sense as a result of those guarantees. It's interesting to note that in fact with the guarantees to the beef industry, we now see that the beef and livestock sector is producing as much if not more than the grain sector, because the comparative advantage which exists in Alberta is coming back to Alberta as a result of decisions we took to ensure that the economy is stimulated and brought back into context.

A second area of guarantees, Mr. Chairman, which presumably the Member for Calgary-*Buffalo* does not support, is to the students of this province. A very large amount of guarantees goes to student loans. Well, I always thought that was a reasonable policy: provide some guarantee to the future flow of the students' income so they could get access to our colleges. We believe in access to the colleges and the university system, and that's why the student loan program, with the guarantees attached, provides that kind of ample opportunity. We make no apologies at all for that kind of a program, because we think education is one of the foundations of this great province, its economic growth and its strength, and certainly a priority in terms of the interim supply and the budget policy itself.

Another area, of course, is small businessmen. Well, there are a lot of guarantees out there to the small businessmen through the 9 percent small business loan, close to \$750 million at one point. It was a blowout. People wanted that money. They restructured themselves internally, had an opportunity to generate jobs, make it through the '86-87 recession, and continue to prosper.

I can only conclude, Mr. Chairman, that if you do not want guarantees applied to small business, then, as is traditionally the case, the Liberal Party must be the friends of big business. That's always been their history, and it's simply being confirmed here again today. We think that big business has a place, but we want to ensure through the use of guarantees, a large number of guarantees, that small businessmen have ample opportunity to prosper in this province.

[Mr. Jonson in the Chair]

Those are the ways in which the guarantees have worked. We've used them in a variety of ways. As I say, the largest amount is to agriculture. Student loans are involved there as

well. Small business is in there, and forestry to some extent has a fair chunk of the money.

One of the interesting success stories in the economic development portfolio is in export loans. Now, the export loans allow a small businessman here in Alberta, secure against the sales contract offshore, to go to his bank and to the government and say: "You know, we've got a little working capital problem. We've got to build inventories. We've got the contract secure; we just need a little help to get over the edge so we can build up our inventories." Real investment, Mr. Chairman, real investment. So the export guarantee loan is put in place. Guess what the loss ratio has been on export loan guarantees over the course of the past five years? What has the loss ratio been? Less than 1 percent loss ratio on export loan guarantees.

This Member for Calgary-*Buffalo*, unknowing as to what he says as usual, unwary of the consequences of his fallacy and his arguments, has stepped right into the abyss again.

AN HON. MEMBER: That's not all he stepped into.

MR. JOHNSTON: Well, if we'd been under Agriculture, we could have had something else for him to step in, but he stepped into the abyss. He was on the edge of the precipice and took one bold step forward, Mr. Chairman. That's the kind of thing those people over there in their narrow point of view, desperate for some way to criticize what the government is doing, not liking the way in which this economy is prospering and strengthening and growing with new jobs, new investment, economic opportunities rampant across all parts of the province, are trying to find some narrow way to criticize the use of one of the very few tools that the government has to generate new investment, new job opportunities, and economic prosperity. It's a shame that that party has come to that point. It's a shame that the Member for Calgary-*Buffalo*, usually somewhat levelheaded in his thinking, has found himself embroiled in this particular intellectual trap from which there is no escape.

That's the way it is, Mr. Chairman. We will not back away from guarantees. We're always careful about it – always get our fee, always ensure we've got the backing of assets – but it's a very important economic tool that's working. It is working and will work, and we're going to continue with it.

MR. DEPUTY CHAIRMAN: The Member for Vegreville.

MR. FOX: Thank you. I just wanted to pose a question today that I asked the other day, and I know it may have caught the Minister of Culture and Multiculturalism somewhat unprepared. I would just like to know if there is any money in this interim supply budget proposal in his department that provides establishment funding for the Northern Lights regional library system and the construction of a new headquarters.

MR. JOHNSTON: Mr. Chairman, when it comes time to fully debate the budget, the minister of culture will in fact provide for you these questions. But as I said before, the issues of new programs, new initiatives, changes, or significant announcements must be deferred until after April 4, in which case you will have an ample opportunity to pursue all the details of an estimate. You'll have more than enough opportunity to discuss it here in the Legislative Assembly.

As I said before, you must consider that the dollars which are now being requested as interim supply are simply to stabilize and continue the so-called level playing field of government expenditures so that hospitals can continue, schools can continue,

universities can continue, and we can pay the fees of those people in the civil service. Other than that there are no new announcements or no new programs with the exception of the one that I did note two days ago in this request for dollars.

MR. FOX: Mr. Chairman, the problem with the Provincial Treasurer putting the muzzle on the Minister of Culture and Multiculturalism and not allowing him to answer that question is that . . .

MR. DEPUTY CHAIRMAN: Hon. member, you were not recognized.

MR. FOX: The microphone was on.

MR. DEPUTY CHAIRMAN: The Member for Calgary-Buffalo.

4:00

MR. CHUMIR: Thank you. This is getting to be somewhat of a chopped up debate, Mr. Chairman, like chopped liver. But let me say that to the extent I might be remotely concerned about the Provincial Treasurer's spectacular misstatement of my position, that concern is totally obviated by the recognition that nobody pays any attention to what the Treasurer says in any event.

Now, whatever the role for provincial government guarantees may be in a range of areas, and there is indeed a role for them, the reality is that if the Treasurer is listening, every thoughtful businessman in this community and every chamber of commerce that is making representations to this government is telling this government that the way they're doing things is wrong. The fact is that the failures and the problems have so overwhelmed the successes of this program that the program has been discredited and it's time for a review.

Now, let me move on to ask one specific question. Let me make another futile gesture, Mr. Chairman, and ask one more question. Presumably it be may under the Department of Agriculture, but it relates to a guarantee undoubtedly approved by the minister at some point in time. It's a guarantee to Centennial packing company of Calgary. I believe it was a guarantee of up to \$25 million, and just recently it was converted to a loan. The terms of the loan haven't been released, as usual. However, a few comments have been made by ministers which would indicate that the loan is of a rather perpetual nature payable if and when out of profits and at fluctuating interest rates depending on profits, if any. The concern one has is whether or not the government is contemplating any loss with respect to that loan this year and whether there's any provision in these accounts that we're being asked to approve with respect to such loss, if any.

MR. JOHNSTON: Mr. Chairman, what I've said already is that in interim supply there is no provision for so-called nonstatutory expenditures.

MR. DEPUTY CHAIRMAN: The Member for Westlock-Sturgeon.

MR. TAYLOR: Thank you, Mr. Chairman. I rise to ask a couple of questions. I was not so much lured out of my lair by the Treasurer when he referred to me as being comatose. Usually I only go hunting when I'm after bear, but this time I'll go after a sparrow.

With respect to the minister, he was talking about agricultural guarantees. I was under the distinct impression that of all things it had caused the government a great deal of trouble, not help. They had mentioned that the Liberals were in favour of big business and the government was of course helping little businesses like Cargill and Peter Pocklington and a few of the other small down-at-the-heel, elbows-out-of-their-shirt types that are wandering around Alberta, and having to give loan guarantees. But I was under the impression that it was a little bit like the village drunk: they couldn't stop at two drafts of guarantees; they had to go on and on and try to even up the score, and thereby there's a whole deluge of other companies that are actually competing with each other.

So I was wondering how the minister would argue that a loan guarantee – once you start out to Centennial, then Lakeside, then Cargill, you can keep going around in a circle to nearly anybody that got out a knife and butchered something in Alberta. The government was over there very quickly to offer them a guarantee so that they could look after their accounts and look after selling the products supposedly of Alberta. But shouldn't processing be a free enterprise market if there is one? Then how so did we miss a couple? Mind you, I think in the next week or so we may announce something. If indeed the guaranteed process for agricultural upgrading is working – and I don't see why we need it, because we're giving it to everybody equally – why has the Minister of Agriculture thrown himself on the mercy of the public and promised more or less that there would be no more guarantees, that this was the last of the run? In other words, if it's so good that we can now cancel the idea of doing guarantees for upgrading, that we've pretty well reached the end of our beef, chicken, goose, lamb, sheep, goat – whatever it is that the Minister often likes to indulge himself with on a Friday evening – guarantees . . .

AN HON. MEMBER: Sparrows.

MR. TAYLOR: Sparrows. I missed sparrows.

If it was such a good idea, why is now the minister responsibly apologizing and promising that there will be no more of it?

To get to a specific question, I notice Support for Marketing and Processing, \$5.3 million. Well, where is the money that is going to be going to Centennial, Lakeside, and so on? Where is that coming from? Is that somewhere else in the budget? Maybe you could tell me. That's my second question.

The other thing that was puzzling to me was Crop Insurance Assistance. If this is only to go on for three or four months, the crop insurance assistance should have been paid last year. I mean, actually in Alberta, even in the minister's constituency of Lethbridge, the crop is off in September, October and will not be on again till July or later. I was just wondering how he could explain that. I'm not saying any criticism; I'm just trying to find out some of the secrecy and the mysteries of the government.

Thank you.

MR. JOHNSTON: Mr. Chairman, again with respect, any provisions or decisions which the government may make to advance money by way of loans or investments are not covered by the interim supply. Those are appropriations which are not programmed; therefore, they're not attached to a department. As I explained I think a couple of times, those kinds of expenditures, whether they're on the investment side of the General Revenue Fund or whether they're to satisfy commitments under indemnities or guarantee calls, then of course they show up as

a special appropriation. They're just not a program with an appropriation.

There is capital, generally speaking, in the programs, but that capital is quite nominal. It's for desktop computers or desks, a very small amount of capital, so those kinds of investments or capital expenditures are not found in these particular budgets. They're not in these estimates, and they show up as a statutory appropriation or a nonbudgetary expenditure item at the very end of all the budget numbers. In there, as well, would be valuation accounts. If we have an asset which we acquired and it was written down through the year, that would also show up in the nonbudgetary expenditure side.

In the case of the Agriculture department with respect to hail and crop insurance specifically, it is my memory at this point, Mr. Chairman, to the Member for Westlock-Sturgeon, that we have not yet factored into these estimates any impact of the new so-called GRIP program or other changes in the integration of the hail and crop insurance with the GRIP program. Those kind of changes will be more fully detailed in the budget speech.

MR. DEPUTY CHAIRMAN: The Member for Westlock-Sturgeon.

MR. TAYLOR: Thank you, Mr. Chairman. Maybe just a misunderstanding. You were answering my question. I couldn't understand why you needed something as high as \$30 million in there, opposite to what . . . I agree that it shouldn't be factored in. So what is factored in to come in with such a big figure?

MR. JOHNSTON: Well, there's the cost of operations, including the high risk subsidy question as well.

MR. DEPUTY CHAIRMAN: Are you ready for the question?

HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill 16 agreed to]

MR. JOHNSTON: Mr. Chairman, I move that Bill 16 be reported.

[Motion carried]

**4:10**  
**Bill 17**  
**Appropriation (Alberta Capital Fund)**  
**Interim Supply Act, 1991**

MR. DEPUTY CHAIRMAN: Are there any questions or items of discussion?

The Member for Edmonton-Jasper Place.

MR. McINNIS: Thank you, Mr. Chairman. The Treasurer went to great lengths to explain under Bill 16 that there are no new programs or new announcements there. We have to take his word for it; he's an honourable gentleman, and I know that we can put great faith in the words of the Provincial Treasurer.

I'm afraid you can't say the same for the capital spending Bill, Bill 17. There's an item under the Department of the Environment called Construction of Special Waste Facilities. Now, that is a new program. That's a new expenditure; it's for a major new rotating kiln which is to be installed at the Swan Hills special waste treatment facility. I received in the mail earlier

this week a copy of the draft environmental impact assessment for that project, so I have all kinds of details about it. I'm not going to ask the minister to explain the EIA, but I would like the Minister of the Environment, who is with us today, to explain why this Assembly should be voting funds for a brand-new program we've never seen before when the environmental impact assessment hasn't been done. How can we allocate funds for a project that has not got the approval to be built? More importantly, and this is the question that really demands an answer today, there's some urgency: what's this facility for?

The Minister of the Environment is on record as saying that no decision has been made yet on the issue of importation of hazardous waste. Then he turns around and says, "Well we are prepared to accept some waste from Quebec on certain conditions, send an emissary down to negotiate a deal." He has many times talked in this Assembly about bringing in material from the north and dropping it off at Swan Hills, which I fully support. I think it makes a tremendous amount of sense to process northern waste in northern Alberta rather than transshipping it through to southern, more populous regions where we have the risk of accident and so forth. It doesn't make sense the other way around: to ship it up through the populous areas through other parts of the country or the United States for treatment at Swan Hills.

So I think the question needs to be answered today. When is the government going to get off the fence as far as the issue of importation of hazardous waste? Are we in fact voting funds today for a facility which is going to be used to destroy or process hazardous wastes from other parts of the country?

MR. JOHNSTON: I'm sure the Minister of the Environment would like to add to that, Mr. Chairman, but let me just make one point. We have to make provisions for some expenditures in the budget in this interim supply. Whether or not you call into question their focus, the policy question, is another issue, and the member has done really that. He's brought a broader environmental concern into this debate, perhaps appropriately so, but it doesn't really impact on the dollars that are invested here. I know he will say that it does, but in our mind it doesn't.

MR. KLEIN: Mr. Chairman, first of all I would like to state emphatically that the expansion program at Swan Hills is to accommodate Alberta wastes. Indeed, in a speech about six or seven months ago in Calgary, I made it quite clear . . .

MR. DEPUTY CHAIRMAN: Order please, hon. minister. I hesitate to interrupt, but the rules request that you address the Assembly from your place in the Assembly.

MR. KLEIN: I'm sorry. My hon. friend here is on my right not my left. Now he's on my left.

Mr. Chairman, I stated emphatically at that time that the expansion was to accommodate Alberta waste and that if indeed there is to be a discussion on the importation of waste from other jurisdictions, no decision would be made until Albertans were consulted fully and completely relative to their thoughts on whether or not we should receive waste from other jurisdictions. This was not initiated by the province of Alberta. This was initiated by environment ministers from places such as British Columbia and Saskatchewan, Manitoba, the Northwest Territories, Yukon, and, indeed, the province of Quebec.

As the hon. member might recall, indeed it was a resolution of this government that we would accept on humanitarian grounds PCBs from Quebec, particularly those PCBs that were

rendered harmful through a fire at St.-Basile-le-Grand. About two years ago when both of us were new to this Legislature, I can recall participating with the hon. member at a forum at the University of Alberta. He agreed with me at that particular time that on humanitarian grounds we should accept those PCBs from Quebec, we should be good Canadians and help our fellow Canadians in times of difficulties. I would just like to remind the hon. member that he fully supported me. As a matter of fact, the hon. Member for Edmonton-Meadowlark who is not here today argued against that, and the hon. Member for Edmonton-Jasper Place sided with me and agreed with me that we should accept those PCBs.

Notwithstanding that, Mr. Chairman, I would like to assure the Assembly that the expansion at Swan Hills is absolutely necessary to accommodate the tremendous backlog and the continuing supply of toxins that are now trapped in solids. The expansion is simply to accommodate a process whereby we can destroy the contaminants that are now trapped in solids.

Mr. Chairman, you and the Assembly may be pleased to know that as a result of the initiative and the leadership that has been provided by this government, we have now been able to destroy virtually all liquid PCBs in the province of Alberta.

MR. McINNIS: Well, Mr. Chairman, I think if I'm going to be quoted, I should at least be quoted accurately. What I said at the forum at the University of Alberta is that I would support taking the material from Quebec on humanitarian grounds subject to an important condition, which is that Quebec site its own hazardous waste treatment facility, because otherwise there's a trap. If you're going to be a humanitarian, you're going to take everybody's accidents. Everybody's unsafe storage situation is an accident waiting to happen, and sooner or later they're going to have accidents. There's going to be another humanitarian situation, another humanitarian gesture made, and nobody has to build their own facility. So that's a very important provision.

However, my question doesn't relate to a debate we had two years ago. It relates to a debate that's taking place right now in the province of Alberta. This government is prepared to consult with Albertans on all kinds of broad policy issues under the Alberta Environment's environmental protection and enhancement Act, clean air strategy. Now he's got another ball in the air, the Water Resources Act. You've got broad consultation and broad policy issues, but when it gets down to the nitty-gritty, to the guts of important issues, there's no consultation at all; there's manipulation.

We're going to have this issue out. We've got to have it out now before you spend the money to build the plant, because otherwise what you're going to do is build the plant and come back and say: "Well, we've got the plant. We've got to pay for it; now we've got to bring hazardous wastes in." It's another two-step; it's another manipulation. I think the government has to make a policy decision before the decision is made on the expansion. Otherwise, you're hiding half the agenda. That's what it is. You're not saying that we won't take hazardous wastes. You're not saying we will take hazardous wastes. You're saying we're going to talk about it later on. Meanwhile, there's a real-life decision being made to build the thing and a real-life Bill before this House that calls for 2 and half million dollars towards that. Now, we cannot be asked to approve that without having an answer out of this government. Are you for importation of hazardous wastes from other provinces or are you not?

SOME HON. MEMBERS: Question.

MR. DEPUTY CHAIRMAN: Are you ready for the question?

MR. McINNIS: Well, I'm not ready for the question, because now what we have is a minister refusing to answer the question.

MR. DEPUTY CHAIRMAN: Just a moment. Does Edmonton-Jasper Place wish to be recognized? Thank you. Edmonton-Jasper Place.

MR. McINNIS: I thought I was already speaking, Mr. Chairman. Do I need to start again?

Okay. Let's put the question one other way. I'm not going to belabour this point unnecessarily. How about this then? Let's put both issues, the issue of the expansion plan, which is a major expansion plan, and the issue of importation, to the Natural Resources Conservation Board. This is the body that was set up by the Legislative Assembly last year amid much fanfare from the government. I can agree to putting funds forward on a contingency basis as long as we have some assurance that there's a process where the issues will be dealt with before the money is spent. Otherwise, you know, we're asked to approve something that the Treasurer wants us to believe is not fait accompli; these funds are being budgeted in a contingency basis. Okay, if we're going to play it that way, let's put the issue to the Natural Resources Conservation Board. If they say yes on importation and on the facility, then the expenditure can go ahead and there's no problem with it. Otherwise, you're asking us for a pig in a poke. What about it? Send both issues to the Natural Resources Conservation Board.

4:20

MR. JOHNSTON: Mr. Chairman, you've already heard the Minister of the Environment answer this question. If you're going to establish linkages, the linkages are not there. These dollars are commitments which the minister explained. He's given a full explanation. There'll be ample opportunity to debate it more fully in the budget. In any event, we're going to bring \$2.5 million back into the new budget when it's presented on April 4. I can assure you that not a whole lot is going to happen between now and April 4 with respect to this expenditure. You've heard the minister. I think the answer has been given, and it's time to get on with the process.

MR. McINNIS: Mr. Chairman, there is no assurance whatsoever. I'm asking for the assurance that nothing will happen until the process is followed through, the process which was passed by this Legislative Assembly. If we have that assurance, there is no problem whatsoever; then the Treasurer can be taken at his word. The minister has never in my knowledge addressed the question of whether this project will go to the Natural Resources Conservation Board. He didn't do it today; he didn't do it the other day in question period when I asked him. Now is the time to do it, because there's money on the table.

MR. JOHNSTON: Mr. Chairman, with respect, this is a whole new set of conditions. Once we give you a point of view and answer the question, then he attaches another set of conditions to it. That just is not acceptable.

MR. DEPUTY CHAIRMAN: Are you ready for the question?

SOME HON. MEMBERS: Question.

[Title and preamble agreed to]

[The sections of Bill 17 agreed to]

MR. JOHNSTON: Mr. Chairman, I move that Bill 17 be reported.

[Motion carried]

**Bill 18**  
**Appropriation (Alberta Heritage Savings**  
**Trust Fund, Capital Projects Division)**  
**Interim Supply Act, 1991-92**

MR. DEPUTY CHAIRMAN: Speakers: the Member for Westlock-Sturgeon, followed by the Member for Edmonton-Kingsway.

MR. TAYLOR: Yes, Mr. Chairman. My question will probably be handed on to the Minister of the Environment, maybe with the same success as the previous questions. There's quite an item in irrigation headworks, \$17 million, and in addition, irrigation rehabilitation for over \$24 million. Would any of those moneys be used to do any work on the diversion on the Peigan reserve?

AN HON. MEMBER: That's one for question period.

MR. TAYLOR: It's not a question for question period. It's the budget. He's asking for money here with Bill 18. He's asking . . .

**Chairman's Ruling**  
**Decorum**

MR. DEPUTY CHAIRMAN: Order please, hon. member. If the Member for Westlock-Sturgeon wishes to continue his address, please do so, but do not converse with other members of the opposition. Please do so, or we go to Edmonton-Kingsway.

MR. TAYLOR: Thank you. I'm glad you pointed that out, because I don't like talking to them any more than you do. Now that you've given me an official reason, I will ignore them. [interjections] Now, look what I've done. I've stuck my finger into them, and it's just sort of like working up a bunch of baby robins. If you look at them, they open their mouth, and if you touch them, they do something else.

**Debate Continued**

MR. TAYLOR: Nevertheless, what we have here, Mr. Chairman, are two . . . [interjection] Now they want a wheelbarrow to carry it away. Oh, well.

Twenty-four million dollars for irrigation rehabilitation, and \$17 million for irrigation headworks. I'm just asking if the Treasurer would know, because he has his expert there, Mr. Chairman, whether or not any of these funds are going to be spent within the confines of the Peigan Indian reserve.

MR. DEPUTY CHAIRMAN: Hon. Provincial Treasurer.

MR. JOHNSTON: These are traditional appropriations which the Legislative Assembly has voted since 1975, when the first command upon the heritage fund for rehabilitation of irrigation headworks started. These are not unusual appropriations;

they're the continuation of existing commitments and, as far as I know, do not entail any additional expansion in terms of new ways in which the dollars can be expended. They'll be going to the irrigation districts. They'll be controlled by the normal appropriation. As a matter of fact, this discussion has been embarked on with the Minister of Agriculture on the overall irrigation proposal. These are simply routine commitments that we had made historically, and we are continuing with them.

MR. DEPUTY CHAIRMAN: The Minister of the Environment.

MR. KLEIN: Thank you, Mr. Chairman. My apologies to the hon. member. I thought he was referring in some way, shape, or form to moneys that were to come out of the General Revenue Fund and not the Heritage Savings Trust Fund. Had he made that clarification, I would have been glad to provide the answer.

It's the ongoing program, Mr. Chairman, as the hon. Treasurer pointed out, to rehabilitate the headworks and the main canals, and has nothing, absolutely nothing, to do with anything that probably will never happen on the Peigan Indian reserve.

MR. McEACHERN: We'll remember that, Mr. Minister of the Environment.

The question I want to ask the Treasurer. When the sale of AGT took place in September, or some 56 percent of it, the Minister of Technology, Research and Telecommunications, and indeed I think the Treasurer even said it, some \$600 million of what they thought was going to be \$900 million – I believe, if I remember right, the final figure was something like \$850 million for that sale of 56 percent of AGT – was going to go back into the heritage trust fund. Now, remember that this \$850 million was a value placed on some of the shares of the heritage trust fund. That money had been accounted for in the heritage trust fund as debenture money from the heritage trust fund to AGT, and it was therefore held as an asset on the books of the heritage trust fund.

Let's use the figure \$900 million because it's a little easier and it is the one they kicked around. If you sell \$900 million worth of those shares and then put \$300 million of it into Treasury and \$600 million of it back into the cash and marketable securities section, I assume, of the heritage trust fund rather than where it showed up before in the Alberta division of the heritage trust fund or under AGT debentures, then the heritage trust fund will show a \$300 million reduction in its value. That's my question to the Treasurer: is that the case?

I want to elaborate a little bit on that problem. It means that that magic number of \$15.3 million that the heritage trust fund has supposedly been worth since 1987 when we quit putting new money into it has actually dropped by \$300 million, I would assume. I want to ask the Treasurer if he would confirm that. I would like him also to confirm, because he wasn't in a hurry to show that on the books, if that is the reason we have still not been able to get the December 31 quarterly statement of the heritage trust fund. I've been bugging his office for two or three weeks now, and the only thing I got was the June quarterly statement and the March 31 one, which of course matched the annual statement anyway, and then the September one. But we've not been able to get the December 31 one. It would seem to me that the change should have shown up between September and December, so we would like very much to have the December 31 one. I wonder if his holding that back is sort of part of the same reason he's holding back public accounts: because he



doesn't want to tell us what's going on in the year before either. What's the secrecy? Why is it so hard to get this information out of the Treasurer, and will that magic number of \$15.3 billion for the heritage trust fund actually come down to \$15 billion because of the sale of AGT?

4:30

MR. JOHNSTON: I could certainly take more than an hour to explain the transaction, Mr. Chairman, but I note that the Member for Edmonton-Strathcona has returned to the Assembly. We're all anxious to hear what he has to say, and I'm sure he's just as anxious to get started, so I will not be an hour, Mr. Member.

I hate to disappoint the Member for Edmonton-Kingsway: in fact, the value of the heritage fund has gone up. Sorry to say, it's gone up. What has happened is that the value of the wise sale of Telus and the purchase of Telus in the private sector has spawned a new demand for the stock. The stock is now trading around \$14. The interim shares, or the installment shares, are trading about seven and a half dollars. As a result, Mr. Chairman, the heritage fund has made a significant profit on that transaction. In simple terms all we did was to take the debentures at their book value, divide by \$12 and come up with the number of shares that were then there, and simply pro rata sell off into the sale of the shares the number of shares necessary to meet the total Telus issue. The majority of the profits were in the General Revenue Fund because the General Revenue Fund essentially controlled the company, and the General Revenue Fund made, as I recall, something over \$300 million on that transaction. The balance of the value increase will be found in the Alberta investment division of the Heritage Savings Trust Fund.

Now there'll be no doubt in the member's mind, because when I told him before that the assets held in the heritage fund had a greater value than the book value, now I will have in fact a proxy to measure the value of the assets in the heritage fund, that proxy being the market value of the Telus shares as they trade on the Toronto Stock Exchange, and they have in fact increased. I think the minister of telecommunications remarked that over \$140 million had been made in the Heritage Savings Trust Fund now, and of course at any time, should there be an appetite in the marketplace, those shares could be sold, generating another profit for the Heritage Savings Trust Fund.

Well, Mr. Chairman, let me say, though, that that is outside the capital projects division. This appropriation Bill, this interim supply Bill, deals only with the capital expenditures, the special kinds of assets which are attached to the heritage fund. That is, of course, what we're dealing with here today.

MR. McEACHERN: A quick point or two. What the Treasurer seems to be saying is that the increase in value of the 44 percent still retained by the heritage trust fund is more than enough to offset the over \$300 million that went from the heritage trust fund to the general revenue account. That sounds like a pretty big exaggeration to me. Furthermore, I don't think the Treasurer is taking into account the fact that a lot of taxpayers' dollars were spent, like a hundred million of them, to make that sale. While it may well be that the shareholders are getting a heck of a good deal, the taxpayers of this province are being taken for a ride.

MR. JOHNSTON: Well, maybe I will have to take an hour, Mr. Strathcona.

The company was owned in the General Revenue Fund. The General Revenue Fund controlled the shares of the corporation. There were no shares held in the heritage fund. Therefore, all the profits essentially were taken in the General Revenue Fund. The heritage fund converted its debt to equity. Are you with me now, Mr. Kingsway?

MR. McEACHERN: Yes.

MR. JOHNSTON: We simply converted debt to equity, and we held the shares that weren't sold into the heritage fund. There were no \$100 million commissions. Wherever that came from, I wish you'd go back to the same blue-sky area, because there were no \$100 million commissions paid to anyone. That absolutely is nonsense. The net proceeds, the net benefits, the net profits were taken in the General Revenue Fund because it was the General Revenue Fund that owned the assets.

But again, Mr. Chairman, I must say specifically – and my patience is being pressed right now, as you can probably sense – that in fact these items can be fully discussed when the heritage fund is put forward. The dealings of the AGT sale, the NovAtel/Telus arrangement will be made as public as we can, but it's not part of the capital projects division, with respect.

What I am asking here is for interim supply for the capital projects division, which are the expenditures of special assets. The other balancing items will go through the legislative process. My colleague the Member for Cardston will convene the Heritage Savings Trust Fund committee of the Legislative Assembly. There'll be ample opportunity during review of the estimates, the 10 days that we have here, and even during question period, or other points of information can be provided to the member. But today we're dealing with the capital projects division interim supply, which does not deal with the AGT/Telus issue.

MR. DEPUTY CHAIRMAN: Are you ready for the question?

HON. MEMBERS: Yes.

[The sections of Bill 18 agreed to]

[Title and preamble agreed to]

MR. JOHNSTON: Mr. Chairman, I move that Bill 18 be reported.

[Motion carried]

MR. HORSMAN: Mr. Chairman, I move the committee rise and report.

[Motion carried]

[Mr. Jonson in the Chair]

MR. MOORE: Mr. Speaker, the Committee of the Whole has had under consideration certain Bills. The committee reports Bills 16, 17, and 18.

MR. ACTING DEPUTY SPEAKER: Having heard the report by the Member for Lacombe, all those in favour, please say aye.

HON. MEMBERS: Aye.

MR. ACTING DEPUTY SPEAKER: Those opposed, please say no. It's carried.

head: **Consideration of His Honour  
head: the Lieutenant Governor's Speech**

Moved by Mr. Paszkowski:

That an humble address be presented to His Honour the Honourable the Lieutenant Governor as follows:

To His Honour the Honourable Gordon Towers, Lieutenant Governor of the province of Alberta:

We, Her Majesty's most dutiful and loyal subjects, the Legislative Assembly, now assembled, beg leave to thank Your Honour for the gracious speech Your Honour has been pleased to address to us at the opening of the present session.

[Adjourned debate March 19: Mr. Severtson]

MR. SEVERTSON: Mr. Speaker, it's a great pleasure to rise this afternoon to respond to His Honour's Speech from the Throne. There were five challenges laid out in his throne speech, the first one fiscal challenge. The economy of this province is at the forefront of everybody's mind, and it is clear that much of the rest of the country is sliding into a recession. It is important to me and the constituents I serve that this government prepare itself for fiscal challenges facing the province in the future. It is clear that the government is maintaining the course to wise fiscal management. We are committed to making a government leaner and more efficient, and we will continue to work hard to eliminate our deficit and balance our provincial budget.

When I was first elected to the Legislature, two years ago today, the budget deficit was roughly \$2 billion. One year later we cut that budget deficit to about \$1 billion. We have kept our annual expenditure growth since 1985-86 to 1.8 percent on average, better than any other government in Canada. It is our policy of sound fiscal management that has given Alberta the healthiest economy in the nation, while the real growth rate for the Canadian economy this year is forecast at only .5 percent. Real growth in Alberta's rate is expected to reach 2 percent, and our unemployment rate is the lowest in the country, at a full 2 percentage points below the national average. That includes the number of Canadians that are moving to Alberta seeking jobs in this province.

4:40

Another success that is important to the people of Alberta is our effort to diversify our economy. In 1985, 43 percent of the provincial revenue came from oil and gas. In 1989 only 26 percent came from the oil and gas sector, with very little change in total revenue. Alberta has received \$3 billion in new investment in the manufacturing section, \$2 billion in the forest products industry, \$2 billion in the petrochemical industry. Real business investment other than energy climbed by almost 50 percent in the last two years alone. Tourism has grown to a \$2.3 billion a year industry that has the potential to overtake energy and agriculture as our largest provincial industry, earning some \$10 billion annually by the year 2000. In 1989 food processing and manufacturing was a \$4.5 billion industry. These diversification successes, coupled with sound fiscal management policies, have a spin-off effect that will greatly benefit the people of Innisfail and surrounding area.

Drilling activity is expected to increase by 10 percent; Shell's huge \$800 million gas processing plant in Caroline; Nova's \$1 billion pipeline expansion: all these things will have an effect on the Innisfail area and the whole province.

The social challenge, or the people programs. Mr. Speaker, in my two years at the Legislature all I have ever heard from the opposition is that we don't spend enough money on health care, hospitals, schools, advanced education, social services. The list goes on and on. [interjections]

MR. ACTING DEPUTY SPEAKER: Order please.

MR. SEVERTSON: Well, Mr. Speaker, the fact is that our expenditures on health and education amount to 50 percent of our expenditures, another 10 percent is on social services, and that amounts to about 60 percent of the spending. Then we have another 10 percent on our debt. So it's obvious that if we do not control our spending and stop spending more than we receive, our social programs in fact will be in jeopardy. We can't continue to be spending more than we have.

One fact that I would like to let the Assembly know: overall spending on health care for Albertans in 1990-91 is roughly \$3.6 billion. Total annual personal income tax collected plus all health care premiums collected do not cover the total health care for one year in Alberta.

Now, Mr. Speaker, last night the Minister of the Environment described the environment challenge. I would like to turn now to the constitutional challenge. Of all the challenges facing the government and the people of Alberta, the constitutional challenge is the most important and perhaps the most difficult, but we must meet that challenge. The future of our province and, indeed, the future of Canada is at stake.

I had the opportunity to take part in the constitutional task force committee which met in Calgary and in Edmonton and held round table discussions on constitutional reform. We heard opinions from a number of so-called experts from across Canada. These people disturbed me greatly. One held the view that it was not a matter of "if" Quebec would separate but "when" they would separate. Another thought Alberta and the prairie provinces would be better off out of Canada. Mr. Speaker, I do not hold these views. I am proud to be a Canadian and an Albertan, as I am sure you and all members of the Legislature are. I feel a great sense of pride when I see people like Kurt Browning standing on the podium singing *O Canada* or when Calgary hosted the 1988 Olympics and did such a great job. Also, I can remember watching on TV the opening of the ceremonies of the Montreal Olympics. Although I've never been to Montreal, I was very proud to be a Canadian that day.

Mr. Speaker, the government intends to establish a select special committee of the Legislature to conduct public hearings on our constitutional future. This committee will give Albertans throughout the province an opportunity to participate directly in determining our province's future. It's beyond my imagination why the Liberals won't take part in this important task. Quite frankly, I can't understand why they'll not want to listen to Albertans and what Albertans want to do in our new Canada. I'd hope that before the committee is struck, they'll change their minds, because as I said before, I think it's one of the most important challenges this government faces and all governments of Canada face today. I am looking forward to what Albertans have to say. The next few months will be demanding, but I am confident that Albertans will rise to the challenge and contribute towards a new constitutional vision for Canada.

Mr. Speaker, in closing, I would like to personally congratulate the new Lieutenant Governor on his recent appointment. He is a well-known and well-respected gentleman in my constituency. I have known and worked with the Lieutenant Governor for 25

years. He was my MP for 12 years, and he has dedicated himself to his community, his province, and his country.

Thank you.

MR. ACTING DEPUTY SPEAKER: Prior to proceeding to the next speaker, do we have unanimous consent to revert briefly to Introduction of Special Guests?

HON. MEMBERS: Agreed.

MR. ACTING DEPUTY SPEAKER: Opposed? Carried.  
Edmonton-Avonmore.

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

MS M. LAING: Thank you, Mr. Speaker. It gives me great pleasure to introduce to you and through you to members of the Assembly three residents of the constituency of Edmonton-Avonmore and family members of the hon. Member for Edmonton-Strathcona. They are Mr. Gerald Mortimer, father; Rod Chivers, brother; and Batya, wife of our newest member. I would ask that they please rise now and receive the warm welcome of this Assembly.

head: **Consideration of His Honour**  
head: **the Lieutenant Governor's Speech**  
(*continued*)

[Mr. Speaker in the Chair]

MR. SPEAKER: Edmonton-Strathcona.

4:50

MR. CHIVERS: Thank you, Mr. Speaker. Mr. Speaker and members of the Assembly, it's with a great deal of pleasure that I rise today to deliver my first speech, which is a speech in response to the Speech from the Throne. I'd like to begin by offering my congratulations along with the congratulations that have been voiced by other members of this Assembly to Lieutenant Governor Towers. I join with other members of this Assembly in congratulating His Excellency and offering him encouragement, support, and best wishes in carrying out his duties.

Mr. Speaker, if I might, I would like to begin by first acknowledging the difficult and complex task that is borne by the Speaker of this Assembly. I assure you that although I may not always appreciate your rulings and may accept them with less than an abundance of enthusiasm, I do recognize that it is a difficult role and I, as do all other members of this Assembly, depend on your guidance to keep order in the discussions, deliberations, and debates in this Assembly.

I would also, Mr. Speaker, be remiss if I did not take a few moments to acknowledge the contribution to this Assembly and to the people of Alberta of my immediate predecessor in this Assembly, the representative for Edmonton-Strathcona, Mr. Gordon Wright. Mr. Wright served the people of Edmonton-Strathcona with impeccable dedication for over five years. He was, in my view, a model of everything that a politician should be. He was honest, open, hardworking, accessible, committed, and dedicated. Mr. Wright had a caring nature. His enthusiasm and his selfless dedication to his constituents represents to me what each of us as members of this Assembly should be striving to achieve. I was privileged to know and be associated with Mr. Wright as comrade, friend, colleague, and partner. Mr. Speaker,

would it be in order for us to recognize as an Assembly Mr. Wright's contributions to this Assembly? [applause]

Mr. Speaker, for my own part I would like to take this opportunity to thank the people of Edmonton-Strathcona for allowing me this opportunity to represent them in this Assembly. I am deeply honoured to have won the trust and support of the people of Edmonton-Strathcona, and I intend to repay that confidence by doing my very best to represent them well, to bring dignity to this Assembly, and to assist in whatever way I can to make Edmonton-Strathcona and Alberta a better place to live.

Mr. Speaker, there are many members in this Assembly that I have known for many years, including the hon. Member for Little Bow. If I might refer to the other Mr. Speaker, I first came to know him at the University of Alberta in model parliament, and since that time I have had occasion to meet with him on many occasions. Other members of this Assembly are and have been my colleagues at the bar. Still others I have come to know in provincial and municipal politics in my political organizing efforts. Some of you I've met here for the first time in this Assembly. Many of you have taken the time and trouble – and from all sides of the House; I say this – to send me messages and notes of congratulation, encouragement, and support, and for this I express my appreciation. I do find it difficult to change roles. I'm sure all of you have experienced this difficulty, and I appreciate the graciousness and kindness that's been shown to me by members of this Assembly. To those of you that I have not yet had the opportunity to meet personally, I look forward to the opportunity to meet with you. My pledge to all members of this Assembly is to work with you for the best interests of my constituents and for the best interests of all Albertans.

Within the New Democratic Party caucus my responsibilities will be for the Department of the Attorney General, the Department of the Solicitor General, and the Department of Consumer and Corporate Affairs. I hope, as time and availability permit, to meet with the ministers responsible for these departments and with their staff so that I may more knowledgeably carry out my responsibilities. I've indicated this desire to two of the hon. members concerned, and I was very pleased at their readiness and willingness to provide me with a briefing opportunity as to their areas of responsibility.

Personally, I feel the challenge of becoming accustomed to a new role as a difficult challenge. It is always difficult, as I've mentioned before, to move from one role to another, especially where the only training is on-the-job training. My background and training have been in a different forum, Mr. Speaker, with different rules, procedures, etiquette, and rituals. It has been indeed challenging for me to attempt to learn the rules and regulations of this Assembly and to understand its procedures, but the challenge of my adjusting to my new role is minuscule in comparison to the challenge which we and the people of Alberta and Edmonton-Strathcona face in the immediate future. I intend to do my best to see to it that the pressing needs of my constituents and those of other Albertans are met in this Assembly.

Mr. Speaker, if I might briefly speak about the Edmonton-Strathcona by-election, in my view that was a significant by-election. In my view, it has sent a message to the government of Alberta that there is a concern with the direction that this government has taken, and I consider it to be a weather vane in the forthcoming general election. This was a situation where the government called a snap election at a time when perhaps they expected the opposition to be unprepared and unable to be up

to the challenge of meeting a quick election. Perhaps they expected there would be a lack of public interest. Indeed, they went to some effort to select a man whom I have a lot of respect for, an excellent Tory candidate, Mr. Young. However, all of these factors, even with the added advantage of an election day blizzard, did not produce the desired result. The New Democrats lost only three out of the 71 polls in Edmonton-Strathcona, and one of these polls was lost by one vote. Another of the polls, one in which we did win, I'd like to mention briefly. I'm sorry the hon. Member for Edmonton-Glengarry is not here this afternoon, but I wanted to point out to this Assembly that one of the polls that we won – the hon. member, incidentally, is one of my constituents. I'm happy to point out to the government that in that poll, they came in second place; the Tories came in second place.

In any event, Mr. Speaker, in the result we increased our percentage of the total vote to 53 percent, and voter interest was impressive considering the circumstances of a campaign just before Christmas, a very short and truncated campaign under very difficult circumstances. There was a 50 percent voter turnout for this by-election, which is particularly significant when you review the results of other by-elections and low voter turnouts in them, and when you consider that the voter turnout in the last general election was 53.6 percent. I'm happy, in concluding this area of my remarks, to report that the opposing candidates all lost their deposits, notwithstanding the fact that the Member for Edmonton-Glengarry has tried and attempted to portray the race as a close one. No doubt he's hoping to convince Albertans that the Liberals will be the opposition to the Tories in the next general election.

More seriously, Mr. Speaker, I would like to state in this Assembly that the Liberals did indeed field a fine candidate, a veteran of political warfare in the person of Nadene Thomas. It was not as a result of the choice of candidates of either the Tories or the Grits that the voters . . . It was not their candidates that were rejected; it was their programs and their policies.

Also on a light note, Mr. Speaker, I'd like to refer briefly to reports in the press yesterday as to the financial success of the Edmonton-Strathcona by-election for the New Democrats. I note that Mr. Young spent some time expressing his concern about the finances of the New Democratic Party. I point out to Mr. Young and to his colleagues in this House, in this Assembly, that the New Democrats in Edmonton-Strathcona not only achieved a balanced budget; they achieved a surplus of 25 percent in their election budget. The people of Alberta would be well served if the government of Alberta were able to do as well.

**5:00**

In any event, Mr. Speaker, I do suggest that Mr. Young's concerns might be better addressed to the government. He expressed during the campaign some concerns about the direction of the government and in particular money management of the government, and in light of the recent NovAtel fiasco, I suggest Mr. Young might better direct his attention to the affairs of the government.

I find it more than a little ironic that in the comments on the financial success of the Edmonton-Strathcona by-election there was a concern that we had been less than frugal in our spending. I want to take this opportunity to point out to the Assembly, particularly for the benefit of members of the government, that the law of supply and demand operates in elections as it does in other areas of the economy, and indeed one of the reasons for the expenditures we had to occasion was that there was a great demand for our signs, our literature, our buttons, and the other

paraphernalia of the campaign. I do not believe, from having spent a good deal of time driving around Edmonton-Strathcona and knocking on doors, that that was a burden equally shared by the Liberals and the Conservatives.

Mr. Speaker, on a serious note with respect to the by-election – and this is perhaps a word of advice for other candidates in other elections – we did make an effort in this election to use better quality materials for our signs. The reason for that was because of concerns with environmental issues. We were able to collect those signs and will have them, assuming that I'm chosen as the candidate. Perhaps this is an incentive for members to follow this sort of procedure in their own ridings, because it's less likely that the party that is nominating you is going to change candidates if they can save some money on signs. In any event, we were successful in recovering about 90 percent of our signs, and they will be available to be reused in future elections.

Mr. Speaker, on a serious note, it's in the nature of a parliamentary democracy to require a vigorous interchange of ideas, a clashing of alternative philosophies, and a challenging of basic assumptions. Although the views I will be putting forward in this Assembly may be in a distinct minority in the Assembly, I can assure you they are views that are held by an increasing number of Albertans. In a general sense, I see the role of government to be the striking of a proper balance between public good and private interests. Given resolve and leadership, I am convinced that a proper balance can be struck between the public good and private interests. I think that in doing this politicians must be willing to admit to their mistakes, admit to their ignorance, and spend time listening and understanding. This is particularly true if the task they are about to attempt is to sway public opinion about the wisdom of their policy and the honesty of their motives. I think that the most remarkable manifestation of the past decade has been the growth of public scepticism about the political process, and I'm sure this is a concern that is shared by all sides of this House. I believe people are looking for a new style of politics, a style of politics that emphasizes honesty, fairness, and integrity in government.

Mr. Speaker, the Speech from the Throne speaks of a number of challenges facing Albertans: the fiscal challenge, the economic challenge, the environmental challenge, the social challenge, and the constitutional challenge. Albertans do not need to be told about the tremendous challenges facing them in these and other areas. What they need is a government with the will and determination to bring forward fair, reasonable, and workable solutions to these challenges. What they need are solutions which do not cost jobs and do not result in reduction in services, solutions which do not erode the economic independence of Alberta and Canada, solutions which do not pit jobs against the environment, solutions which do not erode the quality of health care and education, solutions which are based on equality and fairness, solutions which unite Albertans rather than divide them.

Mr. Speaker, in the last 20 years the search for equality for women has occupied the hearts and minds of many people in Alberta. It has become generally recognized that historically women have been disadvantaged both in the workplace and in society generally. There is a growing recognition that there can be no equality for people unless there is economic equality for women. Pay equity legislation and adequate and decent day care facilities are essential to bring equality to the workplace. Never has a cause been more just or the time better to bring equality to the workplace.

On another but related topic, an Edmonton midwife presently faces criminal charges after delivering a healthy baby girl at a home in rural Alberta. Home births attended by midwives are

condemned by the College of Physicians and Surgeons, who claim that baby delivery is a medical practice. It is absolutely imperative, Mr. Speaker, that this Legislature adopt legislation recognizing and legitimatizing the practice of midwifery for home births.

With regard to health care, nurses and staff are being laid off while patients wait months for adequate and proper hospital care. The last series of federal budgets has imposed freezes on Ottawa's contributions to health care and postsecondary education. Mr. Speaker, in my view the federal Tories, with the acquiescence of this government, are killing medicare slowly, quietly, and deliberately. They are doing it at the same time that the GST and free trade agreement grind down Canada's social, economic, and tax policies to fit American specifications.

Alberta has developed one of the better educational systems in Canada, yet cutbacks in funding are seriously eroding the quality of education in Alberta. At the university level funding cutbacks have resulted in a severe curtailment of library hours and higher enrolments. The result is that students are not getting a quality education. It is more than a little ironic that students are confronted with increasing tuition fees at the same time that they are having to adjust to reductions in services.

A few weeks ago, Mr. Chairman, approximately . . . Excuse me, Mr. Speaker. I'm used to addressing another forum, Mr. Speaker, and those words slip out rather unconsciously. A few weeks ago approximately 3,000 students, staff, and faculty brought a funding message to the steps of the Legislature. I pledged at that time that I intended to take that message into the Assembly. I bring it to you now. I intend to continue to take this message into the Assembly, and I urge this government to provide the necessary funding to alleviate a very critical situation.

Mr. Speaker, no caring society can tolerate a situation where children and students are forced to rely on food banks for their basic nutritional needs. Poverty affects more than children. It affects our seniors; it affects women. Its consequences are tearing at the fabric of this society. I intend to press in this Assembly for effective programs to deal with poverty and, in particular, child poverty.

In my view, Mr. Speaker, if economic development does not make environmental sense, it cannot make economic sense. It is time that this province adopted an environmental litmus test for future development. Projects that don't make environmental sense cannot make economic sense or any sense at all. The public is way ahead of the government on this and is doing its part. People know that we must move away from an economy based on resource exploitation and move towards an economy based on resource conservation. People understand that there are jobs in the economy, there are jobs in environmental protection, and they understand that we can turn our waste products into useful products and conserve the resources of Alberta at the same time. People understand that Alberta's environmental legislation is inadequate and unenforced.

**5:10**

Mr. Speaker, there is a growing consensus amongst Albertans that this government must enact a fair and workable labour relations system. No single aspect of the Labour Relations Code is quite as abhorrent as the requirement for a representational vote on all applications for certification regardless of the degree of support for the trade union. As a consequence, employers are able to engage with impunity in a host of unfair labour practices designed to intimidate and coerce employees. The wishes of employees are thereby effectively frustrated. Under the old Labour Relations Act, an employer who engaged in practices of intimidation and coercion might be automatically

certified by the Labour Relations Board as a remedy for the unfair practices. That deterrent no longer exists. The question is: why not?

Other labour laws prohibit the right of free and full collective bargaining. This also was a subject of considerable discussion during the Edmonton-Strathcona by-election. I understand that the government may be considering legislation in this area. I look forward with a good deal of interest and excitement to see what that legislation may be in concrete terms.

Mr. Speaker, in Alberta we have two parallel labour relations systems, one under the Public Service Employee Relations Act and the other under the Labour Relations Code. It is time that these redundant systems are merged. It is time that Albertans have a single and workable system of labour relations law. It is a failure to have a level playing field and a fair and workable system of labour relations law which continues to bring the Zeidler plywood employees to the steps of this Legislature. It is time that this government recognizes that the process which brought about the Labour Relations Code was flawed. I had the privilege of participating in that process when the Assembly heard the submissions on Bill 44. I appeared before the Assembly to speak to the matter. Unfortunately, the comments that were addressed to the Assembly were ignored in the legislation that was passed. Not only was the process flawed, but the product was also flawed. It is time in Alberta for the introduction of fair labour laws which are designed to serve the public interest and achieve a level playing field for all parties engaged in the system.

Mr. Speaker, with respect to electoral reform, it is clear from the report of the Select Special Committee on Electoral Boundaries and the legislation flowing from it that this government shares the views of the former Premier of Saskatchewan Ross Thatcher. Ross Thatcher was asked many years ago when he was Premier of Saskatchewan about a somewhat similar situation that had developed in Saskatchewan with a gross disparity between the populations of electoral divisions. His response was that it was not a concern to him as a government, but at the moment he was in opposition it would be something that would concern him greatly. Fortunately, that cynical attitude, although it may be shared by the government of this province, is not shared by the courts. The courts in British Columbia and Saskatchewan are not so cynical, and they have wholeheartedly adopted and implemented the principle of relative equality of voting power. That situation will be addressed by our own Court of Appeal in the very near future.

It seems to me, Mr. Speaker, that the purpose of this government in some areas, in this area in particular and in areas such as decentralization, has been to attempt to drive a wedge between Albertans residing in rural areas and Albertans residing in urban areas. I have confidence that the people of Alberta will see this cynical attitude, this cynical opportunism, for what it is and will not be misled by it.

I believe Albertans will insist on a fair deal for all Albertans wherever they reside. I believe, for example, that urban Albertans will be distressed when they learn that this government is in the process of developing regulations which will provide a lower standard of ambulance service for rural Albertans than that which it will be providing and does provide to urban Albertans. I believe urban Albertans are altruistic enough to support the efforts that will come before this Assembly to make sure that kind of inequity and unfair treatment of rural Albertans is not permitted.

Mr. Speaker, this Speech from the Throne contains much rhetoric but precious little in the way of concrete solutions to concrete problems. This Speech from the Throne clearly

demonstrates that this government intends to continue with the uninspired and unimaginative policies it has adhered to in the past. I for one will vote against the motion to accept the Speech from the Throne.

In conclusion, I was beginning to wonder during the election campaign whether there was much life left in the Tory Party. Indeed, I had occasion to mention this to the hon. Member for Edmonton-Jasper Place and had suggested to him that it might be necessary to add the Progressive Conservative Party to the list of endangered species. Having spent some time in the House, I'm happy to report that I don't believe it's necessary just yet, but after the next election perhaps it will be.

Mr. Speaker, members of the Assembly, thank you for your kind attention. Those are my comments.

MR. SPEAKER: Westlock-Sturgeon.

Westlock-Sturgeon was recognized. It's unlike you to be so shy, hon. member.

MR. TAYLOR: Mr. Speaker, I thought you might coax me.

I want to take a few moments, I guess two or three minutes, here. First of all, I was going to congratulate the new Member for Edmonton-Strathcona. Lest he think his eloquence will cause all the philistines to stay quiet – and I'm not accusing him of using the same instrument – I would like him to know that one of the reasons we're so quiet is that it is the fashion in this Legislature never to heckle a maiden speech. So I wouldn't advise him to stick his finger in the lion's cage as often next time along, because he just might lose it.

Also, Mr. Speaker, I want to give my best to you again as the Speaker taking over this session. As you know, there's nobody who respects your rulings more than I do. I will promise you that during this session I will always have my hearing aid on when you speak.

I also want to congratulate and give best wishes to the Lieutenant Governor, a friend of mine. We used to share a certain amount of joy in Robert Service and a few of the other great poets. Mind you, my abilities in that line don't approach either the Lieutenant Governor's or even yours, Mr. Speaker. You seem to have denied the Legislature some of the fruits of your work. Actually, it's fairly good. I don't think you should deny us that pleasure, and you should circulate it occasionally. I'm sure the people over there think I'm just trying to get control of the floor for down the road, but I have a few items I would like to give them in case they want to go home tonight and relax.

5:20

Speaking on the throne speech, I thought it was very interesting, Mr. Speaker, that the last sentence on the first page said, "My government must provide stability amidst this world of change." Truer words were never spoken. If there's ever been a group of people so firmly anchored back in the 19th century, it has to be them. There's no doubt they are an island of stability. They are a rock of stability. They're a mountain of stability. There's no question about it. There's nobody rooted deeper in the soil of the past than this government. But I never thought they would have the audacity to state it. Obviously there's a gremlin in their speech writing. Some person with a very great sense of humour who was not allowed to express himself in any other way was able sneak that line in.

"My government must provide stability amidst this world of change." Well, if there's anything a government is supposed to do, it's to allow the public to adapt to change, to allow the public to get ready for change. But here we have a group with a Premier that they all pretend will be with us forever. Who

knows? He might be. After all, if they are for fighting change, he might be here forever, making it easier again for my friend from Edmonton-Strathcona to win the next election.

I might mention as an aside, Mr. Speaker, that many years ago when I was helping out a young capitalist in the movie industry, he was not at that time a robber baron of the free enterprise sector. But I never thought, after doing some work with him in partnership, that 10 to 15 years later he would be a member of a socialist crowd heckling away on my right. I had great hopes for him then. I had great hopes for him then, and to come to this end is something I really hadn't expected. I'm looking forward now to maybe some of that ferocity I saw in his business dealings then coming out in the House.

AN HON. MEMBER: Nick, there's hope for you. You can join us too.

MR. TAYLOR: Mr. Speaker, I can't tell what the clock is saying from down here. [Interjection] About eight more minutes, nine more minutes to go. The clock always reminds me of the government over there. You know, they are like a watch. They sometimes can be right twice a day, but that'll be the most you'll ever catch them being correct.

I would like to go on a bit, too, to touch on when we're talking about the changes in times. It's very serious in a way how power has developed and how this government is misusing it. Now, I know many people are not followers of Toffler and his books, but he has his latest book out now; it's called *Powershift*. Alvin Toffler, as many will recall, is a great political philosopher that started discussing some years ago – and this is his third book in a trilogy put out with his wife – how our western societies are developing. One of the interesting parts is that he talks about power. Power at one time was strength by force. In other words, whoever had the biggest army, whether the Syrians or the Persians or the Egyptians or whatever it was, usually took over. Then, after the industrial societies, it flowed to the rich, the wealthy. Wealth meant money. People that could take the resources out of the ground or had the most oat stacks had the power. But power has shifted in the last 20 years to those that control knowledge. This is what bothers me about this government. They still have the feeling that if they can drill more holes, if they can upgrade more industry, if they can butcher more calves, if they can sell more canola oil, if they can sell more natural gas, that is progress. Mr. Speaker, they couldn't be further from the truth.

It doesn't take Toffler . . . Many of the other modern philosophers will tell them that who controls knowledge is the one that is going to have not only the power but the prosperity in the future. Yet we have a government here – and you can tell it by reading this throne speech – whose dedication to knowledge is very superficial indeed, in that they still think they've got to put out the guarantees and the moneys to get industries in that a lot of the world is going by.

Mr. Speaker, I notice some fidgeting over on the other side, so I would like to take a quick moment now and ask 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.

[At 5:26 p.m. the Assembly adjourned to Thursday at 2:30 p.m.]