

Legislative Assembly of Alberta

Title: **Wednesday, April 17, 1991**

2:30 p.m.

Date: 91/04/17

[Mr. Deputy Speaker in the Chair]

head:

Prayers

MR. DEPUTY SPEAKER: Let us pray.

O Lord, we give thanks for the bounty of our province: our land, our resources, and our people.

We pledge ourselves to act as good stewards on behalf of all Albertans.

Amen.

head:

Introduction of Visitors

MR. GOGO: Mr. Speaker, I'm very pleased to introduce to you and to members of the Assembly some very special visitors we have with us today seated in your gallery, sir. I would ask them to stand as I read their names. They are Mr. Tikhonov, Mr. Bratkovsky, Mr. Tatishchev, Mr. Naboychenko, as well as the interpreter, Barbara Brown, and the consultant with special programs from the Department of Advanced Education, Mr. David Byron. Our visitors are from the Russian Soviet Federalist Socialist Republic. The delegation is exploring possibilities for co-operation in a variety of areas addressing science and higher education. They are meeting with officials of Alberta Advanced Education, Technology, Research and Telecommunications, the Alberta Research Council, as well as visiting a number of our postsecondary institutions. This is the follow-up to a visit by our Deputy Premier just a year ago to open relations with the Soviet Union. We concluded an agreement of understanding in the Soviet Union. They're seated in the members' gallery. I'd ask them now to rise and receive a very warm Alberta welcome.

head:

Presenting Petitions

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

MRS. BLACK: Thank you, Mr. Speaker. I beg leave to present the following petitions that have been received for private Bills:

1. the petition of the members of the Alberta Home Builders Graduate Institute for the Alberta Home Builders Graduate Institute Constitution Act,
2. the petition of the council of the town of Grande Cache for the Grande Cache Tourism and Business Development Authority Act,
3. the petition of the Lutheran Church, Canada, the Alberta/British Columbia district for the Lutheran Church, Canada, the Alberta/British Columbia Corporation Act,
4. the petition of the Alberta College for An Act to Amend an Ordinance to Incorporate Alberta College,
5. the petition of the city of Calgary for An Act to Amend the Calgary Convention Centre Authority Act,
6. the petition of Charmaine L. Toms for the Charmaine L. Toms Legal Articles Act, and finally
7. the petition of the Camrose Lutheran College Corporation for the Camrose Lutheran College Corporation Act.

head:

Notices of Motions

MR. McINNIS: Mr. Speaker, I give oral notice that I will be moving this afternoon in Committee of Supply that

the Minister of Forestry, Lands and Wildlife's salary be reduced to the average annual rent paid for a square kilometre of forest land by holders of forest management agreements, \$2.03.

head:

Introduction of Bills

Bill 25

Pacific Western Airlines Amendment Act, 1991

MR. KOWALSKI: Mr. Speaker, I request leave to introduce a Bill entitled the Pacific Western Airlines Amendment Act, 1991, I guess to be known as Bill 25.

Essentially, Mr. Speaker, there are two amendments in the Bill: the first is to increase the limit on share ownership from 4 percent to 10 percent, and the second amendment will require that the registered and head office of Pacific Western Airlines Corporation remain in the city of Calgary.

[Leave granted; Bill 25 read a first time]

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

Bill 24

Municipal Taxation Amendment Act, 1991

MR. CLEGG: Thank you, Mr. Speaker. I beg leave to introduce Bill 24, the Municipal Taxation Amendment Act.

This Act is being reviewed because of municipalities throughout Alberta requesting these amendments.

[Leave granted; Bill 24 read a first time]

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

Bill 26

Planning Amendment Act, 1991

MR. CLEGG: Thank you again, Mr. Speaker. It's again a privilege to introduce Bill 26, the Planning Amendment Act, 1991.

[Leave granted; Bill 26 read a first time]

Bill 274

Senior Citizens Medical Research Foundation Act

MR. MUSGROVE: Mr. Speaker, I request leave to introduce Bill 274, the Senior Citizens Medical Research Foundation Act.

This would set up, through lottery money, foundations for medical research for seniors.

[Leave granted; Bill 274 read a first time]

MR. HORSMAN: Mr. Speaker, I move that Bill 24, the Municipal Taxation Amendment Act, 1991, and Bill 26, the Planning Amendment Act, 1991, be placed on the Order Paper under Government Bills and Orders.

[Motion carried]

head:

Introduction of Special Guests

MR. DINNING: Mr. Speaker, it's my pleasure today on behalf of my colleague the MLA for Calgary-Glenmore, Mrs. Mirosh, to introduce 26 students from St. Benedict school. They are here today for their first visit to the Legislature, and I had the pleasure of meeting with them. They've received a tour, and

they're here now to watch the scintillating conversation that will go on in the Assembly this afternoon. They're joined by their teacher Mrs. Bonnie Juurlink and parents Jake Elias, Larry Thomas, Elaine Mjolsness, and Ilda Ruffo. I'd ask them to rise – all of them – and receive the warm welcome of all members of the Assembly.

MR. ROSTAD: Mr. Speaker, it's my pleasure to introduce to you and through you to the Assembly 25 students from the New Norway school. They're escorted by two teachers, Ed Martinson and Rob Irvine, and one parent, Grace Johnson. They're seated in the members' gallery, and I'd ask that they rise and receive the cordial welcome of the Assembly.

2:40

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

MS M. LAING: Thank you, Mr. Speaker. It's my pleasure today to introduce to you and through you to members of this Assembly 43 students from Meyonohk school. They are seated in the public gallery. They are accompanied by teachers Howard Redmond, David Fairfield, and Tracy-Louise Miller. I would ask that they now rise and receive the warm welcome of this Assembly.

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

MR. DAY: Thank you, Mr. Speaker. It's a pleasure to introduce from Camille J. Lerouge college in Red Deer a number of students accompanied by adults. Six of these students are Japanese students from Yamate high school in Japan. They're here in Alberta with the central Alberta student exchange. Also to be noted, some of the Red Deer students will be reciprocating the exchange later on this summer, continuing the good relations between Alberta and Japan. I'd ask them to rise and receive the warm welcome of the Assembly.

MR. DEPUTY SPEAKER: The hon. Minister of Family and Social Services.

MR. OLDRING: Thank you, Mr. Speaker. It's a pleasure for me to be able to introduce to you and through you to the Members of the Legislative Assembly a friend and former colleague of this Assembly. He is the last MLA to represent the provincial constituency of Red Deer. He served from 1982 to 1986, and I'm reminded by the Minister of Agriculture that it took two men to replace him. I'd ask Mr. Jim McPherson, seated in your gallery, to rise and receive the warm reception of this Assembly.

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

MR. GIBEAULT: Thank you, Mr. Speaker. I'm pleased to introduce to you and the other members of the Assembly this afternoon Mr. Naledi Tsiki, who is the secretary-general of the Association of Ex-political Prisoners of South Africa, who is in Canada on a tour now. He's accompanied by the executive director of the International Defence and Aid Fund for South Africa in Canada, Anne Mitchell, as well as Trish Young, who is an active volunteer here in Edmonton with the Canadian

Catholic Organization for Development and Peace. I'd ask the three of them to stand now and receive our very warm welcome.

head:

Oral Question Period

University Residence Fees

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

MS BARRETT: Thank you, Mr. Speaker. The list of victims of the so-called balanced budget seems to keep growing. Last week students at universities and colleges throughout the province were advised that they were going to get hit with a big tuition increase. The government, at the same time, announced that they'd increase the amount of money students can borrow through the Students Finance Board by just enough to help pay for that increase but not enough to pay for the changes in ancillary fees that might also accompany those tuition hikes. Today the students at the U of A discovered that they're going to be hit with an increase of up to 20 percent in housing charges on campus. This affects working people and their children and their ability to go to university. My question to the Minister of Advanced Education is this: where does he think the students are going to find the extra dollars now to pay for higher housing charges in places that could hardly be described as palatial?

MR. GOGO: Mr. Speaker, I'm sure the hon. Member for Edmonton-Highlands will recall, during the passage of the estimates on Tuesday last, that Alberta has a very generous student finance program. Alberta is in the top three in Canada in terms of loans available and the second highest in the nation in terms of forgivable grants. This minister is well aware of some of the difficulties students are experiencing today, but I simply reiterate that within the fiscal limitations of government we think that program is, quite frankly, adequate.

MS BARRETT: Well, Mr. Speaker, the point is this: working-class people don't have a lot of money, and a lot of them are afraid about going into debt to get a university education. Right now they're looking at leaving, just from their first degree, with a \$31,000 mortgage. Does the minister not understand that this is a disincentive for working people and their children to go to university?

MR. GOGO: I think this minister understands fairly well. He's spent two years at the portfolio full-time to understand the concerns of the students. Our indications are that for those achieving a degree – that is, for university graduates – the debt load is not \$31,000 but \$10,000. This minister believes that the government has acted in a very responsible way by allowing the lifetime loan limits to rise to a realistic figure. Mr. Speaker, I have to conclude that this government still endorses a policy of controlling tuition fees. They are the second lowest in the nation at the moment. I think in many ways this government displays its very serious commitment in the setting of education and postsecondary education as its high priority.

MS BARRETT: Well, Mr. Speaker, just to correct the record, the tuition fees are going to double over the next couple of years. Let's get that straight. Now they're looking at rent increases of up to 20 percent in HUB, Michener Park, Pembina, Garneau: all of the locations on the U of A campus. Does the minister not understand that what he's doing by allowing these policies, basically because of underfunding to the system, is

turning back the clock so that only the well to do can go to university?

MR. GOGO: Mr. Speaker, this hon. member wants to have it both ways. Last year, during the passage of Bill 27, how the member howled that we were infringing on academic freedoms and other areas, including parking lots, by having some control in terms of accountability of the dollars appropriated by this Legislature for our postsecondary system. The member can't have it both ways. The institutions are responsible for their residences and the rents they charge. If the hon. member is making representation today that the board of governors of the U of A should not have that right, then the hon. member should say so.

MS BARRETT: Well, more to the point, the universities and the students are crying out.

MR. DEPUTY SPEAKER: Order please. Order. The hon. member had her second supplemental. The second main question.

Senior Citizens Programs

MS BARRETT: Thank you, Mr. Speaker. The announcements of the changes of fees that will apply to health costs for seniors has come to about \$1,000 a year on average. Now, I was at a seniors' lodge just an hour ago, and I asked the people I talked to if they agreed with the Premier's statement of last week that they are saying to the government, "Look, we want to make sure we contribute in this province as well, and we want to pay our way." The people I talked to today didn't agree with that statement. I wonder if now knowing the real price tag that it's going to cost seniors out of their pockets – about a thousand bucks a year – the Health minister agrees with the Premier or if she's now prepared to admit that the changes are excessive and unwarranted.

MS BETKOWSKI: Mr. Speaker, I'm certainly aware that there were some difficult choices to be made with our budget. We are certainly asking, as part of those choices, that all Albertans share in an increased way in the costs of the provision of health services. We believe that the requests are fair and reasonable and that they have been well thought out, protecting those on low income regardless of age. We believe the adjustments we've recommended to this Legislature are reasonable.

MS BARRETT: Well, I'll tell you what, Mr. Speaker. When the seniors add it up, what they're looking at is this: payments through fixed income sources like pensions that don't keep pace with the rate of inflation; the GST, which is costing them another 7 percent out of their pockets; and now increases to over-the-counter drugs, to Aids to Daily Living, to dental care, and to home heating. It's going to add up to a lot of money. I'd like to ask the minister if she stands by this government's position that even the seniors who have already paid and paid and paid should have to pay one more time just to live in this province?

MS BETKOWSKI: Mr. Speaker, seniors in this province have a very broad array of programs, which this government, really since the 1970s, has felt were important parts of protecting a very special group. Many of those programs continue; some of those programs are being redesigned. The basis that we looked at was the ability for all Albertans to access important programs

and to protect those on low income regardless of age. The hon. Acting Leader of the Opposition chooses to ignore the increases that have been provided in the budget for home care, the increases in coverage for high technology, more current, contemporary items under the Aids to Daily Living program, the fact that seniors in nursing homes will no longer have to pay for drug costs and ambulance transfer costs, and the fact, of course, that our seniors pay no health care premiums and no Blue Cross premiums, all of which add up to a wealth of programs which frankly are unequalled across this country.

2:50

MS BARRETT: Mr. Speaker, the National Council of Welfare suggests that a retired person in Alberta living on all the income it can get from government sources and nothing else, just government sources, is still going to be living \$2,000 below the poverty line. How on earth can this government possibly justify putting their hands into those people's pockets and withdrawing an extra thousand dollars?

MS BETKOWSKI: Well, Mr. Speaker, we have in fact done a very extensive consultation within our own province, because after all, we are a government responsible for the people of Alberta, and certainly our first priority is to look at Alberta issues and Alberta research rather than the national in the first case. We consulted very broadly, of course, through the whole process of the Premier's Commission on Future Health Care but more specifically on this issue with respect to the Premier's Council on the Status of Persons with Disabilities. The hon. member should be aware, because she's been told on several occasions, that the moves we've made to ensure that the test was on income as opposed to age was one that was very consistent with the recommendations of that very stellar organization that went around this province.

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Glenarry, leader of the Liberals.

Substance Abuse Programs

MR. DECORE: Thank you, Mr. Speaker. My questions are to the hon. Minister of Health. Alberta's 1990 statistics show that some 300 Albertans got acute care substance treatment, drug treatment, outside of the province of Alberta at a cost of some \$4 million to the Alberta taxpayer. That's \$13,300 for every person. There is some suggestion that there are commissions being paid to agents that are routing Albertans to private hospitals for this treatment in the United States. What is even more startling is that Alberta experts say that a 20- to 30-bed acute care hospital facility doing this kind of treatment could save Albertans some \$1.5 million a year. Given that this matter had been raised a year ago publicly and given that the minister must have had an opportunity now of getting a handle on this, why is it that the minister continues to see taxpayers' moneys misspent or squandered to the extent of \$1.5 million a year?

MS BETKOWSKI: Well, Mr. Speaker, to suggest that people are traveling to the United States and admitting themselves into hospitals when they don't require a service is absurd. So let's look at what in fact is going on in our province. The Alberta health care insurance plan, in accordance with the Canada Health Act, which we all tend to forget, pays for treatments out of province at an Alberta rate for treatments in a hospital facility by a physician. To assume instantly that those dollars that were identified by the leader of the Liberal Party are for treatment is

to make a very massive jump in logic which I'm not sure we can make.

The issue of providing treatment services in Alberta is a very important issue and one which I'm sure my colleague the chairman of the Alberta Alcohol and Drug Abuse Commission will want to supplement. Let me just simply say that yesterday in Calgary, along with the Member for Calgary-McCall, we officially opened the treatment centre for AADAC. One will soon open in Edmonton for the purpose of treatment. So the range of programs operated by AADAC will run from the prevention and education programs through to a far more intense treatment capability than we've ever had. But to suggest that we should not allow Albertans and Canadians to go outside of this province to access services and pay for it over and above what the Alberta rate would pay is something that would be inconsistent with the Canada Health Act.

MR. DECORE: Mr. Speaker, that clearly was not the question. The minister must have misunderstood or misheard the question.

There is no doubt that this treatment is needed; there is no doubt that there are no facilities in Alberta to provide the treatment. Experts in Alberta say that a 20- or 30-bed acute care facility could look after the 300 Albertans. My question is simple. Instead of spending \$4 million in the United States, why not spend \$2.5 million and look after those 300 Albertans right here in the province?

MS BETKOWSKI: Mr. Speaker, with all due respect, in fact I did answer the question. The question was that we should be providing these treatment capabilities within Alberta. In fact, the facility that was opened yesterday is a 20-person facility – or at least it has the potential of having 20 people in the facility, albeit with a residential component outside of that facility in order to provide this treatment model – and, interestingly, at a cost of less than the one that the member is quoting. We'll get to it when we get to the AADAC budget.

MR. DECORE: Yesterday we noted that the government wasn't even aware, the Premier wasn't aware that some \$3.2 million of federal moneys weren't being accessed for treatment and rehabilitation. Will the minister assure us that taxpayers' moneys will not be squandered, that Albertans will be looked after in Alberta, and that this facility will be provided to Albertans who need it in Alberta?

MS BETKOWSKI: Mr. Speaker, we have a responsibility in this Legislature to commit dollars to programs, to account for those dollars being spent, and the hon. member has every right to ask questions as we work through that process. We have also got a responsibility to all Albertans to ensure that they meet their full potential, which is why we have been such an ardent supporter of the AADAC programs in this province, which interestingly are celebrating their 40th anniversary of operation in Alberta. So that is the commitment to the people of this province and a commitment to the future of the people of this province.

I would ask the hon. chairman of AADAC to please answer the question with respect to federal dollars coming to the province.

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

MR. NELSON: Thank you, Mr. Speaker. The portion of the question that the leader of the Liberal Party requested an

answer to was with regard to the \$3.2 million that he's suggesting is being squandered. I would like to set the record straight. AADAC has accessed every available dollar under two programs that we have in place with the federal government. One is the Vocational Rehabilitation of Disabled Persons Agreement. In the last three years we have accessed some \$23.6 million from the federal government. There's also an alcohol and drug treatment rehabilitation program, which is for new programs dealing with adolescents, and in the last two years we've accessed \$805,000.

Now, it should be noted that Alberta has accessed more of those dollars than any other province in Canada. Secondly, because addictions are deemed a disability because it's difficult to work when you're under the influence of alcohol or a drug, we continue to access those dollars. Mr. Speaker, to suggest that we're not accessing all of those dollars is irresponsible, number one, and number two, we cannot continue to develop additional programs without further research and time to do them properly, because once we access those dollars that are available now and the program ends, the province will be on the hook for the full amount.

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

Highway Safety

MR. TANNAS: Thank you, Mr. Speaker. My questions today are to the interim Minister of Transportation and Utilities regarding the 1990 preliminary traffic statistics released today. Statistics come and go, and sometimes cold, hard numbers cover up the real human story. In a year when the government has tightened its belt, what is the bottom line for people in Alberta that might be contained in this report on the issue of seat belts as a factor in safe travel in our province?

MR. KOWALSKI: Mr. Speaker, statistics that were released today and made public looking at traffic statistics and traffic collisions in Alberta in 1990 are very encouraging. In fact, the number of fatalities in 1990 as compared to 1989 decreased by 16 percent, and in real lives that's a dramatic reduction in the number of people who were killed on our highways in the province of Alberta. In addition to that, Mr. Speaker, the number of traffic injuries decreased by nearly 10 percent and the number of traffic collisions decreased by nearly 3 percent.

I think that those members of the Assembly and those individuals in the province of Alberta who are advocates of mandatory seat belt legislation have certainly proven themselves to be right, because in my perception and my understanding of these statistics there's absolutely no difficulty in anyone correlating the two. Seat belts do save lives.

3:00

MR. TANNAS: Mr. Speaker, my supplementary question is also to the interim Minister of Transportation and Utilities. Does the report address in any way the issue of safety on our secondary roads, which is so important to the people of Highwood, indeed to all of the people in Alberta?

MR. KOWALSKI: Mr. Speaker, one of the, I guess, negative results of the statistics that were released today basically indicates that fatal collisions in our province tend to occur more frequently in rural areas than they do in urban areas. I would suspect that there has to be a direct correlation between the quality of the road that we might find in a large part of rural

Alberta, in terms of roads that may be still gravelled, not paved, and roads that may be a little narrower.

This certainly was an understanding that the province and the government had in 1989, when the Premier indicated that the province would have as one of its commitments as the government of Alberta to move dramatically over the decade of the 1990s to pave the secondary road system throughout the province of Alberta. Mr. Speaker, so that all members really understand: the secondary system that the government is talking about is a system of highways in this province that have three numbers attached to them: secondary highway 651, secondary highway 654. It's indeed sad that the Liberal Party dramatically stood up and said that, in fact, this was nonsensical. Eighty fewer people died in 1990 than in 1989.

Now, we have a commitment, Mr. Speaker, to safety, and we have a commitment to people in this province, and we must ensure that the highways in this province are safe so Albertans can live.

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

Peace River Fertilizer Inc.

MR. McEACHERN: Thank you, Mr. Speaker. My questions are to the Minister of Economic Development and Trade. This government messed up when it offered a \$6 million loan guarantee to the Peace River Fertilizer company when it knew, or at least it should have known, that it was in the middle of a bitter ownership dispute. Now, that ownership dispute has still not been settled. A document obtained by the Official Opposition from the land titles office indicates that the property the plant is located on is controlled by one Dennis Cox of High Prairie, not by the government. So my question to the minister is this: since he said yesterday that the company was about to be sold, yet no one from the government has been in touch with Mr. Cox, how is he going to sell a company that he doesn't own and whose ownership is in dispute?

MR. ELZINGA: Mr. Speaker, the hon. member's got to get his facts straight. Mr. Cox has been in constant contact with our office. I wish the hon. members would get their facts straight. We go through this consistent distortion of the facts as it relates to the investments that we've made.

We fully acknowledge that we've involved ourselves in a number of risks, and we've involved ourselves so that we can increase the quality of life for Albertans. We're going to continue to involve ourselves because we're proud; we're proud that we can lead economic growth, that we can lead job creation, that we can lead investment per capita within this province. Unlike the timid little individuals opposite, we're going to continue to support the business community so that we in turn can make sure that we have a social climate so that we can provide education and health care to those who require it.

MR. McEACHERN: Evidently Mr. Cox has been in touch today, then, because as of last night and again this morning the government had not been in touch with Mr. Cox. So he was going to sell yesterday when he had not been in touch with the owner.

The minister keeps trying to say that he is protecting Alberta's \$6 million investment in this company, but he's a little short on evidence. Given that the prospective buyer of the plant has said that he's not willing to cover the \$6 million loan guarantee of

the government and given that one of the former owners of the plant removed some of the expensive equipment from the plant after it was shut down and given that the ownership is still not settled, how is this minister going to protect our \$6 million investment for the taxpayers? [interjections]

MR. DEPUTY SPEAKER: Order please. [interjections] Order.

MR. FOX: It takes real courage to screw up time and time and again.

MR. DEPUTY SPEAKER: Vegreville, time is running.

MR. ELZINGA: Mr. Speaker, it's obvious to all Members of this Legislative Assembly that there's a great deal of confusion in the hon. Member for Edmonton-Kingsway's mind, which is consistent with the presentations that he has made in this Legislative Assembly during the period of time that he and I have had an opportunity to have dialogue as it relates to the various issues. For him to suggest that there has been money lost is a total distortion of the facts. We've involved ourselves, as I've indicated, in a number of risk adventures. [interjections]

MR. DEPUTY SPEAKER: Order. [interjections] Order please.

MR. ELZINGA: Because of that, we are the leading province as it relates to economic growth. We have created in excess of 102,000 jobs over the last five to six years. We've got the highest investment on a per capita basis. We've got one of the finest educated populations in the world, Mr. Speaker. Why is that? That's not an accident. That's because of the determination of this government to ensure that we have a strong economy so that we can provide that social comfort which is required. [interjections] Hon. members can holler and shout all they want, but I look to the gallery on a daily basis, and I see all the young people that come here to this Legislative Assembly. We've got an obligation to ensure . . .

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

Community Facility Enhancement Program

MR. WICKMAN: Mr. Speaker, the minister responsible for lotteries likes to talk at length about his desire to release information. One year ago we received a breakdown of community facility enhancement program grants by constituency. At that time, we pointed out that the per capita ranged from a high of \$120 per head for a Tory riding to a low of 19 cents per head for a Liberal riding. The minister has changed his method of reporting grants in a way that we can no longer do such an analysis. Despite numerous written letters and a motion for a return, we have still not received this breakdown constituency by constituency. The question to the minister: when will he provide this analysis that we have asked for time after time?

MR. KOWALSKI: Well, Mr. Speaker, the member said that a year ago the member had received something. It's unfortunate that the member didn't also mention that on March 15, 1991, the minister responsible for lotteries, the minister responsible for the administration of the community facility enhancement program, also filed in this Assembly a complete listing, a second anniver-

sary listing of all the projects. I repeat the date. The member said a year ago, but he conveniently forgot to mention that on March 15 all that information was filed. That is part of the written record, the public record of the province of Alberta. Copies are in the Legislative Assembly. Any individual in the province of Alberta who would like to have a copy can certainly get one.

Secondly, Mr. Speaker, it was a few days ago that the Provincial Treasurer tabled the 1991-92 Legislative Assembly estimates. If I would draw the attention of all the citizens of Alberta down to vote 1.0.7, Liberal Party Services, the Liberal Party will receive \$551,941 for research. Now, it would seem to me that if in fact the \$551,941 . . .

MR. DEPUTY SPEAKER: Order. [interjection] Order please. Supplemental question.

MR. WICKMAN: Mr. Speaker. It has been pointed out on a number of occasions that lottery funds are nothing but a Tory cash cow. Can you imagine a requirement to have your picture taken with the minister or his designate to receive a grant and big signs and presentations for government members only? And there's more. Can the minister responsible for lotteries . . .

3:10

MR. DEPUTY SPEAKER: Is the hon. member getting to his question? There shouldn't be these long introductions to supplemental questions.

MR. WICKMAN: Mr. Speaker, can the minister responsible for lotteries inform this House how he finds it acceptable to give government members the right to review and refuse community facility enhancement program grants in their particular ridings?

MR. KOWALSKI: Mr. Speaker, there are 83 members in the Legislative Assembly. Some members are elected to govern and lead, and they go out and say, "This is our program." If we have a Lottery Fund in Alberta, what we will do is transfer all these dollars back to the citizens by way of a bunch of programs. There are other members who say: "Well, just a minute. We disagree with what the government wants to do." They call themselves opposition members, and they say that they're opposed to everything.

Well, Mr. Speaker, programs are presented by the government; that's the democratic way. The government believes in being close to the people. The government members want to go out and talk to people. The government members have done that. Opposition members consistently and continuously ridicule everything and just want to criticize and condemn and be negative. If the opposition doesn't want to deal with people and talk to people and work with people, that's their choice, but the people should know. I'm just delighted that the Member for Edmonton-Whitemud asked that question in the Assembly today so that all of the citizens of Alberta who are watching this question period today will know that government members care about them, government members are prepared to work with the rank and file citizen of this province, and government members are not afraid to meet with . . . [interjections]

MR. DEPUTY SPEAKER: The hon. Member for Bow Valley.

Irrigation Rehabilitation

MR. MUSGROVE: Mr. Speaker, my question is to the Associate Minister of Agriculture. [interjections]

MR. DEPUTY SPEAKER: Order please. The Chair can't hear the hon. member.

MR. MUSGROVE: I've been hearing from the irrigation districts in southern Alberta. They are getting a little concerned about irrigation rehabilitation. My question is: has any decision been made on the financing of irrigation rehabilitation?

MRS. McCLELLAN: Well, Mr. Speaker, certainly I can understand the interest particularly of the members of the Legislature from that area. As members would recall, in March of 1990 the five-year irrigation rehabilitation program was completed. At that time, we asked for and received a one-year extension to that program, and over the period of this past year I have worked with the 13 irrigation districts, the Alberta Irrigation Projects Association, as well as the Irrigation Council to assess the program and to bring back some recommendations as to whether there should be a continuance or future funding of that program. Through the very hard efforts of the groups in the irrigation districts as well as our irrigation caucus committee, there has been recommended to us a five-year program for irrigation rehabilitation in the 13 districts in southern Alberta.

MR. MUSGROVE: Mr. Speaker, some of the concerns of the irrigation districts are for any long-term decision extended for more than five years. Has there been any decision made on long-term financing?

MRS. McCLELLAN: Well, certainly, Mr. Speaker, that was one of the concerns of this government as well as of the districts and the Irrigation Council. In the five-year program, of which we will be initiating year 1 this year, there is a procedure to commit to long-term funding for the irrigation districts. I would just simply say that the irrigation districts and their association have worked very hard to look at equity among the districts, because some of the districts were further advanced in their rehabilitation than others. They were concerned that these districts had very little work done, whereas some were closer to completion and hence led to the discussion of some long-term secure funding. So through the efforts of the irrigation districts and the AIPA and the Irrigation Council we have initiated the program this year, taking into account those concerns and addressing some of the concerns on long-term assured funding for irrigation rehabilitation.

Goods and Services Tax

MR. CHIVERS: Mr. Speaker, it's now perfectly clear that the implementation of the GST has proven just as confusing, just as unfair, and just as ill-conceived as consumers across Alberta predicted and moreover that the replacement in particular of the manufacturers sales tax by the GST has been carried out unfairly by some retailers. My question is for the Minister of Consumer and Corporate Affairs. Given that the rationale of the GST was ostensibly to replace the hidden federal sales tax, does the government approve of the present level of disclosure of the GST to consumers in Alberta?

MR. ANDERSON: Mr. Speaker, the hon. member asks, of course, about a federal program which we have opposed on this side of the House. I would say that we believe in full disclosure of all of the costs to consumers in this tax area or in others.

MR. CHIVERS: Mr. Speaker, there is an area of jurisdiction for the province with respect to the regulation of prices and making sure that the true price of the goods and the true price

of the tax is clearly and fully shown on the retail price tag or at the cash register. Will the minister please tell this Assembly precisely what, if any, action he is considering taking in this area and include a timetable indicating when Alberta consumers can expect the same protection accorded to consumers in other provinces?

MR. ANDERSON: Mr. Speaker, I want to repeat that the government has opposed the introduction of the tax, which is a now a fact of law in the country. We have a court case that is in place to address that question. With regard to the information on the sales slip, we did consider that option and have not proceeded with it simply because of the onerous costs that would be inherent for the small businesses in the province and the confusion that could further result and that already has been great as a result of the introduction of this particular tax.

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

Soil Conservation

MR. TAYLOR: Thank you, Mr. Speaker. My question is to the Minister of Agriculture who is not dressed in Liberal red. It's with respect to Soil Conservation Week and the pious utterances that the government made last week about how they were trying to conserve soil. Yet just north of town we have had in the last year prize farmland go under to industrial and gas plant expansion, and also just now they're going to convert parts of the beautiful Sturgeon valley, number 1 and number 2 farmland, to housing. My question to the minister is: in view of the fact that the Minister of the Environment has the authority to stop the use of farmland for something outside of farming if it's environmentally unsound and the minister of wildlife can stop farmland from being developed if it again is going to hurt wildlife, why does not this government give the Minister of Agriculture the authority to stop farmland from being used for something else? He's the only one left without any authority.

MR. ISLEY: I gathered from what I could hear of the opening comments that the hon. member was tying this somehow or other to the Soil Conservation Week announcement of last week. The soil conservation program being in the domain of the associate minister, I am sure she would like to make some comments.

MRS. McCLELLAN: I would certainly make some comments on the opening comments, but I'm not sure that the question, if there was one, really can be answered. The conservation initiatives in this province are extensive, and as the member would know, the Alberta government signed an agreement with the federal government a year and a half ago which committed dollars to soil conservation in this province for a three-year period. We are now undergoing an interim evaluation of that program to look at whether it should be changed, extended, because this government does have a very strong commitment to soil conservation. I don't think that that can be disputed by the amount of funds that we discussed in our Agriculture estimates last Thursday night to this commitment.

As to how the development of residential on farmland ties in with our soil conservation initiative, I am not entirely certain, Mr. Speaker. I'd be happy to try . . .

3:20

MR. DEPUTY SPEAKER: I think the hon. member can clarify that in his supplemental.

Supplementary question, hon. member?

MR. TAYLOR: Mr. Speaker, I don't know what to do. If she has no idea that converting farmland to industrial development or housing is destroying farmland – I don't know – it's impossible.

Maybe I'll go on to something else then. To the minister, either Bonnie or Clyde, whichever one is going to answer this one. This is with respect to the GRIP program.

Speaker's Ruling Supplementary Questions

MR. DEPUTY SPEAKER: Order, order. [interjections] Order please, hon. member. The rules are quite clear. There is a main question and then there's a supplemental question to the main question on the same subject, not an entirely different subject.

MR. TAYLOR: Your point is well taken.

Soil Conservation (continued)

MR. TAYLOR: This government has in spite of preaching conservation of land recently approved a GRIP program, Mr. Speaker, that allows marginal land to be put into wheat production instead of taking it out of production. How can the minister countenance the fact that this latest insurance scheme is causing farmland to be eroded and taken away rather than preserved?

MRS. McCLELLAN: Well, I think it's interesting that the hon. member would take a program that was designed to offer stabilization to a sector of our industry, the grains and oilseeds sector, which is in dire need of this stabilization this year, and turn it into a negative on conservation. Clearly the member has not looked at the conditions of the revenue protection plan option under crop insurance. We are concerned about land being taken out of forages and put into production, and hence there is a condition in the program that a producer may only insure 10 percent variance above his past three-year record, if he has been farming for three years, or in 1990, if that was his year to begin, which clearly puts some conditions on the number of acres that a farmer can insure.

I would also remind the member that under the soil conservation agreement that was signed, there is a permanent cover program which encourages producers to put marginal land, class 5 and 6, into permanent cover. This is part of an initiative . . .

MR. DEPUTY SPEAKER: Order please. I'm sorry to interrupt the hon. minister, but this question has gone on too long, and there are too many members waiting.

The hon. Member for Athabasca-Lac La Biche.

Reforestation

MR. CARDINAL: Thank you, Mr. Speaker. My question is to the Minister of Forestry, Lands and Wildlife. There has been some concern over the province's capacity to provide enough seedlings for reforestation in Alberta. The opposition, for an example, argues that fewer bureaucrats means fewer trees. Of course, you should never listen to the opposition; they

don't make sense too often. For an example, the minister of rotten wood over here wants to cut the forestry minister's salary, a minister who's involved in the creation of thousands of jobs in Alberta. My question to the hon. minister: could the minister state for the record whether or not our department of forestry has the capacity to ensure a full and complete reforestation policy for the future of Alberta?

MR. FJORDBOTTEN: Mr. Speaker, the answer to the question is yes. My department's seedling supply strategy will absolutely ensure that we can meet all our reforestation commitments because of the industry development.

MR. CARDINAL: My supplemental, Mr. Speaker, relates to the growing number of private nurseries in this province. Is it not true that the private enterprise nurseries such as Alberta Nurseries & Seeds and Trussle tree farms of Whitecourt are eager to increase their production capacity to supply us with seedlings?

MR. FJORDBOTTEN: Mr. Speaker, with the expansion that's taking place at Pine Ridge right now, which I'll speak about in my estimates, in addition to the starter program for many small operators in the province, we also will be announcing very soon our seedling supply strategy, which I might say will certainly open up opportunities for many growers.

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

Substance Abuse Programs

(continued)

MS M. LAING: Thank you, Mr. Speaker. My questions are to the Minister of Health. While the Premier's \$200 million Alberta family life and substance abuse foundation will be established this year, AADAC, the Alberta Alcohol and Drug Abuse Commission, which we heard today is celebrating it's 40th anniversary, has received a funding increase less than inflation and has announced that it will be cutting back on several of its programs, including the Northern Addictions Centre in Grande Prairie, a halfway house in Edmonton, and education and prevention, which have been decreased by 11 percent.

MR. DEPUTY SPEAKER: Hon. Minister of Health.

MS BETKOWSKI: So what's the question?

MS M. LAING: I'm sorry. How can the minister possibly justify this senseless cutback in AADAC programs, which have served Albertans so well?

MS BETKOWSKI: Mr. Speaker, as the member herself acknowledges, it's not a cutback. It is in fact an increase in the AADAC budget. I think we can get more into the issues with respect to AADAC when we visit those areas.

I guess the way we've approached the budget, and Health was no exception, is that we all had to look at how we could be part of presenting to the people of this province a balanced budget. The decisions that were made in AADAC we believe are appropriate ones for the times and will not result in the curtailment of services. In fact, services will be enhanced for people in this province and, of course, will be complemented by

the new Alberta family life and drug abuse foundation that will be established.

MS M. LAING: Well, Mr. Speaker, there may not have been a cutback in the budget, but there have been cutbacks in services.

Mr. Speaker, in view of the fact that the recent Cawsey commission report confirmed that substance abuse is a major and growing problem amongst native people, how does the minister justify the elimination of funding to the Jimmy Wolf Tail Memorial Society, which runs a halfway house for native people?

MS BETKOWSKI: Mr. Speaker, rather than provide an incomplete answer to the member, I would ask that we take the question on notice and that the chairman of AADAC respond in detail to it tomorrow, when he returns to the House.

MR. DEPUTY SPEAKER: The Chair apologizes to the five members who were left at the gate for not being able to keep the question period moving faster. Maybe it'll get back to normal tomorrow.

Point of Order Anticipation

MR. DEPUTY SPEAKER: Point of order, Edmonton-Highlands?

MS BARRETT: Yes, Mr. Speaker. I tried to rise earlier to point out that the questions as put by the Member for Athabasca-Lac La Biche should have been called to order. I did try to shout that out. They anticipate under Standing Order 23 the subject matter which is to be dealt with this afternoon, which has been on notice by the way for two days, so members do know about it, and that is the Department of Forestry, Lands and Wildlife estimates.

MR. DEPUTY SPEAKER: Well, thank you, hon. member. I'm sorry if the Chair was wrong. I think it was sort of an iffy question. It was a question to the Minister of Forestry, Lands and Wildlife, but the Chair doesn't agree that no questions can be asked of a department at all. I think questions regarding the estimates cannot be asked when it's estimates day.

head: **Orders of the Day**

3:30

head: **Committee of Supply**

[Mr. Jonson in the Chair]

MR. DEPUTY CHAIRMAN: I would ask that the committee please come to order. We'll just wait a moment while it does.

head: **Main Estimates 1991-92**

Forestry, Lands and Wildlife

MR. DEPUTY CHAIRMAN: Does the hon. minister have any opening remarks?

MR. FJORDBOTTEN: Yes, thank you very much. Mr. Chairman and Members of the Legislative Assembly, it's my pleasure to present the '91-92 estimates of the Department of Forestry, Lands and Wildlife. The budget I'm about to present

reflects the optimism and the commitment to the future of Alberta's natural resources, and it also recognizes the need for prudent fiscal management.

Before I present the estimates, Mr. Chairman, I would like to thank my deputy minister, Cliff Smith, and all of the department staff for their continued hard work and commitment and the dedication they've shown to the people of Alberta, particularly this year in putting the budget together. It was difficult for each one of the directors and each one of the ADMs, and under the able leadership of Cliff Smith and Tom Collins I think the budget for this year as reflected in the estimates is a very positive one. I'm proud of my department, including the Forest Service, the fish and wildlife division, as well as public lands and land information services for all of their efforts.

As we heard in the Budget Address of April 4, the government has been pursuing a two-part strategy to secure the prosperity of Alberta since the oil price collapse in 1986. The course which we've been traveling on involves diversifying the economy while at the same time balancing the budget of the province. The Department of Forestry, Lands and Wildlife has been an important player in both aspects of that strategy. The success of our government's economic plan was to keep Alberta's economy growing in 1991 while most of the country has been suffering from a recession. For several years now my department has worked hard to develop the forest industry in Alberta. Over the past two to four years nearly \$2 billion has been invested in Alberta's forest industry, and another \$1.3 billion will be spent in the Alberta-Pacific project over the next three years. Today forestry is an important source of sustaining the growth of Alberta, and the forest industry is becoming one of Alberta's largest exporters and, successfully I think, has fostered this economic development while ensuring at the same time that our environment was protected and preserved for the future benefit of all Albertans.

Let's consider some of the facts, Mr. Chairman. New industry exists in communities all across this province. Examples are at Slave Lake, Peace River, Hinton, and Whitecourt. More than 12,000 new direct and indirect jobs have been created as a result of the forest industry over the last few years. Going around in the city of Edmonton and meeting with a lot of different people, there are an awful lot of people in this city that are now employed as a direct result of the expansion of the forest industry. That was evidenced in the success of the program and the tremendous response there was in the recent Edmonton procurement seminar. The number of people that were there clearly indicates that these projects are changing the face of Alberta's northern economy. I feel that the efforts of our forest industry development division under Al Brennan should be commended. This group has greatly assisted the growth of this important sector of our economy, and there's been considerable spin-off jobs and investments and employment and benefits all across this province.

As a reflection of our commitment to sustainable development the concept of integrated resource management continues to be the foundation of this department and its activities. It's integrated resource management that will ensure that we continue to provide the proper and appropriate stewardship of Alberta's precious natural resources. My department, Mr. Chairman, has a unique role in government. We're charged with an enormous responsibility of both stewardship and allocation over consumptive and nonconsumptive uses of our natural resources. To only name a few, we provide: natural areas; grazing privileges; licences to hunt, to fish, to trap, and to guide; permits and agreements to use our resources. We provide

opportunities to use our resources in order to fulfill the economic, the social, and the cultural needs of Albertans. At the same time, however, we must balance these opportunities against the need to ensure that we're maintaining biological balance and diversity and preserving the naturally occurring ecological life and support systems that are absolutely vital to the environment of this province.

Mr. Chairman, in 1988, my first full year as minister, the department's budget was \$156 million. Over my four years as minister I've ensured that the department's budget has received additional resources to allow us to continue that commitment to integrated resource management, including proper management of our forest resources. Today's budget is \$175 million, so that's a 12 percent increase. [interjection]

MR. DEPUTY CHAIRMAN: Order please. Pandering is not allowed in the committee.

MR. FJORDBOTTEN: Going from \$156 million to \$175 million is a 12 percent increase since I became minister.

I'd like to spend a moment and respond to the criticisms that have been directed at the management of my department and our budgets and their impact on the forest management practices in Alberta. Since 1988 the Alberta Forest Service budget has increased 8.5 percent, from a level of \$83 million to \$91 million today, and that increase has taken place over a period when there was a time of fiscal restraint and incredible pressure by Albertans to balance our budget.

During the last four years we streamlined our administrative structure in order to provide greater staffing at field locations. In addition to that, we've added 10 new forest officer positions in field operations in 1990-91.

I want to point out that our Free to Grow regulations that we put in place effective March 1 have placed increasing responsibility on the industry to reforest their harvested areas. We audit these activities very closely, and companies are actively undertaking more responsibilities for resource management and for public involvement in their harvesting activities.

There are, I think, many facts in this department that members are not aware of and that not many really fully appreciate: forest management agreements and what those forest management agreements do by placing a very large share of forest management responsibilities on the industry. FMA holders are fully responsible for reforestation, for road construction, for basic research, and for forest management planning. I can't overemphasize the importance that I feel there is in shifting that responsibility over to the industry. These forest management agreements have allowed the government to take a monitoring role, and I believe this is the approach we should be taking.

Mr. Chairman, the budget before you this afternoon was not arrived at without some difficult decisions to meet our budget targets. Budget estimates for 1991-92 have increased some \$4.4 million, or a 2.6 percent increase over 1990-91. Reductions and streamlining have provided fiscal flexibility to carry out important new initiatives and to continue on with our priority programs. One reduction we reluctantly had to make was the elimination of our forest research branch, and while we've lost the administrative structure of the branch, we nevertheless have maintained the research capabilities of the Alberta Forest Service by reallocating professional staff to other branches. This will allow our research to be more focused and more specific on forest management needs, and the total savings are about \$900,000.

3:40

I'd point out that the forest resource management intends to spend over \$3 million in 1991-92 on research activities covering such topics as forest genetics, plantation success, product development, competition control, site preparation techniques, and pelletizing of seedlings. This is in addition to \$3.7 million we'll provide for research elsewhere in my department, and some of this will involve such areas as resource inventory, habitat development, population dynamics, fish and wildlife disease research, including some tissue analysis to chart the prevalence and isolation and treatment of pathogens and parasites in fish and wildlife species. These are very important areas of research that are extremely important to our fish and wildlife resources.

MR. DEPUTY CHAIRMAN: Excuse me, hon. minister. Would the members of the large subcommittee please cease and desist and come to order. I'll include in that Westlock-Sturgeon too.

Please proceed, Mr. Minister.

MR. FJORDBOTTEN: As part of the overall reductions, it's been necessary to cut back in one area that I found very difficult, and that was conservation education. I've received a number of letters on it, and we have worked through our budget in the last couple of days and recognized, first of all, that there was a commitment made. A commitment made should be a commitment honoured, so we're providing for those camps up until March 31, 1992. Then in that period of time we're going to work with the corporate sector to see if we can get some corporate sponsorship to see that those camps are maintained. The backbone of that conservation education program is volunteer instructors and teachers. We don't want to lose them, and we don't want to lose a very positive program. I appreciate the support and the efforts of my forestry caucus committee in working with me.

Mr. Chairman, as I stated earlier, the entire budget for the department has increased by \$4.4 million. These funds are in addition to the savings that we have generated by streamlining activities, and we're undertaking some exciting new initiatives as well with our ongoing programs. I'm pleased to announce that our fish and wildlife division will be continuing with phase 3 of our district enforcement enhancement program. To remind hon. members, over the last couple of years we added 21 permanent positions to the provincial enforcement staff. That works to enhance their capability and their ability to work against poaching and safeguard our fish and wildlife resources. Over the past two years budgetary increases for the enforcement program have amounted to more than \$1.1 million. In 1991-92 we're continuing our commitment to fish and wildlife protection by adding an additional 12 permanent staff and \$1.3 million to these operations. This amounts to a 16 percent increase in that particular area. We plan to add an additional 19 positions. Because our intention was about 50 positions over three to five years, we have 19 more to go, and we'll add those in the years ahead.

My department is also continuing with the development of a \$24.6 million land related information system, or LRIS project, which we began in 1990-91. The initiative represents our continued effort to improve upon our already extensive resource information base, which is essential in this day and age for proper resource management. For those not aware, LRIS is a governmentwide, world-class initiative to co-ordinate and computerize information about land base and other fiscal,

physical, social, and cultural characteristics of the province. This has been achieved by enhancing and integrating the primary components of Alberta's land data systems. I believe this initiative will make Alberta a leader in technology and provide the private sector with opportunities to market this technology in Canada and also in other nations. This system will be completed over a four-year period, and it will be completed in co-operation with private-sector interests. We've added about \$1 million to the budget for the land related information system this year, plus the private-sector donation of some \$5.4 million, so we can get on with the program, and what an exciting program it is. We'll see that Alberta continues to be a leader in this area.

Mr. Chairman, reforestation continues to be one of the major focuses of my department. As such I am pleased that we're continuing to enhance the growing capacity at Pine Ridge nursery near Smoky Lake. Last year, as you recall, we began an \$8.1 million upgrade and expansion to the facility. As part of this commitment we plan to expend \$6.5 million in 1991-92. In recognition of the future benefits this initiative will yield to Albertans, funding is coming from the Alberta Heritage Savings Trust Fund.

When the enhancements are completed in this next year, the annual production at Pine Ridge will be increased by about 9 million seedlings to 33.5 million seedlings annually. I believe that clearly demonstrates my commitment to ensuring that harvested areas will continue to be thoroughly and properly reforested.

I would like to point out that the department has supported the private sector by providing seedling contracts to small nurseries across the province, and I intend to continue to utilize the private sector to efficiently provide sufficient additional seedlings as our forestry projects come on stream.

Overall, Mr. Chairman, I have to say I'm completely satisfied that my department's seedling supply strategy will ensure that reforestation keeps pace with industry development. I'll have more to say to that in the days ahead as I announce fully and completely what our seedling strategy is.

Mr. Chairman, funding from the Alberta Heritage Savings Trust Fund will also be used to complete the second year of our six-year \$19.2 million grazing reserve enhancement program. Our public lands division has \$2.8 million budgeted for the program in 1991-92, and when the program is totally completed, we will have redeveloped 136,000 acres of low yielding tame pasture that had been rapidly reverting to brush. This will increase our grazing capacity, and we expect a corresponding increase of patrons using the reserves and an increase in the existing allotments to a thousand or so more family farm or ranch units.

As I have mentioned, Mr. Chairman, in addition to the continuing programs the department has a number of important new initiatives for 1991-92. I'm pleased to announce that in 1991-92 I intend to move to the implementing of the first phase of a 15-year North American waterfowl management plan in participation with other provinces and the United States. In the past, agricultural, industrial, and even urbanization activities have affected distribution and population of waterfowl in this province. This plan is designed so that agricultural agencies and landowners and wildlife managers can work together to improve soil and water conditions for the benefit of wildlife and for agriculture. The 15-year term of the North American waterfowl management plan will see the restoration of habitat for waterfowl. It'll be a shared responsibility. That responsibility will be shared: 75 percent of the funding from United States sources,

15 percent combined from the federal government and nongovernment organizations, and 10 percent from the provincial government. Therefore, in each of the 15 years \$1.6 million expenditure by Forestry, Lands, and Wildlife will be leveraged to encourage \$16 million invested annually in Alberta. That \$16 million will go into preservation efforts and resource enhancements, and I think it'll, frankly, provide a very excellent return on our investment. If you work it out over the 15-year period, the total investment of \$240 million in rural Alberta over 15 years to increase our waterfowl habitat areas I think is a great initiative.

As I stated earlier, Mr. Chairman, the Department of Forestry, Lands, and Wildlife has balanced economic diversification efforts with efforts to preserve the natural resources of Alberta. The forestry projects now complete or under construction incorporate the highest standards in environmental and also in operating technologies. In further recognition of the support of environmental concerns we've allocated \$949,000 for the first year of a four-year, \$12 million technical study on the Peace-Athabasca-Slave river basin. The study follows the recommendations of the Alberta-Pacific Environmental Impact Assessment Review Board that additional river research be conducted to study the cumulative impact of the development on those river systems. The studies will be undertaken in a cost-shared arrangement with Alberta Environment and the federal government.

3:50

Mr. Chairman, one of the most important developments for 1991-92 in my department involves new revenues. You'll note in the 1991 Budget Address that we intend to significantly increase various fees and charges. I forecast overall revenues from Forestry, Lands, and Wildlife will increase by \$6.2 million or 16 percent this year. These increased revenues in conjunction with our program reductions have been proposed in support of our government's efforts to manage our fiscal resources wisely. At the same time, and in part because the fees have been increasing, we're experiencing demands daily for increased services and programs. Hardly a day goes by that there isn't someone from the Alberta Fish and Game Association or users of our recreational facilities that come in with new projects. They want not only new projects, but they make recommendations on how to add to or improve our programs. My department has been working closely with them.

We've been asked to improve a number of areas. One area is the hunting licence management and the big game inventory systems and to provide assistance for endangered species. In response, Mr. Chairman, one of my priorities is to expand the programs funded by the Fish and Wildlife Trust Fund, and last year our fish and wildlife division worked closely with Trout Unlimited, the Alberta Fish and Game Association, and the Western Walleye Council to implement the sportfishing fee increase that provided funding for the Buck for Wildlife program and created a new fisheries enhancement fund. This fund together with the Buck for Wildlife program provided \$3.4 million for fisheries and habitat development projects. This represents a \$2.3 million increase for those projects funded directly by the users of those resources.

Mr. Chairman, I'm very pleased to announce that in 1991-92 I plan to introduce a fish and wildlife enhancement program, which will also be funded by the Fish and Wildlife Trust Fund. This program will successfully, I believe, address some of the more important demands that have been placed on us or that we face for additional services while working with the need for

government spending restraints. There are a number of components to that strategy. On the revenue side we are implementing a major increase in the recreational hunting licences. That will generate about \$3.2 million in additional revenue. Over half of this additional revenue, or a full \$1.8 million, is to be turned over to the General Revenue Fund, and \$1.4 million will be directed to the Fish and Wildlife Trust Fund. From the trust fund I plan to initiate two new initiatives to address important concerns that have been identified by the hunting and the recreational community.

The first initiative is to establish the wildlife rehabilitation enhancement fund. I believe that the continuation of all native species in Alberta is essential, and the department will provide \$670,000 on an ongoing basis to implement a transplant and reintroduction program for endangered wildlife such as mountain goats, burrowing owls, and caribou. I also plan to have a private-sector advisory board established to recommend which species require support and suggest strategies to implement the program.

Mr. Chairman, as the second of these two initiatives I intend to establish a comprehensive licensing management inventory system in the 1991-92 year with an annual budget of \$600,000. This system will feature an introduction of a permanent hunter identification number, allowing us to retain historical information on all hunters including past hunting infractions. Not only will this eliminate the need to collect routine information from returning hunters, it will also, I believe, allow us to improve our enforcement capabilities and provide better prevention of illegal hunting activities. We'll also be able to implement a special licence draw based on multiple year priority. With the special licence draw, those hunters who have not been selected for several years will be favoured, and the inventory component of the system, a data base, will provide up-to-date information on the location and the size of wildlife populations across the province. With improved linkages in resource inventory we'll be in a much better position, I think, to manage our resources.

Mr. Chairman, in relation to the new trust fund initiatives I believe it's important to emphasize that when Albertans buy a hunting licence they know their dollars are going directly to the enhancement of our resources.

Mr. Chairman, I thank you for the opportunity to present my department's budget before you. I may not have the opportunity to entertain all questions raised by hon. members this afternoon, but I promise to undertake a thorough review of *Hansard* and circulate a package with answers to those questions by members of the Assembly which haven't been fully addressed here today. I now look forward to comments and questions from all hon. members.

MR. McINNIS: Mr. Chairman, in rising to address the 1991-92 budget estimates of Forestry, Lands and Wildlife, I'd like to point out that the Official Opposition New Democrats regard the forestry issue, all of the issues around that as being among the most important before the province of Alberta at this point in time. That's why earlier this session we presented a draft of forest policy for the province of Alberta, why we've highlighted the issue in question period, and why we've taken this opportunity to designate the estimates of Forestry, Lands and Wildlife at an early stage in the proceedings of the Assembly.

This is an historic juncture in the development of the forest industry, especially in northern Alberta in that part that we call the northern boreal forest, and a particularly opportune time to look at what we're doing and how it's going to impact the future of the forest resource, the people who live in it, and all

of the various environmental values that go into it. I would like to join the minister in expressing appreciation for the efforts of the staff of the Ministry of Forestry, Lands and Wildlife. We have now a very solid indication of how seriously they take those responsibilities. In my experience it's somewhat unprecedented that there is available to the public a detailed budget submission from the department, which is really where the department takes inventory and stock of what it's doing in relation to the goals and the objectives that it's supposed to serve, the legislation that it's sworn to uphold, and the trust that it holds for the public. I intend to review that in considerable detail because it speaks volumes, Mr. Chairman, about what's happening not just in the department but in the forests of Alberta.

Some members of this Assembly need a perspective on how important the boreal forest is. You know, I was a little taken aback that the minister didn't enter the debate on our proposed policy statement. The government backbenchers who did seemed to think it was more important to attack me personally for the fact that I represent an urban area of the province than they did the issues that were raised.

There's quite an interesting perspective on the boreal forest in an article that was published in *Equinox* magazine, September/October last year, by Christie McLaren. There's a very brief comparison there of the Amazon rain forest and the northern boreal forest. A lot of people in this country are quite concerned about what's happening in the Amazon forest. For example, Christie McLaren points out that the Canadian boreal forest region runs approximately 3.3 million square kilometres, which compares with the 3.5 million square kilometres of the Amazon rain forest, not much difference in size; that the amount of forest land cleared in Canada each year as of that writing was 12,220 square kilometres compared to 35,000 that's cut in Brazil. We have a situation where the cut in the boreal forest is expanding dramatically across all of the provinces that span the boreal forest, including the province of Alberta. The provincial government has already committed a doubling of Alberta's annual allowable cut over the next very few years, so those figures are going to increase in terms of the amount cut in the boreal forests.

4:00

The amount of Canadian forests that is regenerated to productive new forests within five years is somewhere in the range of 55 percent in Canada, whereas in Brazil it is zero. Much is made of that comparison, but we do have to think very seriously about the 40 to 45 percent that is not regenerated. The amount of productive Canadian forest land that is now barren or not satisfactorily restocked with a quality or species of tree capable of continuing to support industry: we have 10.3 percent or 250,000 square kilometres in Canada that's in that state of disrepair, and a very large portion of that in the province of Alberta. That compares with 420,000 square kilometres that has disappeared in Brazil.

In the boreal forests in Canada we have a total of 85,000 square kilometres which is protected from development and commercial extraction. That's 2.6 percent of the boreal forest – not very much, Mr. Chairman – which compares to 329,000 square kilometres in the Brazilian Amazon. So they seem to be a little bit better in terms of protecting some elements of their forests from exploitation. Finally, a statistic that I find extremely interesting. There's an estimated 100,000 Indian and Metis people who live and make their living in the boreal forests in Canada compared with 170,000 in Brazil. So there are some very striking and interesting comparisons there.

Before I go into this in detail, I would like to say that I am not even slightly happy with the response that the Minister of Forestry, Lands and Wildlife has made to the release of the budget submissions and the detailed information about his department's spending. He first of all attacks the staff of the department and says: well, they're simply interested in having more staff; you know, staff want staff; so what? That's basically the line he's presented, as if the cuts in the budget were some kind of a bureaucratic birth control which was designed to keep the population numbers down in terms of public servants. What is missing there is the fact that he has made commitments publicly on things that are going to be done, the Legislative Assembly has given a mandate and responsibility to the department, and there's a resource out there which is at risk, very clearly at risk. There is absolutely no substance in the charge that this is somehow a conspiracy by public officials to get more buddies that they can have coffee with around the table. There is serious work to be done, and it's a plain fact that there's not a bunch of good fairies out there who are going to do the work for us. If the work is going to be done, we're going to have to make sure it's done ourselves. He suggested that somehow these figures are all wrong because there's a 1982 base year involved, and he says that was a good year. Actually, if you look at staff, in 1986 there was an equal number of staff, but cuts have occurred mostly since then, and they're very, very serious cuts.

He's also said that he doesn't have to worry a great deal about what's happening because most of the increase in the allowable cut has not taken place so far. The development hasn't happened, so he doesn't foresee a need to do anything about it, forgetting that a great deal of the work that the Forest Service has to do takes place before you ever send equipment out there and start logging. In fact, much more of it should be done, because all of the research I've read says that where you harvest and the way you harvest have a great deal to say about how easily and how quickly those trees can be brought back. We have an integrated resource planning system which has not been allowed to work in northern Alberta where this forestry development is taking place. We have requirements that plans be put in place and checked and, layered on there, a commitment that the public will be involved in that. All that work has to be done before you go out there and start cutting trees down. If we take the idea that well, we're going to just take a chance and allow them to go at it and then see what we've got afterwards and see whether we can fix it up, that's reckless, Mr. Chairman. That's reckless in the extreme. I think that argument reflects a very reckless attitude, which is what underlies the cuts that have been made and the failure to respond to needs in the department.

Finally, the one that he emphasized today, which is: what, me worry; the private sector is responsible for this; we leave it up to the private sector to look after these things. Well, I'm afraid we've got you there, because the responsibilities of the private sector are policed very plainly by the Alberta Forest Service. There's an interaction that's contemplated within the forest management agreement, the Act, the regulations, all the policies and procedures of the department. It's an interactive process. We don't just sit back and allow industry to interpret the responsibility the way they would have it, because the jury's in on that. We've seen what happens if you just let forestry operators do whatever they will. There's a very powerful mood for change.

So let's look at some of the concerns of the department, because I think they've been distorted in the public record by this minister, and see exactly what it is that's at stake here. We certainly have a situation in which the growth the government

initiated in the past three years, since 1988, has got to have an impact on the Forest Service. There can be absolutely no doubt about it. The impact is spelled out very plainly on page 11 of the document. What's happening with the tremendous growth in responsibility on the one hand and the starvation of resources and staff on the other hand is the role the department has changed *de facto*. It's gone from a position where they were the managers of the resource – well, I'll quote directly.

This change has resulted in a move away from our legislated role as managers of the resource to simply trying to make do as caretakers. This shift has left us in a reactive position to most situations and prevents us from developing and implementing proactive management strategies.

When I meet with staff in the department, that's what they're telling me. They're not telling me the picture that the minister brought forward today. The picture is that they know they don't have an adequate forest policy. They know that they end up opening up the newspaper, watching television, listening to the radio, finding out what's happening, and then chasing out trying to put out brush fires that have already happened. That's the picture you get when you talk to the people who are actually doing the work.

They're saying that perhaps we should have known better in terms of some of the decisions that were already made, and if we had to do it over again that we would probably do it a whole lot differently. Well, you have to learn in life that you can't do over the things that you've done. You have to face up to the things you've done, and life goes on. But that's the position we're in today, and all we're saying is: don't repeat the mistakes; don't compound the errors; don't do what other people have done; don't leave my children and grandchildren and yours and all of our grandchildren with a big mess to clean up. That, I believe, is exactly the message that the Forest Service is conveying to the minister.

There has been a decline in staff. There are 86 positions that have disappeared, most of them it seems to me in the '87-88 period, and listening as carefully as I could to the minister, I can't see that those positions have been replaced, let alone try to deal with the problems that are ahead of us.

Let's look at some of the things that the Forest Service actually has to do in relation to proposed harvesting by a forest company or a pulp company. They have to evaluate harvest plans of FMA holders. That takes place well before a tree is ever cut. There's a three-month review period for every forestry annual logging plan, plus eight days of aerial reconnaissance per year per FMA. They have to also evaluate harvest plans for quota holders; that takes 18 person-days for each quota. They have to update inventories. Inventory is in a very sorry state in the province of Alberta, and the minister knows that or he ought to, because he's had advice from virtually every quarter stating that.

There are 28 person-days per management unit. Management plan reviews take three and a half person-months for each plan that comes in the door. Then you have the additional commitment to more public involvement, which is going to take somebody's time, because how can you be involved with the public if there's nobody there to listen or to provide information?

Now, that's what takes place before any trees are cut, and then you have to look at what happens afterwards: the regeneration surveys where they go out and make sure that all of these standards the minister talks about in terms of reforestation are met. I mean, are we supposed to have a few people sitting around the cabinet room saying, "Well, we've got to assume

that the trees have all been planted, because we haven't got anybody to go out there and check and make sure that they are." That's 42 plots per day, a two-man crew. Regeneration quality monitoring takes three person-days for each project. Forestation treatment projects, field inspections, scaling: all of these things take a great deal of time, and you can't do that without staff. There's absolutely no two ways about it.

4:10

Morale in the department is at an all-time low, according to the submission of the Alberta Forest Service. The best, most experienced foresters are leaving or have left, because they feel, and I quote directly from the document, "below standard work [is] being achieved," their professional standards are not being met by the type of conditions they have to work under, the cutbacks that they face are totally unrealistic given the expansion that's in place, and the "existing staff can not adequately monitor industry to ensure compliance with environmental standards and practices": a direct quote from the department's document. This isn't me talking; this is the Alberta Forest Service talking: "staff can not adequately monitor industry to ensure compliance with environmental standards."

So how can he stand up and talk about these high environmental standards? We heard it again today. He said that we have the "highest standards." Well, I question that. I will in detail if there's time. You can state any standards you want, but when the staff is telling you that they can't monitor industry to make sure they're being met, then somebody's got to listen. You can't just say that this is bureaucrats trying to multiply their numbers. The document refers directly, and this is the way I would characterize it, to a "Brain Drain" within the department because salaries are much higher elsewhere, because of the impossible working conditions. At page 24 it says:

Without sufficient staff, the AFS will be unable to monitor and enforce the environmental standards promised by the government of Alberta to its citizens.

In black and white not "maybe," not "could be," but "will be unable to monitor and enforce the environmental standards promised by the government."

If you're the minister of forests and you're told that they will not be able to monitor the standards, how can you stand up and say that we have a standard? What you have is a press release and nothing more. That's the type of attitude that is I think much more serious than anything I've seen for a period of time.

The minister talked with great pride about Free to Grow, and he has on many occasions, about the fact that the government has brought in these Free to Grow standards. Now, I support that, but I think he should know and we should all know that Free to Grow is only the most basic level of forest management that's out there, and if we're going to get the most and the best out of our forests, we have to practise much more intensive forest management than that. We have to get into the area of full reforestation, which is not just Free to Grow standards in the future but planting of all forest lands including the shortfall lands, the NSR lands, the 38 percent of Alberta lands which have not been adequately restocked. I see in the media that the Member for Edmonton-Meadowlark has picked up on this issue as well. We've got 107,000 hectares of cutover lands in Alberta which are not properly reforested.

When the government brought in the standards on May 1 of 1990, they promised as part of the deal that they would pay the cost of reforesting those lands. That's cost us some \$130 million. Well, where is it? I mean, the government promised they would

do that, but there's no money here and there's no money in the department's arsenal in order to do that full reforestation.

Then we look at the area of silviculture, where we should be doing juvenile spacing, fertilizing, commercial thinning. That's not even in the program in Alberta. It's not even in the program, so in terms of reforestation all we've got is a promise that in the future there will be basic reforestation done by industry: nobody in the department to monitor whether it's done, just a promise of the most basic level of reforestation. I say it's absolutely shameful that we can't do better than that. What's the conclusion of the department? A potential for overcutting and an eventual disruption of the sustainable flow of timber from provincial forests. A situation of this nature would place us in violation of both the public trust and our legislated mandate.

Very, very strong language, but I think appropriate language given the actual condition that we're in today.

Forest research. I could go on for a very long time about forest research. I think we should look at the Dancik report. Professor Dancik together with John Stelfox, Bob Udell, and Lorne Brace prepared a very comprehensive report, *Forest Management in Alberta*, which the minister commissioned when he discovered that people were upset about all this forestry development happening without public input. So he put together this panel which made some recommendations which deal very much in the area of research. There's a suggestion that

forest research is declining in Alberta and requires new direction and funding. The strategic direction is being developed, but funding is urgently needed.

Well, what's the response of the government, Mr. Chairman? They totally eliminate the research branch. I can't imagine a more – I'm struggling for the word here. This is absolutely the wrong approach when the public of Alberta and the experts have told the government that forest research is absolutely essential and is very much needed. I'm kind of shocked that according to Professor Dancik – we spoke to him the other day – nobody from the government, the minister, or the senior officials of the department have even contacted him about his report. Now, we were told the other day that there is a response being prepared to this report. It's a very serious report, and it's now been collecting dust for – well, it was prepared May 16, 1990, so we're coming on a year that it's been around. There's no substantive response other than that the research branch is eliminated.

Now, again the Alberta Forest Service submission:

If we are to properly address the hurdles that are presenting themselves along the road to more intensive forest management, particularly in the areas of growth and yield and mixedwood management, greater numbers of projects will have to be initiated in house with adequate long-term funding to achieve the necessary results.

An objective recommendation, and it's been rejected by the government. I think it's an appalling state of affairs, and I don't think there's any other suitable word to describe it. When the minister himself admits that a lot of these FMAs were signed without adequate understanding of what's out there, without adequate knowledge of the proper forestry management practice, it's a shameful situation and one that I don't think any fair-minded Albertan could support.

The question of public involvement. The Forest Service submission quotes in 1988 an official press release in which the minister says that we have to involve the public

so that Albertans will better understand the planning process, and those responsible for developing and implementing the plans will become more fully aware.

A very good objective, and there was a whole series of items that were promised that the public would be involved in: reviewing forest management plans; there would be "open and constructive dialogue." All of these things that were supposed to happen, but happen how? The Forest Service points out that involvement of this type by Alberta Forest Service personnel in both Provincial Headquarters and various field locations will be substantial if we are to provide the level of service demanded by the public and openly supported by government.

Well, I guess they didn't realize that the government wasn't serious in its commitments, because they never provided any resource to back that up at all. The document concludes:

Current staffing levels do not allow for significant allocations of time, if any, to groups expressing concerns over harvesting practices.

So what sense does it make for the minister to again repeat this 1988 press release in 1990, in which all the same tired, old clichés are brought out, the same promises about public involvement: we're really going to listen to you this time.

July 4, 1990, the Hon. LeRoy Fjordbotten announced a new policy for public involvement in the forest management process.

The policy states that public involvement is mandatory . . . It stipulates that companies must include the public as meaningful participants in forest management planning.

Well, they haven't followed through; they haven't done a blessed thing. All they've done is cut back. There is no ability for the forest service staff to be involved in this to provide time, if any, to public groups who are involved in the process. It's a very cynical approach, in my opinion, to create expectations and to cause people to believe something's going to happen when the evidence unearthed shows that they have absolutely no intention whatsoever of making it happen.

4:20

Environmental protection. It's very clear from the Forest Service submission that

the . . . Forest Service's ability to carry out the necessary inspections to ensure environmental protection is a direct reflection on the entire government as the keeper of the public trust.

A direct reflection on the entire government. So I think that all the rest of you sitting with the government can't point the finger at one individual. It says that every one of you is on the line for the fact that you have no capability to ensure that the environmental standards are met.

At present, our division has both insufficient manpower and support to meet the required levels of inspections as called for in the timber management ground rules and the [Forest Service] Organizational Review. Failure to provide the needed resources for this function will result in ongoing environmental damage and increasing levels of public concern.

Now, there is absolutely nothing the minister has said that refutes that, absolutely nothing whatsoever. When he says, well, we're going to leave it up to the companies – I mean, give me a break. Who's supposed to have peace of mind over that? I think that's privatization gone mad. It's madness because it's a very clear warning in black and white. It appears to me that that message has not been received by the government, let alone acted upon. It would be one thing if they acknowledged that the message was received and they went ahead and did it anyways, but no, they want to pretend that it doesn't exist. They want in a sense to shoot the messenger by saying: "Well, this is just staff trying to get more staff. The staff always wants more staff." That's a bogus argument.

What does it mean? Well, the bottom line is very clear. We don't have integrated resource plans throughout northern

Alberta. I mean, if you look at the map of integrated resource plans, where they exist is not where the forestry operations are going to take place. In the absence of direction by those plans, all of these decisions have been made by government to go ahead and allocate the resource anyways, so you know that the integrated resource planning process has to be considered a bit of a cruel hoax under those circumstances. The idea that the Forest Service and the department are going to prepare plans which accommodate all of the different users of the forest in the way that Professor Dancik and his committee suggested is a completely bogus notion; it just isn't happening. The funds that were clearly required in order to even do the minimal amount of planning necessary are not there.

Dancik says:

To effectively implement an integrated resource management program that includes public input at the initial planning stage, we recommend [basically a series of] advisory boards

and some audits by the Environment Council of Alberta. That hasn't happened, none of it's happened, and it's very difficult to see how it's going to happen.

I really think we've got problems here. We've got a problem that the minister apparently does not understand properly the budget submission that was given to him by his department. If he doesn't understand it, then I think we have to take some steps to make sure that he does. For that reason I have a motion that I would like to put before the committee.

Minister's Salary

Moved by Mr. McInnis:

That the Minister of Forestry, Lands, and Wildlife's salary be reduced to the average annual rent paid for a square kilometre of forestland by holders of forest management agreements, \$2.03.

MR. MCINNIS: That would give him the ability, and I think we could arrange to rent him a square kilometre of forestland so that he could take the Forest Service submission out to the forest, spend some time in the forest with the document, and try to come to terms with what it is they're trying to tell him, because if he doesn't understand what they're trying to tell him, if the government doesn't understand what they're trying to tell him, then there's absolutely no hope whatsoever that things will improve.

What's the consequence of things not improving? Well, it's laid out very clearly by people who have no particular political agenda. The result is large-scale environmental damage. Now, that is something that we have to take every effort in this Assembly to avoid. The warning is there. It's very clear that the status quo – I mean, if the status quo was such a good thing, why is it that 40 percent of our forestlands are presently not restocked sufficiently? Why is that? Why do we have so many problems already with the current system if it's so darn good? Well, he says it's so darn good that it's going to be able to handle twice the volume of work. That's like somebody who's losing money on each unit that they sell believing somehow that they're going to make it up if they sell more volume. We're already slipping backwards, and if you add more and more onto it, there's no question we're going to slip further behind.

The other consequences are also clearly spelled out: that the Alberta Forest Service will continue to be in violation of its legislative mandate. I have previously been critical of the Forests Act because it doesn't put the ecological and environmental values sufficiently forward for the direction of forest

policy, and I'm certainly critical of the government for not developing a forest policy statement.

MR. DEPUTY CHAIRMAN: Those wishing to speak to the amendment?

SOME HON. MEMBERS: Question.

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

SOME HON. MEMBERS: Question.

MR. DEPUTY CHAIRMAN: The Chairman heard the call for the question and perhaps did not survey the room completely, but I did notice the Member for Rocky Mountain House, followed by the Member for Edmonton-Meadowlark, followed by the Member for Calgary-Forest Lawn.

MR. LUND: Well thank you, Mr. Chairman. I am very disappointed that we will have to spend time discussing such a most ridiculous motion as has just now been presented. I think there are so many important things happening in this ministry and so many important things that this minister has done that I feel compelled in this debate to go over a number of those things that this minister has seen fit to implement and seen fit to implement in a very difficult time.

One of the things that we heard this afternoon is all this talk about the research component of the budget having been eliminated. If the hon. member had been listening, which I know he has great difficulty doing, he would have heard the minister say what had happened to that budget. Mr. Chairman, I know that in vote 3.7 it indicates that the budget has been removed from there, but I'm also aware that there's a budget of \$600,000 for research into reforestation and silviculture. Included in this are such topics as forest genetics, competition control, site preparation techniques, and pelletizing seedlings. Another budget of \$200,000: inventory and forest growth and yield research; another \$150,000: research issues in forest ecology; another \$100,000: reclamation research; another \$100,451: research into forest development related topics, including forest growth, reforestation, forest protection, and environmental protection. Another \$40,000 into research into forest engineering to enhance forest management technologies. Mr. Chairman, it would seem that these expenditures have just simply moved into other areas, and as the minister described, probably the focus and delivery of those can be much enhanced.

4:30

I must commend the minister and his staff for having the foresight to see how this can work better and how we can get more for our dollar. Of course, we've heard this now day after day as we discuss estimates: spend more money. That seems to be the answer to everything. Well, this minister is one that certainly has shown leadership, and I can't help but think that he's probably one of the best stewards of the forest that we have had for a number of years.

Mr. Chairman, back in the fall of 1988 this minister put together the Alberta Forest Research Advisory Council. This council has a membership from the Alberta industry, from the government, and has the mandate to establish forest research priorities, to co-ordinate forest research, and to make recommendations to the minister concerning allocation of research funds from the Forest Development Research Trust Fund. Just in July of 1989 this council recommended three broad research

priority areas: forest management, environment protection, and new production development. Now, the five most important topics were identified as being monitoring and documenting of environmental impacts on forest practices, a decision support system for integrated land management, continuing research in intensive forest management, ecological site classification, and protection of existing stands. It just amazes me that we would hear this afternoon that this minister is not supporting research. Certainly everything that I have just mentioned indicates that he is.

Another important initiative of this minister has been public involvement. It's been something that he has taken a leading role in. Mr. Chairman, I look at the forest management agreements and how they are to be implemented and how they're handled. We see where there's an ongoing process that's going to involve the public, where the annual cutting plans have to be scrutinized by members of a public advisory committee. The trees cannot be harvested until these things happen. I know from experience that this has been working very well in many areas, so for the hon. member to say that there is no public involvement just simply is not the case.

Now, it would appear that the hon. member doesn't understand what an FMA is, so maybe I would just indicate to him really what it is. Well, a forest management agreement is an agreement negotiated between the government and a forest company. The agreement requires the company to follow sound practices according to the applicable Acts, regulations, and ground rules. It also outlines the company's responsibilities with respect to forest management planning, reforestation, reclamation, and accommodation of concerns other than just timber, including wildlife, recreation, soil and water conservation. The forest management plans must be developed and revisited on a regular basis, generally every 10 years. These plans describe in detail the objectives, strategies, and commitments for managing the timber resource of the area. Concerned Albertans will have input, and they will have the opportunity to provide this input in the review of the detailed forest management plan prior to final approval. The timber harvest, planning, and operating ground rules will be developed to define the manner in which harvesting will be conducted. Once again, there is public input into all of this, and as I mentioned earlier, the annual plans will be reviewed.

This minister as well has had a lot of initiative in the development of the Pine Ridge seed plant, Mr. Chairman. We heard the minister today talking about the upgrading, improving, and expanding of that nursery and how important that is to the province. We know that the Alberta Forest Service operates the provincial tree seed centre for the extraction, cleaning, storage, testing, and shipping of forest tree seed. The underground tree storage there can hold up to 6,000 kilograms of seed. A 10-year supply of spruce seed for each forest district and forest company is the ultimate goal, something that this minister has seen fit to find the dollars to put in place, an extremely important thing for the province of Alberta.

Today there are approximately 9.5 billion white spruce and 2.5 billion lodgepole pine seedlings in storage at that plant. We heard the minister today commit a number of dollars to that expansion in the '91-92 budget. That expansion will upgrade the greenhouse structure and also the outdoor compounds to provide more uniform erosion coverage and better crop protection. It'll increase the greenhouse growing space by 6,000 square metres, increase cold-storage capacity with the construction of a new freezer, which is extremely important for the storage and to utilize the existing plant and the expanded plant even more.

Of the 47 million seedlings sown in 1990, Pine Ridge supplied 24 million seedlings and the forest industry, the private sector, 4 million plus another 19 million, for a total of 23 million coming out of the private sector. We can see, Mr. Chairman, the importance of Pine Ridge.

Also, this minister has made a determination that in fact we're going to involve the private sector. I don't know if the hon. Member for Edmonton-Jasper Place missed it, but I've heard the minister say – and it's in a lot of the information that we see – that we in the future are going to need about 103 million seedlings a year, a tremendous opportunity for the private sector and for business. Just another one of those spin-offs from the activity that this minister and government have initiated in this province by bringing forward the development and the utilization of our forests.

One of the exciting programs for the private sector that this minister brought forward and this government endorses is the starter program for the production of container seedlings. Mr. Chairman, this program was started back in 1989, and initially seven nurseries were successful in obtaining 200,000 seedling contracts. This happened through the public tender process. Then in 1991 three more of these nurseries were added to the group that is supplying seedlings to the industry in this province. To start with, tenders were restricted to the existing greenhouse operators, allowing them to become more diversified by getting into the seedling area.

4:40

Mr. Chairman, we've also seen some tremendous advances in fire suppression and fire fighting and the preparedness of people to fight fires. Now, this has come about through the support of this ministry and this minister, to develop things like the Forest Technology School in Hinton. If anyone has visited that, they can't help but be extremely impressed with the capabilities for training at that particular facility. I've spoken to a number of people that have taken the training there, and the fact is that there's no training facility like it anywhere around. We're told that there are people from a lot of other jurisdictions that are coming, wanting to take training at that particular facility.

One of the other areas that Alberta forestry has been actively pursuing under this minister is the wildland/urban interface. What we're speaking of there, Mr. Chairman, is the problem that we have with many subdivisions, some summer villages, and these types of developments that are completely surrounded by the forest – the co-operation between the Alberta Fire Chiefs Association, the Alberta Urban Municipalities Association, the Association of Municipal Districts and Counties, the Association of Alberta Improvement Districts, all working together to address this very important and very dangerous situation that we have in a lot of areas. If a fire got going in some of these areas in the timber that surrounds and is right in and part of the subdivision, we could very easily lose the entire development. It is extremely important that this interface happen and that Alberta forestry work with the local jurisdictions to bring awareness to people of the importance of being extremely careful, vigilant, and prepared to assist if in fact fire does break out.

We heard the minister this afternoon talk about the education part of his ministry and how important that was and how he found dollars, in an extremely difficult situation, for the conservation education program. I want to commend the minister on his attempts to find corporate sponsors for this extremely important program. I would hope that we can do that.

Another important program in the education field that this minister has supported – as a matter of fact, last year it celebrated its 25th anniversary. I speak, of course, of the Alberta Junior Forest Rangers' work experience program. This program is available for high school students in the 16- to 18-year age group. The very interesting thing is that 70 percent of the young men and women who take advantage of this Junior Forest Rangers program indicate a desire to pursue related postsecondary education in the natural resource field upon graduation from high school.

Another maybe not so well-known program in this whole field of involving young people in this very important area of conservation of our forests and working in the forest is the Junior Forest Wardens program, another program that is very popular. Actually, it's so popular that the enrollment is increasing by about 10 to 15 percent a year.

Mr. Chairman, the whole development of the forests, with so many projects that have taken place under this minister and through the initiatives that he has brought forward, supported, and really fought for, has tremendous benefits for this province, given the opportunity for employment in areas that folks never thought was possible or never even really gave consideration to being part of forest development. Some examples of that employment opportunity: electricians, millwrights, pipefitters, welders, instrument mechanics, electronic technicians, knife grinders, painters, carpenters, masons, machinists, purchase agents, accountants, payroll clerks, secretaries, switchboard operators, engineers, draftsmen, personnel specialists, planners, store clerks, loggers, materiel handling personnel, crane operators, lift truck operators, machine tenders, chemical preparation operators, pulp testers, lime kiln operators, and the list goes on. These are opportunities that have come about by the initiatives and the activity that this minister has instigated and this government has supported in their diversification.

Not only have these kinds of initiatives brought forward a lot of employment and the opportunity for people to get into business, to do the things that make people really get out and work hard, but also it has brought in a technology that we never thought of, particularly as we look at the smaller sawmills: the traditional single saw, eyeballing the log, handling the material so differently. We've come to a point where we even now have things like the computer-assisted lumber grader. Mr. Chairman, an Alberta company, Visionsmart, believes that lumber grading could be automated to any production speed with the help of a supercomputer scanner and sensors. Now, one of the really impressive things about this is the fact that this instrument could be grading for both the North American market and the Japanese market all at the same time. These kinds of things, these exciting things like this, have come about because of the development of our forests.

Incidentally, a forest that we don't utilize is going to mature, is going to die and provide nothing but a real spot, tremendous fuel, for a fire that probably would end up killing and destroying most of the habitat and the wildlife that we have out there.

4:50

Because of this development in the forest, we also have seen a tremendous amount of new technology in the utilization of the resource. One of the things that I find very exciting is wood treating. I guess that is because the development that we are hoping to get at Rocky Mountain House is one that would be based on wood treating. The demand for the treated wood products has grown and expanded to include places as far east as Quebec and of course much of the United States. I never

thought that Alberta would be moving into Quebec when you look at all the forests that they have down there. Of course, one of the safest chemicals for treating wood, chromate copper arsenate, is the one that the companies in Alberta are now using. It is a tremendous preservative, will last 40 years, a great advance in the . . .

REV. ROBERTS: Speak to the motion.

MR. LUND: Mr. Chairman, the hon. Member for Edmonton-Centre is concerned that this doesn't relate to the motion. Well, in all due respect I must say that if it hadn't been for the activity of the minister that we have and his ability to convince all of his colleagues of the importance of developing the forests, these kinds of things that we're talking about would not have happened. So I'm speaking directly to the motion that was presented here to us today. Like I said to start with, it is so ridiculous, so ludicrous, and I'm just pointing out how ridiculous and ludicrous it actually is.

Now, Mr. Chairman, along with those benefits that I've already mentioned and because of this initiative, we have to look at what it has done for the small sawmill operators. The pulp mill development has created a demand for what used to be looked at as purely a waste. The old sawmills with their 45 to 50 percent utilization of the resource now can turn that into 70, 80, 85 percent, and with some of the new technologies that are coming on because of this development, we'll see that even probably bump up to around 90 percent.

I want to just mention about how the pulp mills particularly have benefited the small sawmill operator. The sawmills receive a new steady income and utilization of the timber resource. The recent pulp mill expansions have generated a market for more than 1 million bone-dry units; in terms that I can understand, it's 1.2 million tonnes of wood chips. Of course, they used to always be burned, and they ended up destroying our ozone and all of these other horrible things that we've heard the oppositions talk about. So really they should be extremely happy that this minister has taken forward his initiatives and these developments have happened, because look at how we're really protecting the environment with our initiatives, to say nothing about the fact that this is generating about \$40 million of new revenue for these small sawmill operators.

Mr. Chairman, I could go into some of the areas that I know this minister has been instrumental in having the folks at Alberta forestry have very serious looks at and do a lot of research on. I'm talking about the methods of cutting. But I think probably rather than going that route, I would like to talk a little bit about some of the other initiatives that we have seen, and they relate to some very exciting things.

One of the things that I have heard as we were around the province with our wetland policy – everyone recognizes how we are losing some habitat, particularly as it relates to waterfowl, and that's because of the agricultural activities in a lot of the areas that used to be their prime habitat. One of the initiatives that has come out of this ministry was the signing of the North American wetland conservation agreement, which will lead to major waterfowl conservation initiatives in the prairie provinces. Now, I know the minister briefly mentioned this this afternoon in his opening remarks, but I want to emphasize it again because it's such an important initiative. We see in this where 75 percent of the money will come out of the United States, whereas we are only going to be spending 25 percent, an excellent agreement. In 1991 we spent \$1.6 million. That means . . .

[Mr. Lund's speaking time expired]

MR. DEPUTY CHAIRMAN: Thank you, hon. member.

On the motion, the Member for Edmonton-Meadowlark.

MR. MITCHELL: Thank you, Mr. Chairman. I must say that to some extent I support the sentiment, at least the critical sentiment, of the motion that's been presented by Edmonton-Jasper Place. That's not to be personal about the efforts of the minister, but it is to say that I have serious concerns and differences of opinion, policy opinion, about how the minister is handling and how this government is handling its responsibilities with respect to the department of forestry.

I will say that I was struck in the minister's opening comments by the manner in which he really sounded like a booster for economic development in this province. We all would like to see economic success in this province and a quality of life that to some extent is sustained by strong jobs and long-term jobs and so on. But I believe that the minister in emphasizing, as he has in his comments, northern pulp mill development – the number of jobs that creates, the amount of economic spin-offs that can be anticipated from that – in a sense belies the broader and much more important mandate of a forestry department properly defined.

I would like to see this department not at all involved in forestry industry development projects. That is something more appropriately handled by the Economic Development and Trade department. In fact, one can wonder what it is that the Minister of Economic Development and Trade actually does if that department doesn't have within its mandate the promotion of forestry industry development projects. He doesn't have within his mandate, as an aside, Technology, Research and Telecommunications and doesn't have Tourism.

I believe that the minister of forestry should be concerned about his role in protecting forests, conserving forests in this province, and that it is an inherent conflict of interest within his department to have that mandate on the one hand and to have on the other hand a mandate for forestry industry development. In fact, if you look at the budgetary statistics, the amount of money that his department spends on forestry industry development is relatively negligible compared to the overall budget, and one can only wonder why that wouldn't be reflected in not only his comments but in the thinking and the orientation and the bias that clearly underlines the emphasis that he reflected in his comments.

5:00

[Mr. Moore in the Chair]

Mr. Chairman, I would like to focus my comments largely, if not exclusively, on the question of reforestation. I believe that this is a seminal issue for this minister and this department, and I have serious concerns about the manner in which it is being handled. It is particularly an important issue at this time because now that the minister has approved forestry development project after forestry development project, what is called into question and what is highlighted is one of the fundamental premises upon which he had defended those projects, and that is that forests are a renewable resource, the corollary being that they can be regenerated by people, by his department, by industry, if in fact they wouldn't regenerate themselves.

Experience, precedent, the history of this ministry's experience tell us this defence is not viable, that reforestation has not been successful. The defence of northern pulp mill projects on

that premise, the premise that reforestation works and that forests somehow regenerate, is extremely suspect, Mr. Chairman. We only need to look at the minister's own department's report, September 1988, called *Alberta: Meeting Shared Responsibilities* by Mr. T.J. Drew, the director of the reforestation and reclamation branch in that department, who said that there is a 38 percent backlog of unregenerated logged land in this province as of September 1988. He went on to say that it would take \$200 million in total to rehabilitate that 38 percent backlog. To put the area that's affected in some perspective, it is 100,000 hectares, or 250,000 acres, of land logged in the past which has simply not regenerated adequately.

Mr. Chairman, as if that minister's own internal government report isn't enough to convince him and the rest of us that there is a problem with regeneration in this province, we only need to refer to the Naylor Hills-Keg River area study, which very specifically pointed out that after 30 years of clear-cut logging in that region of this province, nothing is regenerating there by way of reforestation, and it will cost between \$2.8 million and \$3.6 million to fix the drainage so that in fact reforestation can take hold. It won't be the company that will pay that \$2.6 million to \$3.8 million; it will be the people of Alberta, the taxpayer of Alberta, on behalf of this minister.

Mr. Chairman, as if those two observations aren't enough, we can also see evidence that reforestation hasn't worked in this province. The department's own report, entitled *Impact of Forest Industry Development on the Alberta Forest Service*: it is in that report, very clearly articulated by people who are experts on behalf of this government in reforestation and in protecting our forests, that it is said that there are insufficient staff members to ensure that reforestation efforts are carried out properly. The industry itself identified that some time ago in a letter from Norm Denney, the president of the Alberta Forest Products Association, in which he said on December 3, 1990:

We are very concerned that on areas where the [Alberta Forest Service] has agreed to complete the reforestation, that there will be insufficient money to complete the work.

Further evidence of failing forestry regulations, failing regulations to protect our industry are found in memoranda from the Valleyview chief ranger to the forest superintendent of the Grande Prairie forest, in which it is pointed out that very, very low penalties had been recommended for a company that had infringed on three occasions on buffer zones defined by regulations under this department's mandate and that those paltry penalties were commuted, as it were, and that this action has appeared to have had negligible effect on the activities of this particular company. One can only speculate that that kind of failure to recognize and adhere to regulations is more widespread in the industry. What's a very great concern is that a minister in a department that says that forests will regenerate, that they will be properly reforested, that they will be taken care of under this government's regulations, has to contend with the fact that his own departmental staff in that memorandum are saying that these regulations simply are not working, and at least one company has on three occasions over a two-month period literally thumbed its nose at this department.

Mr. Chairman, the minister continues to argue that yes, this is a renewable resource because reforestation works, and we look at the irony of seedling production capacity in this province. Pine Ridge, the government farm for seedlings, produces about 24.5 million seedlings a year, we're told as recently as last year, yet the department's own report, again the one entitled *Impact of Forest Industry Development on the Alberta Forest Service*, points out that 103 million seedlings will be required by the year

1992-93. There's a huge shortfall here. It may be that this can be picked up by the private sector, but there is no evidence, no clear-cut report on the part of this minister to demonstrate that.

A minister who states that he is concerned for forests, that he will ensure that there is reforestation, on the other hand watches as Canfor cuts down priceless trees within the Wood Buffalo national park and, when asked for help by the federal government, says: sorry, we can't provide wooded land that could be an exchange for Canfor and ultimately for Daishowa, who of course is going to be the beneficiary of that logging, because we don't have any forested land available with which to make such an exchange. Despite the fact, Mr. Chairman, that he says our forests are safe, that he says they can regenerate, he will not acknowledge that we do need to set aside – and despite the fact that there is evidence to the contrary, his own reports, he will not set aside – adequate natural areas or will not see the Minister of Recreation and Parks set aside adequate ecological reserves to preserve valuable, priceless resources like old-growth forests.

Mr. Chairman, in fact, this year we note that the minister has reduced his budget for natural areas for the land banking portion of that particular enterprise by 35 percent. In the face of failure year after year, in the face of a 38 percent backlog of unregenerated logged land in this province, 250,000 acres, the equivalent of a strip three kilometres wide from Edmonton to Calgary, this minister refuses to acknowledge the need for enhanced research commitment. In fact, the expert review panel points out that there is almost nothing being done by way of research. The impact document that I've mentioned on two occasions earlier in my comments points out that more research is needed. This minister has literally cut out research within his department.

5:10

On the one hand, he wants to defend pulp mill development by saying that forests regenerate and can be reforested, and on the other hand all the evidence indicates that this simply is not working. The answer to that kind of allegation, Mr. Chairman, is the minister's Free to Grow regulations. They are an improvement, it would seem, over the past regulatory regime, although the question remains as to whether or not there are adequate resources within his department to ensure that they can be implemented in a way that will be an improvement. They apply only to land logged in the future. They do not apply to land logged in the past, the 38 percent, the 250,000 acres of land that haven't taken hold in the reforestation process. As if the minister isn't sufficiently cynical in ignoring that dichotomy, his budget explicitly promotes it. He has taken \$4.1 million from the vote that would be applied to reforestation of past logged land – that is, he reduces it from \$7 million to \$2.9 million – and increases almost in a commensurate amount that portion of his budget which goes to quota reforestation. Free to Grow regulations apply in many respects to quota reforestation.

What we have, in addition, out of the Free to Grow regulations, Mr. Chairman, is a very subtle but nonetheless clear obligation on the part of this minister to subsidize the reforestation efforts, for an interim period, of megacorporations like Daishowa, Weldwood, Procter & Gamble, and Weyerhaeuser. How does that occur? Well, it occurs because this minister has outlined in his Free to Grow regulations that there will be a transition period not simply for small quota holders but for major quota holders with quotas over 200,000 cubic metres per year. Does the minister know that he is wrong to do that? Is the minister sensitive about that particular obligation that he has

to the industry? Yes, he is. How do we know for sure? Because while he outlines proudly in his press release which announced the Free to Grow regulations, February 28, 1991 – and I quote:

Smaller sawmill operators will be granted a four year phase-in period. Initially they will have to meet the requirements of the first survey –

he neglects to point out that larger quota holders will be granted a four-year phase-in period as well. I note on page 13 of his Free to Grow document:

Cutblocks harvested from the starting date to April 30, 1995.

Companies are responsible for reforesting all quota cutovers to establishment standards.

Get this:

The Crown takes responsibility for these blocks after they pass establishment standards. The Crown will then do the performance survey and any other work necessary to ensure the cutblocks are FTG by year 14.

It is unbelievable that the minister who has given hundreds of millions of dollars in loans, loan guarantees, and infrastructural support to this particular industry would then turn around and offer to subsidize, not offer but commit to subsidize, what we believe to be about \$20 million for major reforestation responsibilities of major quota holders. Mr. Chairman, it is unbelievable that he would do that. He knows how unacceptable it is because he explicitly avoids it in his February 28, 1991, press release which outlined his new, proudly pronounced Free to Grow standards.

Mr. Chairman, it is very, very difficult to understand why this minister would want to ask us as Alberta taxpayers to subsidize these major corporations when there is elasticity and room for him to subsidize this with the help at least of industry. Certainly industry has a moral obligation, an economic incentive, and the financial resources of the Daishowas and the Weldwoods and Weyerhaeusers and the Procter & Gambles to assist in doing that.

Mr. Chairman, stumpage rates have not increased in this province since 1975, 16 years – count them, 16 years, no increase in stumpage rates. We are leaving today \$45 million on the table under the Canada/Alberta agreement to support forestry management efforts in provinces, \$45 million. The minister will argue that, well, we don't have to sign the agreement right away because it's a five-year agreement. We may get the first year's money back. One, there is no evidence that that will occur; and two, at the very least we lose the time value of that money because we haven't had it for a year. At the very minimum we've lost \$4.5 million of interest if we even signed it today. One can ask oneself: how is it that this minister in the face of a \$200 million backlog, rehabilitation required to the tune of \$200 million, can leave stumpage rates at 1975 levels and can fail to aggressively pursue and sign a Canada/Alberta agreement with the federal government to get forestry management dollars which are sitting on the table and, if nothing else, costing us \$4.5 million a year in interest for every year that he doesn't sign that agreement and get that money?

Thirdly, Mr. Chairman, this minister leaves at least \$21 million of grazing lease access and leasehold rental revenues from the oil industry in the hands of private leasehold operators when in fact there is simply no justification, and court cases demonstrate to the contrary, that those private grazing leaseholders have any right to that particular money. It is nothing more than windfall profits. It's interesting – and I'm glad to see that the Treasurer is here – on the one hand to see that there are literally millions of dollars being foregone by this minister for the operation of his department, money which to some extent the Treasurer must

find in general revenues and must accommodate in tax increases in this province. It's also, of course, very interesting to note that the Treasurer, on the other hand, is happy to ensure that there aren't sufficient funds so that this minister can hire the staff required to implement its forestry management programs. Then again, of course, the Treasurer is from southern Alberta, and if it weren't that he had to commute to Edmonton, he'd probably never see a tree in his life. Why not have the Treasurer feel just as comfortable in northern Alberta? Let's do away with all those trees.

This brings me to a series of questions, Mr. Chairman. Why does this minister continue to talk of his Free to Grow standards to the neglect of solutions to problems of the past when Free to Grow standards apply only to land logged in the future? Has this minister begun to adjust his annual allowable cut figures to accommodate the fact that reforestation from the past isn't occurring as it should have done, and therefore this minister cannot anticipate the kind of growth across this province that he might otherwise have been able to anticipate? How can this minister continue to defend his pulp mill development policy for northern Alberta by stating that forests will be regenerated when history tells us they won't and when his current budgetary efforts are insufficient to ensure that they will?

Will the minister please confirm that under his new Free to Grow regulations, as much as \$20 million will be required to subsidize through that transition period what should be the reforestation responsibilities of major corporate actors in this province, such as Daishowa, Weyerhaeuser, Procter & Gamble, and Weldwood, those companies which have quotas over 200,000 cubic metres per annum? Could the minister please provide us with an itemized list of what private-sector outlets for the production of seedlings in this province are going to provide what portion of the 75 million seedling shortfall between his department's own estimate of what will be required, 103 million seedlings, and what in fact it looked a year ago like the Pine Ridge facility was going to be able to produce?

Will the minister please comment on how it is that he cannot find sufficient log land in this province so that he could make a swap so that Daishowa and Canfor wouldn't feel that they have to cut down trees in Wood Buffalo and could at the very least cut them down somewhere else in this province? Will the minister please confirm here and now how any company that he keeps promoting as being a wonderful corporate citizen making a wonderful corporate contribution to this province – Daishowa – would, for one minute, continue to ask Canfor to cut down priceless forest resources in a national park, Wood Buffalo national park in this province? How can that minister continue to say and how can this government continue to say that Daishowa deserves the kind of treatment and positive support that this government falls all over itself to provide?

5:20

Will the minister please tell us: how can we anticipate with any kind of certainty, with any kind of assurance, that reforestation efforts that haven't worked in the past are going to somehow magically work in the future when he provides absolutely no research funding, it would appear, to overcome the kinds of problems that have occurred in the past? What is being done, Mr. Chairman? I would ask the minister to ensure that the company responsible for the clear-cutting in the Naylor Hills-Keg River area is going to be held responsible for the funding that is required to fix the drainage so we can grow back some trees in that particular area.

Finally, Mr. Chairman, will the minister please give us some good news and say that the delay in making a decision over the YFY or the polyboard project in northern Alberta somehow – somehow – reflects a change of spirit on this minister's part, where maybe, just maybe, he is beginning to back off? Will he please tell us what process he is going through to ensure that that decision is made properly? Will he please give us a time line for when we will see a decision as to whether or not, with the polyboard or YFY, both will be built, neither will be built, or one or the other will be built?

Mr. Chairman, I have other comments that I would like to make, but I know that the Member for Calgary-Forest Lawn has some comments that he would like to make, and I'd like to offer him the opportunity to do that.

MR. PASHAK: Thank you very much, Member for Edmonton-Meadowlark. Yes, the minister may recall that last year I raised some questions during the Energy estimates debate with respect to surface rights issues, and I was referred by the minister to the Minister of Forestry, Lands and Wildlife. I did put some questions on the Order Paper, and he responded to the questions by not answering them. They were motions for returns. He said that my wording was technically inappropriate, in effect, and he couldn't provide answers. But I've gone back to the energy industry, and people that I've talked to in the energy industry have said they have no problems with the questions. They know quite clearly what it is that I was attempting to get at.

With respect to that, Mr. Minister, this document – prepared by the Independent Petroleum Association, the Canadian Petroleum Association, the Canadian Association of Geophysical Contractors, and the Canadian Association of Petroleum Landmen – called Integrated Resource Management in the Forest Management Areas of Alberta, was undoubtedly brought to your attention, and you're probably aware that it contains eight recommendations. I would like to hear just where your department is at in terms of responding to those recommendations. The most critical recommendation in this document is of course the one that calls upon the government to retain its position as a landlord of the surface to facilitate integrated resource development and the multiuse of Crown lands. Their concern, of course, is that if this isn't done, there could be increased tension and operational difficulties between the petroleum industry and FMA holders. I'd like to know just exactly what the minister's position is with respect to the issues that are raised in this document. If he doesn't have a copy, I'll be more than pleased to provide him with one.

The second issue that is of critical importance to me is the amount of return that the government gets from its ownership of Crown lands. There are two particular types of Crown lands that are in question, one where the Crown land is vacant and the other situation, of course, where Crown land is in a grazing lease. Now, if the Crown land is vacant, there is no payment to the Crown for entry onto that land, whereas if there's a grazing lease on the Crown land, an oil company must get consent. That consent usually involves a \$2,000 payment for the first year and then \$1,000 every year after that. Why is it that the Crown leaseholder manages to get a payment and the Crown doesn't get a payment in roughly similar circumstances?

I'd like to contrast that very quickly with the situation with private lands. In negotiations that go on between private landholders and oil companies, a private landholder typically gets much more than that. He can expect as much as \$8,000 for a quarter section and then \$2,000 by way of annual rental.

Why is it that private individuals can get more than the Crown does? It seems to me that there should be some kind of balance here. Either the government is losing or private landholders are getting some extraordinary type of bonanza.

Last year during the Energy estimates I did put on the record some facts with respect to the kinds of situations that do exist in Alberta with respect to Crown grazing leases, particularly where grazing associations are formed. One stock grazing association subleases 287 of its 15,500 acres to one oil and gas company. The company pays the association \$36,600 for the 287 acres, while the association pays the government only \$8,300 for its entire 15,500 acres. Now, I can provide the minister with many, many examples of that kind, but I'd like him to explain to the members of this Assembly and to the taxpayers of Alberta why it is that someone's getting ripped off. What is the total extent of losses, if we want to look at it that way, that the government is incurring by not collecting its proper share of rental on these properties?

MR. ACTING DEPUTY CHAIRMAN: Order, hon. member.

MR. MAIN: Well, Mr. Chairman, in view of the hour, I would move that the committee rise and report some progress and beg leave to sit again.

[Motion carried]

[Mr. Jonson in the Chair]

MR. ACTING DEPUTY SPEAKER: Order please.

MR. MOORE: Mr. Speaker, the committee has had under consideration certain resolutions of the Department of Forestry, Lands and Wildlife, reports progress thereon, and requests leave to sit again.

MR. ACTING DEPUTY SPEAKER: Are you agreed with the report of the Member for Lacombe?

HON. MEMBERS: Agreed.

MR. ACTING DEPUTY SPEAKER: Opposed? Carried.

[At 5:28 p.m. the Assembly adjourned to Thursday at 2:30 p.m.]

