

Legislative Assembly of AlbertaTitle: **Friday, April 26, 1991**

10:00 a.m.

Date: 91/04/26

[Mr. Speaker in the Chair]

head:

Prayers

MR. SPEAKER: Let us pray.

The prayer we use is the one used at the Mother of Parliaments at Westminster since the year 1659.

We, Thine unworthy servants here gathered together in Thy name, do humbly beseech Thee to send down Thy Heavenly wisdom from above to direct and guide us in all our considerations.

Amen.

MR. HORSMAN: Mr. Speaker, I seek the unanimous consent of the Assembly to adjourn the normal business of the House to engage in a very special occasion, at the conclusion of which the House will return to the normal order of business.

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

HON. MEMBERS: Aye.

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

**Unveiling of the Portrait of
The Hon. W. Helen Hunley
Lieutenant Governor, 1985 to 1991**

[The Sergeant-at-Arms left the Chamber to attend Miss Hunley]

[The Mace was placed below the Table]

[The Sergeant-at-Arms knocked on the main doors of the Chamber three times. The Associate Sergeant-at-Arms opened the doors, and the Sergeant-at-Arms entered]

SERGEANT-AT-ARMS: All rise, please.

Mr. Speaker, the Hon. Helen Hunley is without.

MR. SPEAKER: Sergeant-at-Arms, conduct the hon. person in, please.

[Preceded by the Sergeant-at-Arms, Miss Hunley entered the Chamber]

MR. SPEAKER: Please be seated.

We welcome Your Honour back to your place.

Ladies and gentlemen, hon. members, the Hon. Helen Hunley was first elected to the Alberta Legislature in the 1971 general election, representing the constituency of Rocky Mountain House, and served until 1979 in this House. She was appointed minister without portfolio from 1971 to 1973, served as Solicitor General from 1973 until 1975, and was Minister of Social Services and Community Health from 1975 until 1979. She did not stand at the next general election. She was sworn in as Alberta's 12th Lieutenant Governor on January 22, 1985, and served until March 11, 1991.

It is indeed appropriate that we welcome this person, this lady back to this place, where she spent so many hours and gave so much of her life's energy. Please join me in welcoming her to this Chamber. [applause]

The hon. the Premier.

MR. GETTY: Your Honour, Mr. Speaker, members of the Assembly, it was only a month ago that we saw the swearing in of our new Lieutenant Governor and we welcomed Miss Hunley to this Assembly for one last time as our Lieutenant Governor. There were heartfelt remarks that day in tribute to Miss Hunley, and I know that those feelings were echoed many thousands of times by Albertans all over the province who have admired her dignity and her representation of fundamental Alberta values.

Personally, I must say that I was struck by the comments which Miss Hunley made that day of March 11. Helen, you left us with words which in their simplicity had an undeniable power and impact on all of us who were listening, because you prayed, and I quote, "for our collective wisdom and dedication to our beloved country." All of us, with our commitment to Canada, knew from every word you said just how much this country means to you, and we also knew just how much you have done in the service of Canada.

With this ceremony coming, as I walked into the building today, just like any other day, I guess, I saw the guides who take visitors through the halls and thought: these visitors are told about the rooms and the halls and this Assembly with all its historic and sometimes odd customs. They're also told about the portraits on the walls. They see portraits of past Lieutenant Governors, and I'm sure the stories are interesting, especially the period when a Lieutenant Governor refused to approve the Bills of this Assembly. Visitors will also see portraits of the great women in Alberta's past, women who made history throughout the British Commonwealth. Today we add one more portrait to the walls, and as we do so, we know that in the future, years from now, there will be guides taking young people through these halls, stopping at this portrait, and saying, "Here is a woman who made Alberta history."

As you said, Mr. Speaker, she was born in Alberta. She was the first woman in the history of the province to ever serve as a cabinet minister with full portfolio responsibilities. Perhaps the young people with the guides will wonder, "Why did it take so long?" The answer will be that remarkable people like Helen Hunley don't come along that often, that it took someone of extraordinary character and ability to break through yet another barrier in the evolution of our democracy. It took a Helen Hunley. The young visitors will also learn that Helen Hunley was the first woman in history to serve as Alberta's Lieutenant Governor and how she was a truly great figure in that role.

10:10

So, Helen, you have made history in Alberta. You've been honoured, yet you have remained at heart an Albertan with deep roots and deep concern for your province and country. For that we all pay tribute, and we thank you for being the person you are.

It will shortly be my privilege to unveil the portrait by Cyril Leeper. The portrait will hang in this Legislature Building for generations to come to remember and to honour an outstanding Albertan. As Premier I'm able to speak on behalf of all the people of Alberta, and I also want to speak on behalf of all our caucus to tell you that you are a great person, to congratulate you, to thank you, and to wish you God's blessings in all you do in the years ahead.

Thank you.

MR. SPEAKER: Leader of the Opposition.

MR. MARTIN: Thank you.

Mr. Speaker, Your Honour, Members of the Legislative Assembly, the Office of the Lieutenant Governor is a very, very important symbol for our country, and we all know in these days of trials and tribulations of our country that that symbol is increasingly important, that it's one of the unifying symbols in our country called Canada. So I say that although largely a ceremonial office, it is a very important symbol for Alberta and for the country. I want to say, Your Honour, that in my opinion you performed admirably.

I remember when you were first the Lieutenant Governor and you took time to meet with and called in Members of the Legislative Assembly for a chat. I remember that one of the things you said to me at that time was that you wanted to take this ceremonial symbol out to the people of Alberta, not just have it here in the Legislative Assembly. If I may say so, I think you have done that very well. I can't think of any other Lieutenant Governor that's been around the province as much as you have, from halls to parades to schools, that being I think extremely important for rural Alberta. You made this a living symbol where people could see the Lieutenant Governor, and by that I think they understand the role of government much better. So what you have done, if I may say so, and I think this is admirable, is take essentially a passive office and make an active one, in a nonpartisan way of course; we also appreciate that. I congratulate you very much for that. Your Honour, you have been a credit to our country and to our province. As I said, you've stressed the role of the Lieutenant Governor in a very positive way.

I remember often when you'd come in at the end of a session, sometimes a little more raucous than other sessions, you'd come up and pass the Bills and would always say to us: I know you've been working hard, and I know you'll continue to have to work hard even when you're outside the Legislature. But you always used to say: take a little time for yourselves; enjoy life a little bit. Now, I hope that you're taking your own words. I know you're retired. I know you're the type of person that's not going to just sit around, but please take a little time for yourself and enjoy life and even get out on the golf course or whatever you like doing. I hear that you do golf but that you don't keep the score. So do that a little more. That's sort of like my golf too, you know.

I would wish you all the best in the future. You are, as I say, an important historical figure in Alberta and the recognition and the credit is well deserved.

MRS. HEWES: Mr. Speaker, Your Honour, members of the Assembly, it's my pleasure to participate today in this celebration honouring our former Lieutenant Governor, the first woman to be appointed to this position, as our Premier has mentioned. This is but one step in a long and exceptional and distinguished record of service, and I suggest that it will not end today.

Mr. Speaker, Her Honour has served our nation in the military during wartime and has served municipal government in the province as mayor of Rocky Mountain House, and of course, we know her service to the province as an MLA in the important ministries of Solicitor General and Social Services and Community Health and, latterly, as Lieutenant Governor of our province, where Her Honour has applied her very considerable

skills and energy in representing Her Majesty Queen Elizabeth II with dignity and intelligence.

Mr. Speaker, this office is full of tradition and ceremony, yet Her Honour has been able to interpret it by her words and her actions in the context of the lives of Albertans. Your Honour, you've been a role model for women of this province and are much loved by many of us. You've been a role model for all Albertans, and I thank you for that and for your devotion and commitment to serving your fellow citizens, our Queen, and our country. You've done so with wisdom and firmness and compassion and an endearing humility, good sense, always working to improve the human condition.

Your Honour, you have our admiration, our respect, and our gratitude. We offer you our best wishes for good health and happiness.

MISS HUNLEY: Mr. Premier, hon. Mr. Speaker, hon. ministers, Mr. Martin, Mrs. Hewes, all Members of the Legislative Assembly, and ladies and gentlemen, my dear friends all, this is kind of a tough speech. I've made several tough speeches in this Assembly but never quite as difficult as I find this one. I wasn't quite prepared for this. So thank you, Mr. Premier, Mr. Martin, and Mrs. Hewes, for your very kind remarks.

I jotted down some notes last night, thinking about this. Here I am again. You know, I've been in and said good-bye to you, and I've been in again for something else. You'll be thinking: she keeps coming back like a song. One of my friends asked me if I was excited about this event this morning, and at that time I had to reply no. Rather I felt, and still feel, a sort of sense of wonder that this kid from Acme, Delia, and Rocky Mountain House would find herself in a place of honour such as this. It's rather like the anecdote that I think was written by Walt Whitman. I think it personifies how I feel this morning. According to the anecdote, a very ordinary man suddenly and unexpectedly found himself in heaven. He wasn't quite sure he belonged there, but he just kept quiet and stayed. So I'm not quite sure I belong here. I'm not going to just keep quiet and stay, but I hope you catch the sort of feeling I am experiencing just now.

When I was told that I was to be Alberta's 12th Lieutenant Governor, I viewed it with some apprehension. I kept saying to myself: Lord, why me? Then I thought it all over and got a little surge of confidence and thought: well, Lord, why not me? So why not me?

10:20

Of course, I'm pleased and proud that my portrait will hang in this building, for which I have so much respect. Why is it that when I speak from here my pages stick together? Mr. Premier, I was so grateful for your comments about the effect the portrait might have upon those who pass through these halls in the future. So I hope I won't sound too chauvinistic if I say that I hope many Alberta women will see my portrait and realize that there is a place for them, too, in the scheme of things. Surely in the future there will be a better ratio than 1 in 12 in 80 years.

When I realized that I must have my portrait painted, which was one of the things I didn't think about as I accepted the appointment, and that my portrait would become part of Alberta's history, I was filled with dread. Having viewed with distaste some of the portraits of public figures, I wondered what mine would be like. The artist – and I was hoping he would be here this morning so I could thank him again in public – worked patiently and diligently with me, and I was very grateful. You will soon all have the opportunity to see the results of his

handiwork. I hope you're happy with it. I'm happy with the portrait of Helen Hunley, which will soon be on display in this building.

You know, I'm going to be hung today. There may be those even in this Assembly or certainly somewhere that think I should have been hung long ago. [laughter] That's a throw-back, of course, to my other careers. But I know there are present here today relatives and friends – well, you're all my friends – and I hope you're pleased and proud also that I will be hung in the Legislature Building today.

So to all of you who have come for this and to all of you present who have always received me so warmly, and for the very kind words, Mr. Premier, Mr. Martin, and Mrs. Hewes, I thank you. Mr. Speaker, I do thank you for the consideration you have given in making the arrangements so that so many could be here for this event and for arranging the event in such a way. I am most grateful.

Mr. Premier and all members of the Assembly, I've enjoyed my associations with each of you, some long and some short. Some I do not know as well as others, but each of you has been important to me because of the importance you play in the lives of others and the important role you have to play in the lives of Albertans and our country and, of course, by reflection, the world. You have made my task pleasant and satisfying and brought to me often a great deal of joy. Sometimes you have brought to me some concern. That concern is not going to go away; I'll still be paying attention. Now you don't have to listen if I want to give you advice, but I hope you will.

Members of the Legislative Assembly, I appreciate the time you have given up this morning in order to have this ceremony, as I know you're anxious to get on with the business for which you were elected. The things we all do and say here should be reflective of honour and duty and respect, which is our custom and tradition. May it ever be so.

I have one last duty, but I think I get to observe it rather than perform it. Really and truly for the last time, may I say to all of you that I leave you now to your deliberations. I pray for your good judgment. I wish you all good health and good fortune, and now, indeed, farewell. [applause]

[The Premier unveiled the portrait]

MR. SPEAKER: Your Honour, would you come back up here one last time.

Your Honour, I had hoped that by this time we would have gotten this book into publication, but it should be out in the next few weeks. I think I've been saying that to you for the last couple of months. This is the symbolic book; it's the last set of prints that went to the printer before it gets turned out. The book is written by our Legislature librarian, Blake McDougall: *Lieutenant-Governors of the Northwest Territories and Alberta, 1876 to 1991*. So when this one comes off the press, you will indeed have the first copy.

In addition, on behalf of not only members who sit in the Legislature at the moment but those who were privileged to serve with you as your colleagues over the years, I present to you this desk set, which reads: the Honourable W. Helen Hunley, January 22, 1985, to March 11, 1991; presented by the Members of the Legislative Assembly of Alberta, April 26, 1991. It carries on it the new coin as minted, which carries the symbol of the Legislature Building on one side and the coat of arms on the other. Because you stayed around this building so much, we've decided to give you a piece of the building, and this is part of

the original Pennsylvania marble. We have a few pieces left in the building for when we have to do a repair, but in this case it's a very special memory from us to you for all you have done. [applause]

SERGEANT-AT-ARMS: All rise, please.

[Preceded by the Sergeant-at-Arms, Miss Hunley left the Chamber]

[The Mace was placed on the Table]

MR. SPEAKER: Please be seated.

head: **Introduction of Visitors**
10:30

MR. HORSMAN: Mr. Speaker, I am pleased to introduce to you and through you to members of this Assembly His Excellency Emmanuel Gondwe, the high commissioner of Malawi. The high commissioner is on his familiarization tour of Canada, having recently assumed the position as Malawi's representative in our country. While in Alberta the high commissioner will be meeting with private-sector representatives and receiving a briefing on our province's resources and capabilities. I would ask His Excellency to rise. He is accompanied by the first secretary, located in Ottawa. I'd ask him also to rise and receive the warm welcome of the members of our Assembly.

head: **Introduction of Bills**

Bill 230
Day of Mourning for Injured Workers Act

MR. GIBEAULT: Mr. Speaker, I am pleased to ask leave to introduce Bill 230, which is the Day of Mourning for Injured Workers Act.

If passed, Mr. Speaker, it would complement federal legislation and designate April 28 of each year to be a day of mourning in Alberta for workers that are killed or injured in the course of their employment.

[Leave granted; Bill 230 read a first time]

head: **Introduction of Special Guests**

MR. SPEAKER: Edmonton-Belmont, followed by Edmonton-Whitemud.

MR. SIGURDSON: Thank you, Mr. Speaker. It's a pleasure today to introduce to you and to all members of the Assembly 56 students from Father Leo Green school, a school located in the constituency of Edmonton-Belmont. They're accompanied by their teachers Miss Lauraine Charest and Miss Nadia Wawrinchuk. They are currently seated in the public gallery. I would ask that they now rise and receive the traditional welcome of the Assembly.

MR. WICKMAN: Mr. Speaker, it's my privilege to introduce to you and through you to Members of the Legislative Assembly eight guests, members of the Latin American Senior Citizen Association, led this morning by their president, Juana Sanchez, a resident of the leading constituency of Edmonton-Whitemud. They're seated in the front row in the public gallery. I would ask all eight of them to stand and receive the warm welcome of this House.

MR. TAYLOR: Mr. Speaker, it's my honour today to introduce to you and through you to the Assembly approximately 12 students from the Westlock Christian school. I had the privilege of talking with them earlier, and they're very interested in the political process. I would ask them now if they would stand – they are in the members' gallery – and receive the traditional warm welcome from the Legislature.

REV. ROBERTS: Mr. Speaker, on behalf of my colleague the Member for Edmonton-Calder, I'd like to introduce to members here this morning 28 students from the Caernarvon elementary school. They're in the public gallery with their teacher Mrs. Marion Yaremchuk. I'd ask that they now please rise and be welcomed by the members here this morning.

MR. KOWALSKI: Mr. Speaker, in the public gallery should be 20 young people from Grasmere school accompanied by their teacher Mr. Jim Muir and parent Mrs. Sandra Martin. I would ask that they rise and receive the cordial welcome of the Assembly.

head:

Ministerial Statements

Education Week

MR. DINNING: Mr. Speaker, education is the key to Alberta's future as a successful society and as a vibrant economy. I know that I speak for all members of this Assembly when I say that we want our young people to be the brightest and the best they can be.

Alberta, Mr. Speaker, has grown and prospered, because under the leadership of Premier Don Getty and this government, in co-operation with parents, teachers, trustees, businesspeople, and taxpayers, the government has developed an education system that has helped individuals to adapt to rapidly changing circumstances and to take advantage of the opportunities afforded them. Today Alberta faces a tremendous challenge to remain a competitive force in an increasingly complex global economy. As a result, education of our young people cannot be a matter of time and chance. In a world which awaits our students, the race will be run by the swift and the battles will be won by the strong, but all Alberta students must be equipped to meet this challenge. Our students will enter a job market where there will be no such person as an unskilled worker. Only those with the right skills will have the opportunity to work. We have no choice but to ensure that our students acquire the knowledge, the practical skills, and the positive attitudes that they will need to find success in their lives.

That is why our government is so deeply committed, Mr. Speaker, to building a strong system of education for our children. That is why we devote our efforts to curriculum development in areas such as science and technology, ethics, music, and social studies. That is why we are focusing our efforts on student evaluation, on diagnostic testing, and on taking the lead in Canada's student achievement indicators project, not only to be accountable but to improve the quality of our children's education. That is why we are focusing on special education, on challenging our best students, and on school-based partnerships with parents and the business community. That is why education is everyone's business. Each of us has a role to play in the success of our education system. Each of us has a responsibility to make education our business.

Education Is Everyone's Business is the theme of this year's Education Week, which begins on Sunday. Education Week is a chance for schools to showcase their many excellent programs

and to show how they are laying the groundwork for the future success of their students. On behalf of Premier Getty and my colleagues in government, I want to express our best wishes to all the teachers, the students, and the hundreds of thousands of other Albertans who will be involved in the exciting Education Week events which will take place across the province.

Mr. Speaker, I call on Members of the Legislative Assembly and all Albertans to increase their awareness of what education in the 1990s is all about. This week gives us the opportunity to get involved in education by joining in various events and learning firsthand what is happening in our schools. It is a visible commitment to making education our business every single week of the year.

MR. MARTIN: Mr. Speaker, yes, education is everyone's business; no one will deny that. And, yes, there's a lot of nice rhetoric in this ministerial statement about Education Week. But we have to look at the action coming from this government. I would remind this minister that when the Conservative government came to power back in 1971, roughly 70 percent of educational costs were picked up by the province and 30 percent by the individual taxpayers through local government. In some cases, especially in rural Alberta, that's down to 50-50, and at best it's up to 60 percent. What has happened over that period of time is that the government has not kept up with local governments in paying their fair share for education. We can talk all we want about how important education is, but that's the reality. Also in the last four or five years in real dollars – I'm talking about inflation, and institutional inflation is higher than personal inflation – we've had a decline of about 9 percent in what we used to spend.

10:40

So I guess I say that talk is cheap. In many areas of the province, as I travel around, we are almost moving to a two-tiered system, especially in rural Alberta. We can talk about how much we love rural Alberta, but they're having a great deal of difficulty with their educational system.

I agree with the minister that we need a good educational system to compete in the so-called global market. We also need a good educational system to deal with some of the social problems we see, especially in the inner cities, but if I may say so, Mr. Speaker, it's going to take action. Nice words on a statement like this are not going to accomplish much. So I expect that because the minister now sees and says that education is so important, he will have some influence with the Treasurer and the next budget will be a very different one.

head:

Oral Question Period

Hospital Funding

MR. SPEAKER: Leader of the Opposition.

MR. MARTIN: Yes, Mr. Speaker. To the Acting Minister of Health. Among other things that are happening with this government, its being in disarray, is our health care system. We've mentioned and it's been debated in this Legislature before that we've had massive layoffs across the province but specifically in Calgary at the General hospital, the Calgary District. Unfortunately, now it seems to be Edmonton's turn coming up, and I say that we're going to have a growing crisis here. My question: will the Acting Minister of Health confirm that the Grey Nuns hospital in Mill Woods in Edmonton will be laying off up to 100 nurses and support staff in the next week?

MR. FOWLER: Mr. Speaker, the department is not in a position to confirm the specific number of any layoffs in any hospital in this city or in this province. There is a board of trustees in each and every instance that is charged by statute with the responsibility to run their operation and to run it within the funds that are provided by the provincial government. There is, in fact, a reorganization apparently going on, which the Grey Nuns hospital is part of, and if there are efficiencies to be effected by that reorganization, then it is fully expected there will be layoffs.

MR. MARTIN: Well, Mr. Speaker, reorganization to this government means loss of jobs, loss of quality health care. That's the reality, and the minister is well aware that this is going to happen, or at least he should be, at the Grey Nuns hospital. My question to the minister is this: with these massive layoffs and cutbacks right across the province and now specifically at the Grey Nuns, how can this government continue to say that quality care at these hospitals is not compromised?

MR. FOWLER: Mr. Speaker, I believe it is a fairly well-known fact, particularly so in the health industry in this province, that we are "overbedded." We have more beds than are necessary for adequate, reasonable health care in this province, and I think that situation continues. As I say, these hospitals will be properly run by the boards which are put in place to run them.

MR. MARTIN: Mr. Speaker, the overbuilding was by this government; now they can't staff them properly. That's the reality of what's going on.

In terms of priorities, putting it straight, I want to ask either the acting minister or the Premier this question: does this government think it reasonable that we have over a billion dollars to hand out that we've lost in corporate welfare but we have not enough money to run our hospitals? Do they think that reasonable, Mr. Speaker?

MR. FOWLER: Mr. Speaker, I'm not going to get involved in answering economic questions; that's not what the Department of Health is all about. I do want to say that unfortunately this government does not feel compelled nor is it this government's duty to keep Alberta fully employed, as may be the case if someone else sat on this side of the House. The funds are being well expended, they are taxpayers dollars, and I think they are being well accounted for.

MR. MARTIN: Well, that's interesting. The economy is not our responsibility: that's a new one, Mr. Speaker. Maybe he'd better talk to the Treasurer.

I'd like to designate my second question to the Member for Calgary-Forest Lawn.

MR. SPEAKER: Calgary-Forest Lawn.

Ethics in Government

MR. PASHAK: Thank you, Mr. Speaker. [interjections] The geese on the government benches are really honking this morning.

One thing this government can never be accused of is being overly preoccupied with matters of ethics and propriety. On April 14 the Premier committed what can be described at best as the blurring of the distinction between Progressive Conservative Party business and acceptable government activity. On that

day the Premier forced recipients of over \$500,000 in government grants to come to a \$10 a plate Conservative Party breakfast to receive these funds, an obviously unacceptable mixing of party/government business that even grant recipients found embarrassing. My question is to the Premier: given that the Premier is supposed to set an example for his colleagues, will he explain whether he sees anything wrong with this, and if not, why not?

MR. GETTY: There was no blurring, Mr. Speaker.

MR. PASHAK: Well, that's a neat trick on the part of the Premier. He invites them for bacon and hands out the pork.

Mr. Speaker, this is not the only recent example of this government abusing its position to promote the Conservative Party. A few weeks ago the minister of career development leaned on his staff to attend the Tory convention, and the full text of the Premier's speech to the Tory convention was run across the Alberta Communications Network, a government service that's supposed to be used for official government announcements. My question to the Premier is: will the Premier explain why a partisan speech to Conservative faithful was run across this government network? Isn't this totally improper?

MR. GETTY: No, Mr. Speaker.

MR. PASHAK: Well, those are the kinds of answers we continue to expect from the Premier.

In addition, Mr. Speaker, on budget night the government used another public broadcasting channel – in this case it was Access – to propagate the Conservative view of the economy. One year has passed since the Wachowich report was issued. I'd like to know from the Premier where his long-promised ethics legislation is at. When can Albertans get a chance to look at his proposal to clean up his government's act?

MR. GETTY: First of all, Mr. Speaker, the allegations contained in the lead-in to his questions are totally false. Now, if we knock the falseness out of it, then we can get down to the final question he asked, and that is about the Wachowich report. As the throne speech says, the Wachowich report will be translated into legislation and presented to this session of the Legislature.

MR. SPEAKER: Edmonton-Gold Bar.

Senior Citizens Programs

MRS. HEWES: Thank you, Mr. Speaker. The recent round of fee increases – I know government members get excited when we call them cutbacks – to seniors' services has been met with tremendous public outcry from seniors' groups and individuals. Ministers protest that there have been increases, but seniors know different. Unfortunately one government organization that will soon get the legislative authority to lobby and advocate on behalf of seniors – it's the Premier's advisory council on behalf of seniors – has remained mysteriously silent; that is, up until yesterday, when we got the document that details what the cutbacks are. I'd like to address my questions to the chairman of the Seniors Advisory Council, the Member for Bow Valley. Perhaps the member will tell us what the council is doing in respect of these recent fee increases and if they have analyzed the impact.

MR. MUSGROVE: Mr. Speaker, our telephones are very busy over at the seniors council office attempting to clarify what the budget really said. In other words, there's a lot of anxiety about some distortions that were made about the effect of the budget on seniors. At this time we have a lot of seniors and care givers phoning to clarify those benefits.

MRS. HEWES: Mr. Speaker, our phones are ringing off the hook too.

MR. HORSMAN: Well, why don't you tell them the truth?

MRS. HEWES: They know the truth, Mr. Speaker.

Has the council done for the Premier and members of his cabinet a detailed analysis of, in fact, the real impact these cutbacks will have on seniors, particularly those that are near or at the poverty line?

MR. MUSGROVE: Mr. Speaker, I would have to correct the implication that there are cutbacks to seniors. As a matter of fact, the benefits for seniors went up approximately \$75 million this year, and although there were some transfers made, particularly to benefit some of the underprivileged seniors, the cutbacks that are being announced were actually not cutbacks but were transfers of funds from one part of the seniors' benefits to other parts.

10:50

MRS. HEWES: Mr. Speaker, a rose by any other name is still a rose. Your own document tells us differently.

Mr. Speaker, I'd like to ask the chairman what assistance, if any, the council is prepared to give to seniors in terms of advocating and mobilizing them to make known the circumstances that have been caused by these cutbacks to the Premier and to members of the cabinet. What are you doing to mobilize them?

MR. MUSGROVE: Mr. Speaker, the council is in the process of holding public meetings with seniors' organizations throughout Alberta. One of the things we heard in the meetings up until now, the one common denominator, was that we need to put more money into home care. So this budget responded and put more money into home care.

Oil Pipeline to Montreal

MR. PAYNE: Mr. Speaker, for the past 15 years Interprovincial Pipe Line's Sarnia to Montreal pipeline has carried Alberta crude oil to Montreal refiners. Even though Alberta crude oil is competitively priced with Venezuelan and North Sea crude, Montreal refiners are increasingly turning to these offshore crude supplies. As a result, the demand for Alberta crude has plummeted, and now the federal energy minister has asked the National Energy Board to examine the possibility of shutting down or reversing the Sarnia to Montreal pipeline. I'm wondering if the Minister of Energy can advise the Assembly what action he proposes to take with respect to this very serious turn of events for our oil producers.

MR. ORMAN: The hon. Member for Calgary-Fish Creek is quite accurate. The refiners at the east end of the Sarnia to Montreal pipeline, which is referred to as line 9, have reduced their nominations for Alberta crude oil from about 350,000 barrels a day to about 15,000 barrels a day. So, Mr. Speaker, it's clear that in fact offshore crude, crude coming from Venezuela

or the Persian Gulf, is landing in Montreal cheaper than we can ship Alberta crude east. It does bring into question the conflict between the market making economic decisions and the issue of Canadian security of supply.

There are two impacts to Alberta producers by the closing of line 9. One impact will be that we lose a market. We will have to find an alternative market for Alberta crude oil elsewhere. The other impact, of course, is that it abandons to some extent the Canadian government's position on security of supply. We are pushing for – and I have written to the federal minister of energy – full evidentiary hearings around the closure, because there are impacts on cost and on future security of supply.

MR. PAYNE: Mr. Speaker, can the Minister of Energy advise the Assembly what the cost implications are for government and for the industry if in fact the Sarnia to Montreal pipeline is shut down and reversed. In other words, who's going to pay?

MR. ORMAN: Well, Mr. Speaker, that question really is the nub of the issue. Who is going to pay for one of three events: closure, reversal, or re-reversal, which is called yo-yoing the line? That is, if the line is reversed so that offshore crude oil can move into the western end of line 9 – into southern Ontario, for instance – there is a cost of doing that that is rolled into the rate base of Interprovincial Pipe Line. That would mean that all producers of oil in Canada would then be subsidizing offshore crude oil coming into the southern Ontario market, and we certainly do not want that to occur. For that reason, we have asked that there be full and open hearings on all these issues: who pays, the future of that line in terms of reversal, re-reversal, or closure, and certainly the issue of Canadian security of supply. We believe there should be a full discussion, and that's the position the Alberta government is taking to protect the interests of Alberta supply.

MR. SPEAKER: Edmonton-Beverly, followed by Calgary-North West.

Housing in Edmonton's Inner City

MR. EWASIUK: Mr. Speaker, my questions this morning are to the Minister of Municipal Affairs and housing. The minister has said that he has been reviewing the rent supplement program of his department to ensure that it's effective. Well, there are 27 residents who are now living in the old W.W. Arcade building in downtown Edmonton who will have to move because the building is being renovated, but decent, affordable housing is at a premium in downtown Edmonton. Will the minister agree to take an innovative step and make supplementary rentals available directly to the tenants rather than supplementing the units, as is the present case?

MR. R. SPEAKER: Mr. Speaker, the hon. member raises a matter of concern. I've had the opportunity of meeting with the people that intend to reconstruct the W.W. Arcade and indicated to them that there are residents there, some that have long-term tenancy and some short-term, and that other accommodation may be required, and that that should be an item that (a) they'd be concerned about and (b) as a government we'd be prepared to work in terms of the rent supplement program to assist them if possible.

MR. EWASIUK: Mr. Speaker, there are numerous residents in downtown Edmonton who are living in some of the buildings

that are going to be renovated. Last year the minister received a report that indicated a need for hundreds of housing units in the downtown area. When will the minister announce what he's going to do about providing housing in Edmonton's inner city?

MR. R. SPEAKER: Mr. Speaker, a very appropriate question. I've been a little concerned that we haven't responded in the last month as well, but the federal government has wanted to participate in the announcements because they provide 70 percent of the funding in some of the instances. We have a package put together to respond to the recommendations of the inner city group. I believe that at present there's a news conference set for May 6, at which time we will announce a cross section of programs and housing opportunities for those people in the inner city of Edmonton.

MR. SPEAKER: Calgary-North West, followed by Calgary-Glenmore.

Dial-Guard Ltd.

MR. BRUSEKER: Thank you, Mr. Speaker. The Minister of Economic Development and Trade has been singing a song of economic bliss regarding this government's economic diversification strategies, but recent events such as MagCan, NovAtel, General Composites, et cetera, suggest the tune is now a little out of tune. Recently, Dial-Guard Ltd. in Edmonton has had a receiver appointed, and the government again is on the hook, this time, the mortgage card shows, for \$400,000. My question to the Minister of Economic Development and Trade is this: can the minister inform the House whether there are any viable assets that secure this loan? What is the value of those assets if there are any?

MR. ELZINGA: Mr. Speaker, just dealing firstly with the hon. member's comment as it relates to the economic well-being of the province, let me reinforce what I've done on a consistent basis in this Legislative Assembly by asking individuals if they would look at third-party endorsements as to the economic well-being of this great province of ours. We've just recently had it, whereby the Toronto-Dominion Bank indicated we were going to be economic leaders. We can go through a long list of those third-party financial institutions that have endorsed the economic well-being of our province.

Dealing specifically with the hon. member's question, let me share with him – and again it's a repetition of what I've said before – that there is a lengthy process all companies have to go through as it relates to an export loan guarantee. Firstly, the financial institutions themselves have to approve of granting the loan. The financial institutions do the data gathering and do a financial overview as to the worthiness of the company. Secondly, we charge a fee for those services anywhere from three-eighths to three-quarters of a percentage point on the service that we are offering, whereby we backstop 85 percent of the export loan guarantee, creating jobs and employment opportunities within the province of Alberta. Thirdly, charges have to be held whereby there are specific contracts for the sale of those export products that are developed within the province of Alberta.

As it relates to Dial-Guard, they have involved themselves in accessing the export loan guarantee program on a number of occasions. They've gone through the procedures I've outlined to the Legislative Assembly earlier. They have generated some \$10 million worth of sales of the products that are produced

within this province, creating anywhere from 10 to 25 jobs within the province of Alberta, thus having a substantial economic spin-off benefit from our export loan guarantee program.

11:00

MR. BRUSEKER: Well, they're in receivership, so I don't know how they have any sales.

Also, on the mortgage card it shows the Alberta Opportunity Company has set up a loan for \$1,563,311. My question on this loan is simply this: can the minister tell us how much we're on the hook for out of that one and a half million? How much of that are we going to get back, or how much are we going to lose?

MR. ELZINGA: Mr. Speaker, we had it the other evening. When my estimates were before the House, we dealt in a very comprehensive way with the involvement of the Alberta Opportunity Company. The hon. member indicated at that time his dissatisfaction with the important role that they have played in diversifying our province. I share with the hon. member now as I shared with him then: the opposition parties have advocated on a consistent basis an arm's-length organization to deal with ventures such as this. This arm's-length organization is in place. We have no direct influence as it relates to their support for the private business sector. We develop an overall policy that relates to the diversification of the province. We leave it to an independent board of directors to decide where they should allocate that funding, and that allocation and that direction has been supported by both opposition parties consistently in this Legislative Assembly.

Economic Policy

MRS. MIROSH: Mr. Speaker, it seems like the opposition can only dwell on doom and gloom and failures, but financial experts, economists, banks, and even the *Edmonton Journal* and the *Calgary Herald* are recognizing that Alberta has the strongest economy in Canada. Alberta's economy had some difficulties in the '80s, and it feels good to be called the best in Canada. Strong economies don't just happen. It takes good management and strong business entrepreneurship.

SOME HON. MEMBERS: Question.

Speaker's Ruling

Brevity in Oral Question Period

MR. SPEAKER: Sorry, hon. member. Sit down. I think we've had enough examples in this last week. Get to the point. Ask the question. You've got to save some ammunition for your supplementary.

Economic Policy

(continued)

MRS. MIROSH: Mr. Speaker, my question to the Minister of Economic Development and Trade is: would he please share with this Assembly how we have developed this strong economy?

MR. ELZINGA: Mr. Speaker, I'm delighted that we do have individuals who view what is taking place in this province in such a positive manner, because the hon. member's comments underscore a third-party endorsement as it relates to the economic well-being in our province whereby yesterday the headlines in the media coverages were that the Toronto-Dominion Bank confirms the projections presented on budget

night by our Provincial Treasurer whereby we as a province are going to be the leading economic province in all of Canada.

Mr. Speaker, it's important to note, though, that it's not only the Toronto-Dominion Bank but the Investment Dealers Association, Canada Mortgage and Housing, the Royal Bank, the University of Alberta, the Conference Board. All of them indicate that Alberta is going to lead economic growth in this country, and the projections are that that economic growth is even going to increase to a greater degree in years down the road.

MRS. MIROSH: Mr. Speaker, the business community in this province are expressing concern that our economy can slip and be with the rest of the country. What steps will this minister take to assure the business community that we will have continued growth and development?

MR. ELZINGA: Mr. Speaker, we're delighted that confidence is being restored to the province of Alberta because of the economic policy of this government. We're going to continue with our thrust of a balanced budget, we're going to continue with our thrust of diversification, we're going to continue to support a strong private sector, and we're going to continue to support a skilled work force. Because of our involvement unemployment in this province is the lowest in all of Canada, tourism numbers are up dramatically, the manufacturing shipments are up, and as I indicated a little earlier, exports were up some 35 percent last January over the previous January. Confidence is growing in this great province. [interjections]

MR. SPEAKER: Order in all parts of the House. Thank you.

Waste Management

MR. McINNIS: This is to the Minister of Municipal Affairs. I saw you had your hand up earlier. Today the city of Edmonton launched a four-year, community-based waste reduction program targeting complete elimination of cardboard, yard waste, paper, plastic, and wood from the landfill. It's a real program, finally a substantial initiative: a four-year target, 770,000 tonnes, 38 percent reduction, \$18 million this year rising to \$23 million by 1994, compared with the provincial initiative of around \$4 million in the same general area for the entire province of Alberta. My question is to the Minister of Municipal Affairs: when is the province going to enter a real partnership with municipalities to pay the real costs of waste reduction as opposed to the \$4 million effort to date?

MR. R. SPEAKER: Mr. Speaker, one of the initiatives that we took back in October of 1990 was to bring together the city of Edmonton, the mayor and her representatives, and the municipal leaders around the city of Edmonton into a regional group that would look at the need to deal with the waste in Edmonton and region. In that group there are two committees: the technical committee and the political committee, which involved the reeves, mayors, and respective councillors. The technical committee has worked very aggressively and vigorously to put together a plan for the region. At this point in time they have arrived at very excellent, well-thought-out recommendations that are now being presented to the political committee, and in turn the Minister of the Environment and myself as Minister of Municipal Affairs intend to sit down with them and proceed to walk through those recommendations. At a point in time we will look at the partnership that can exist between the provincial

government and the municipalities, and at that point in time costs will be examined carefully.

MR. McINNIS: Well, Mr. Speaker, my question's really about funding for waste reduction. The province has set as a goal a 50 percent reduction in overall waste by the end of this decade, yet there are no funds behind it. I simply want to know if the province is going to share in the real costs, which are identified in Edmonton in the \$18 million to \$23 million a year range as opposed to the \$2 million to \$4 million range that you're funding now.

MR. R. SPEAKER: Mr. Speaker, I appreciate the urgency with which the hon. member raises the question, and I think we all feel that urgency, because there is a new perspective or a new look at this question of waste management and all of the various subtopics that go along with that overall one in that we as people, the general populace, want to deal with it in a different way than just putting it into a landfill. That's old, traditional and should be minimized in terms of its use. What that does is change the responsibilities. Historically as a government we have said to the municipalities, "You have to look at your waste product and deal with it and also charge your taxpayers to look after that respective responsibility." Times have changed, and we as a government now have to look at the partnership, and we're willing to do that.

The initial budget of the Minister of the Environment is some \$6 million, which can be part of working towards a partnership agreement. So we have started, but we have to examine what those costs are, and as the budget process proceeds, we have to examine the responsibility that we can take in that partnership.

MR. SPEAKER: Edmonton-Avonmore, followed by Westlock-Sturgeon.

Sexual Exploitation of Children

MS M. LAING: Thank you, Mr. Speaker. My questions are to the Attorney General. With the warm weather the problems arising out of prostitution increase. We have seen a man recently sentenced under the section of the Criminal Code on sexual exploitation of children for his solicitation of sexual services from a 14-year-old child who was working as a prostitute. We must commend the police and Crown Attorney for proceeding in this manner in this case. My question to the Attorney General: will he now implement recommendations of the 1984 Badgely commission and urge authorities to continue to charge persons who sexually exploit children with sexual assault?

11:10

MR. ROSTAD: Mr. Speaker, I too commend the police for bringing forward evidence that would allow a charge and eventual conviction of a person who has exploited children. The Attorney General's department only initiates a charge based on the evidence that comes forward. I will work very strongly with the Solicitor General and the police forces to ensure that that evidence is brought forward that would enable a charge to be brought forward in the courts and substantiated such that we would get a conviction.

MS M. LAING: Thank you for that answer.

Mr. Speaker, my second question is to the Minister responsible for Family and Social Services. We know that child prostitutes are often victims of family violence, sexual assault in

the home. Last year Edmonton police made 37 arrests of young offenders, girls and boys, who were working as prostitutes, and this year already 22 arrests have been made. My question is: given that the recent case highlights the problem of sexual exploitation of children who resort to prostitution in order to survive, will the minister now act on his mandate to protect these children by establishing safe houses and treatment programs for children involved in prostitution?

MR. OLDRING: We will continue to offer all the resources, all the supports necessary, all the supports available to children at risk or children in need. I would point out that here in the city of Edmonton I'm really pleased to be able to work in partnership with groups like the Youth Emergency Shelter, who are out there working with young people helping to get them off the streets, working with our government. I would also want to say that we're pleased with the work of community groups like Crossroads who are out on a daily basis talking to prostitutes that are on the streets, making sure that if there are underage girls or boys on the streets, they again are referring them to the appropriate supports that are there. Mr. Speaker, a very serious problem, I'm concerned about it, and I appreciate the concerns that the Member for Edmonton-Avonmore brings forward. We're going to continue to work together to do what we can to resolve this problem.

MR. SPEAKER: Westlock-Sturgeon. Ponoka-Rimbey.

Native Criminal Justice

MR. TAYLOR: Thank you, Mr. Speaker. My question today is to the Attorney General. The natives of this province have been studied fairly widely and long for at least three reports in the last dozen years: the Rolf report, the Cawsey report, and the Kirby report. The Cawsey report recommends that the fine option programs, which return natives to aboriginal communities as part of their sentencing, be improved or expanded, made meaningful for the community and the offender. My question is to the Attorney General. This is 12 years in the making. What immediate action is the Attorney General taking to implement these recommendations?

MR. ROSTAD: Mr. Speaker, the Cawsey report was tabled in the Assembly, and my colleague the Solicitor General, who has been the lead ministry in this, has indicated to the Assembly that an interdepartmental committee is working together with the native groups that were involved in this to formulate the initiatives that can be implemented immediately and a time plan for implementing the remaining parts.

The hon. member makes reference to the Kirby report. I will acknowledge that not all recommendations from the Kirby report have been implemented, but by far the majority have. The fine options program which is mentioned in the Cawsey report is in effect. I might relate to some of the justice initiatives we used in the young offender area where the alternative measures programs would be broadened, and that would be the same effect with the fine options.

Once the fine option is put into effect, it is not the Attorney General's department that has the ultimate responsibility but that of the Solicitor General.

MR. SPEAKER: Westlock-Sturgeon.

MR. TAYLOR: Thank you, Mr. Speaker. May I remind the Attorney General that the Solicitor General just can't deport these people if they're not doing things right.

My supplementary to the Attorney General: will the minister allow for the appointment – this is a little new – of native justices of the peace for summary conviction matters in juvenile and family court, thus ensuring that the Alberta justice system is more responsive to the needs of Alberta native people?

MR. ROSTAD: Mr. Speaker, I'm not in a position to give a categorical answer that we would. We are working, as I mentioned, with the native communities to ensure that we will make changes to our justice system that will recognize the cultural differences, and perhaps justices of the peace from the native community will be one of those initiatives. We're cognizant of the problem and are working on it.

School Achievement Tests

MR. JONSON: Mr. Speaker, with quality education being so important today to our young people and to the social and economic well-being of our society and the debate over the performance of the education system across Canada becoming a matter for national debate, the proposed school achievement indicators program is attracting a great deal of attention and raising many questions. To date this potentially important program hasn't been well defined for students, the educational community, or the general public, and there are certainly those that oppose the project. Given that Alberta is one of the main proponents of this initiative, can the Minister of Education describe what the indicators will require of students in Alberta schools?

MR. DINNING: Quite simply, Mr. Speaker, the project is designed to bring together a national standard in what we as Canadians believe children ages 13 and 16 should know and what they should learn when it comes to numeracy and literacy. We're doing that by spanning out across the entire country these days. Each provincial Department of Education is going out to stakeholders and asking trustees and parents and students and the business community: what do you expect kids to know at the ages of 13 and 16 in literacy and numeracy? Once we've determined that standard, we will then set a national test against that standard, and that will occur in May of 1993. By the fall of '93 we'll have an assessment of how each province's education system stacks up against that national standard. It's a significant project because Alberta and Quebec are taking the lead on this project in working with other provinces across the country, and it's even more significant because Quebec is an active participant in this project, the only one of its kind where Quebec is still actively involved on an interprovincial, intergovernmental basis.

MR. JONSON: Mr. Speaker, the minister's response is helpful; however, I think there's another question, and a very important one, to be raised. Assuming for the moment the results of applying the indicators tests may well show deficiencies in the system, what will be the mechanism for evaluating the results and deciding what level of government or part of the educational community will be responsible for making the improvements?

MR. DINNING: Well, Mr. Speaker, let me make it clearer that having received a report on the results, it then becomes incumbent upon the Minister of Education in the province of Alberta

in working with my colleagues in the Legislature and in government to then work with school boards in Alberta as to what steps we should be taking to improve our performance vis-à-vis that national standard. There isn't going to be some long arm of the Ottawa House of Commons coming into this Legislature telling Albertans how they ought to improve their education system. That will be a decision made here in Alberta by Albertans. That is the important part of this project. It's an accounting, it's telling Albertans how we are, how our system is performing vis-à-vis others, and it's also putting in the hands of teachers the tools they need to make those important professional decisions as to how we can improve our performance against those standards. So it's accountability, it's accounting, but in the end it's designed to improve the quality of children's education.

MR. SPEAKER: Edmonton-Kingsway.

11:20

Northern Steel Inc.

MR. McEACHERN: Thank you, Mr. Speaker. My questions are to the Minister of Economic Development and Trade. Exhibit B of the government's prospectus for the sale of Northern Steel contains a rather curious statement that the Al-Pac steel contract will be given to Northern Steel once the Al-Pac mill is approved. Now, this prospectus was issued before the approval of the Al-Pac mill. Could the minister tell us if this is another prospectus mistake, or is it that the government used its financing clout with Al-Pac to insist that the contract go to Northern Steel?

MR. ELZINGA: Mr. Speaker, individuals within our department and a private accounting firm – we involved their services – put together this prospectus recognizing our desire to turn this company back to the private sector. There is a listing of projects which were included in the prospectus, as the hon. member indicated, but they were not listed in there as confirmed companies that Northern Steel would have access to their contracts. It was a suggested list of projects that were coming forward, projects that all steel companies in the province of Alberta will be bidding on. Some that have greater expertise and greater opportunities to participate in some of these larger contracts will do so where others will not. It is a listing, and it's much like I tabled in this Legislative Assembly earlier indicating the in excess of \$20 billion worth of projects that are taking place within the province of Alberta.

MR. McEACHERN: Well, Mr. Speaker, that is not quite correct here. It says specifically referring to the Al-Pac Athabasca pulp mill contract: "This will be a contract to Northern Steel Inc. when project is approved." Not putting it on the list as it "might be"; it says it "will be." My question to the minister is: given that you put \$400 million financing into Al-Pac and \$18.4 million into Northern Steel, is that why the government has told everybody that Northern Steel will get that contract without public tender?

MR. ELZINGA: Mr. Speaker, I just answered the question to the hon. member a moment ago.

Municipal Transportation Funding

MR. WICKMAN: Mr. Speaker, this government has left a trail of broken promises with the municipalities. We saw the situation with the major recreational and cultural facilities, then

the reductions in the preventive social services programs, and now the latest one, of course, the cutback in the commitment that was made for transportation, which has affected municipalities throughout the entire province of Alberta, particularly in ridings like Edmonton-Whitemud. I point out the Whitemud Drive mess that has been left behind. To the Minister of Municipal Affairs: will the minister on behalf of all municipalities in this province attempt to influence his cabinet colleagues to reverse the decision on transportation cutbacks so disasters created by delays like the Whitemud reconstruction can be put back on track?

MR. R. SPEAKER: Mr. Speaker, constantly and continually my colleagues have had discussions with the various leaders of municipalities, specifically with the two associations, the Alberta Urban Municipalities Association and the Association of MDs and Counties. What we try to do is communicate with them as to what our responsibilities are and how we're walking through our budget process, and this specific item raised by the hon. member certainly took that route. In terms of our budget, the presentation that was made by my colleague the Minister of Transportation and Utilities was that we did not renege from our commitment. We felt that in terms of the pressure on our budget for increased dollars to health care and education, we could take these capital projects and extend the payments over a longer period of time. Now, that was done so that we could meet our commitment with the municipalities. It may take a little longer, but it will be done.

MR. WICKMAN: Mr. Speaker, I beg to disagree. I pointed out three specific instances.

I'll ask my supplementary question to the Deputy Premier. Will the Deputy Premier undertake to direct his cabinet to live up to their commitments, their obligations, and their responsibilities to all Albertans?

MR. HORSMAN: Our cabinet needs no direction from me to do what we're doing.

MR. SPEAKER: Rocky Mountain House, followed by Stony Plain.

Keegstra Trial

MR. LUND: Thanks, Mr. Speaker. My question today is to the Attorney General. During the last couple of days the Attorney General's department has made an announcement that there will be a new trial for Jim Keegstra. I have had a number of constituents express concern that this is going to be a very expensive process, that it possibly will have a negative effect on the town of Eckville, and that there could be a free national stage for some adverse thinking. Could the Attorney General please tell me why the province is going ahead with this trial at this time?

MR. ROSTAD: Mr. Speaker, this is a matter that's sub judice, so I will answer the question very carefully. It isn't the province, if that's the perception of the government, that is initiating the retrial in this particular instance. Mr. Keegstra was found guilty in Court of Queen's Bench by a jury. An appeal was made to the Court of Appeal, which struck down the hate section of the Criminal Code on a Charter of Rights issue. That went to the Supreme Court. The Supreme Court made a finding that the hate law was valid, redirected the Court of Appeal to address

the issue on the merits of the case, and that was done. The case was ordered to be retried because there were two technicalities: that the judge did not correctly charge the jury and that the judge did not allow the defence counsel to challenge the jurors on potential bias, and on that basis ordered a retrial. Upon analysis the evidence is still there, and none of the courts have made any comment on the evidence being bad. In essence, what you have is an acquittal, yet the evidence showed and there was in fact a conviction. On that legal basis there has been a decision to retry Mr. Keegstra.

MR. SPEAKER: Supplementary.

MR. LUND: Thank you, Mr. Speaker. My supplementary, to the same minister: how soon will this trial be proceeding and where?

MR. ROSTAD: The venue and the time cannot be determined. The defence counsel and the prosecution will meet with the judge, an application will be made for setting a time. At this stage there's no idea.

head: **Orders of the Day**

MR. SPEAKER: Might we revert – well, there might not be much point – briefly to Introduction of Special Guests?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried.

I have had notes from Edmonton-Gold Bar and Redwater-Andrew.

Edmonton-Gold Bar.

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

MRS. HEWES: Thank you, Mr. Speaker. On behalf of my colleague the Member for Edmonton-Glengarry I would like to introduce 31 students to you and through you to Members of the Legislative Assembly. These students are from Evansdale elementary school in the constituency of Edmonton-Glengarry. I hope they are still in the House and haven't already left. If they're here, I'll ask them to rise and accept the traditional welcome of the members.

MR. SPEAKER: Unfortunately, they have left, hon. member, but at least it will be recorded in *Hansard*. Thank you.

head: **Committee of Supply**
11:30

[Mr. Jonson in the Chair]

MR. DEPUTY CHAIRMAN: I would request that the committee please come to order.

head: **Main Estimates 1991-92**
Federal and Intergovernmental Affairs

MR. DEPUTY CHAIRMAN: The estimates start on page 197 in the main budget book and page 79 in the summary by elements.

I would ask the hon. Minister of Federal and Intergovernmental Affairs to make any opening remarks.

MR. HORSMAN: Mr. Chairman, I have some remarks I'd like to put on the record. For me and my department, indeed for Alberta and Canada, 1990-91 was a very challenging and eventful year. As hon. members know, my department is responsible for Alberta's relations with other provinces, the federal government, and foreign governments. In fulfilling this role, my staff and I have worked diligently with other government departments, with the municipal governments in Alberta, and with the private sector on a number of issues.

With respect to international trade, my department continues to be involved in the GATT multilateral negotiations, the implementation of the Canada/U.S.A. free trade agreement, and now the upcoming negotiations for a North American free trade agreement including Mexico. After a near collapse of the December meeting of GATT in Brussels, which I attended as a member of the Canadian delegation, the negotiations may be on track again. The European community has shown some flexibility with respect to reducing their agricultural trade barriers, and this is the issue that will decide the success or failure of the Uruguay round of these negotiations. That's an issue of vital importance to Alberta. I would point out that I do not believe that the European community has considered the consequences for world trade if this round of negotiation fails. If it fails, I believe it will result in a beggar-thy-neighbour situation reminiscent of the 1930s. Not only would we have lost all the gains we have made in other areas including trade and services and intellectual property, but we will see more protectionism, more subsidy wars, and the fracturing of the world trading community. The possibility for this, particularly in the face of worldwide economic problems, is extremely daunting.

On the Canada/U.S.A. free trade agreement my department, particularly my staff in the New York office, continues to monitor developments and to represent Alberta's interests on the issues being addressed by the disputes settlement mechanism. Of particular importance to Alberta is the pork countervail case. That's due to the lobby pressures in the United States. That case is going through a final review by a three-member panel under the extraordinary action clause of the free trade agreement. That panel is expected to announce its decision by June 14. I want to be optimistic about the outcome, because Canada's success in the case will not only be of benefit to pork producers but will also underline the effectiveness of the unique binational disputes settlement process.

My department is also involved in developing our province's position with respect to Canada/U.S.A./Mexico free trade negotiations, which are scheduled to begin this year. Now, given the possibility for the GATT round failure, the further integration of Europe as we approach 1992, and the emergence of closer economic associations among Asian countries, a United States/Mexico/Canada trade agreement is more important than ever. On this issue I should begin by saying that I'm encouraged by the economic policies President Salinas of Mexico is pursuing. His government's movement towards trade liberalization is a very positive development, but in addition to that he is pursuing policies to privatize many industries, to restructure the tax system, to attract more foreign investment, to provide better industrial infrastructure, to streamline the provision of services. These efforts coupled with any agreement that may result from future negotiations will create a more level playing field for North American trade. I will be visiting Mexico City next month to discuss the upcoming negotiations, and look forward to representing Alberta on this issue during the next several months.

I also want to say that I look forward to working with the new Minister responsible for International Trade, the Hon. Michael Wilson. I hope that he will continue the negotiation process and involvement of the provinces and the territories that have been so useful in developing a broad Canadian negotiating mandate in this whole overall process of international trade.

I will also continue to represent Alberta on the Canada/U.S. legislative project, the State Legislative Leaders Foundation, the newly established Pacific Northwest Economic Region, and the Alberta/Montana Boundary Advisory Committee. These organizations, particularly the Pacific Northwest Economic Region, will help foster better understanding and better co-operation between us and our American neighbours.

Last year also saw several developments in other areas of my department including Alberta's special relationship program and the operation of our six foreign offices. My department is currently involved in sister province programs with Heilongjiang in the People's Republic of China, Hokkaido in Japan, Kangwon in the Republic of Korea, and of course the Russian Soviet Federated Socialist Republic within the U.S.S.R. These special relationships have resulted in the development of numerous exchange programs and international co-operation involving thousands of Albertans in areas such as science and technology, trade, education, culture, athletic training, agriculture, and medical research.

Nineteen ninety marked the 10th anniversary of our twinning relationship with Hokkaido. Several activities were co-ordinated by my department to celebrate the anniversary. Last September a delegation of 800 led by the governor of Hokkaido visited Alberta and participated in a full program of events in communities across the province. In return I led a business and government delegation to Hokkaido in October to participate in a similar program. Both visits were very successful. I look forward to another decade of co-operation with Hokkaido.

I note that Governor Yokomichi of Hokkaido was recently re-elected. Governor Yokomichi won an overwhelming victory with over 2 million votes cast in his favour and less than 800,000 for his opponent. However, he did not gain control of the Assembly for his party, so he'll have an interesting balancing act. I've recently written to congratulate him on his re-election.

Nineteen ninety-one marks the 10th anniversary of our twinning relationship with Heilongjiang, China. A Chinese delegation will be traveling to Alberta this summer to celebrate this occasion.

This year will also mark the relocation of our Tokyo office in the new Canadian embassy. To celebrate the opening of the embassy, 1991 has been designated the Year of Canada in Japan, and June 3 to 14 will mark Alberta Days in Tokyo. This event will include an exhibition, cultural performances, and trade and technology seminars and missions, and will take advantage of the heightened awareness of Canada. I will lead a mission to Japan during this period to officially open our new office in Tokyo.

Alberta's international offices play a vital role in promoting our province's international activities. The offices work with our private sector, foreign companies, government departments, Canadian embassies and consulates, and municipalities within Alberta on a wide range of issues. I was pleased to table a report to this Legislature on our international offices this past Wednesday and hope that all members will read the report in order to gain an even better understanding of the important role that the offices play. If they look just at that particular document and refer to the statistical summary report, they will see that during the 1990-91 fiscal year over 1,250 Alberta companies were assisted by the offices: 407 in Edmonton, 547 in Calgary,

and the balance in other parts of Alberta. Over 1,250 Alberta companies received direct assistance from our foreign offices. Tourism inquiries were over 25,000 in those offices; immigration inquiries came close to 1,800; investment inquiries totaled over 1,300; and general inquiries, over 3,300. The offices promoted 111 trade fairs, 36 cultural promotions, 73 investment promotions, and 109 others. In addition, there were 167 trade missions and 184 intergovernmental missions. Very important statistical information, but that only tells, of course, part of the story.

11:40

My department is sending this report to cities, towns, chambers of commerce, associations, and media in order to encourage an even greater use of the offices and their resources. I want hon. members to read that report and the summary, which points out that in operating our offices we must be diligent and vigilant about knowing about Alberta and getting other people to know about Alberta and to be knowledgeable what our competitors are doing elsewhere in the world.

With respect to our intergovernmental relations, this coming year will be marked by uncertainty caused by constitutional issues, which I will speak on in a moment, recent changes in government, and economic issues facing our country. My department will have to be extremely diligent in monitoring and developing strategies for interprovincial and federal/provincial relations in the upcoming year. Specifically my department and other departments will continue to address issues such as environmental jurisdiction, federal off-loading of programs, aboriginal issues, and will pursue initiatives under the western economic partnership agreements, which are very close to completion.

Perhaps the most important issue facing me and my department is the constitutional challenge facing our country. To frame this issue for the Assembly, I would like to read a passage from the Speech from the Throne to remind members about what was said at the opening of this Legislature. It said:

The constitutional challenges, those of deciding what Alberta's future in Canada will be, are as important as any my government and Albertans face. Nowhere is the co-operation, commitment, and consensus of Albertans more required than on this issue; the future of our province and Canada is at stake. The issues – language, our political institutions, the division of responsibilities, our fundamental rights and freedoms, the future of our aboriginal peoples, and the very nature of our federal system – are more compelling now than they have ever been. Canada has changed, and Albertans will have to decide what Alberta in a new Canada will be.

Over the past several months the government has undertaken a series of steps to find out what Albertans want this new Canada to be. In August of last year the Premier established a Constitutional Reform Task Force, which I chaired. Throughout the fall we undertook a series of public round table discussions on several different constitutional topics. Hundreds of Albertans participated in the round table discussions, and the proceedings of the sessions were broadcast throughout the province on cable television to provide to as many Albertans as possible access to the issues and the opinions stated.

In February we released a discussion paper on the Constitution entitled *Alberta in a New Canada*. All hon. members, I hope, have read it, and if they have not, please do so, because it's their responsibility to discuss with Albertans what Alberta in the new Canada will be. That is based on the round table discussions. It was designed as a discussion paper to enhance public awareness on constitutional issues and thus provides a base for our upcoming public hearings, raises many issues,

provides some options, some alternatives for Albertans to consider. It does not, however, contain any recommendations. More than 100,000 copies of that discussion paper have been widely distributed throughout Alberta through direct mailing, Treasury Branches and other government offices, and offices of Members of the Legislative Assembly.

The discussion paper has generated thousands of telephone calls to a toll-free number we established, as well as hundreds of letters and submissions. It is evident from these letters and calls that Albertans care deeply about the future of our country; it is equally clear that Albertans have strongly-held convictions about our country's future.

Having begun the public consultation process, it was clear that the next step was full public hearings by an all-party committee. The Select Special Committee on Constitutional Reform was established on March 26. It represents the next and most important phase of our commitment to a comprehensive public consultation process. The purpose of the committee, which I chair, is to review all aspects of our system of government and to consult with the people of Alberta to determine their views on how this system must be changed.

Following these extensive consultations the committee will prepare a report for full debate in the Assembly. The first round of hearings will be held May 24 through June 1 in 10 centres throughout the province. In holding these public hearings we are committed to involving all interested Albertans in the process. Organizations and individuals will be able to make formal presentations, but any interested Albertan will be able to give their views to the committee in an informal presentation as well. In developing the government's position, it is important that Alberta demonstrate its leadership on this issue, as it has on previous constitutional matters. Our government, our province, will not be able to dictate the timing of any future constitutional discussions, but it is imperative that whenever and wherever these discussions take place, in whatever forum, Alberta is at the table and is there with a clear position that reflects the consensus of Alberta.

Now, as I said in the debate on the resolution to establish a select special committee, all Canadians are confronted with an enormous challenge and responsibility. We may be facing – I think we are facing – the most fundamental review of the Constitution since 1867. The issues before us go beyond matters of minor conflict and competition between governments. Albertans will be asked to make decisions, decisions which are fundamental to shaping the very nature of the country and will affect the quality of life in this province for future generations.

In conclusion, hon. members, I would state that funding for my department will increase by one-half of 1 percent for the 1991-92 fiscal year. The budget reflects this government's program of fiscal restraint while still allowing me and my department to fulfill our responsibilities to Albertans. As I have indicated in providing a background of the initiatives my department will be involved in over the coming year, my role as minister and as Deputy Premier often requires participation in various conferences, meetings, and representations. Therefore, I will continue to travel extensively within the province and to other parts of Canada and internationally. I must do that in my responsibilities, as would any minister occupying this portfolio, in order to serve the best interests of Albertans.

11:50

Mr. Chairman, I want to thank the members for their attention, and I also just wish to say this. I want to thank the members of the select special committee for their participation

to date in preparing for the forthcoming round of public hearings and to compliment the members for their dedication to seeing the process work. We will, following the round of public hearings, look at what the public is telling us relative to the necessity for any further consultation. If that is necessary, I know that all members of the select committee have made it clear that they will make sure that Albertans have that opportunity so that at the end of the day when our position is formulated, no one will be able to say, "I didn't know that you were asking me for my advice."

In any event, Mr. Chairman, I look forward to hearing from members in the Assembly as to questions about the nature and the role of the department, and encourage members to support the request before them for supply to permit the department to continue its endeavours.

MR. DEPUTY CHAIRMAN: The Member for Edmonton-Highlands.

MS BARRETT: Thanks, Mr. Chairman. If it wasn't for the fact that we've got such a bloated amount of money being assigned to the foreign offices, I think our ability to respond in the affirmative to the minister's last request would be relatively easy. Let's face it: we're only talking about a \$10 million budget. It's the smallest budget that we'll be dealing with all year long, and aside from a few examples I would not want to suggest that it's being squandered. On the other hand, there is waste in this budget, and I think we need to talk about that.

In the first place, the foreign offices take up just slightly more than half of the entire budget. That's remarkable, and I think it's probably quite revealing. I suspect what's going on is that people, generally given jobs through the patronage network, are living pretty high on the hog under circumstances that are really not necessary.

The minister tabled a couple of days ago a document called Alberta's International Offices: Report to the Alberta Legislature, and it has a comparison of what other provinces are doing. I know the minister will jump up and respond, "Oh, but Ontario has 19 locations abroad and Quebec has got 29 locations abroad, so what's the matter with our six?" Well, I think the problem is that we imagine an importance that is not as real as the Conservative government thinks, but secondly, the expenditures that go with these offices I think are way out of line. The payment to the appointees is already pretty high; for having to live on the cocktail circuit and talk nice to prospective investors, it's pretty dandy. Usually, the real workers are the knowledgeable consultants, and it's for that reason that I bring this matter up.

The top position in these offices is always held by a person appointed not hired: basically, not up for public competition. I object to that. I don't know that the Minister who was responsible for Culture up until the 1986 election is such a brilliant businessperson and deserving of the salary that she's pulling in. When I look at the report of the Auditor General from just a few weeks ago and I see that a former minister of the Crown, defeated in a general election and subsequently appointed to go and live the good life in London, England, didn't even know that it would not only be in violation of well-defined rules in our legislation – in other words, breaking the law, the Financial Administration Act – but went ahead and set up a private account, put money from a sublease that she'd engaged in, and drew money out of this private account: totally, totally wrong.

The problem's been fixed since the Auditor General got his hands on it, but my point is this, Mr. Chairman: what the heck are we doing paying Mary LeMessurier a whole bunch of money every year? She's living real good, I can tell you. She gets a pension, too, and I'll point that out in a minute. What are we doing paying her this kind of money when she doesn't even know the rules and, not only that, a former minister of the Crown doesn't understand that if you set up an account that's supposed to take money in for the government, you don't draw on it for personal reasons? I mean, this is nuts.

Now, this points out the problem that I really want to get at, and that is: you've got to start hiring these people through a public tendering system, a public hiring system just like we do with the public service. Let's get experts in there. If we want to be able to accommodate the various requests with respect to immigration or business or general inquiries, let's get the pros in there. Let's get the political hacks out. They cost a lot of money, you know, and I think their expectations are pretty high.

That brings me to another point. I can't understand why it is that we've got three offices in the Far East. The one from Korea does not generate a lot of activity as far as I can see compared to Hong Kong and Tokyo. Why aren't we bunking in with other government agencies? You know, when you operate a stand-alone office, it's always going to cost you a lot more. If you bunk in and join together, you're going to enjoy an economy of scale related to the operation. I think that's what we should be doing. I think we should cut the foreign office expenditures in about half. I think you can still do a very good job. Really what we're talking about is deflating the ego. Cut the staff down a bit, go bunk in with the federal government or establish joint offices with other provincial offices and cheapen the fare. I think that's an eminently sensible way to go.

I noticed the minister concluded his comments with a reference to his traveling. It is true; the minister doth travel. He travelth more than any other MLA I can see in the Assembly. He costs the taxpayers about three times the amount the Premier does in traveling expenses. I find that remarkable, and I just wonder if all those trips are necessary. I know the minister says that he was present in Geneva at the last GATT . . . Was it Geneva?

MR. HORSMAN: Brussels.

MS BARRETT: Oh, it was Brussels. Yes, thank you, Mr. Minister. I think it's important that we have representation at the GATT discussions even if the provincial representatives are not formally part of it. I think that is important because we are talking, I guess, about the largest international trading agreement governing a massive amount of our planet, and certainly we need to be there, but I'm not sure that \$68,000 a year in traveling – unless we're only talking about a few trips and they're extremely expensive – is fully accounted for by the minister's comments to the moment.

The appointee to whom I referred earlier, Mary LeMessurier, the former Minister of Culture, is already pulling down – dig this – a pension of \$25,000 a year, and she's being paid handily and dandily as our Agent General in London: obviously not competent. I think that proves my point. She's not poor. I don't think these people have any obligation to keep her on at all, nor do they with respect to any of the other appointees.

Mr. Chairman, I'd also like to talk about the free trade agreement between the United States and Canada which was a subject of much heated debate under the minister's estimates and other proceedings of the House for several years prior to its

implementation. The fact of the matter is that Canada is economically poorer than it was prior to the implementation. The fact is that products are not cheaper as a result of the implementation of free trade. Nothing is cheaper, and all you need to do is look at the border towns of the United States and see what's going on. Canadians are crossing the border in droves to buy their durables and consumables at a much cheaper rate.

12:00

Now, the minister shall probably, if he knows about economics, respond by saying, well, hang on; you know we've had an inflated dollar. I point out in return, assuming that argument was placed before me, that the Conservative government in Ottawa, the man that he's now looking forward to working with as the External Affairs minister, is the one who is solely responsible for the monetary policies of the last several years. I recall that the Alberta Conservatives sent out propaganda at the taxpayers' expense promoting the free trade agreement during the last federal election. So I then say that the responsibility comes right back to the Conservatives in this House. Don't blame it on the Tories that you helped get elected into office again. Keep in mind that you used tax dollars to promote this whole nonsense in the first place and to help get them re-elected and supported their monetary policies, however stupid and mean-minded they have been.

I think the free trade agreement has been a massive failure. We know that we've lost hundreds of thousands of jobs as a result as soon as it was implemented. I mean, it was days afterwards when I think it was Gillette that announced the closure of its manufacturing operation here. We've lost plant after plant after plant, and now we're even losing our retail sector to the northern part of the United States. It's a total mess. I do not believe that this minister or any other minister comparable to his position in Canada has a real handle on this.

Then I think, oh my God. These are the people that we're going to ask to go and negotiate a free trade agreement between Canada, the U.S., and Mexico? Oh, goody. Canada can now play to the lowest common denominator. I mean, that was already the scenario with the FTA between Canada and the U.S.A. It's going to get worse in terms of Mexico. These guys are under the false assumption that if you play to the lowest common denominator, things work. I believe the market is inherently flawed in that one assumption and that you have to always work towards the highest common denominator in order to advance society and advance your economy. If these guys get away with what they're trying to do right now, Lord help us; we won't have a country left. I can just see that now.

Now, the minister might respond by saying: "Well, come on. The Labour Party endorsed the Economic Community in Europe and what's happening there, and let's face it; next year some real big changes are going to come into place." Well, listen. I mean, we're talking about playing hockey versus playing tiddlywinks. Those people know what they're doing. They've got a much more sophisticated arrangement that does ensure, let's say, adequate mobility, it ensures currency controls, and it allows the participating member countries to maintain a stronger position at the negotiating table after its implementation than anything these guys have yet talked about between Canada and U.S.A., let alone Canada, U.S.A., and Mexico. I'm sorry; I just don't buy into it. It has nothing to do with whether or not I'd support the minister's office budget of \$390,000. Of course I will. But I don't think he should be participating in this nonsense.

These guys want to get everything fast-tracked, and you've got to ask yourselves why. Why does the prime minister of Mexico want it so fast-tracked? He's got a vested interest. He's looking forward to dollars pouring into that country to support prohibitively low wages, no environmental rules or standards to speak of, and what will inevitably be a disaster for the Canadian economy, including Alberta's economy.

Mr. Chairman, I think I can wrap up my comments at that point. I agreed to attend a meeting before I knew that the minister's estimates were up today, that meeting having started four minutes ago. If the minister listens to another caucus first, I propose to be back up in about 20 minutes to hear the minister's responses, and if I have further questions, I will put them at that time. I regret having to leave, but I will be back very soon.

I thank the minister and the members of the committee for their time. Thank you.

MR. DEPUTY CHAIRMAN: The Member for Calgary-North West.

MR. BRUSEKER: Thank you, Mr. Chairman. I'm pleased to enter the debates today on behalf of the Liberal caucus. The Department of Federal and Intergovernmental Affairs should be applauded for at least keeping the subdepartments very short. It's probably one of the smallest in terms of number of pages in the book, which is kind of nice to see.

I do have some questions that I want to put to the minister with respect to this particular department. If we look at page 199 of the main budget book, it shows the Full-Time Equivalent Employment of 120 employees and total Salaries, Wages and Employee Benefits of \$7.4 million, rounding it off. If you take the \$7.4 million and divide that by the 120 employees, you get an average salary of \$61,000, which to me is a rather remarkable kind of figure when the average Albertan is getting a salary of perhaps \$30,000 a year. That figure seems substantially higher than what I would consider to be acceptable, and I wonder if the minister might address that particular concern.

Overall since 1986-87 the department has seen some growth. In 1986-87 it was \$7.4 million, and now it's \$10.2 million. We've got a cumulative increase that works out to about 6 and a half percent per year. Although for this particular year the minister is correct that it's only grown one-half of 1 percent compared to last year, on a cumulative basis the cost of this department has grown at a rate more rapid than the rate of inflation. I wonder if the minister might comment on that, because we do see an urge and a message we hear from the government regarding wanting to control expenditures, yet this department has grown a little more rapidly than perhaps can be explained.

Looking in particular at vote 1.0.1, Minister's Office, we do see a decline of some 2 percent this year. The expenditures have fallen over the last few years, since I first came into the House, from \$407,000 now down to \$390,000. Again, if we go back a little bit further to '86-87, expenditures have increased from \$302,000 to the current figure. It's kind of peaked and gone down a little bit, so I think we need to look again at the long term, a percentage increase over the last six years of just under 30 percent, and again that's about 5 percent per year. I guess that's reasonably close to inflation, but it still seems quite high.

The minister did talk about travel. Looking at public accounts supplementary information for the last three years, the minister's globe-trotting cost us in '87-88, \$62,000; '88-89, \$70,000; and last year's public accounts figures are \$68,000, which does put him

at the peak in terms of travel expenditures for any cabinet minister. The minister has said that this is an important part of the job, but I would suggest that there can be some savings realized. I would urge the minister to perhaps re-examine some of those travel expenditures, because they are quite high. It is a concern to the Liberal caucus.

Administrative Support. This is vote 1.0.2. I think the minister is to be commended for the direction this has taken: a slight increase of less than half a percent this year, overall a cumulative decline of 11 percent over the last five years. I think the minister has done a reasonable task in that area, and I commend him for the work in that particular section.

Intergovernmental Affairs, vote 1.0.3, has an expenditure of \$2.77 million. It's my understanding that there are basically four divisions within that vote of Intergovernmental Affairs. One of them is the social and constitutional division, that I understand deals with things like constitutional reform, federalism, aboriginal constitutional matters, and the like. Another division is called the international division, which monitors developments and policies in other countries, looks at provincial policies and so forth, and also works with our six foreign offices that are in the next vote, that I'll deal with a little further on. A third division within this one, I guess, is the economic and resources division, and it looks at intergovernmental policies, dealing between provincial and federal governments on energy, agriculture, economic development, technology, tourism, transportation, utilities, and so on. The fourth one is the communications division, which looks at information services for the department and the Alberta out-of-province offices.

My question that I'm leading up to with that background is that when we look again at this year, we see an increase of 4.7 percent, and over the last four years, from the '87-88 budget – at that time it was \$2 million and now it's \$2.77 million, a cumulative increase of 38.8 percent. So my question to the minister with respect to vote 1.0.3 is that since this really is the heart of the operational part of the department, I wonder if the minister could give us a cost breakdown of those four divisions so that we might have a bit clearer understanding of what each of those divisions does and how they are funded and how they perform the tasks assigned to that particular division. I think it is a bit of a concern, and I think a little more detail would be warranted.

12:10

The Intergovernmental Affairs section, of course, vote 1.0.3, deals in large part and the minister's opening comments dealt with the recent concerns that we do have in this Legislature, in this province, and in this country with constitutional reform. Of course, we've seen that the Quebec Liberal Party has put out the Allaire report. The minister referred to the interim report or the discussion paper that has been put out by this department with respect to where we might be going in the future. We see the Belanger-Campeau commission. We see a number of other provinces striking their own commissions. Of course, we are facing an interesting challenge, I guess would probably be the most appropriate way to describe it, over the next little while with respect to this particular direction or directions, plural, of where we may be going in the future.

I think the minister is correct; there's a great need for Canadians to take a step back and look at this country of ours and look at what we can do to make it better. I think all of us in this room are proud to be Canadians, proud to live in Alberta as proud Canadians, but also want the other people in this country, in all of the other provinces and the Territories, to feel

that same way in bonding the country together. The Meech Lake process was certainly a great challenge. Our relationship between our province and other provinces and the federal government is continually changing, and I think there's a difficult road for us ahead.

I think the thing we do need to look at is that simply because Meech Lake did not pass, it doesn't mean the end of constitutional reform. It's kind of like the old saying: if the world hands you a lemon, well, make lemonade. I think what we need to do is recognize that the process we tried, that was attempted in the Meech Lake accord, was not appropriate. Albertans didn't buy into it, other Canadians didn't buy into it, and now we need to find something else.

With respect to where we're going down the road, the minister made reference to our own committee that is getting set up to travel the province. I guess we still have some concerns, I must admit, in the Liberal caucus. We do want to see a strong Canada. We have expressed our viewpoint clearly, I think, to Albertans. We have produced a paper in the Liberal caucus that is entitled *A Single Great Nation*. We do have some concerns about where we're going in terms of the future of this great province of ours.

The concern simply that I do want to mention with respect to the special select committee ties back in to comments that the Deputy Premier made earlier on and the Premier made. For example, the Deputy Premier said that Mr. Clark may be receptive to Alberta's position, which is vastly different from the centralist position taken by Pierre Trudeau. My concern is this with respect to our committee: as I understand it, we don't have a position yet, and we don't have a position because we haven't had the hearings and we haven't had a report from that committee. So how can we be saying, "Here's our position," when in fact, as far as I'm aware, we don't have a position at this point? I guess what I would like to hear from the Deputy Premier is a commitment that the select special committee that has been created is not simply going to be a rubber stamp of some position that may or may not already have been worked out in the government caucus.

Under Intergovernmental Affairs, vote 1.0.3, we heard many concerns expressed by the government about transfer payments being cut, such as the established programs financing, health and postsecondary education, the Canada assistance plan, public utilities income tax transfer payments. Again I would urge that through this intergovernmental affairs office one of the things we need to do is make sure that we access all of the funds that are available, particularly funds with respect to civil legal aid, forestry agreements, and cost-shared programs that may be available, such as NISA, the net income stabilization account, that has been referred to under the Department of Agriculture. We need to make sure that we don't make things more difficult.

One of the ones that I do want to mention that reflects back on last year's budget was the removal of the provincial rebate on income tax paid to privately owned utilities, which in effect created an additional 4 to 5 percent tax. That one is already water under the bridge. My concern is that having imposed that provincially, what message is this minister sending to the federal government that traditionally rebated 50 percent of moneys that have been obtained from public utilities, such as TransAlta Utilities, to help keep rates down for Albertans? That is a big concern.

Moving on to vote 1.0.4. These are the Alberta Offices. The Member for Edmonton-Highlands has already made a number of comments about that which I think mirror concerns that we have as well. Expenditures are 54.4 percent of the department

for these six Alberta offices. Since 1986-87 the spending has increased 95 percent, from \$2.8 million to the current figure we see before us now of 5 and a half million dollars. That's an astonishing rate of growth, an average increase per year of 7.2 percent, which is well in excess of the average inflation rate of between 4 and 5 percent that's been experienced. So the growth has been rather dramatic, and I would like the minister to address that, if possible.

The Alberta offices are alleged to provide a number of things: promoting the sale of Alberta products and services, encouraging and securing investment to Alberta, information on developments for Alberta's trade and investment strategies, providing for and promoting scientific, cultural, and academic exchanges, just generally being promoters of Alberta in the appropriate regions around the world, promoting it as a tourist destination, and so on. My question that has to be asked is: are we getting an adequate return for our investment? We're spending 5 and a half million dollars.

I raise that question because some of the agents general have said that the public must remember that agents general are facilitators, not salespeople. They're out there and they're talking, and it's a very loosey-goosey, laissez-faire kind of thing. They create an environment, but they have said that they think it's very hard to say what they really do for Alberta. They do promotions in New York and Philadelphia and Boston and so on, but it's very difficult – and this is from the agents general – for them to put a number on it. I'm wondering if the Minister of Federal and Intergovernmental Affairs can put some kind of a number of it. I mean, we're spending 5 and a half million bucks. If that's bringing in \$100 million or \$200 million or more of investment, great. If we're not getting a terrific return on that, then it's not really wisely or appropriately expended.

Just by way of example, I think of the city of Calgary, where we have the Calgary Convention & Visitors Bureau that solicited the Rotary club to try and bring them in. For every dollar that they expended, they got a return of \$20 of tourism dollars being expended in the city of Calgary. Now, if we're getting a return of \$20 for every dollar expended, great, but if we're not, then I think this has really got to be rethought very strongly.

When we look at the expenditures for the six international offices – these are total budgets; there are other dollars going to these Alberta offices from other departments as well – we've got a grand total of \$9.72 million to complement a staff of 60 people. That works out to an average cost per staff member of \$162,000. You know, it seems that if we're spending \$162,000 per person, wherever they are around the world, to promote Alberta, we should be able to quantify what we're getting.

12:20

The Member for Edmonton-Highlands has already raised her concern about how people are selected for these positions. I would simply like to echo that concern. The salaries paid to agents general are \$67,000 to \$100,000, depending upon where they fit on a sliding scale. Yet when we look at a number of these people, we see that they are past Tory MLAs or the executive assistant to the minister of economic development, for example. It looks to me that in order to get one of these jobs, you have to have a PC Party card in your back pocket in order to be appointed. The point I want to raise with the minister is: would it not be more appropriate to be selecting people on the basis of best ability, best qualified, and brightest in that particular area? It seems to me that well-qualified individuals who perhaps might hold a Liberal card or perhaps even a New Democrat card or perhaps no card should be considered as well.

AN HON. MEMBER: It's easy to have a Liberal.

MR. BRUSEKER: Absolutely. You could have one too.

Moving on to vote 1.0.5, Conferences and Missions, I see that there's a reduction here that falls in line with the government's move to reduce expenditures. I think, again, that that certainly seems to be appropriate. It seems to be a bit of a conflict again, though, that when we are reducing on Conferences and Missions, the minister himself hasn't reduced his travel expenditures recently. So I certainly do hope, again to the minister, that he can manage to cut some of those expenses as well.

Finally, the Translation Bureau: roughly a 10 percent increase over the last few years, this year a 2.4 percent increase. I think that would certainly seem appropriate.

Just in closing, Mr. Chairman, if I may just make a couple of final comments before I wrap up here, the ministry was created about 20 years ago in response to urgent constitutional concerns at that time. I think it was created when this government, the Progressive Conservative government, came to power in 1971. My impression, and I think the impression of a great number of Albertans, is that Alberta is not currently on the leading edge of constitutional reform. It seems like other provinces are driving things more strongly than this particular department.

One of the recommendations that I have made in the past in dealing with other departments and ways that expenditures could be reduced is to recommend that departments be consolidated. One of the suggestions that I would make to this minister is that when we look at the fiscal realities of the 1990s and we look at the total accumulated deficit of the province of Alberta and see a department that, quite frankly, I'm not convinced is all that terribly influential within the government itself, I think it's time that perhaps we consider amalgamating this department with other departments. I'm not saying that the functions of the department are necessarily redundant, but I think that we need to look at cutting some costs. If we eliminate a minister and minister's office, a saving, according to the budget documents before us today, of \$390,000, and we eliminate perhaps administrative support of another nearly a million dollars, that's a 10 percent saving right within this department alone. Even if we choose, then, to continue with the other four subvotes, you would have a net saving of around \$1.2 million. I would suggest that between them, the departments of Executive Council and perhaps the Minister of Economic Development and Trade could take up the tasks produced or undertaken by this department, and we could save some more money. I would offer that as a suggestion to the minister and hope that he will take that under advisement.

With that, I'll end my comments, Mr. Chairman. Thank you.

MR. DEPUTY CHAIRMAN: Order please.

The Member for Red Deer-North.

MR. TAYLOR: I like your tie.

MR. DAY: You like that tie? You should see it when it's plugged in; it really shines up.

MR. TAYLOR: Okay. You're turning into a swinger, old-timer.

MR. DAY: Just trying to keep up to you, Nick.

Mr. Chairman, in considering the estimates of this department, looking at it from a vote-by-vote perspective – you know, we're overwhelmed right now with all the comments and consider-

ations on the constitutional dilemmas that face us. I think we just need to touch for a minute on the fact of the importance of the GATT and the involvement of the minister in same. Sometimes there can be unnecessary criticism in terms of things like travel. When you look at the travel that's involved in the GATT alone just this last year, it is so minute compared to what the results would be if we weren't there, when our entire agricultural industry alone hangs in the balance because of the European approach to subsidies and because of their refusal to come to grips with the problems that we believe would actually run the risk of decimating the agricultural industry worldwide, as the minister has already alluded to, bringing it back to the state of affairs of the '30s.

I just want to give encouragement to the minister, to his department in terms of the negotiations, in terms of making Alberta's and in this case Canada's case very strong. We know that it looks dismal right now, but we need to continue to be involved there in any way, shape, or form. What I am asking is that nothing be spared in terms of our involvement there and not to hesitate to be involved in as full a capacity as we possibly can and not be intimidated by remarks of the opposition which might detract from that possibility.

[Mr. Moore in the Chair]

It's interesting that as the GATT continues, development is being looked at in terms of the Pacific Northwest Economic Region, those states and the two provinces, British Columbia and Alberta, that have been involved in actively looking at pooling the areas of the environment and of tourism in which we can work together economically. I don't know; for some reason, good progress and good initiatives don't quite get the attention of the opposition, or even necessarily of the media, that they should. What has been happening in terms of this particular economic region developing is incredible, and this minister has been largely a force responsible for the success of that along with the good initiatives of Senator Bluechel and others who've been involved.

I would like to see this not only continue but also have the possibility of an update to us as members and to the media, to the broader Alberta public, maybe every quarter or every six months, just showing the different progressive steps that are being made in the development of that region which would position us worldwide to be one of the most attractive trading regions in the world. Already we're starting to get some recognition of that. It's exciting to see what can happen when jurisdictions work together to decide on what they can work on co-operatively. It's interesting to see the barriers and the boundaries and different obstacles come down that under normal circumstances, because of the bureaucracy involved and all the red tape, might take months or even years of negotiation. That co-operative force at work just helps to hurdle so many of those things. So I want to, in line with what I've already asked for there, also encourage the minister to press on in this whole area of the development of the Pacific Northwest Economic Region. It's a winner for everybody.

We hear comments again about Alberta foreign offices. There's no doubt in my mind not only of the success but of the absolute necessity for our offices to be strategically located around the world in the places in which they are. It's interesting, when you're in some of those places, be it the Asian market or the U.S. market or the European market, to see how aggressively some other provinces are going after the trade possibilities, and for us to neglect those areas would be at our

own economic peril. Again I would ask the minister to resist the superficial calls that come from opposition members sometimes in terms of the fact that it costs money to run these offices. We shouldn't be ashamed of that. We should be proud of the fact that we're in there for Albertans.

I would ask the minister to give this some consideration. It's hard sometimes to quantify exact results, to see if, for instance, a trade deal was the actual, concise, direct result of a particular appointment or visit that happened in a particular office. I know there's already some material out in terms of the results of this. We need to highlight those areas and let Albertans know. It's a tough message to communicate when it's good news, but let Albertans know.

12:30

I know recently having some involvement with the Los Angeles office – the day I was there, there were some businesspeople from Calgary who were availing themselves of the offices there, making contacts, and speaking very positively about the fact that if that office wasn't there, they wouldn't have the advantage that they have and they wouldn't be making the contacts they have, wouldn't be bringing the business back to Alberta. Of course, we know that all translates back to good news for Alberta: economic growth, taxation revenues, and on and on it goes. That's under vote 1.0.4, and we see those amounts there. When you look at the trade that comes back, it's a very positive investment and one that we don't have to back away from. I hope that we don't do that.

I'd like to ask – and I guess it would fall under 1.0.3 – if there's a possibility of an update, either today or at some other time if time doesn't allow today, just in terms of interprovincial trade barriers. We talk about international trade barriers. We look at the European Common Market, we look at free trade, and we always think in terms of internationally. I know there's been progress in terms of the tearing down of interprovincial trade barriers, and some of that may not directly fall under Federal and Intergovernmental Affairs, but I think there's some kind of umbrella role there. If it can't come from the minister's department, can we get it from the departments affected? I know in areas of transportation, the trucking industry for one, there have been considerable moves towards deregulation, and we'd like to know what barriers still exist there and what still have to be taken down.

That brings us to the area of jurisdiction, and recently we've heard – at least in the media; we'd have to check it out further to find out if there's fact behind it – some statements that are somewhat disturbing in terms of federal ministers talking about areas of jurisdiction; for instance, in education. We know we've had some difficulties sorting out areas of jurisdiction in environmental matters. I wonder if the minister, either today or at some time as near as possible in the future, can give us an update in terms of are we making the lines clearly drawn and are we charting out clearly for our federal counterparts and for his own federal counterpart these areas that are strictly provincial jurisdiction? We don't want encroachment on them, and what progress is being made in making that plain?

I always find the comments interesting on free trade and this department's involvement, first of all, before it became a reality, in promoting free trade and then continuing to promote it. I think the best thing we can do is simply let the truth prevail. When we are attacked by what I think we have to honestly say are unfounded arguments from the opposition – they're reacting from their philosophic base of protectionism, isolationism, and highly centralized policies. I mean, we understand that, but if

you're going to come out with those types of arguments, at least back it with fact. That is not coming forth. The results of free trade already: Canada as a trading nation has surpassed what was hoped for at this point some two, three years ago in the whole free trade situation. We've actually gone past that, and it's interesting because we've done it in an economic climate that is tougher and more negative than was projected it was going to be at this particular time. In spite of the negatives that are in our economic environment now, we've still surpassed what we had hoped for. In fact, exports have jumped about \$4 billion. These are Stats Canada figures; these aren't some fabricated imaginations like we get from the members opposite. These are StatsCan figures, that exports have jumped about \$4 billion. It's interesting to note, too, that there's been an increase in manufactured exports. An increase. An increase. An increase in manufactured exports. The fourth time. One of them woke up and looked up, and I appreciate that.

AN HON. MEMBER: What did you say, Stock?

MR. DAY: An increase. Thank you, hon. member, for asking me again.

An increase, yes. That means manufactured exports went up. As a matter of fact, Canadian sales to Americans rose about 7 percent, and that's after removing the inflation factor, so we're not even trying to buffer that with an inflation factor. Yes, that's a plus mark in front of the 7, so that means it went up; that means it's positive.

It's also interesting to note that in '88 Canada exported about \$97 billion worth of goods and services to the United States, and if anybody's interested in the hard, cold facts, by late 1990 export trade in this area was already running at about \$102 billion. Again that's an increase, that's more money, and that means something is working there. Remember, this happened at a time when the economic climate was worse than was going to be projected on our national scene. As a matter of fact, Canadian exports of primary products – that's an interesting one, because we were told and we're still told that with free trade there is going to be a wholesale rape of our primary product industry, that we were going to be ravaged and savaged and everything else. Well, it's interesting to note that the exports of primary products to the U.S. suffered a net decline of about \$2 billion.

REV. ROBERTS: Are you asking some questions?

MR. DAY: The member over there is getting shrill about asking questions, so to the minister: does that verify your figures? There you go. There's a question for you.

It's interesting that the U.S., we know, buys about 70 percent of Alberta exports. About 70 percent of our exports go to the U.S. The members opposite in recent remarks made right here today – so this is in estimates – say that we should close this off, that somehow we don't need that kind of trading relationship. Well, I'll ask the businesswomen and businessmen of Alberta if they want to close the door to the entity that purchases 70 percent of our product. Should we slam the door on that? I think we know what the answer will be. I think we know what the workers in those manufacturing and secondary processing plants will say to that also. They'll say that they like those jobs and they like the fact that the 70 percent factor has gone up. It's gone up; it hasn't gone down. In other words, we're gaining. I'm trying to explain this in plain language. As the Minister of Consumer and Corporate Affairs says, we should be involved in

plain language. I'm trying to make it as plain as possible to the members of the opposition that so far free trade is a plus.

MR. SIGURDSON: So far . . .

MR. DAY: The member opposite confirmed it. He said, "So far." I appreciate that he's confirmed that.

In North America we need to remember that we're up against a European trading market of about 326 million people representing a \$6 trillion economy. We've got to remember that. These are large numbers. I know they go beyond the ability of the members opposite to comprehend, but these are large numbers, and we've got to look at the trading block that we can have and that we can lever and utilize.

I could really go on extensively on free trade alone, but the members opposite, the few that are left, are getting quite upset about that. It's a fascinating argument when we hear, as we have, a country like Mexico saying, "We want to enter into a trade agreement with you folks." The argument that we get from the grand philosophers, the NDP, and to a degree from their philosophic cousins the Liberals, is that you know why we shouldn't do this? Because those nasty Mexicans will work for less. They'll work for less. Can you believe that? That's the argument. They'll work for less. What the members of the opposition are saying is: keep them on welfare. Let's keep sending them blankets. Let's keep sending them pharmaceutical products to keep them slowed up, not realizing the great opportunities they have. They're a Third World country. Let's not see them ever move into areas where they can improve their standard of living. Do you know something, hon. members? They're not going to work for less forever. They might want \$2 an hour today, but after a few months of that, do you know what? They're like workers everywhere. They're going to want \$3 an hour next year, and they're going to want some benefits. The members opposite are saying: "No. Let them starve. Don't give them the opportunity to compete with us. We're going to lose. Those nasty people will work for less; we shouldn't give them the opportunity."

MR. SIGURDSON: Where do you get your facts, Stockwell?

12:40

MR. DAY: The member opposite is shrieking where do I get my facts? From history.

Look at what happened. History repeats itself. It was a couple of decades ago that we heard the same arguments about Japan: those nasty Japanese will work for less; we can't have that. Do you know what? They worked for less for a while. Now they've got one of the highest standards of living in the world. Do you know what? What's happening to Japan's back door? We've got South Korea coming at them. Do you know what the South Koreans are doing? They're working for less. But what happens as they work for less? Their standard of living improves.

MR. SIGURDSON: Oh, yeah. That's why they had the riots in the streets of Seoul.

MR. DAY: Their benefits go up. What does that do to the North American market? It makes the North American market more competitive. It makes us more competitive.

REV. ROBERTS: Food banks.

MR. ACTING DEPUTY CHAIRMAN: Hon. members, would you address the Chair? The cross-House conversation can wait till after.

Please proceed, hon. member.

MR. DAY: Thank you, Mr. Chairman, for bringing my gaze back to fix on yourself. I kept hearing distracting natterings from across the floor, and I was . . .

MR. TAYLOR: The only history you know is Genesis. You know that. That's the last history book you read.

MR. DAY: What's that? Oh, yeah. Okay.

Having, I think, settled some of that argument and some of that hysteria with fact, I'll move on.

In the area of the constitutional task force we're making it very plain, and I'd ask the minister to again continue to address this fact. We hear from the Liberals this thing about, oh, it's a sham; we're not talking to Albertans. We are talking to Albertans. The constitutional task force has by the thousands of submissions – via the 1-800 number and by the written submissions, we are already consulting with thousands, and we haven't even been out there yet. We're going out there, so let's just not even waste time with that particular argument.

[Mr. Jonson in the Chair]

The last area that I'd leave with the minister: is any progress being made in the area of jurisdiction over immigration matters? Quebec seems to be ahead of us on that one, and if we can get an update today or at some other time. There are areas of frustrations for Albertans, and then that starts to fall into not just immigration but extradition. We don't have to belabour the point about things like Charles Ng and immigration tribunals, the federal one which just recently has allowed another murderer to stay in Canada. She might be a little cuter than Charles Ng as far as the pictures, but the fact is that this is a convicted murderer, and we're being overruled again, and Albertans are upset with that type of policy that goes against our grain. In the area of immigration policy and then, again, how that would affect extradition policy: are we making any gains there?

I'll just sum up by saying we'd like some of these areas analyzed, and continued good work to the minister here. Thank you.

MR. HORSMAN: I want to thank the hon. members who have participated this morning. I've just a quick comment about the way the participation has been done. I've sat in on other estimates for other departments so far during the current budgetary considerations, and quite frankly I'm pleased to see a return to normalcy in the way that questions are posed. That I think is the proper way, and I want to thank the critics from both the Official Opposition and the Liberal Party for having done so. I will answer any specific questions I'm not able to respond to in the few minutes left to me this morning.

There are a couple of issues that have been raised which I think deserve some comment. First of all, I want to deal with the question of the foreign offices. For the purposes of dealing with this matter, I've prepared an extensive report for all members of the Assembly to read relative to our foreign offices, outlining clearly the costs associated with maintaining those foreign offices, the personnel we have in the various offices, their locations throughout the world, and describing in a general

and somewhat brief way the benefits that Alberta has received from those offices in their locations.

Quite frankly, to members of the opposition who say that the offices are bloated, that is absolutely inaccurate. What I'm being pressed for constantly is to expand the foreign offices, to add more and to add more personnel to the offices we already have because the demand is so great not only on the offices themselves but for additional locations. When one compares with any degree of fairness at all the number of foreign offices we have and the personnel associated with them to other provinces in this country, one would see that the people that are working for our foreign offices are doing yeoman service on behalf of the people of Alberta, and they should be congratulated and not denigrated.

Now, if anybody in this Assembly can show me in any way, in any real way, how these offices have failed to serve Albertans who have requested their service, I'd like to hear from them. Because I get letter after letter after letter, call after call in conversations with businesspeople throughout this province praising our foreign offices, the personnel from the agents general right through to locally hired staff, for the work that they do.

It's been suggested that the people are appointed by way of patronage. I can assure hon. members of this Assembly that there is not one agent general appointed from any other province, under any government of whatever political stripe, that is not appointed to the position rather than going through a competition to fill those positions, because of the nature of the role that they play. I mean, an agent general isn't just representing the Department of Economic Development and Trade or the Department of Tourism. The agent general has to be broadly knowledgeable and know about all aspects of government; therefore, we choose people who know about those things.

Now, this year all the agents general's terms will come to an end, and new agents general will be appointed. I want to take this opportunity to thank the agents general who served this province and Canada and the businesspeople and the citizens so well during their tenure of office. Mary LeMessurier in London has been an example to all foreign service personnel in that great capital city of London. She has earned the respect of foreign officers from the foreign and Commonwealth office in the United Kingdom to the high commission of the government of Canada, embassies throughout that great metropolis of London. They have told me so, and I want to tell you that I have great admiration for the work that she has done. She will be returning at the end of this year to Alberta, and I hope we will be able to utilize her services in some other capacity, because she is an outstanding Alberta citizen, and I'm proud of the work she's done for Alberta.

Jim Seymour in New York. New York is a crucial financial capital for the world, and we have excellent relations with the financial capital as a result of his work. In Washington, D.C., you know, we can't have an office. Provinces are not permitted to have offices in Washington because the federal government feels extremely uncomfortable for some reason. I don't understand why. So we all have offices in New York City.

MS BARRETT: What about the bunking in?

MR. HORSMAN: I'll come to that in a moment.

We shuttle back and forth to Washington. We have to do that. We have to know what's happening in Washington, the capital of the United States of America, because their decisions have such an enormous impact not just on Alberta and Canada

but indeed on the world. Jim will be completing his term and coming back to Alberta as well.

Jack Kennedy in Hong Kong has served very well. A question was asked: what about what these foreign offices do? What tangible benefits do they have? That's very difficult to answer, because in many cases they play a role – it may not be the absolutely definitive role, but it is an important role – of attracting investment to Alberta. You know, the decision to invest \$800 million in the Alberta oil industry from Hong Kong sources didn't come about just because somebody stuck a pin in a map and said, "Oh, I think Alberta will be a good place to invest." It came about as a result of the hard work of the office of this government of Alberta in Hong Kong. That's a very tangible benefit. The same thing is true in London. The decision of a British investor to invest in the oil industry in this province, in Bow Valley – they played a major role there in our office in London.

12:50

In Tokyo: let me just give you another example. Let me talk about Ivan Bumstead for a moment. For 11 years he's been our agent general in Hong Kong. Last year, when I was in Tokyo representing Alberta at the 10th anniversary of the twinning relationship with Hokkaido, I attended the annual Maple Leaf Ball of the Canadian Chamber of Commerce. It was attended by several hundred people, including members of the Japanese royal family and key Japanese businesspeople and the Canadian business community. Do you know what happened at that occasion?

MR. TAYLOR: Somebody got drunk.

MR. DEPUTY CHAIRMAN: Order.

MR. HORSMAN: I beg your pardon?

MR. TAYLOR: You asked me what happened at that occasion, and I said, sir, that somebody probably got drunk.

MR. HORSMAN: What a puerile and infantile comment, typical, of course, of the Member for Westlock-Sturgeon. That's all he can think about.

I'll tell you what happened. The agent general for Alberta was honoured as the Canadian citizen of the year in Japan. I'm proud of the work that Ivan Bumstead and his wife, Sumire, have done for the people of Alberta during that 11-year period.

Let me tell you something else. Five years ago Alberta beef exports to Japan were less than half a million dollars. What are they today? They're in the tens of millions of dollars because of the work that the Alberta office did in promoting Alberta beef. And the hon. Member for Westlock-Sturgeon doesn't care. All he can do is make infantile comments, denigrating an excellent . . .

MR. TAYLOR: A point of order, Mr. Chairman. Forty percent of our beef is sold to Quebec, not Japan.

MR. DEPUTY CHAIRMAN: Order. [interjection] Order, hon. member.

MR. TAYLOR: He's all confused. He should sit down.

MR. DEPUTY CHAIRMAN: Order.

Sorry, hon. minister.

MR. HORSMAN: The opportunities for Alberta beef exports to Japan indicate that we can increase those exports from Alberta tenfold in the next 10 years because of the efforts that we have put into the Japanese market. I can tell you that we must diversify our trade in agricultural products, and anybody in this Assembly who comes in and denigrates that and downplays the importance of our trade in beef is an absolute . . . Absolutely uninformed. Let me put it that way, in the nicest possible way. But that is so typical of the petty thinking of the Liberal Party.

Now, I can tell you this, Mr. Chairman: indeed our foreign offices perform yeoman service on behalf of the people of this province. I just wanted to say that I want to thank all those agents general for the outstanding work as outstanding Albertans representing us far from Alberta, far from home, and doing so in a way that has brought great credit to them and to Alberta in the international community, and I'm proud of them.

MR. TAYLOR: If it's such a tough job, why do only Tories get it?

MR. DEPUTY CHAIRMAN: Order please.

MR. HORSMAN: Now, I just want to talk about this issue of bunking in, as the hon. Member for Edmonton-Highlands put it. We have examined the thought of a co-location with other provinces or with the federal offices, but it has not worked out under circumstances where other provinces have tried it. Therefore, it has been deemed necessary to have stand-alone offices.

MS BARRETT: Say why.

MR. HORSMAN: One of the reasons that happens, of course, is that we are pursuing the interests of Alberta, and it's not always the same situation with regard to other provinces. They are competing with us in international markets, not only for trade but in terms of investment, in terms of tourism, in terms of those other areas where we want to attract people to Alberta. So there is competition that goes on between other provinces. With the federal government, quite frankly, while we co-operate closely with them, we do have times when they do not direct their attention as much as we would like to Alberta interests, and that's why we deemed it necessary to have stand-alone offices.

Now, I just wanted to make a quick comment about my travel. It's down last year from the year before in terms of dollar figures. I know that hon. members from Edmonton, like the Member for Edmonton-Centre, will laugh, but the fact of the matter is that my constituency is Medicine Hat. I live further from the capital than any other member of this Assembly. The Member for Edmonton-Centre can get in his car and he can drive home and be there in 15 minutes. I have to get

on an airplane and travel to my constituency, and it takes me several hours to do that. That costs money, and that's all in my travel expenses. He can laugh all he likes, but I intend to continue to live in my constituency and represent Medicine Hat and do that traveling, and I make no apologies.

Now, I can give – and I will – and have made public an analysis of my travel for last year. The biggest expense was to go to Moscow and to Europe for the purpose of establishing a twinning relationship with the Russian Soviet Federated Socialist Republic. Now, I think that in the longer term that will pay off in spades for Alberta, for Canada, and for better relations between Canada and the U.S.S.R. Let me tell hon. members that if anybody thinks it's fun to travel to Moscow under the circumstances that current travel arrangements are, they're kidding themselves. It is not a glory trip, and it is not a holiday. It is hard work. I worked very hard, and I don't hesitate to share my agenda that I undertook and the meetings that I went through in the process if anybody's prepared to listen to it.

Now, I want to just conclude by saying one thing about international trade. When you're in the international market and when you're trading and when you're seeking investment for Alberta, you're out there competing. I want to tell you that if things are getting tough, you don't bring in your salesmen and hire a bunch of accountants to tote up the red ink. You send out more salesmen. That's what you do if times are getting tough, and that is what my department is going to do. I make no apologies for that. I'm going to bring before the Assembly soon the resolution to have Alberta join officially the Pacific Northwest Economic Region, and debate on that issue will take place in due course.

Under the circumstances, Mr. Chairman, I would move that the committee rise, report progress, and request leave to sit again.

[Motion carried]

[Mr. Speaker in the Chair]

MR. JONSON: Mr. Speaker, the Committee of Supply has had under consideration certain resolutions of the Department of Federal and Intergovernmental Affairs, reports progress thereon, and requests leave to sit again.

MR. SPEAKER: Having heard the report, do the members concur?

HON. MEMBERS: Agreed.

MR. SPEAKER: Opposed? Carried. Thank you.

[At 12:58 p.m. the Assembly adjourned to Monday at 2:30 p.m.]

