

## Legislative Assembly of Alberta

Title: **Tuesday, April 24, 1990 2:30 p.m.**

Date: 90/04/24

[The House met at 2:30 p.m.]

[Mr. Deputy Speaker in the Chair]

head: **Prayers**

MR. DEPUTY SPEAKER: Let us pray.

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

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

Amen.

head: **Introduction of Bills**

### Bill Pr. 1

#### **Sisters of Charity of Providence of High Prairie Amendment Act, 1990**

MRS. BLACK: Mr. Speaker, I request leave to introduce Bill Pr. 1, Sisters of Charity of Providence of High Prairie Amendment Act, 1990.

This Bill will amend the name of the corporation and change the location of its head office from High Prairie to Edmonton.

[Leave granted; Bill Pr. 1 read a first time]

### Bill Pr. 2

#### **Edmonton Research and Development Park Authority Amendment Act, 1990**

MR. ZARUSKY: Mr. Speaker, I beg leave to introduce Bill Pr. 2, the Edmonton Research and Development Park Authority Amendment Act, 1990.

This is a Bill which will make several minor amendments to the Act and significant changes to the composition and tenure of the authority.

[Leave granted; Bill Pr. 2 read a first time]

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

### Bill Pr. 3

#### **Nechi Community College Act**

MRS. BLACK: Yes, Mr. Speaker. I request leave to introduce on behalf of the Member for Lesser Slave Lake, Ms Pearl Calahasen, Bill Pr. 3, the Nechi Community College Act.

This Bill will incorporate the Nechi Community College and establish its objectives, powers, and other constitutional provisions.

[Leave granted; Bill Pr. 3 read a first time]

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

### Bill Pr. 4

#### **Canada West Insurance Company Amendment Act, 1990**

MR. MITCHELL: Thank you, Mr. Speaker. I beg leave to introduce the Canada West Insurance Company Amendment Act, 1990, Bill Pr. 4.

[Leave granted; Bill Pr. 4 read a first time]

### Bill Pr. 5

#### **The Calgary Jewish Academy Amendment Act, 1990**

MRS. MIROSH: Mr. Speaker, I request leave to introduce a Bill being The Calgary Jewish Academy Amendment Act, 1990, Bill Pr. 5.

[Leave granted; Bill Pr. 5 read a first time]

### Bill Pr. 6

#### **Alberta Wheat Pool Amendment Act, 1990**

MRS. BLACK: Mr. Speaker, I request leave to introduce on behalf of the Member for Grande Prairie, Dr. Elliott, Bill Pr. 6, the Alberta Wheat Pool Amendment Act, 1990.

This Bill will provide for a number of changes to the Act relating to the reserves and the way in which they are dealt with and transfers much of the control on the use of reserves and earnings from the Act to the bylaws of the company.

[Leave granted; Bill Pr. 6 read a first time]

### Bill Pr. 7

#### **St. Therese Hospital (Grey Nuns) of St. Paul Amendment Act, 1990**

MR. DROBOT: Mr. Speaker, I beg leave to introduce a Bill being the St. Therese Hospital (Grey Nuns) of St. Paul Amendment Act, 1990.

[Leave granted; Bill Pr. 7 read a first time]

### Bill Pr. 8

#### **Satnam Parmar Adoption Termination Act**

MR. DROBOT: Mr. Speaker, I request leave to introduce a Bill being the Satnam Parmar Adoption Termination Act.

This terminates an earlier adoption of a person who is now an adult. Consent of the adopting and natural parents has been filed.

[Leave granted; Bill Pr. 8 read a first time]

### Bill Pr. 10

#### **La Societe de Bienfaisance Chareve Tax Exemption Act**

MR. ZARUSKY: Mr. Speaker, I beg leave to introduce Bill Pr. 10, La Societe de Bienfaisance Chareve Tax Exemption Act.

This Bill provides for tax exemption for certain properties owned by the society.

[Leave granted; Bill Pr. 10 read a first time]

**Bill Pr. 11**  
**Campbell McLaurin Foundation for Hearing**  
**Deficiencies Amendment Act, 1990**

MRS. BLACK: Mr. Speaker, I request leave to introduce Bill Pr. 11, the Campbell McLaurin Foundation for Hearing Deficiencies Amendment Act, 1990.

This Bill will amend and clarify the objectives of the foundation and the priority of application of its funds.

[Leave granted; Bill Pr. 11 read a first time]

**head: Introduction of Special Guests**

MR. DEPUTY SPEAKER: The hon. Minister of Economic Development and Trade.

MR. ELZINGA: Thank you very much, Mr. Speaker. It's my pleasure, sir, to introduce to you and through you 69 students with 10 adults, whom I had the opportunity of meeting with earlier, from the Wes Hosford elementary school. They are joined by their teachers Marilyn Macyk, Colin Sturdy, Luba Lyshak, Helen Romao; and Bev Clark is also with them; parents Lorna Meldrum, Ed Woolley, Nancy Roy, and Linda Fisher; and they have a brother of one of the students with them also, Trevor Janiten. I would ask all the students, the parents, the teachers, and the brother to rise to receive the warm welcome of the Legislative Assembly.

MR. GETTY: Mr. Speaker, I'd like to introduce to you and through you to the Legislature some 41 students from the Big Valley school, located in the Stettler constituency. They are seated in the members' gallery. They have with them today teachers Kelly Robinson and Jean Mappin; parents Wanda Wilkie, Judy Stoneman, Wendy Trout, Marsha Johnson, Shannon Knowles, Blanche Johnson, and Anita Mappin. I'd ask them to stand and be recognized by the Assembly.

MR. TANNAS: Mr. Speaker, I'm delighted this afternoon to introduce to you and through you to the Assembly eight eager students from Millarville community school. They're accompanied by their teacher Bill Cunningham, and they're located in the public gallery. I'd ask them to stand and receive the warm traditional welcome of the Assembly.

**head: Oral Question Period**

**Smoky Lake Poultry Plant**

MR. DEPUTY SPEAKER: Hon. Leader of the Opposition.

MR. MARTIN: Thank you, Mr. Speaker. I'd like to direct my first set of questions to the Premier. I want to pursue a very serious matter with the Premier dealing with the alleged possibility of conflict of interest by the Member for Redwater-Andrew. The Premier has tried to persuade Albertans that the Member for Redwater-Andrew did absolutely nothing wrong in his dealings with the town council of Smoky Lake. Apparently the Premier arrived at this conclusion following his own investigation. But Albertans, and especially the citizens of Smoky Lake, remain in the dark as to the nature and the extent

of the Premier's detective work. My question: can the Premier tell us what his investigation involved, and who he spoke to in terms of that investigation?

MR. GETTY: Mr. Speaker, I intend to answer the hon. member's question, but I wonder if, with your indulgence, I might say something that I wanted to say yesterday and missed the opportunity. Because it's now the Leader of the Opposition who has raised a question with me, if you will allow me, I would like to express on behalf of our caucus our deep and sincere concern to the Leader of the Opposition and through him to our good friend and colleague the hon. Member for Edmonton-Strathcona. Our best wishes and our prayers are with him for his health in the future. We would hope that perhaps through *Hansard* or through radio or television all members could show their concern and caring for the Member for Edmonton-Strathcona. [applause]

MR. DEPUTY SPEAKER: The hon. Premier.

MR. GETTY: Mr. Speaker, I had some variety of checks I wanted to make with the various people involving the hon. member. I carried those out. I won't go into detail with the Leader of the Opposition except to say that I am convinced that he did nothing in conflict of interest.

MR. MARTIN: Mr. Speaker, let me first of all say to the Premier that I will take back those wishes, and I appreciate that, from the Official Opposition. I will be meeting with the Member for Edmonton-Strathcona this afternoon and will pass on those very kind remarks.

To come back to the matter at hand, the Premier just said himself that this was a very serious situation. He said he had conducted an investigation. Surely an MLA's ethical standards are of prime importance to this Legislature and to the people of Alberta. At a public meeting on April 5 the Member for Redwater-Andrew identified himself as the developer of the property in question and supported locating a chicken processing factory there. Mr. Speaker, the Premier is well aware that reporters often tape-record interviews at events such as this to make sure that their own reporting is accurate. I have a very specific question to the Premier: did the Premier's own investigation even involve contacting the editor of the *Smoky Lake Signal* to see if he had such a record, and if not, why not?

MR. GETTY: Mr. Speaker, if there is additional information any members want to bring to my attention, they're perfectly free to do so.

MR. MARTIN: Mr. Speaker, the point is that the Premier said that nothing wrong was done. He said at the same time that it was a serious matter. You can't have it both ways, Mr. Premier. My question then. If the Premier is aware of this, councillors said they were lobbied. Local residents and members of the media were at a public meeting where the Member for Redwater-Andrew said that he was still trying to sell land, which now he says he didn't own. These people have information that is critical in assessing this so-called conflict of interest. My question, very simply, to the Premier, flowing from his lack of answers: isn't it true that the reason the Premier didn't want to ask these people these questions is because he frankly doesn't want to know what happened?

MR. GETTY: Mr. Speaker, surely the hon. members of the Legislature have some appreciation for fairness in matters such as this. We've had in this House an allegation made by one member completely unsubstantiated. He made that allegation, and this was based on rumours regarding a potential, I guess, chicken plant. We then had an elected member of this Legislature stand – and this is the highest court in our province – state his position to his colleagues, his peers. Then we had the Speaker, who reviewed the matter, say to us that he saw that there was no problem with a matter of privilege. We then also know that the member doesn't own the land. The chicken plant has never been built. If I am to understand the Leader of the Opposition, with this kind of flimsy material we're supposed to call a judicial inquiry and set in place all of the matters that judicial inquiries involve. I would think that members would surely care more deeply, if you want to talk about credibility, about the reputation of individuals who are in this Legislature rather than try in some offhand way to sully those reputations.

MR. MARTIN: The next set of questions, Mr. Speaker, will be back to the Premier. I said this is a very serious matter. The Speaker said yesterday that we cannot deal with it in the Legislature. He didn't say that it wasn't serious; he said that it was a legal matter. I wish you'd listen to him. If we can't deal with it here, where can we deal with it?

I want to go on. When the Member for Stony Plain first raised the matter of the apparent conflict of interest by the Member for Redwater-Andrew, the Premier stood in this Assembly and said that the allegation was "very serious." I am admitting that. He also said: so serious that the member could lose his seat. Later he said that he was satisfied that the member had done nothing improper, based on his own investigation. He didn't even check with anybody: a very sloppy investigation at the best of it, Mr. Speaker. My question now, flowing from that: can the Premier tell us, then, what guidelines he was thinking of when he said the member had done nothing improper?

MR. GETTY: Well, Mr. Speaker, obviously I anticipated the hon. member's second set of questions, because I've just dealt with it in the first set.

MR. MARTIN: Mr. Speaker, people in Alberta want to know what it's going to take for this Premier to even be concerned about ethical standards in this situation. Now, the Premier says that these are serious allegations, and then Mr. Speaker, who ruled yesterday, said precisely that you couldn't rule on business dealings of MLAs outside the Legislature. Well, if it is as serious as the Premier says and the Speaker can't rule, then the councillors and the citizens of Smoky Lake are out of luck. So is any hope for open and honest government. Is it not true, is this not the ludicrous situation we find ourselves in in this Legislature that an MLA could be sent to jail for influence peddling and still not break the conflict-of-interest guidelines in the Legislature? Isn't that the situation, Mr. Speaker?

MR. GETTY: Well, Mr. Speaker, obviously the Leader of the Opposition seems to be dealing with some kind of a hypothetical situation. We are not. We have had in the House certain matters raised which we have judged and the Speaker has judged, and we have dealt with them. Now, I come back to what I said earlier. When a member of this Legislature stands up and tells his colleagues in this Legislature his position, then

I think someone better bring some additional information, or we are going to say that that member is somebody we respect and will respect in the future. I think by far the greater sense of ethics should be that somebody would play games with a person's reputation without having any facts at all to back them up.

MR. MARTIN: Mr. Speaker, this Premier is the one that said it was serious, and now he's hiding behind the Speaker. I would quote what the Speaker said yesterday. He said:

Business activities of members outside this House are outside the scope of privilege and thus beyond the jurisdiction of the Speaker. He goes on to say:

The appropriate forum for such issues is either in the legal arena or the political arena.

That's what he said, Mr. Premier. Now, the government doesn't have a code of ethics, Mr. Speaker, so that leaves only the legal arena. I know you're nervous over there; you should be. My question then: because we can't solve it here, and the Premier is not willing to even investigate, why has he ruled out the judicial inquiry? Isn't it the fact that he's afraid we might actually get to the bottom of this mess if he ruled it?

MR. GETTY: Well, Mr. Speaker, we're right back full circle with his question about the judicial inquiry. Let's review the facts again. We had a completely unsubstantiated allegation here about a member. Then we had the member deal with the matter, stand here and deal with the matter for all members of this Legislature, the highest court in the province. We then had the fact that the member no longer even owns the land, let alone personal gain. I mean, what kind of nonsense is this? Then we have a chicken plant that's never been built that they're referring to. Then we had the Speaker rule that there was no privilege involved, and then, if I understand the position of the NDP – and it's hard to follow – they want that set of flimsy information to somehow start something like a judicial inquiry. I come back, Mr. Speaker: if they had real concern for the Legislature, real concern for ethics, they would not be in here sully someone's reputation without any facts. Now, if they have more facts, let them put them up.

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

### **Agricultural Assistance**

MR. TAYLOR: Thank you, Mr. Speaker. My question today is to the Minister of Agriculture. For nearly a month now the two Tory ministers of Agriculture, in Ottawa and in Edmonton, have each been insisting that they are the greatest benefactors to agriculture, with Ottawa sitting on \$80 million to \$100 million and the hon. minister here sitting on at least an equivalent amount, but they're not prepared to shell it out. Now, this fruitless argument between the two ministers goes on despite the facts that the ground is now ready for seeding in southern Alberta and will be shortly in this area, 25 percent of the farmers are threatened by foreclosure, short-term operating loans from the banks are running at 15 to 20 percent interest, and the provincial government, to add insult to injury, has raised the price of gasoline another 2 cents a gallon. In view of the urgency, Mr. Speaker, will the minister now notify Ottawa immediately, if not sooner, that Alberta will match their offer, and we'll worry about working out the details later?

MR. ISLEY: Mr. Speaker, the answer is no.

MR. TAYLOR: Mr. Speaker, it is awfully disappointing to hear that, because what we have is petty-minded politics getting into and crippling one of our major industries here in Alberta. With that insult to farmers, would the minister look at this part: in view of the fact that the federal minister announced a couple of days ago that he is willing to let discussions go till later, we will then take him up on that offer and go ahead with that?

MR. ISLEY: Mr. Speaker, in going back to the hon. member's prelude, I'm not sure whereabouts he was describing the agricultural industry. I have no evidence, as he is trying to indicate, that 25 percent of our agricultural sector is about to be foreclosed upon. I don't know where the hon. member is and has been that he is not aware that we have an interest-shielding program on farm operating loans, and our farmers are not paying 15 percent. I have shared with the House in detail the commitment this government has made under the leadership of Premier Getty to agriculture as their number one industry. I have had recent discussions with the federal Minister of Agriculture, and I'm encouraging them to do what I think is appropriate, and that is for them to pay their money out directly to offset the problems that are being caused by federal policies. I will continue to press my federal colleague on behalf of Alberta farmers.

MR. TAYLOR: Mr. Speaker, interest shielding is no good if you can't get the loan. Surely if the minister had met with the Unifarm president – or even an organization down in my own home town in Cypress area would tell him of the difficulties now experienced. But I'd like to shift this last question to the Premier. Since the Premier has often said, "Sure we can trust Ottawa; go ahead and sign Meech Lake; we will work out Senate reform later," will he now tell the minister down at the end, "Go ahead and sign the agreement; we will work out the details later; we can trust Ottawa"?

MR. GETTY: Mr. Speaker, we really do miss the hon. Member for Edmonton-Glangarry.

But, Mr. Speaker, we've just had the Minister of Agriculture deal with the questions from the hon. Member for Westlock-Sturgeon. I can't see any way to amplify anymore on his answers.

MR. DEPUTY SPEAKER: The hon. Member for Calgary-Fish Creek.

### Judicial Appointments

MR. PAYNE: Thanks, Mr. Speaker. Public criticisms made by both the legal and judicial communities in Calgary regarding government delays in filling vacant judicial positions and the resulting backlog in actions awaiting trial have prompted a number of constituent concerns about what's happening in our courts. Can the Attorney General indicate what steps he's planning to take to respond to these criticisms and concerns?

MR. ROSTAD: Mr. Speaker, the concerns indicated by the hon. Member for Calgary-Fish Creek have been in the forefront for some time. There have been alleged to have been three judicial vacancies in Calgary; really it's only two. One of them is a supernumerary position which the chief judge can fill

automatically from the other supernumerary people serving. The other two have been under consideration. I am attempting to fill one of the positions in Calgary as well as a vacant position in Edmonton with a female member of the Bar, and there has been a recent Judicial Council approval process that had a substantial number of female applicants before it. I have now got the list of approval. I am waiting for the return of the chief judge from a judicial conference down in New Zealand. When he is back and I've had the opportunity to review the applicants with him, the appointments will be made.

MR. PAYNE: Well, that's helpful information, Mr. Speaker. I'm wondering: can the Attorney General assure the Assembly that he might be prepared to evaluate and perhaps improve the judicial appointment process so that these kinds of delays can be avoided in the future?

MR. ROSTAD: Mr. Speaker, I might outline the process for appointing judges. People who meet the requirement of being at the Bar for 10 years can express their interest in serving in the judiciary. It could be in family law, criminal law, small claims. The application can come to the Attorney General's office or directly to the Judicial Council. The Judicial Council is comprised of the three chief judges or justices of the Court of Appeal, Queen's Bench, and Provincial Court, together with the president of the Law Society, the president of the Canadian Bar, and two public members. They vet the applicants, and from that list of approved candidates a selection is made. In some instances we do have adequate notice from the bench that a retirement is coming forward, and we work then as quickly as possible to fill that vacancy. Sometimes the vacancy comes too quickly to allow that.

In Calgary's instance the longest term vacancy is from the latter part of November until now. There has been another recent one in February. This delay should not cause the bench or the Bar of Calgary too much concern. As I mentioned, it's under advisement. In any delay to cases or to scheduling we would bring judges in from other areas if there was a reason that it was going to be an undue delay. The vacancy has not caused the undue delay of any cases in Calgary.

We are one of the pre-eminent provinces across Canada in the sense that we have approximately a three-month delay from the time a charge is levied until the case comes to court. Anything beyond that is usually through arrangements of the counsel. We hope to keep that record as good as it is.

MR. DEPUTY SPEAKER: The hon. Member for Edmonton-Jasper Place.

### Pulp Mill Impact on Environment

MR. McINNIS: Thank you, Mr. Speaker. There are some 210 known distinct organic chloride compounds. One of these, 2378TCDD dioxin, was declared by the United States Environmental Protection Agency a probable human carcinogen in January of this year. In March the federal government of Canada officially declared dioxin as toxic to humans. There's no sensible government in the world, Mr. Speaker, which is right now prepared to license new sources of dioxins and furans in the environment. But then there's Alberta, which has licensed Daishowa to construct a bleached kraft pulp mill which would pump 5,000 tonnes of organic chlorides annually into the Peace River. In view of the need to reduce dioxin and other organic

chloride emissions to zero as quickly as possible, will the Minister of the Environment agree to an AI-Pac style review of Daishowa to determine what options may be available to reduce and, I hope, eliminate what is now known to be the most toxic man-made substance ever tested on laboratory animals?

MR. KLEIN: I'm sorry, Mr. Speaker, I don't know what the question was.

MR. TAYLOR: Start out with your name and address and go from there.

MR. KLEIN: That might be a lot simpler, and maybe the hon. member can understand it. He can't understand anything else, obviously.

Certainly 2378TCDD has been identified as a very toxic dioxin. I mean, there is no secret. But there's a lot of work to be done with respect to chlorinated organics, and that is precisely why, Mr. Speaker, we have commissioned one of the most reputable firms in the world to undertake . . . undertake a study of this whole issue of chlorinated organics. Hopefully, when the findings are produced, we will have good information and a true understanding of what these dioxins and furans are really all about.

MR. McINNIS: Well, Mr. Speaker, if Jaakko Pöyry can't understate the problem, nobody can.

The owners of the Alberta-Pacific pulp mill may be self-interested, but they're not stupid. They see the handwriting on the wall. That's why they've abandoned their original proposal, which would dump some 35 tonnes . . .

MR. DEPUTY SPEAKER: Order please. There's no preface to a supplemental.

MS BARRETT: Yes, there is.

MR. DEPUTY SPEAKER: Well, a short one then.

MR. McINNIS: . . . of organic chlorides into the river every year. They're now working on something new, and we're hoping the minister will allow Albertans into it. Here's the question. I want you to pay close attention now. If Alberta-Pacific is not prepared to put more money into that old proposal, why is this government prepared to spend 400,000 taxpayers' dollars studying that old proposal that they've shelved?

MR. KLEIN: First of all, we want to be up to date, and we want to maintain our leading edge in terms of having solid information, not the claptrap that the opposition provides us with from time to time: good information, solid information, scientific information.

Now, Mr. Speaker, since the opposition will never have the pleasure of experiencing governing this province, I'll explain to them how it works. Okay? Now you listen. The chronology is really quite simple. On April 11 Alberta-Pacific formally submitted the revised proposal to Alberta Environment. I was on a long-planned holiday with my family. Prior to my leaving on that holiday, I instructed my officials to forward the proposal for a scientific evaluation, and that's exactly what they did. The Environmental Centre at Vegreville received it on April 16. You should also know that the federal government has also received a copy of the proposal, and they are doing exactly what

the Alberta government is doing; that is, undertaking a scientific review of the documentation. Once both our scientific reviews are complete, perhaps in 10 to 12 days, we will meet to determine our next course of action.

Now, I've explained it. I've explained it, Mr. Speaker, but obviously the socialists don't understand it. But as we all know, socialism won't work except in heaven, where they don't need it, or in hell, where they already have it.

MR. DEPUTY SPEAKER: The hon. Member for Calgary-Buffalo, followed by Banff-Cochrane.

### Health Hazards of Smoking

MR. CHUMIR: Thank you, Mr. Speaker. To the Minister of Health. It's a scandal that children as young as 18 can very easily buy tobacco products in this province and move on to a life of addiction, usually a shortened life. It's particularly scandalous that the provincial government has almost totally ignored the health implications of what is the greatest preventable cause of ill health and death in this country. Now we have the Hyndman report telling the government that it should deal as a priority with preventive health issues such as smoking. I'm wondering whether the minister can tell this House when the government is going to get off its collective duff and make it illegal to sell tobacco to children under 18, to provide for stiff penalties, and to resolve to enforce these laws.

MRS. BETKOWSKI: Well, Mr. Speaker, with respect to the sale of tobacco products to minors, the Minister of Consumer and Corporate Affairs may well wish to supplement. However, with respect to this issue of trying to reduce the tobacco products used by young people in the province, I think we can look to a number of preventive strategies that Alberta has entered into in concert with the federal government under the national program to reduce tobacco use in Canada. The first of those was the teen smoking cessation program, which is obviously directed to a particular teen group; secondly, the class of 2000, which is the attempt, with collaborative efforts amongst the private agencies, the province, and the federal government, to ensure that the graduating class of the year 2000 is smoke free. The third collaborative effort is with respect to nonsmoking policies that link into day care licensing. The fourth is smoke-free workplaces.

In addition, I think it's important to look at the amount of work that has been done within the preventive framework of Alberta Health, including work by some of the health units, including the Calgary board of health, with respect to working with the ACCESS Network of Alberta in producing videos like *Smoking Against Your Will* and *Clouds in the Coffee Room*, all of which move towards the preventive nature that we can encourage young people not to take up this very addictive and ultimately lethal practice.

There are other efforts that we can and are making, Mr. Speaker, but I appreciate the hon. member raising the question in order that we can get some of these initiatives on the public record.

MR. CHUMIR: The fact is that the government is doing almost nothing meaningful. They speak of smoke-free workplaces, and they refuse to even enact legislation providing for that right in this province. I'm wondering what's wrong with this government that it refuses to deal with smoking by minors, refuses to take

any meaningful action with respect to the rights of employees to clean, smoke-free workplaces, and instead merely talks up a storm of smoke itself.

MRS. BETKOWSKI: Mr. Speaker, I think, in fact, there's probably a bit of a philosophical difference between the hon. member and me, and our government, with respect to this issue. We have, for example, for the first time in Alberta's legislative history a smoke-free Legislative Assembly to the credit of all the members. But those are the kinds of initiatives that I think have to come from people saying, "We're no longer going to tolerate this." I am not one, nor is this government, that believes all of those initiatives can come from the top down. However, if we want to look at what departments have done within the provincial government, we can do that. Perhaps the hon. member would like to put the question on the Order Paper. But to say that nothing is being done or that private workplaces aren't as concerned about smoke in their environment as this Legislature is simply not the case.

MR. DEPUTY SPEAKER: The hon. Member for Banff-Cochrane.

### Earth Day

MR. EVANS: Thank you, Mr. Speaker. This past Sunday, April 22, thousands of Albertans and indeed millions of Canadians recognized and took part in Earth Day 1990. I had submitted a motion to the Chamber, which unfortunately was not debated prior to the 22nd, asking our government to recognize Alberta Earth Day 1990 in recognition of this very important international campaign, which began some 20 years ago in the United States. I'm sure that the hon. Minister of the Environment participated personally in Earth Day this past Sunday, but my question to the minister is: what are the minister and the department prepared to do to promote and in fact support this worthy cause of recognition of the importance of environmental concerns in this year and in years to come? [interjections]

MR. TAYLOR: A pretty earthy fellow.

MR. KLEIN: What can I say?

Well, Mr. Speaker, it was really a sight to behold. Literally tens of thousands of people in Calgary and Edmonton and throughout the rest of the province came together to express their concern about the environment and our future. It was refreshing to see that a lot of people came together in a friendly spirit and not in the kind of emotionalism and confrontation that we've experienced from time to time as we deal with this issue of the environment. People came together and they discussed in reasonable tones the issues of the environment and their future. I think that what we should do is perhaps examine how this government can participate in Earth Day if it is to become an annual event, understanding that we already have an Environment Week, where the province of Alberta attempts to bring a focus on the environment throughout Alberta. Nonetheless we will look at government participation in Earth Day in future years.

MR. EVANS: Supplemental question, Mr. Speaker. I would ask the minister if he would be prepared to allocate moneys from his department and indicate that commitment today to

work towards being sure that this Earth Day is recognized more fully in Alberta in the future.

MR. KLEIN: Well, the allocation of funds is something that certainly we will have to consider, but Earth Day is more, Mr. Speaker, than just a matter of dollars. It's people coming together at the grass roots to really become involved in this issue of the environment. I had the opportunity of attending three schools, participating with industry, participating with teachers, and participating with the Earth Day participants on Sunday. Basically, it's a grass-roots kind of a movement that ought not to be so dependent on government that it becomes a fully government-sponsored endeavour. I think that what we saw over the weekend was a beautiful thing to behold, and perhaps it should stay that way.

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

### Gingras Murders

MS BARRETT: Thank you, Mr. Speaker. I'd like to pursue a series of questions that were initiated this year and last year by my colleague the Member for Edmonton-Strathcona, and they pertain to the Gingras affair or, one might say, the Gingras mess. Now, the federal government was pulled kicking and screaming last year into finally conducting an investigation into the release of Daniel Gingras on that famous birthday pass, the investigation having a look at whether or not the prison officials were right in making the decision that they did and the process that they observed. The report was none too flattering, as you know, Mr. Speaker, and the Alberta government didn't exactly hurry up to have a look and see if criminal charges should be laid in the matter. I understand that today the Attorney General has said that there will be no criminal charges laid. I'd like to ask the Attorney General this: given that he's said that it's too difficult to use the evidence he's got to make such charges stick, is he now prepared to hand over that evidence, under a confidential arrangement if necessary, to the lawyers of the victims' families so that they can pursue a civil cause of action should they so choose?

MR. ROSTAD: Mr. Speaker, indeed the release of Mr. Gingras was a tragedy not only in the administration of the penal system but in the loss of two lives. We undertook an extensive and sometimes difficult investigation of all of the evidence. We were blessed in this particular instance of having all the evidence together, because Mr. Weir did do quite a thorough investigation, and although we had some difficulty obtaining all the information from Canada Corrections, we did get it. We took our time in analyzing it. We used two separate offices of our special prosecutions branch to ensure that we had an effective investigation. There are no grounds for bringing criminal actions against any of the employees or people involved in the tragedy. We all know that in this particular instance the inmate has been found guilty of two cases of murder. This evidence was obtained on an undertaking from Canada Corrections that we would use it for our jurisdiction, which is criminal only in this matter. On that basis, I can't comply with the wishes of the hon. Member for Edmonton-Highlands. I would like to.

The second reason is that the evidence has been returned to Canada Corrections, although I can assure the member and the

Member for Edmonton-Strathcona that the families of the victims can, if they initiate a civil suit, obtain this information in two ways: either by subpoenaing Mr. Weir and obtaining information from him directly or, through the legal process, obtaining the information on a demand for particulars from the Solicitor General's department. So by either of those they can obtain them. Regretfully I don't have them and, with the undertaking, would not be able to produce them.

MS BARRETT: Well, Mr. Speaker, the Attorney General polishes his halo, but I recall when I asked the Attorney General to ask the RCMP to look into criminal negligence, he said that the idea was a joke. Now he's telling the families to go and spend more money to ask the feds to do what he could do on their behalf. If the minister is so sincere about his concern over the tragedy and his concern about the negligence of the prison officials, why won't he get the information, get the feds to approve him giving the information to the families?

MR. ROSTAD: Mr. Speaker, it's unfortunate that we have to use an instance like this to try and use political rhetoric. Just to refresh the memory of the member, when she asked for a criminal investigation, I didn't say it was ridiculous. I said the charge that she was alleging was ridiculous. It's proved out to be that. It is not the duty or within the jurisdiction of the Attorney General to be in civil matters such as this. Again it's no halo-polishing. I'm sure everyone in this Assembly and everyone in Alberta has compassion for the families of the victims. Unfortunately the Member for Edmonton-Strathcona is not with us. We wouldn't have to have this second question. He'd understand that the lawyers for the families can get this information. I would love to get it for them. I'm sorry that that's just not within my jurisdiction.

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

### **Women in the Public Service**

MRS. HEWES: Thank you, Mr. Speaker. This week the Canadian public has finally seen the disappointing results of the federal government's task force survey on women in the public service, entitled *Beneath the Veneer*. Now, that report shows that 75 percent of women in the federal public service are concentrated in four lower echelon categories, almost half are in clerical positions. Clearly this comprehensive study points to the fact that the federal government has not taken the lead to set an example in providing opportunities and advancement for women in the public sector. It begs the question then: is Alberta doing any better? My question is to the Premier. Has the Alberta government an inventory of the number of female positions in public service with respect to monitoring those positions and promotions over the last few years? If so, will the Premier make it public?

MR. GETTY: Mr. Speaker, I know that the hon. member perhaps unintentionally asked two questions. I didn't want her to use up her total supply.

I will ask the hon. minister responsible for the status of women to augment my comments. I don't think the report on the federal system was very satisfying at all. It was very disappointing. As a matter of fact, during the time I have been Premier, we have been working very hard to try and have a greater and greater availability of senior management positions

available to women. I'm very proud of the fact that during that time we have appointed two deputy ministers who are women. I would like to see more. The system is not perfect, and we're working to improve it all the time. My colleague the minister responsible for the status of women does have considerable statistics that may be helpful to my good friend the Member for Edmonton-Gold Bar. I'll ask her to add to my answer, if she has any additional information.

MR. DEPUTY SPEAKER: The hon. Minister of Labour.

MS McCOY: Thank you, Mr. Speaker. Let me underline what the Premier has said. He has been leading the way in this issue in Alberta, and as long as he has been Premier, we have been making great gains. So it is a story of success here in Alberta, although we're not where we want to get yet. I think that's something we all accept. We're still continuing to work towards it.

I could mention a number of programs and initiatives we have taken in the public service that we think over time will lead to a success rate. One, of course, is the administrative support class series review, which we did last year and will continue. We targeted that group because it is the cluster at the low end of the wage scale, and we have, in fact, adjusted them all upwards and also given them a clearer career path to the top. We've also undertaken, and we will be in a position to announce later this spring, a mentoring program. That program will be designed to help women who have a desire to proceed to management and higher management through the public service, and we would be, again, facilitating that progress.

We might find one statistic interesting. We have the statistics on the number of competitions and the number of women as a percentage of total applications on those management jobs. We find that for management positions one out of five applicants are women, and their success rate, the number of those who are being hired, is over one out of four. So, in fact, the women who are applying are indeed succeeding at a greater rate than the numbers of their applications would lead us to expect.

MRS. HEWES: Mr. Speaker, might I remind the minister that the federal government thought their programs were working, too, until they did the study.

I think it would be helpful if the minister would make public, and I'll ask if the minister will make public, not only a catalogue of the initiatives that are being taken but what means this government has of evaluating the methods, the measurements, and the results of the effects of these initiatives so that the public will know, as we go along, that in fact the programs are producing something other than talk.

MS McCOY: I would be pleased to share with the hon. member opposite a copy of *Update*, Alberta plan for action for women, which I have indeed issued and could give all members of the Assembly one. It's dated April 1990, and it does give some indication of the progress we're making with our plan for action.

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

### **Health Facility Construction**

MR. FOX: Thank you, Mr. Speaker, the Vegreville constituency has the highest percentage of residents over the age of 65 of any constituency in the province, and there is an urgent need for

expansion to the existing auxiliary hospital and nursing home in the town of Vegreville. To respond to that need, the board and the people out there have come up with a proposal in conjunction with government departments to build a much-needed 40-bed addition, which has been on the drawing board for probably some 13 years now. They learned when the Treasurer tabled his budget that the project wasn't going to go ahead this year. I'd like to ask the Minister of Health when this government is going to demonstrate that they understand and care about the needs of the pioneers of the Vegreville community by agreeing to build that facility and build it soon.

MRS. BETKOWSKI: Mr. Speaker, I appreciate the representation made by the hon. member, but I think that within the whole issue of capital construction in Health it's important to put it into context. I think we should take the time of the question period to do it. First of all, as was indicated in the Budget Address on March 22, there are 55 brand-new requests for new capital projects on the books with the Department of Health, none of which will go ahead in this year. That's not restricted to the Department of Health; that applies to other areas of public works as well.

MR. DEPUTY SPEAKER: The time for question period has expired. Is there unanimous consent to complete this series of questions?

HON. MEMBERS: Agreed.

MR. DEPUTY SPEAKER: Opposed? Carried.  
The hon. Member for Vegreville.

MR. FOX: Mr. Speaker, the minister has to recognize that there are 67 people on a waiting list for this facility. The need is urgent. If she wants to talk about dollars and cents, she has to recognize that to keep in an active care setting patients that require auxiliary care is costing the province money. So if she wants to demonstrate that this government is prepared to respond to the needs of these citizens and save money in the long run, will she at least agree to provide funding to carry this important project through the final drawing, ready for tender stage?

MRS. BETKOWSKI: Well, Mr. Speaker, I didn't finish my first answer, so I'm going to finish it. At any rate, there were 55 new projects which were not allowed to go ahead, and of course that was not restricted to the Department of Health. Other new public works projects were put on hold as well. In addition, 19 capital projects will go ahead that were under way, including St. Joseph's General hospital in Vegreville. It's one of the ones that will continue in the construction phase.

We divided the remaining 50 projects, Mr. Speaker, into three categories, and the three categories were to be met within our overall expenditure plan as well as the overall assessment of health needs in the province. Six of the projects were in the design stage, and they'll proceed to the point of construction. Nine projects are currently in the planning stage, and they will proceed to the point of going to tender. The remaining 35 projects previously approved will complete their current phase of planning and will be held there in this fiscal year, and the Vegreville project is one of those 35.

I want to emphasize to all members of the House that these projects are still commitments of this government. The issue is simply one of timing and assessing when and how those projects

can proceed within the fiscal plan. When I spoke to trustees of this province in November, I indicated to them that in the face of tight fiscal dollars, we as a government were going to maintain our highest priority on the operating side. I believe the decision is sound, and I think the fact that the projects are continuing, albeit at a slower rate than perhaps some would wish, is an important statement of the priority that exists.

I think it's also important to recognize that the Vegreville community is clearly one of those that has some considerable pressure with respect to long-term care, and I want to assure Albertans living in that community that we will proceed with that project as soon as the fiscal resources are able to be let go in that sense.

MR. DEPUTY SPEAKER: Would there be unanimous consent on the part of the Assembly to revert to the Introduction of Special Guests?

HON. MEMBERS: Agreed.

MR. DEPUTY SPEAKER: Opposed? Carried.  
The hon. Minister of Transportation and Utilities.

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

MR. ADAIR: Mr. Speaker, it is my pleasure to introduce to you and through you to the members of this Assembly 16 students, one teacher, and four parents from the Deadwood junior high school in the Peace River constituency. I would ask teacher Mary Anne Thomas, parents Eilleen Stone, Joan Wood, Ulla Ashworth, Rose DeLaittre, and the 16 students to rise and receive the warm welcome of this Assembly.

head: **Orders of the Day**

head: **Written Questions**

MR. GOGO: Mr. Speaker, I move that all written questions other than Written Question 247 stand and retain their places on the Order Paper.

[Motion carried]

247. Mr. Decore asked the government the following question: What is the government's estimate of the unfunded accrued liability under the following government administered pension funds:

- (1) local authorities pension plan,
  - (2) public service pension plan,
  - (3) public service management pension plan,
  - (4) universities academic pension plan,
  - (5) special forces pension plan,
  - (6) Members of the Legislative Assembly pension plan, and
  - (7) Teachers' Retirement Fund
- as of March 31, 1990?

[Question declined]

head: **Motions for Returns**

MR. GOGO: Mr. Speaker, I move that all motions for returns appearing on the Order Paper except the following: 150, 154,



156, 157, 158, 159, 161, 162, and 163, stand and retain their places on the Order Paper.

[Motion carried]

150. Mr. McEachern moved that an order of the Assembly do issue for a return showing copies of all loan guarantee agreements approved by the Provincial Treasurer or Treasury Board for the 1989-90 fiscal year and not made public by either Order in Council or in the *Alberta Gazette*.

MR. JOHNSTON: Mr. Speaker, with respect to Motion 150, we have had this debate from time to time wherein we make available to the Legislative Assembly on a routine basis all information with respect to loans, loan agreements, and loan guarantees, and that, of course, is through the traditional process of the public accounts. We file these in the House. They are now being dealt with through the Public Accounts Committee, and all members have an opportunity on an annual basis to review the activities of the government in this area.

However, what the member calls for here is a duplication of effort: asking for us to bring forward another list of these loan guarantee agreements outside of the normal course to which the House has grown accustomed; that is, on an annual basis. Since the annual year-end of the province has just passed, in fact it will be impossible for us to get this order in place in time to provide any additional information outside of that what is provided by the public accounts. Therefore, Mr. Speaker, the government rejects this motion for a return.

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

MR. McEACHERN: Thank you, Mr. Speaker. We have not quite had this debate in the House before. There's something a little more specific about this request than perhaps the Treasurer has realized, if he would look more closely at it. What I've asked for here is any loans or loan guarantees approved by the Provincial Treasurer for 1989-90. Now, I realize that's the year since the public accounts came out, that the public accounts do cover all loan guarantees up to March 1989, but I would like to know any loan guarantees that have been made since that time. Now, the big ones usually get announced by order in council and, therefore, are announced to the world, and we can supposedly accumulate those and keep track of any loan guarantees the government makes in an up-to-date sort of way.

But there is a category of loan guarantees that is allowed by seven different departments: the Agriculture department; the culture department; the Economic Development and Trade department; the Department of Municipal Affairs; Technology, Research and Telecommunications; Tourism; Transportation and Utilities. Those departments have a limited right – I agree the amount of money involved is limited; I'm not sure of the exact amount of the limit in all cases, but probably a million and a half or \$2 million or \$3 million in each loan guarantee. They have the right to make loan guarantees on the say-so of the Treasury Board rather than on the say-so of the cabinet. It's a smaller, more select group of people, then, that can approve loan guarantees by those seven departments, and there is no mechanism by which the government has to make those loan guarantees public because of the way it's set up.

The government decided they would do this by order in council. They didn't come to this Assembly and say, "Will this Assembly give us the power to do this?" but they're actually talking about putting the taxpayers' dollars at risk in loan guarantees. The agreement to let these seven departments do it was done by order in council, and what we're saying is: there is a small group of people, then, where the Treasury Board can okay those, and there is no necessity to make that public.

Now, it's all very well for the Treasurer to say that will be made public in the public accounts, but the public accounts are already one year out of date. By the time we get the next public accounts, those figures will be two years out of date. So the Alberta government has taken on itself the right to make loan guarantees of, say, a million dollars under the Economic Development and Trade department, for example. They can make a million dollar loan guarantee, and there is no necessity for them to record it in any of the government documents for almost two years. Now, if you think about that, Mr. Speaker, that is rather ridiculous. All I've asked is that the government make a point that anytime there is a loan guarantee being made, regardless of the amount, that that be made public. So the Treasurer should keep an ongoing list and should be prepared to release that list at any request of any member of this House or any member of the public. It would not be that hard; there are not that many of them.

When you look at the public accounts, there are some big loan guarantees in there. Most of those we knew about before, because there was a public announcement made when the loan guarantee was given. When the government wants to brag about some project it did up in the north, a loan guarantee for one of the big pulp mills, it puts out a press release and tells the whole world. Okay? If there are some of them that they don't want to brag about particularly, nonetheless, if they're over a certain size and they're done by order in council, that still gets made public through order in council. We all have access to the orders in council, and the public has access to the orders in council.

But there is a category of smaller loan guarantees that can be made by the Treasury Board, done secretly and never, ever announced publicly, and eventually it shows up, a year to two years later, in public accounts. And the Treasurer has the gall to sit here and tell me that that's adequate. Mr. Speaker, it is not adequate for any government to spend money or to put taxpayers' dollars at risk and not make some kind of public statement or public announcement of that. I mean, that's the kind of thing that leads to these stupid deals with the Peter Pocklington. I realize that was big enough that we heard about some of those. But you can't run a government that way. You cannot say to the taxpayers, "We have the right to make a deal and not tell you about it for 18 months or 22 months." It just does not make any sense. I cannot understand why the government wants to be so secretive. They're only a few dollars. Supposedly they're good investments. I mean, when Alberta Opportunity Company makes an investment in a private company, either a loan or an equity investment, they put out a list and tell us about it, and it might only be \$20,000. Some of these loan guarantees may be in the neighbourhood of a million dollars or \$2 million or \$3 million. The taxpayers' dollars are at risk, and there's no reason in the world that the government shouldn't put out some kind of statement, except that they've taken unto themselves the right to do that.

Now, it would seem to me that if the government wanted the right to do that, the least they could have done is come before

this Assembly and said, "Well, you know, it's really just kind of inconvenient to always put out a press release every time you make a million dollar loan guarantee, so we want the right to do this in secret so nobody will know about it until the public accounts come out a year to two years later." But they didn't do that. By order in council they set out some rules saying that these seven departments could appeal to the Treasury Board and make a loan guarantee and not tell anybody for a year to two years, when the public accounts come out to catch us up to date on what's been done. Mr. Speaker, that is totally unacceptable as a way of running the taxpayers' dollars in this province, and I cannot understand how the Treasurer can just dismiss it as another complaint about, "Oh well, you know, it comes out eventually, and that's good enough, and the member on the other side has asked for this before." I have not asked for this specific one before. This is a very detailed and specific instance where the government is remiss in not releasing information that they should release to the people of this province.

So I would like the members of this House to reconsider and decide to release that information. It would not be that difficult to collect. The numbers are not that great, because you do see the public accounts for the years before and you know there are not that many of them. But we should know what they are. They should be specified. We should have an up-to-date list on an ongoing basis, and that's all I've asked for.

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

MR. GOGO: A point of order, Mr. Speaker. Under Standing Order 23 it's my understanding that the hon. Member for Edmonton-Kingsway having spoken twice to the motion, the debate is now closed.

MR. DEPUTY SPEAKER: I believe the hon. Deputy Government House Leader is correct.

SOME HON. MEMBERS: Question.

[Motion lost]

154. Mr. McEachern moved that an order of the Assembly do issue for a return showing copies of agreements dated April 21, 1989, May 10, 1989, and June 13, 1989, between the government of Alberta and Coopers & Lybrand Limited whereby the government acquired certain assets of First Investors Corporation Ltd. and Associated Investors of Canada Ltd.

MR. JOHNSTON: Mr. Speaker, Motion 154 regarding the transfer of assets between Coopers & Lybrand as trustee for FIC/AIC and the province through our real estate entity cannot be accepted by the government.

These issues, Mr. Speaker, are of a confidential nature requiring an understanding between the liquidator or the trustee of the estate, Coopers & Lybrand, and the government, and therefore cannot be provided to the Assembly since they do have a commercial, confidential nature attached to them.

What I have done, Mr. Speaker, from time to time and without making a commitment to do it again, is to provide to the Assembly a statement of the assets of the liquidating real estate company in an aggregate sense, showing the general total of assets, the broad groupings that are available, and I have filed

that in the Assembly with respect to the so-called 354713 company which now has absorbed these assets of First Investors/Associated Investors of Canada.

What is important here, Mr. Speaker, is that the government, during the period of the Code inquiry, took it upon itself to ensure that the contract holders had some dollars in the corpus of the estate, and therefore transferred or agreed to transfer approximately \$85 million worth of assets to acquire these real estate assets to ensure that some dollars were in the estate and, therefore, to benefit the contract holders. That's why we made this move, and that's how these assets were transferred from FIC/AIC to the province.

I should point out, Mr. Speaker, that with respect to the actual settlement by the contract holders, April 30 is the last date for contract holders to accept the offer of the province to settle, as we've debated in this House, our commitment to the contract holders. To date we have received a tremendous number of responses to our generous offer both in terms of purchase of the assets and on the settlement of the two contract companies. In fact, if my numbers are accurate, it's running very close to 77 to 80 percent of the contract holders that we know of that have agreed to our offer. I would encourage all those who have not accepted to let us know soon, because, as I've pointed out here, our offer ends on April 30, 1990.

So, Mr. Speaker, this is one aspect of a very comprehensive policy which the government has put together to deal with this unfortunate situation. We have done our best to ensure that the dollars flow through to the contract holders. We have put in place a review which lists all the particular problems which were associated with these corporations. More fully, Mr. Speaker, as the Minister of Consumer and Corporate Affairs and myself pointed out some time ago, in July of 1989, for example, we have brought forward a comprehensive package of policies which deal with the fundamental difficulties in financial institutions in this province insofar as protection of consumers, protection of the depositors is concerned, and insofar as strengthening the financial institutions in this province.

So I appreciate that the member raised this question, because it gives me an opportunity to outline once again for the members of the Assembly and members of Alberta what it is the government has been able to do with respect to this aspect, and to certainly move in a fairly significant way to ensure that the contract holders receive the benefit due to them under their contracts due to FIC/AIC.

Well, while I've had an opportunity to outline a very comprehensive program, I appreciate the indulgence of the Speaker and the Assembly for me to have that chance to put the record straight. Nonetheless, we have to turn down this motion, Mr. Speaker.

MR. DEPUTY SPEAKER: The hon. Member for Calgary-Mountain View.

MR. HAWKESWORTH: Thank you, Mr. Speaker. As far as the Provincial Treasurer's offer to provide to the Assembly some general outline of what the assets are in general categories, one can easily turn to the public accounts and get some of that information. There is nothing in his offer that's particularly enlightening. One can simply turn to the most recent public accounts, page 7.48. It's outlined there where the \$70 million has been allocated: through share offers and then, through the note "Subsequent Events," the purchase of real estate and mortgages.

But I think, Mr. Speaker, perhaps if the Provincial Treasurer would be allowed the opportunity to clarify a statement he made. He made reference to 354713 Alberta Ltd. When you use these numbers, I suppose one would have to refer to the Blues or *Hansard* to make sure one heard them correctly. That was, as I understand, the numbered company the Provincial Treasurer referred to, and yet in the Public Accounts the balance sheet of 391760 Alberta Ltd., I think, is the pertinent numbered company the Provincial Treasurer was intending to make reference to. The other numbered companies that have been entrusted with these transactions and these assets are 391761 Alberta Ltd. and 399192 Alberta Ltd. Neither one of those were in any way associated with 354713 Alberta Ltd., and I'd like to ensure that it wasn't simply a slip of the tongue from the Provincial Treasurer. I know trying to keep all these numbered companies in his head is not easy to do. Maybe 354713 Alberta inadvertently slipped out, and he intended to refer to one of these other numbered companies instead. If it was inadvertent on his part, Mr. Speaker, I would hope the Assembly would allow him to certainly set the record straight if that was the case. If not, then perhaps there is more to this than is readily apparent on the surface.

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

MR. CHUMIR: Thank you, Mr. Speaker. I can't resist observing how disgraceful it is, the way in which this government hides information from the citizens of Alberta. It plays with huge sums of taxpayers' money as though it were dealing with its own private business, as if it were dealing with the property of the Progressive Conservative Party. We have in this government, Mr. Speaker, the most secretive government on the continent, and in the minister, unhappily, the most secretive minister in the most secretive government.

AN HON. MEMBER: Flattery will get you nowhere, Shel.

MR. CHUMIR: Flattery will get me nowhere, he says.

The reality is that secrecy, hiding of information from citizens, leads to disrespect of the democratic process, and this is totally at odds with our duty as legislators. Our primary duty here as legislators is to enhance the respect for the democratic process. Not only does it lead to disrespect for the democratic process, but it also leads to bad decisions. This hurts the people of this province. It also hurts the government, because decisions made behind closed doors without public scrutiny is the formula for financial disaster, and we've seen that by the way in which these guys gave their friend Peter Pocklington all that money. This is going to come back to haunt them, Mr. Speaker. Be assured this will come back to haunt them. Voters will recognize that this policy is contemptuous of the public and the public interest, and they're going to send a message to this government, Mr. Speaker; indeed, they've already started to send that message.

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

MR. McEACHERN: Thank you, Mr. Speaker. The Treasurer is most extraordinary in his little history that he gave of why this and what happened and how they're being so responsible now and three years later they're finally going to get around to bringing in some trust company legislation to protect the people

of Alberta. It's three years since Principal collapsed. It's taken a long time, is all I can say. And we haven't seen the legislation yet; we don't know if we'll get it through the spring session or whether it will be around for the fall.

Let me say first that the promise to buy \$70 million worth of assets of FIC and AIC by the Treasurer was done on December 21, 1988, as a crass political ploy because he knew he had an election coming a few months later. He promised to give them their money by February. Now, what it succeeded in doing – a very clever political game was all it was – was keep the FIC and AIC contract holders rather quiet during the election because they kept anticipating getting a cheque in the mail. Of course, they never got it. In fact, when they did finally get around to purchasing some assets – and you must remember that the government was really chicken about this – they only promised to purchase the noncontroversial assets being argued about by the three groups: Coopers & Lybrand on behalf of the contract holders, B.I. Robertson on behalf of Principal Trust, and Collins Barrow on behalf of the Principal Group noteholders. So he wasn't going to touch anything that he might have to fight for. Oh, no; just the noncontroversial ones that really belonged to FIC and AIC. He was going to purchase those and have the money out to everybody by February. Somehow he didn't get around to that.

The public accounts now tell us that it was April 21, 1989, before they made the first deal, and that was only a few cents; I'm not sure exactly how many. That's what we're asking for: the details. May 10, 1989, another deal made, and, finally, on June 13. So we've had three purchases up to June 13, 1989.

So how much did he purchase? How much has he paid the contract holders? He's never come clean and shown us all the numbers so that we can see exactly what the government is putting out. But what disturbs me more than that, Mr. Speaker, is that the government would just do that as a political ploy to stall off and keep the contract holders quiet during an election, when all they had to do to be fair to the contract holders was do what we suggested back on September 9 of 1987. That was to purchase all of the assets, all the remaining assets of the Principal Group of Companies, and by Christmastime of that first year they could have had two-thirds of their money out to all of those people, many of them seniors who have since died, many of them who have died in poverty and disgrace and feeling really bad about how things went for them. It would have taken an incredible amount of political heat off the government. They would have had time to go through the Code inquiry and decide to make their later payments and that sort of thing without all the amount of kerfuffle there was, and the people who lost the money – the amount of hardship and hand-wringing and organization and Principal investment protection associations setting up all across the country to lobby and ask for help.

So the government really blew this one. They really caused a lot of their own problems and merely tried to give the people a little sop and a little hope just for a few months, in December of '88 through to February and March of '89, just to keep them quiet during the election. That's all that seemed to matter. It's an incredible indictment of this government that that's the way they would treat these people. There's an incredible number of old people involved in these investments, and like I said, many of them have died, many of them have not had the money they expected to have to pass on to their children, many of them had to go on welfare because they didn't have any money to look after themselves, money they'd set aside for their retirement

years. That's one aspect of this, and that's the aspect this particular motion is dealing with.

But there is the other aspect, which the Treasurer mentioned and deserves a few comments as well, and that is that the government promised to pay last summer 15 cents and 18 cents to FIC and AIC contract holders to bring them up to some 75 percent return on their investment, on the assumption, of course, that they're going to get some of these other dollars they still haven't got. They're still around 44 percent and 50 percent, and so there's still some dollars missing that are being fought over by the three different groups and have not been sorted out and have not been purchased by the government, and the compensation has not been given to the contract holders.

Now, why this government would box itself into a situation where they would promise to give that 15 cents and that 18 cents on the dollar back to all the contact holders right across Canada without ever having made any deals with the B.C. government, the Saskatchewan government, and some of the maritime governments where there were contract holders, where these contracts were sold, I can't understand. When B.C. decided to put some money in the pot, everybody gets held up while the Alberta government fights with them, saying, "Well, you have to put it into the pot and divide it among all the people across Canada." So then B.C. starts saying, "Well, I'm not sure I want to do that," and they end up in a hassle over it and holding up the compensation to the investors again. Saskatchewan, I understand, has decided they're not going to put any in.

So the provincial government really blew it again. The suggestion that the government start negotiating with the other provinces because they had some responsibility too – it was primarily the responsibility of this government: they were the prime province where the company was registered; the company's base was here. They had the prime responsibility, and they blew it, as they know. The Code inquiry showed beyond a shadow of a doubt that this government blew their regulatory rules, that they did not enforce them. But other provinces also had some responsibility for licensing them in their provinces. All you have to do is witness that Ontario decided not to license them. They said that the information they were getting from Alberta wasn't adequate and they didn't think the company was that solid, so they didn't license them. So some of those other provinces had to take some responsibility also. I cannot believe the Treasurer is so naive that he and the Premier would sit here and say, "We're going to give 15 percent to everybody in AIC and 18 percent to FIC noteholders," and not have talked to those other provinces. It doesn't make any sense. Yet that's what they did.

Then, when they do decide to purchase some of the assets from Coopers & Lybrand, what do they do? They turn them over to a numbered company. And it wasn't accidental that the Treasurer referred to 354713. I can't believe that Softco, a company set up to pick up the pieces and take the losses for North West Trust, would be given the right to handle this money. I mean, he used the same lawyer. He set up another numbered company to handle all these same transactions. As if the two messes aren't bad enough, he's got to put them together in the same company. I mean, we just got the North West Trust report the other day, and it shows that they're using their reserves and they're using Softco to make sure they make a profit. They got \$10 million in interest payments from Softco – North West Trust did – in the latest annual statement that I just got the other day. So here's Softco sitting there taking all the fall for all of North West Trust Company to cover up the

mistakes made by this government over a period of years. I mean, any government that would force the Treasury Branches to loan over half a billion dollars to North West Trust between 1983, '84, and '85 has got rocks in its head. Then in 1987 to go and beg its federal cousins to give it \$277 million so it can cover up the mess – I mean, that's an incredible way to handle the financial responsibilities of this province, Mr. Speaker. Then on top of it, to purchase a few dollars of these assets from Coopers & Lybrand and turn them over to Softco, which it had set up as the fall company for the new North West Trust in order to cover up the older North West Trust mess that they'd made, is just totally incredible.

So, as usual, the government will play its secretive games and not let out any information it doesn't absolutely have to, and a year or two years later we'll find out what they actually did because the public accounts will show it, if you can piece it together. It's like a jigsaw puzzle to figure out the different parts and the different streams, because they never come clean and say, "This is what happened, this is what we're doing, this is why, and here's where the dollars are going." The government never does that up front. You always have to wait for it and try to piece it together. The accountants for the government are very good. The public accounts are very accurate, I'm sure, except that the Treasurer insists that certain things be reported in a certain way and broken down in certain ways, and he feeds them the information.

I will make this Assembly a bet: this government will never give us a clean and clear accounting of the Principal affair. The Code inquiry was limited; it stopped short of calling the previous Premier and the present Premier. The facts and figures given for these specific purchases that are mentioned in this specific resolution will never be tallied and totaled and clearly laid out in a release so that we can see exactly what happened, where, and when. The cost of the Code inquiry will be a long time coming out. It will be much more than the government has indicated up to this time, and the government will just cover it over, paper it over, and hope that all the facts are never really made public. That's the way they'll operate, and of course today is another example: we couldn't possibly release this information. All it is asking for details of how many dollars the government spent purchasing assets and how many of those dollars reached the people that owned those assets before the purchase.

So I see no reason in the world why the people of this Assembly should reject this motion. There is every good reason from the point of view of open and honest government to in fact pass this motion and make this information available.

[Motion lost]

156. Mr. Fox moved that an order of the Assembly do issue for a return showing a copy of all agreements, correspondence, and other documents covering all understandings between the Alberta Treasury Branches, Palm Dairies Ltd., and Peter Pocklington relating to a \$100 million debenture dated March 11, 1988.

MR. FOX: Thank you, Mr. Speaker. I'd like to comment on Motion 156 briefly in moving it, because I hate to prejudge what the hon. Provincial Treasurer's reaction would be to this motion for a return. But based on experience, based on precedent that he's established in this Assembly, he's not going to give anybody any information, especially if it's information that reveals the

extent of this government's mismanagement, bungling, and fiscal incompetence. Specifically, this order for a return *is* looking for documents that relate to some deals made between the government – hence, the people of the province of Alberta – through the Treasury Branches and Palm Dairies, owned at the time and still owned currently by Mr. Peter Pocklington, relating to a \$100 million debenture dated March 11, 1988. We're asking not only for copies of all agreements, but we're looking for correspondence and any other documents relating to the understandings and undertakings made between Mr. Pocklington, Palm Dairies, and the provincial Treasury Branch system. We're dealing with \$100 million here, and I think our concern is related to the general business practice of one Mr. Pocklington. Based on experience, we've seen that he has a habit of buying companies, milking them for all they're worth, and then dumping the shell or the hulk on whomever he can find to do that.

AN HON. MEMBER: The carcass.

MR. FOX: The carcass. Most often it seems to be the Conservative government in the province of Alberta that ends up holding the bag, and the taxpayers, as a result, are jeopardized. So we want to get to the bottom of this, because we're very concerned about the status of this company and the status of the money that the Treasury Branches have lent Mr. Pocklington. The issue's been raised in question period, Mr. Speaker, by the hon. Leader of the Opposition. He's got absolutely nothing in terms of response from the Provincial Treasurer or the Premier on these questions relating to what specific securities we have in the event that Mr. Pocklington does to Palm what he did to Gainers. And we run the risk, we fear, of not only ending up holding the bag on millions and millions of dollars because of their cosy little deals, but we could very well jeopardize the fluid milk and industrial milk industry in the province of Alberta, which *is* a very crucial, important part of the agricultural industry. We'd like to get this information so it can be made public, dealt with in an open, honest, public, sincere way in an effort to try and make right some mistakes that were made in the past.

I well remember when Mr. Pocklington bought Palm Dairies, Mr. Speaker. He was very forthcoming about his motives, about his reasons for doing that. He said that recognizing that a free trade deal is in the offing, his Conservative buddies in Ottawa and Edmonton were seeking to integrate the Canadian economy with the American economy; that there was perhaps a bright future for processors of milk, and that related to his belief, his contention, which is one that we certainly agree with, that the price of milk would be driven down over time by a free trade deal with the United States. Because the industry in Canada is a regulated industry that provides benefit to the producers, where producers exert some collective influence in the marketplace to make sure that there isn't the boom-and-bust cycle that characterizes other commodities of agriculture but provides some stability and a reasonable rate of return over and above the cost of production for the producers. That's the important thing about the dairy industry in Canada that clearly is threatened and undermined by the free trade deal that these guys committed Canadians to with the United States. They don't recognize it, but Peter Pocklington recognized it. He saw an opportunity. He said, "I'm going to buy this company because I hope that farmers get paid less for what they produce in the future, and I'm going to make more as a result." It's a typical kind of approach and one that we don't endorse, but that's his motive,

and he was up front about it; more than I can say for the would-be Premier from Lethbridge-East.

At any rate, he bought this company, Mr. Speaker, and it's interesting to ask yourself: how did he buy the company? How did he pay 52 and a half million dollars for Palm Dairies? The company wasn't available for sale to the producer-owned co-operatives in the province – Central Alberta Dairy Pool, Northern Alberta Dairy Pool – because the Conservatives viewed that kind of purchase as moving towards a monopoly. They feared a monopoly of a broadly based producer-owned co-operative in a highly regulated public industry. They viewed it as a monopoly, and they wouldn't allow the producer co-operatives to buy it. So what have got instead? Well, one of the most prominent, for all the wrong reasons, businesspeople in Alberta going out and buying Palm Dairies. Fifty-two and a half million dollars he needed to do it, so he goes to the Treasury Branch and gets a line of credit for \$100 million, Mr. Speaker. Now, that's not a bad deal if you can get it. I submit that even the Member for Vermilion-Viking could operate a business worth 52 and a half million dollars if he got \$100 million to do it. That would provide even a Conservative business manager – buy them enough time to operate for at least a couple of years before they run out of money. But \$100 million . . .

I remember the hon. Leader of the Opposition standing in his place in the Assembly asking the Provincial Treasurer: what does he know about the \$100 million line of credit advanced to Peter Pocklington to buy Palm Dairies? He stood up and he said, "I don't know anything." Well, that's likely true in most cases, but he said, "I don't know anything" – a \$100 million line of credit – "Treasury Branches operate at arm's length." The Leader of the Opposition points out to him that if he didn't know, then he's incompetent, and if he did know, he's negligent. Because what he clearly has responsibility for is the money belonging to the good people of Alberta, the taxpayers of the province of Alberta, placed at risk by a \$100 million line of credit between Mr. Peter Pocklington and the Alberta Treasury Branches. Anyway, he said: "I don't know anything about it. They operate at arm's length. I'm only the Provincial Treasurer. Why should I care about what goes on with the Treasury Branches?" Well, the person in charge of the Treasury Branches admitted publicly that he recalled a meeting with the Provincial Treasurer where they discussed this very issue. I guess it's a case of *déjà vu* all over again. The Treasurer had to change his story somewhat in question period, at least before he was able to correct the memory of the person in charge of Treasury Branches and remind him that they didn't really discuss this. But it was an interesting exchange, I can assure you, Mr. Speaker, and . . .

I beg your pardon?

AN HON. MEMBER: Are you suggesting no loan guarantees to agricultural producers?

MR. FOX: I'm suggesting no loan guarantees to Peter Pocklington and no money to Peter Pocklington, and if you guys knew that three years ago, we wouldn't be on the hook for \$200 million. We'd have money to build auxiliary hospitals in every town and community that needed it, if you hadn't wasted all that money. And we're dealing with this only moments after having dealt with a motion for a return relating to the bailout of Don Cormie: \$125 million of taxpayers' money poured down the

drain to cover up for your collective incompetence as business-people, and it's a shame. We're talking in total \$250 million.

Don't point, hon. minister; it's not polite. I learned it from the Member for Edmonton-Meadowlark. I'm sorry.

At any rate, we've got this cozy little arrangement made, you know, behind closed doors, in secret – typical Conservative business style – with Mr. Peter Pocklington, putting at risk \$100 million of taxpayers' money, and the Treasurer saying he doesn't know anything about it. We want to get copies of those arrangements. We want the details of those deals made public, Mr. Speaker, so we can help them out of this mess. We want to make sure that the public interest is protected, that the taxpayers aren't hung out to dry for any more money than we already have been hung out to dry for because of this government. We want to make sure that there's a stable future for this important industry, the dairy industry in the province of Alberta.

Clearly, when you've got so many suspect dealings and underhanded things going on, Mr. Speaker, the industry is jeopardized as a result. I challenge the Treasurer to prove me wrong and stand up and say that he's going to table this information today.

MR. JOHNSTON: Not wanting to disappoint the Member for Vegreville . . . Mr. Speaker, it is curious to hear the long list of false information, mistruths, half-truths which shake around in the heads of those who look for so sinister an outcome of these processes. It's so amusing, Mr. Speaker, to listen to these Marxist socialists across the way. Which party they may be in, I'm not sure. Whether they're the ND Party, the ND-Liberal party, or whatever you call it, it's still the Marxist socialists over here.

The year is 1990, Mr. Speaker; 1990, not 1984. The Orwellian game that these people across the way would like to play whereby every piece of information on every citizen in this province would be at their beck and call . . . We'd put the rat's nest to the face of all citizens, Mr. Speaker. We'd put them in a dark room to torture them into submission. That's the kind of persuasion . . .

MR. McEACHERN: Point of order.

MR. JOHNSTON: . . . coercion, and Marxist socialist attitude that we don't want in this province. And it is just as bad with these mistruths . . .

MR. DEPUTY SPEAKER: Order please. The hon. Member for Edmonton-Kingsway is rising on a point of order?

MR. McEACHERN: Yeah. The point is that he's supposed to be talking about the motion . . .

AN HON. MEMBER: Citation.

MR. McEACHERN: He's supposed to be talking about the motion, not wandering all over the map. Make him stick to the subject.

MR. JOHNSTON: Well, I know the member is sensitive because the trend in Marxist socialism philosophy worldwide is working against their best interests. The only place you find a Marxist socialist is in Edmonton-Kingsway or in Cuba: the only two places you see them anymore, Mr. Speaker. How difficult it is to believe that this illogical and perverse doctrine of Marxist

socialism has been around so long, Mr. Speaker, and how it has shaped policies worldwide and how it influenced these people across the way.

Now, this kind of nonsense is exactly what this issue is about here. They want us to provide to them so they can evaluate activities which individuals in this province cherish: the right for them to do deals, to have confidential information to protect their own interests, to have some privacy. Now, if you listen to these Marxist socialists across the way here, they would have freedom of information for everything. I mean, if you had a bank account at the Treasury Branch, freedom of information dictates that we give you the balance, Mr. Speaker. Well, that's the kind of *Nineteen Eighty-Four* Orwellian scenario they're painting for us here, Mr. Speaker, and I tell you one thing: the people of Alberta and the Conservative Party object to that manifesto, Mr. Speaker. The people of the world object to that manifesto, and these people across the way are from the Dark Ages. I can't believe and I'm offended by this position over here, Mr. Speaker: the mistruths, the unfortunate statements, the illogical connections . . .

MR. McEACHERN: Name one.

MR. JOHNSTON: And the loose-lipped Member for Edmonton-Kingsway among them is the one who is misleading this House, Mr. Speaker.

Now, what we have said time and time again is that in this province we have put in place one of the finest financial institutions ever amassed in Canada. The Treasury Branches, Mr. Speaker, have now over 50 years of operation in this province, a very proud record, a very proud record. And through these difficult times that we've had in this province – two recessions, in '83 and '86 – I've had many small businessmen come to me and say, "You know, the government, the Social Credit Party and their side, deserve a great deal of credit for the way in which this fine financial institution has operated." It saved us, Mr. Speaker. It saved us from the negative impact of a central policy in Ottawa, of a retraction of credit opportunities for the small businessmen here in our province. It has been the Treasury Branch and the way in which it has operated over the past 50 years, and, more importantly, in the last decade, that has allowed this province to grow, to prosper, for the private sector to generate new investment, for individuals to have confidence in the financial systems of this province.

Behind it all was our determination as a government to ensure that this institution operated with some fundamental principles which, I point out, upset the Marxist socialists across the way. Now, those principles, Mr. Speaker, are quite clear, quite clear: confidentiality, sanctity of the business transaction, Mr. Speaker, must be utmost in the operations of any financial institution. What do we have here? We'd have these people throw it aside at whim and fancy. Freedom of information: give us the data; tell us what it is; we'll tell you whether it's right or not. Wow, there's certainly a credibility gap there, isn't there, Mr. Speaker, when it comes to business transactions? You can put the number of business transactions there on the feathers from the chicken coop, because they float around. We don't know what these people did, Mr. Speaker. [interjections]

MR. DEPUTY SPEAKER: Order.

MR. JOHNSTON: Yeah, chicken. We can hear them crowing, Mr. Speaker. We can hear them crowing over there.

AN HON. MEMBER: It's not even morning.

MR. JOHNSTON: Well, as the member from Red Deer reminds me, they think the sun rises to hear them crow, those roosters across the way.

That's one of the principles, Mr. Speaker, one of the principles that we hold so, so important to us, and we have operated in that fashion. We have operated with that arm's length – we want to make it clear and to guarantee to individuals who deal with the Treasury Branch that their transactions are safe from intrusion by those socialists across the way and are done in a very clear, businesslike manner. We've operated that way, Mr. Speaker, will continue to operate that way, and we will not be pushed by the illogical needs of these socialists across the way.

Now, secondly, Mr. Speaker, we find that the people who operate the Treasury Branches exercise amazing judgment in the call. They balance it with the economic times of the province, as I have properly pointed out, and in fact the Treasury Branch has allowed small businessmen to move through this cycle. But, at the same time, they use very good judgment in their credit decisions, and that has been attested, Mr. Speaker. Yes, the Treasury Branches have lost money over the past couple of years. That's because there was a downturn *in* the economy and because there was a change in inflation which affected the real estate market, Mr. Speaker, and with all cycles in the economy there have to be losses. It's quite logical. It's illogical for the socialists, I know, but it's logical to most thinking people. As a result, Mr. Speaker, the Treasury Branches also got through that period.

So the credit decisions of the Treasury Branches are quite strong and their judgment is fine, and I have a great deal of confidence in the ability of those individuals who make these judgments. Now, they would not just advance money without having security. Security: s-e-c-u-r-i-t-y for those of you across the way who don't understand what it's about; security. They ensure, Mr. Speaker, that there's cash flow. That's the dollars that come in as opposed to the dollars that go out, for those of you across the way who don't know what it's about. Cash flow, Mr. Speaker, cash flow. They register certain caveats against the property and make it public, which in fact is the only reason they triggered this \$100 million debenture, and it's the only reason these people know about it, because it's a matter of public record, a matter of public record because it secures the position of the Treasury Branch. On top of that, Mr. Speaker, you can be assured that the Treasury Branch will take all other possible precautions to ensure their position. Now, that's what we do; that's how we operate the Treasury Branch. So there are two very simple fundamentals.

Thirdly, of course, the fundamental is that the Treasury Branch makes money on the deal. I mean, you don't lend money without getting paid for it. We believe that if the Treasury Branch takes a position, provides a mortgage or provides a loan, it gets paid for it. I can assure you that no one has told me any differently. That's how the Treasury Branch operates. That's how it's going to operate in the future, and that's how it's going to return to health. That's the way it works.

It's not a secret. It's called profit, Mr. Speaker. Now, that again is a concept that is vague and blurry in their minds, because they've never been driven by the profit motive. They've been driven by the socialist motive, and that of course is being challenged worldwide as the trends take place. I mean, I could quote them Gorbachev and others which would probably – I'll save it for another day, and we'll give you some more quotes

later on about how Marxist socialism is eroding and what's really happening in the world. You know, the debate between capitalism and socialism is over. The debate is over; capitalism won. You don't have to say any more; that's what happened. I know these guys are embarrassed across the way. Socialism here, and socialism will save the day, and Socialist International – give me my heaven, give me my umbrella, it's going to be Socialist International day again. [interjections] Exactly, you got it. You got it.

Well, Mr. Speaker, that's how it comes back together, you see. That's what it really is about: is it *Nineteen Eighty-Four*, or is it the rights of the individual? Well, I remember reading *Nineteen Eighty-Four* some years ago, about 1964, dreading that kind of an opportunity, listening to those socialists who would suggest it as their option, Mr. Speaker. It's past us; not only is the book past us, but the notion, the principle, the philosophy is past, and that's fortunate for us. That's exactly what we want to see: the opportunity for the market economy to take place. The people have a right to protect their individual jurisdiction, their rights, their decision. That's fundamental to us, and intrusion by government has to be prevented at all costs.

But when you look at this particular order here under the guise of needing to know, under the guise of information returns, under the guise of protecting the taxpayers' dollars, well, guess what, Mr. Speaker? It's not the taxpayers' dollars at all that are involved here. No, not the taxpayers' dollars; these dollars belong to the depositors, the people who have trust in this entity, who believe that the guarantee of the government behind all of their deposits is significant. But it's not the taxpayers' dollars. These are independent dollars, decisions made by independent managers, and we ensure that our operations are independent of government.

Well, let's never have a day where government has to adjudicate what is done in the private sector, where the thesis of Marxist socialism pervades our daily lives, where we have to turn over to some invigilator information which is driven by market forces. Nay, nay, nay. Let's not have that day in this part of the country, Mr. Speaker. Let's never have that happen here, because I know I speak on behalf of the government and certainly on behalf of the people of Alberta, who'd turn back clearly, as they did on March 26, 1989, this notion, this last decade idea about how governments would operate. That's what's happened, Mr. Speaker, and that's what's shown here. So let's get your heads together, you people across the way. I mean, if in 2084 you have a chance of forming a government, you have to start now. You have to start now with some clear principles which protect the rights of the individual, which remove government from the activity of you and me on a day-to-day basis.

They fundamentally have to change their philosophy, Mr. Speaker. Marx had some good ideas. I know it's the only fundamental principles these people across the way have, but Marxist socialism is the heart of their idea. Now, where's Dave Werlin, for example, good old Dave Werlin? He's a member of the ND Party. At least he comes out and says he's a Marxist socialist, Mr. Speaker. [interjections] Did I trigger a little . . . Oh, I must have pushed the wrong button over there, Mr. Speaker. I just wanted to line up some of the famous Marxist socialists that I have known. Dave Werlin, a member of the ND Party, was a very significant and up-front member of the Marxist socialist group. He had a little different definition of himself. It started with "C" I think, as well, but he was clearly a Marxist socialist, and he identified himself with the ND Party across the

way. So, Mr. Speaker, we had [inaudible] many people who are members of this party. We know where their philosophy is coming from. Again, unfortunately, time after time after time, it shows up in their attitude, as reflected in these motions for returns.

So, Mr. Speaker, let me draw this to conclusion, not disappointing the Member for Vegreville at all; I'm never going to disappoint the Member for Vegreville. Unfortunately, for the very cogent and clearly outlined reasons that I've just given you, Mr. Speaker, we absolutely have no choice at all but to refuse this order, and I know that Albertans will stand behind the decision. I know the members of the government certainly will support that on a full philosophical base. Therefore, Mr. Speaker, I urge all members of the Assembly to vote against this; not against the resolution so much, but against the principles which are manifest in its reasoning.

Thank you, Mr. Speaker.

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

MR. SIGURDSON: Well, thank you, Mr. Speaker. You know, today when I was flipping through my mail, I saw that the latest edition of the Fraser report had come out. Always wanting to keep up on right-wing thought, I flipped through to an article written by Walter Block that talked about three socialist parties in Canada. Now, I was quite offended by that remark, and I'm sure that there might be one or two others in my caucus who would be offended by that, because Walter Block, who is this great right-wing ideologue in Canada today, is suggesting that, my God, the Progressive Conservative party is a socialist party; the Liberal party, if you can imagine it, is a socialist party; and of course he attributes that the New Democrats are a socialist party. So he's got one out of three; that's not too bad.

[Mr. Jonson in the Chair]

But, you know, I wonder if in the political science lesson that the Provincial Treasurer tried to give to us – he identified us incorrectly, to a degree, as Marxist socialists. Now, I know that my colleague from Edmonton-Jasper Place shouted across the way: "What are you? A Groucho Marxist?" Well, I would hope that on occasion he might become a bit of a Harpo Marxist, after having to listen to what he had to say just recently. I'm actually quite surprised, Mr. Speaker, that he would want the Assembly to deny this motion, because recently we had a television program, the *Fifth Estate*, that Peter Pocklington was on. Peter Pocklington was on that show and said, "Boy, the province got caught in a bad deal, a bad deal for Alberta taxpayers." Why did they do it? Well, Peter Pocklington offered that he didn't know, and that's amazing; that's quite amazing. Now, you know, I've watched the Provincial Treasurer get up on a number of occasions in the Assembly when we've suggested that certain things have not gone according to the government's plan. The Provincial Treasurer stands up and he responds in French by saying, "Oh, Mr. Speaker, au contraire." Or he responds in Latin by using words I don't understand or responds in a manner that's really quite glib. And he defends the indefensible. He has to do that quite frequently in this Assembly, Mr. Speaker, because far too often there have been deals made behind closed doors and when light is shed upon them, we find that they're rather ugly. And what have we got now? We've got the Pocklington affair.

There's Peter Pocklington standing up and saying, "Boy, this is a bad deal," and for the first time . . .

MR. McEACHERN: That was the Gainers deal.

MR. SIGURDSON: That was with Gainers, indeed, but they also talked about Palm.

Now, for the first time we have the Provincial Treasurer standing up and saying, "Well, we can't release it." We can't defend the indefensible this time, and he hides that behind the matter of privacy. He says there's an arm's-length relationship between the government and matters of private dealings with private business. I think the problem with all these arm's-length relationships is that at one end of the arm we've got the digit that's the pointer – and that's deemed to be an offensive symbol; we see it on bumper stickers – and at the other end of the arm we've got the pit and that often produces a rather smelly substance. But either way we're getting a bad deal. Whatever end of the arm you're looking at, either the middle digit pointing at us or the pit, we're getting a bad deal and we know it, and so do Albertans, and they're actually getting very tired of this.

Now, I'm surprised. I would have thought that here's an opportunity the Provincial Treasurer would have taken advantage of; he would have stood up and embraced this opportunity by saying: "Oh yes, Peter Pocklington. Boy, what a far-fetched idea he was offering in that televised program. Here are the documents that show that what we were doing was correct. Here's the opportunity to show Albertans that what we were doing was wise, was sage, was truly responsive to the needs of all our hopes and aspirations." But what do we get? We get the Provincial Treasurer standing up and saying, "Oh no, you can't have that." Another little bit of sweeping, a little more dirt swept under the carpet. Why? Secrecy? Public dollars? Privacy? No. This one just saves the embarrassment, the embarrassment of members of the Progressive Conservative Party or, as Walter Block likes to call them, the right-wing socialist party in Canada. What a pity. What a shame. A golden opportunity and he blew it.

MR. ACTING DEPUTY SPEAKER: The Member for Calgary-Mountain View.

MR. HAWKESWORTH: Thank you, Mr. Speaker. You know, I was immensely entertained by the Provincial Treasurer this afternoon. I'm not usually one to extend my compliments to that hon. gentleman, but I was immensely entertained by his performance this afternoon, especially the fact – I lost count after a while – that he wanted to impress on members of the Assembly that there's some group in this Legislature called Marxist socialists. He wanted us to know so badly that there is a group that he repeated it, repeated it, repeated it. I think he was directing that label to us on this side of the Legislature, which I find rather interesting, Mr. Speaker. In previous sessions we were simply your run-of-the-mill, dime-a-dozen socialists. Now, however, we're really getting to the core, really getting to the Provincial Treasurer, because now, as I take it from his comments, we're Marxist socialists. Ow, that one really hurt.

Well, I was thinking to myself: Marxist socialism, Marxist socialism. What is Marxist socialism, Mr. Speaker? I kept struggling with this. Is that where the government owns a lending institution that provides money to members of the ruling government party, gives them privileged access to lending from



that institution, where loans of money are provided to friends of the government and then the government refuses to tell the public what's going on, where it hides and covers up its financial dealings? Is that what Marxist socialism is all about, Mr. Speaker? I don't know whether they have that in Russia. I've never been to Russia. I don't know whether they have that in Cuba. I've never been to Cuba. But we find it today in the Alberta Legislature. That's where the government has a lending institution called the Treasury Branches, where members of the ruling party get to go to the Treasury Branch, get access to loans that aren't available to other members of the public, and then when we ask the government to reveal the policies and agreements of its financial institution, they're denied to us and to the public.

Well, you want to look at the mirror, Mr. Speaker. If there are Marxist socialists in this Legislature, they're sitting over there on the other side of the House. No wonder the Provincial Treasurer can quote Gorbachev. No wonder he knows so much about Marxist socialism. It seems it's being practised every day by the Alberta government. Capitalism won, he says. Well, I can't tell what the difference is between the way this government operates its financial institution and what probably goes on in Russia or Cuba.

Mr. Speaker, I don't know whether the Provincial Treasurer was a comedian trying to do a poor imitation of being a provincial treasurer or a provincial treasurer doing a poor imitation of a comedian. But given his refusal to provide us with any information, perhaps we should refer to him as a zippo Marxist instead of a Groucho Marxist. He says that we're providing all kinds of false information and innuendo about this situation, yet when we ask the Provincial Treasurer to provide us with information that might prove we're saying anything wrong, well, no, that's a different story; he's not going to give us that information. If he wants to disprove, if he believes he has the information to disprove what we're saying, I'd like to see him table it, but to this point he's refused to do that.

Now, the question is: \$100 million to Peter Pocklington in order to purchase Palm Dairies Ltd.; \$52.5 million to purchase Palm Dairies. Nobody has disputed that fact. Mr. Pocklington said in a television interview, "Oh, well, I got 52 and a half million dollars to purchase Palm Dairies; the rest was an operating line of credit." Mr. Speaker, the last time I looked, if you went into the bank to buy a company, you were expected to put up your own equity. If \$100 million covers the entire purchase price of Palm Dairies plus an operating line of credit on top of that, where was Mr. Pocklington's equity? Where was it? Huh? How come he wasn't required to provide that? At least that was certainly his allegation in answering this question on a television interview. I wouldn't presume Mr. Pocklington would be trying to mislead anyone by making that statement, and I'm taking him at his word. How come he gets privileged access to \$100 million? How come he gets 100 percent of the purchase price lent to him and on top of that an operating line of credit? Is that because . . . Well, why is that?

We haven't had the Provincial Treasurer, for all his rhetoric, explain to us that little situation. When we asked for the information, the documentation that might clarify the issue, oh no, that's something the Provincial Treasurer wouldn't want us to see. No, of course not, because it might say more about the Treasury Branches than it says about Mr. Pocklington. It might say more about this government than it says about Mr. Pocklington. Let's not confuse the issue, Mr. Speaker. The Provincial Treasurer is not trying to protect Mr. Pocklington; he's

trying to protect himself and this government. That's what this is all about. It has to do with the lending policies and procedures of this government and how it is that certain individuals get privileged access which other individuals in this province don't get. That's what this is all about. The sooner we have a different approach to governing this province and looking after its financial institutions owned by the people of this province, it will be a lot better place for all Albertans and we'll get much better government as a result.

Yes, Mr. Speaker, I think we have something more to learn than what they can teach us in Russia, and I think we have a lot more to learn that what can be taught to us by this Provincial Treasurer.

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

MR. McEACHERN: Thank you, Mr. Speaker. I just want to add a few comments to those of my colleagues. This motion for a return is merely asking the government to show us what the terms of the agreement were that got \$100 million to Peter Pocklington from the Treasury Branches, and the Treasurer took the opportunity to tell us what we stand for and made a lot of innuendos, suggesting we didn't know what we were talking about and that a lot of the facts we were putting forward were wrong. Well, he didn't indicate one specific fact raised by members on this side of the House that was incorrect. What we have put forward is what we know, and what we're asking for is what's really going on. The Treasurer, of course, was not willing to tell us what's really going on because of the way they manipulate the Treasury Branches.

Our party has been supportive of the idea of having Treasury Branches, for the information of the Treasurer. We think there's nothing wrong with that, for the province of Alberta to have its own bank. Certainly a lot of development in this province is based on borrowing from eastern banks, and we know that they will pull out on us when the economy sneezes. Our resource economy is very cyclical and the banks aren't about to take a loss in their regions out of charity, so it's important that we have some financial institutions of our own. The province has tried hard and basically failed, except that we still at least have the Treasury Branches, some credit unions, and one trust company.

I assume the Treasury Branches are run by people that want to make the Treasury Branches work. It's interesting how the Treasurer talks about inaccurate facts, yet he threw out a statement here a minute ago that of course the Treasury Branches lost money for a couple of years because of the business cycle. A couple of years? Ridiculous. They've been losing money since 1984 or '85. In the last five years they've lost \$2.5 million. As well as that, they also wrote off some \$200 million. As well as that, they got back \$153 million from the bailout of North West Trust when the feds put the money in that I mentioned a little while ago. So for the Treasurer to say the Treasury Branches have just had a little kerfuffle because of the business cycle is sheer nonsense.

The fact of the matter is that the Treasury Branches were in a lot of trouble because this government let them, told them to . . . They wouldn't have done it on their own. I cannot believe that the managers of any self-respecting institution would have done it on their own, but they loaned the old North West Trust over a half a billion dollars in 1983, '84, and '85. The company didn't even have the decency to put out an annual

statement in '85 and '86. Finally, the government took them over in '87, and we're still paying for that. That's the reason we have Treasury Branches with a debt of \$250 million, which they're carrying on the books, and have written off some \$200 million and got \$153 million from the bailout of the North West Trust empire. I just cannot believe that any self-respecting institution would have put 15 percent of their portfolio into one company they knew was going down the tube unless there was political pressure on them to do so.

As to the Peter Pocklington deal, I cannot believe that the Treasury Branches would have given him \$100 million unless this government told them to. This government has not been at arm's length from the Treasurer Branches on those two accounts at least and on others. In fact, when they lifted the licence of Principal Savings & Trust Company, they insisted that the Treasury Branch be prepared to lend up to \$1,000 to each depositor in the Principal Savings & Trust Company. They didn't compensate them for it. They didn't give them the money to do that. They just said, "Do it." So anybody that had a deposit in Principal Savings & Trust Company when Dick Johnston pulled the licence on that company was allowed to go to the Treasury Branches and say, "We want to borrow up to \$1,000 to get us through this month while the paperwork is being done to sort this deal out." Then they had the gall to say it would be wrong to use the Treasury Branches to purchase the assets of Principal Savings & Trust Company and pass out the money to the contract holders.

AN HON. MEMBER: Why don't you get back on the topic?

MR. McEACHERN: Well, we were talking about being on topic a while ago and Dick Johnston was waxing all over the map and bragging about the Treasury Branches in a comprehensive way, so I think I have the right to say a few things about the Treasury Branches related to how they operate and why we're not getting the information for this particular deal.

AN HON. MEMBER: Stick with the facts.

MR. McEACHERN: I have. I haven't given one misfact. You show me one misfact that I've given.

So Peter Pocklington was able to get \$100 million, as far as we know with no collateral. Dick Johnston tells us there was, but let's see it. Where's the proof? He not only bought the company but he's now thinking of selling it, and I wonder what kind of price he's going to get. Has it gone up from \$52 million? Is the Treasury Branch going to get back its \$100 million? Who's going to take over the company? There are a lot of questions to be asked about where this is going and whether or not the taxpayers will get their dollars back.

If you're going to use them for government policy, the Treasury Branches have to be treated just like you would treat the credit unions or the banks for government policy. You should not be interfering in telling them what they have to do. If you're going to get them to administer some particular program like the one I mentioned a minute ago for Principal Savings & Trust Company, then you give them the money and pay them a fee for administering it. That's quite an acceptable way to use the Treasury Branches provided they wish to buy into that program, the same as any bank might buy into, say, the farm credit stability program. You know, the Treasury Branches bought into the farm credit stability program. That kind of arrangement is perfectly acceptable. But to tell the Treasury

Branches that they've got to loan money to a Peter Pocklington or a North West Trust Company is a misuse of the company. Or to tell them they have to give a thousand dollars to anybody who had money in the Principal Savings & Trust Company when the Treasurer chose to lift the licence on it is a misuse of the Treasury Branches.

So the Alberta government needs to stop and think about where it's going and what it's doing. The kinds of things they're doing have kept them in power for a long time because people have not been prepared to speak out. But you'll see it. The time is coming. Enough people are getting upset enough with these kinds of manipulations and this kind of policy to start speaking out. The government is going to be sorry, because those are the kinds of things that will get them unelected.

MR. ACTING DEPUTY SPEAKER: The Member for Vegreville, to close debate.

MR. FOX: Thank you, Mr. Speaker. I was hoping some of the back-bench members of the Conservative caucus who were alleging that we were stating mistruths would take advantage of the opportunity to stand up and prove us wrong on anything we've said today. They obviously can't, nor could the Treasurer. They haven't been able to do that.

I was most intrigued by the arguments advanced by the hon. Provincial Treasurer. I won't go into them at length, but I found his basic intention quite intriguing. The reasons he was providing to us for not complying with our motion for a return that agreements, correspondence, and other documents relating to understandings between the Treasury Branches, Palm Dairies, and Peter Pocklington relating to this \$100 million line of credit be tabled and made public – just unbelievable reasoning on his part. He says that these are private deals, private enterprise doesn't work that way, to make this kind of thing public would be an invasion of privacy, and there's some sort of underhanded socialist hidden agenda here. I mean, he keeps talking about private deals, but they use public money to do it.

I get a kick out of this private-sector reject trying to lecture us about sound business practice, Mr. Speaker. You can check that in *Beauchesne*; I think that's fine. In the four years he's had his hands on the levers of government under the leadership of Premier Getty, they've driven this province \$11 billion into debt. And that shouldn't surprise us. That shouldn't surprise us because it's the Conservative way. That's the way business is done when Conservative governments are in power. It didn't reveal itself during the early days when Peter Lougheed was in charge because they had so much money coming in they couldn't possibly spend it all. In spite of the fact they were spending public money on their private-sector friends' business deals, they couldn't spend it all because there was too much coming in. But when budgets got a little bit tight, then the fiscal incompetence and gross mismanagement of this Conservative government became apparent, made obvious by the kind of deal they made with Peter Pocklington, instructing the Treasury Branches to go out and make some kind of suspect deal with one of the least credible businesspeople in the province of Alberta, made at a time when there wasn't a soul in the province of Alberta who would lend this guy 30 bucks, and these guys go out and lend him \$100 million. It was a ludicrous arrangement to be sure.

For the hon. Provincial Treasurer to indulge us with a whole bunch more of his bean-counter bafflelegab about sound business practices is just ludicrous, Mr. Speaker. I can hardly believe it. I'm of the opinion that if you gave the hon. Provincial Treasurer

\$20,000 and asked him to run a lemonade stand, he'd go into debt and be broke in a matter of a couple of months. It's the Conservative record, as evidenced by the amount of red ink our books are awash in.

MR. JOHNSTON: Who are you speaking to?

MR. FOX: I'm speaking to you, hon. Member for Lethbridge-East.

He's comparing governments. We could talk about the Devine government in Saskatchewan, another Conservative government that's driven a healthy economy deep into debt. Thatcher's another good one. That's another one going down the tubes. But I won't, because we have some other important issues to deal with here, and I'm sure the Provincial Treasurer will comply with motions for returns on several of these other items. So I'll close debate on this one.

[Motion lost]

MR. GOGO: Mr. Speaker, I would move that all motions for returns appearing on the Order Paper stand and retain their places on the Order Paper.

[Motion carried]

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

206. Moved by Mr. Tannas:

Be it resolved that the Legislative Assembly urge the government to establish a committee that will explore and recommend a system of incentive awards to public service employees whose suggestions or initiatives result in significant savings in public expenditures or increased operational efficiency.

MR. TANNAS: Mr. Speaker, it's a pleasure to move Motion 206. The purpose of Motion 206 is that it seeks to establish a committee that will look into a suggestion awards program for employees of the Alberta government. A suggestion awards program would encourage employees to make recommendations regarding the operation of government departments, programs, and services in order to improve efficiency and save money.

The government of Alberta has consistently demonstrated its commitment to reducing the cost of government. We have the best expenditure management record in the country. We have held expenditure increases to an average of 1.8 percent since 1985-86. The recent Speech from the Throne, which opened this session of the Legislature, reaffirmed the government's determination to control costs. I am confident that through careful fiscal management, the elimination of duplication of programs and services and an expanding economy, the goals of balancing the budget while maintaining a high quality of service will be achieved in the coming year.

The budget speech confirmed the government's fiscal direction. This year the deficit will be reduced by over \$1 billion. Next year it will be eliminated, and Albertans will once again have a balanced budget. Our expenditure management program has been very successful over the past five years, and we will continue the efforts to squeeze savings from government operations. We'll work to continue to identify additional cost savings during the 1990s, thus the purpose of the motion.

As stewards we are committed to responsible administration of the province's affairs and will continue to develop innovative strategies to maintain the high quality of government programs and services Albertans have come to expect. We will strive to make effective use of every tax dollar that is collected.

A suggestion awards program for the Alberta civil service could be an integral component of the government's expenditure reduction strategy. The purpose of a suggestion awards program is to implement cost-saving measures through employee participation. Why not provide some incentive and recognition and appreciation for employees who take a careful look at the way their department is run?

I'd like to speak for a moment, Mr. Speaker, on the history of incentive awards in Alberta. In 1958 an order in council introduced a program which was called the suggestion award plan. It was administered by a special board, but alas, the board operated sporadically until July 26, 1966, which was the date of the last recorded meeting of that organization.

There are some reasons one could offer for the plan's failure. The first is that the commitment to the plan diminished rapidly as time went on from its inception. During 1958, the first year of its operation, 102 suggestions were received by the board. By 1964 that number had dwindled to 39. Records are incomplete, but it would appear that resources were insufficient to maintain interest and participation of either the government or the civil service of the day. A second reason for the failure of that program is that the board itself operated only sporadically. Records indicate that although suggestions were received in the year 1961, the board did not meet in that year, nor did it meet in the following year, 1962. The third reason for the program's failure would be the lack of any thorough follow-up. This made it impossible to measure whether or not the operation of this suggestion awards plan was in fact resulting in any financial saving for the government of the day. Without this type of evidence it was difficult to justify a program of this nature, so it was discontinued.

In 1984 the hon. Member for Little Bow introduced a private member's Bill called the Government Employees Incentive Act. This Bill was based on the belief that efficiency and productivity in government would increase if an employee incentive award for cost-saving suggestions was established. As is sometimes the case with private members' legislation, the Bill never reached second reading.

At the present time, Mr. Speaker, the Department of the Solicitor General offers an employee suggestion award as part of a broader based awards program within that department. The suggestion award is just one of six comprising the employee awards program. Others include awards for long service, perfect attendance, retirement, and the like. Monetary awards under the suggestion component range in value at the present time from \$50 to \$500 dollars, depending on the cost saving involved.

I want to mention, Mr. Speaker, a few suggestion awards programs that are presently operated in other jurisdictions. Now, while Alberta did not have much success in the past with a suggestion awards program, other jurisdictions in recent years have had, and they report remarkable success. British Columbia, for instance, has a program in place which provides a cash award ranging from \$100 to \$25,000 depending on the savings resulting from a particular suggestion. The program runs government-wide, with the exception of employees in the Treasury Board and the program itself and the provincial Crown corporations. The B.C. plan has been quite successful. Recently two Ministry of Health employees were awarded \$25,000 for a suggestion which

resulted in savings of \$250,000 in provincial debt servicing costs in the year 1988-89 alone, and savings are expected to exceed \$400,000 by the fiscal year 1991-92. The B.C. program, then, has over the past four years netted an average of almost \$550,000 in annual savings to the province, and the co-ordinator of the program has stated that there is greater potential for savings in the future.

Our own federal government has had a suggestion awards program in effect since the Treasury Board authorized its implementation in the year 1958. The program is similar in nature to that of the provincial Solicitor General's department that I just described. The suggestion awards program with the dominion government is one of five components which together make up their incentive award program. Again, this program operates on a department-by-department basis for administrative purposes, though the Treasury Board has overall control. The maximum award in the dominion government is \$10,000.

New Brunswick's suggestion awards program is entering its third year. Employees are eligible for cash awards ranging from \$50 to \$2,000. The province has recently expanded its program to the educational district and plans to initiate a similar one in the area of health care.

I cite these examples, Mr. Speaker, in part to underline, underscore, that perhaps it would be worth our consideration to bring this program to Alberta. The widespread implementation of suggestion awards programs in both the public and private sectors has led to the evolution of support and information organizations. Most notable of these is the National Association of Suggestion Systems, or NASS, headquartered in Chicago, United States. NASS is an international organization dedicated to improving the worth, contributions, and benefits of employee suggestion systems. The association publishes summaries of promising ideas so that other organizations may benefit. The National Association of Suggestion Systems boasts a membership in excess of 1,000, including numerous Canadian members. Some Canadian members of NASS include the government of Ontario, Revenue Canada, Canada Post, not to mention the cities of Calgary and Toronto.

Mr. Speaker, I am suggesting that Alberta's committee would attend to the details and the mechanics of the program. Our purpose today is not to get into the specifics of how an incentive award is judged worthy and the particular sums of money that might be involved. Criteria can be established by the committee after it has reviewed the programs that are currently in operation in other jurisdictions. The debate this afternoon, I am sure, will focus on the general use and value of employee suggestions for increased efficiency, supported and encouraged by appropriate incentives.

There are basically two gauges of the effectiveness of a public agency: one, perception of the general public as to how a government is performing; and two, its ability to locate and allocate scarce resources effectively and efficiently. A suggestion awards program contributes under both these measures.

A suggestion awards program will demonstrate to the public that a government is committed to reducing costs and saving tax dollars. Albertans know that we have the best expenditure management record in Canada, but they also want the deficit eliminated. If such a program were in place today, it would certainly be contributing to reduction of the provincial deficit and help to ensure that it is eliminated within the next year. Incentive schemes enable government departments to communicate successes and problems in resource administration to management, the Legislative Assembly, and the public. Sugges-

tion awards programs promote a work environment that is dynamic and improvement-minded by focusing on the importance of safety, service, efficiency, economy, and by encouraging suggestions in support of these ongoing, worthy goals. Such programs, Mr. Speaker, help instill and support the value of innovation and management change vital to the effective operation of any organization. A suggestion awards program will boost morale by providing a means for employee input to improvement of operations. Furthermore, a survey conducted in 1983 by the National Union of Provincial Government Employees found that nearly 80 percent of provincial government employees felt there was room for improvement in the efficiency of their departments. In many cases, workers rather than management have the best suggestions for improving efficiency.

This government has repeatedly stated its commitment to increased efficiency and reduced government expenditure. Motion 206 complements that goal. Ideally, suggestions will pour in that will result in the saving of perhaps millions of taxpayers' dollars and improve efficiency markedly. At worst, the cost of such a program would be nominal. There are few, if any, negative consequences, and communication between employees and management would be greatly enhanced if such a program were adopted. Research clearly demonstrates that monetary rewards are important. However, given adequate salaries, pensions, and wages, employees are motivated in important ways by recognition and appreciation. This motion attempts to harness this powerful motivating force.

Mr. Speaker, I look forward to the comments of fellow MLAs on this motion.

MR. ACTING DEPUTY SPEAKER: The Member for Edmonton-Beverly.

MR. EWASIUK: Thank you very much, Mr. Speaker. I want to rise and make a few comments on Motion 206, and certainly I think in principle it's a good motion and indeed deserves to be supported. However, I want to add my comments as to what I think needs to be done to in fact encourage public employees to be helpful in terms of making suggestions and having the incentive to do so.

I think it takes a good management style to initiate that kind of program. My experience has been that employees generally are prepared to and want to be part of a team, be it an office environment, be it another outside worksite, whatever that is. I think that unless the management staff or the management style is prepared to accept employees as part of a team, you're going to have difficulty getting the kind of co-operation that has been suggested and the kinds of things that are being put forward in this motion. I think suggestion boxes and those kinds of things are applicable throughout the industry, both private and in the public sector, and it's been utilized for a long time. It's not a novel idea.

I think it does have merit, provided there is an addition, as I said earlier, to providing some incentive for employees to do this. I want to make some suggestions on how I think it needs to be done. I think the mover of the motion has addressed some of those, but I want to put forward another couple of ideas that I think need to be done that would help in doing what is being suggested in this motion.

Probably the most important thing that I believe employees feel a need to feel – again, I say irrespective of whether it's an office or whether it's outside work – is that they need to be

consulted in the decision-making process. I think they want to feel part of the operation. They want to feel part of that team. As just stated, most of your good suggestions will come from the working level rather than perhaps the management level in terms of efficiencies and things like that in an operation. Employees also want to feel that they have a responsibility, that they are responsible, that what they're doing is a responsibility, something they feel they are contributing to the operation and that they're not simply there to sort of carry out the mundane directions that are given to them, but simply that they are there because they are responsible and have responsibility in carrying out certain tasks. I think employees, when they're consulted and have responsibility, are going to be employees looking for efficiencies and ways to improve the operation.

I think you also have to ensure that employees are proud of where they are working. You want them to feel that they want to come to work in the morning. They may want to stay even later or work more than perhaps normally because they're proud of what they're doing and they're proud of where they are and they're proud of the responsibilities they have and are also proud of the kind of consultation management asks of them when decisions are being made. I think it's that kind of pride that employees require to enable them to contribute to the kinds of incentives and kinds of suggestions that are being asked in this motion.

Having done that, I think what's going to happen is that you're going to develop some loyalties from these employees. Because they're doing all the other things, they'll be loyal to their managers. They'll be loyal to other employees and loyal generally, in this case, to the government. I think that's also very important. I think we want to ensure that those that are working for us are loyal, are carrying out their responsibility because they feel that they do something important and that they want to continue to be looked upon as someone that'll take on responsibility, and they are being consulted.

Of course, when you've done many of those things or all of those things, you then have good morale in your operation. That is so important. If employees are coming to work and really don't like what they're doing, aren't happy with what they're doing, then obviously the morale is not going to be good, your productivity drops off, and certainly you're not going to have suggestions and ideas come forward because these people won't be thinking about suggestions and ideas. They'll probably be thinking of how they can perhaps get another job or go somewhere else.

I think the work environment is also very important. In this day of computerizing offices particularly, it's very important that the workstation for those employees is placed well, in such a way that it doesn't hinder the employee from performing well. I have some information, although I don't want to talk about it particularly today, that there's a lack in many, many, many workstations relative to computers. That is probably one of the most damaging areas. Care is not taken to ensure that the workstation is comfortable, is a healthy workstation where employees are comfortable and can work at their optimum levels. I think there's a need for the government to ensure that checks are made to ensure that workstations throughout our departments throughout the province where computers are being used . . .

MR. ACTING DEPUTY SPEAKER: Hon. member, I'm not drawing your attention to the time but to the fact that you are drifting somewhat from the topic at hand. The Chair ap-

preciates that you're giving some alternative areas of concern to that proposed by the hon. Member for Highwood, but to go into detail in that direction I do not think is appropriate.

MR. EWASIUK: Okay. Thank you very much, Mr. Speaker. I simply was suggesting some of the ways, I think, to improve the morale. If you improve working conditions, you improve morale, and I think you get better employees and so on. It would help in doing what Motion 205 suggests.

Also, relative to things like health and safety, again here's an area that requires co-operation of management with the employees to ensure that the employees and in fact everyone on the worksite ensure that the safety of the operation is good so that there is no fear that people are working in an environment that is not safe for them. Co-operation: I think again it's the style of management that's really required in this area to ensure that we can have employees that are going to come forward with ideas and suggestions. Because certainly, if I may say, I think the mismanagement in government that has become very prevalent over the last several years suggests that there needs to be everything possible done to attempt to save dollars. If we can have our employees coming forward with suggestions and ideas – in the end I think there needs to be incentives as well. But I think if you make the work environment a good one, you really don't have to give people incentives. The incentives will already be there. It's simply a matter, then, of them taking the initiative to provide the ideas and suggestions to improve the efficiency of their operation.

I think if those kinds of things were done – and I suspect there are people in this Assembly today who are involved in public relations, employee relations, that I'm sure would agree with the things I've said or some of the things good management does to ensure that they have good morale in their operations, that they have employees who are loyal, who want to take responsibility, and who are pleased to come to work every morning because they're happy where they're working. If we can meet some of those objectives, then I'm sure Motion 206 would not even be a requirement. It would already be in place. Our employees would be doing the job they really wanted to do in the first instance.

MR. ACTING DEPUTY SPEAKER: The Member for Calgary-Millican.

MR. SHRAKE: Thank you, Mr. Speaker. I want to congratulate the Member for Highwood for Motion 206. It's a good idea. The city of Calgary's had this for quite a number of years, and the savings have been quite immense. I guess back in 1972 the city of Calgary brought in an organization of experts, consultants, known as Kates Peat Marwick, and had them do an efficiency study, and it cost the city of Calgary about half a million dollars. It was a very successful efficiency study. They did this study; they came forth. The savings ran around \$4 million a year. Now, this is back in 1972; \$4 million a year in your operating budget was a massive sum of money. You think, "Well, this wonderful efficiency study, you know, is terrific." But all these experts were an accounting firm and they had no expertise in running a city government, and the thing they did was very simple. They just went to each and every department of the city of Calgary, the massive number of departments, and picked the brains of all of the employees, and the employees were full of good suggestions, good ideas. Decentralize some of the operation in various ways: they saved a potful of money.

The city of Calgary is a small operation compared to the provincial government. So I think if this is administered properly . . . [interjection] That's a long time ago, before Bob even got on council. But anyway . . .

AN HON. MEMBER: Bob did a great job.

MR. SHRAKE: Thanks.

Anyway, the employees are the ones who are doing the work in the field on a day-to-day basis, and they can see the things that they often wonder why – they don't want to go to their employer too often, to the foreman or the boss saying, "Well, why do we do it this way," because often it looks like you're crabbing and so on. But the city of Calgary swung that around into quite a little operation, these suggestions.

And we'll give you cash, and we'll give you a percentage of what you save us. I don't agree with the Member for Edmonton-Beverly. It's surprising how you give that cheque for about \$3,000 or \$4,000 and that employee will put a lot of thought into it and a lot of his time, and he'll come up – we had a few inventions perfected on a sewer division in the city of Calgary by the guys that were going after a big savings, and they knew they were going to get their big cash. Plus the other part: the Member for Edmonton-Beverly is quite correct that you give them recognition. Don't let the boss take all the glory for this good idea.

We'd bring them down to city council, and we'd present them their \$4,000 or \$5,000 cheque. He's getting the recognition at city council. He's getting this cheque. The cheque's pretty nice there sometimes, when the bills are coming in. And we've got half the city employees down in that city who are thinking, "What can I think of in this department that'll be a savings for the city that maybe I can work out this suggestion, put it in, get the recognition, and also even get a few dollars?"

Well, you think of the thousands of employees we have in the provincial government, and they're spread over all parts of the province. Our operation's a big operation. We've got a \$10 billion operation out there, and some of the areas are out so far from the department. These people are operating out there. They're doing the best they can, and I'm sure from time to time they try to think, "If we did this differently, we could save, do this a lot cheaper, a lot better." They don't get around to putting that old suggestion in. You know, the word spreads among the employees. If the word went out that the guy over in forestry last week got \$4,000 for his good ideas, we would have several thousand employees out there racking their brains, coming in with some good ideas.

So I would like to see this motion adopted, and I would like to see us set up a good program. If need be, we'll copy the program the city of Calgary has, where we give them a little recognition, put them up in the Speaker's gallery, give them a little round of applause, and later present them their cheque or whatever and get them so they do feel good about being an employee. So I hope the members of the old Assembly here will give this motion some good consideration and approve it.

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

MR. BRUSEKER: Thank you, Mr. Speaker. I'd just like to make a few brief comments. I'd like to compliment the Member for Highwood for his motion. I believe it's a very thoughtful motion, and I think it's a very good suggestion. I do want to

make a couple of comments, though, in particular about some of the things in the motion, and perhaps he can consider those should a committee ultimately be established.

First of all, I think a number of members have made the comment that the people who best know the job are the people on the front line, whatever that job is. Whether it's driving a truck, whether it's operating a warehouse, whatever the job is, those are the people that can really have impact.

I know the Member for Highwood has a past similar to what I have in that we are both from the same profession, and praise is something that can go a long way. So a comment I would make is that I believe that while the incentive of a financial reward or financial award is something everyone likes to get, loves to receive, I would offer a caution that perhaps we not make the awards or rewards, whatever you want to call them, too large. In fact, I think back many times to my own past teaching experience. When students suddenly discovered that they understood something, the response they provided me when the light came on, if you will, was a tremendous reward in itself. I think that when students – and I think the same can be applied to adults – receive the recognition of their peers, that in itself can provide a substantial reward for the individuals involved.

So I think what we should be doing: first of all, I like the idea that this openness, recommendations and suggestions from employees, should be encouraged. Not simply allowed but should actually be encouraged I think is a very good suggestion. Regarding the committee itself, since we're on the topic here of fiscal responsibility, I would like to make a recommendation that the committee be kept small. I suggested five members or less simply from the standpoint that committee members presumably would be offered some sort of remuneration. Let's keep that cost minimal. Similarly, I would suggest that the duration, the life, of the committee should be kept as short as possible, not to restrict it but to prevent it from simply becoming an ongoing beast, a creature unto itself. So I believe we do need a committee, but I think the committee should be encouraged to work as quickly and expeditiously as possible, come forward with recommendations, and then the committee should be disbanded and the recommendations acted upon.

Going back to the awards and rewards, I would suggest that the suggestions made by an employee in a particular field be published in a trade publication, be published within his workstation, work area, and so forth, so that other employees see that suggestions are in fact received, are approved, and ultimately acted upon. There's nothing more frustrating than to put in a suggestion or an idea and not see it go anywhere. So the idea should be, in fact, to hold these ideas up and the individuals who present the ideas as models for other employees to follow upon.

A suggestion of perhaps expanding the concept a little bit. The motion as it reads suggests "significant savings in public expenditures or increased operational efficiency." I suspect it may have been an oversight, but I think there should also be consideration to – something the Member for Edmonton-Beverly talked about a little bit was workstation efficiency, but I think safety should also be a consideration. There is a potential cost and a tremendous cost both personal and financial if individuals are injured on the job. Lord knows we've all in our different constituency offices had to deal with workers' compensation claims. But I would suggest that if an employee can make a recommendation to improve the safety of the workers in that station, that should also be given consideration for rewards and incentives. So I hope that would be considered as well.

Working conditions in general. I know that although it's a fairly nebulous, tenuous concept, if worker conditions in whatever area can be improved, then I think that should be given consideration as well.

I believe it's a very good motion. I congratulate the member on it, and I offer my support for it.

MRS. OSTERMAN: Mr. Speaker, while I see that there's just a few moments left, I want to commend the hon. Member for Highwood in bringing forward this motion. I think that while a number of speakers have been into specifics – and it was really interesting to hear, particularly, the Member for Calgary-Millican talk about some personal experience with a sort of organization or this kind of structure that could make improvements.

But, Mr. Speaker, I wanted to make some observations. I think this motion really speaks to humankind and what it is that motivates us in the end, whether we like it or not. I think that probably the key in many instances is some type of reward system or, in fact, recognition. All of us in this Assembly – I think you can observe how we conduct ourselves, and when we all feel we have ownership of an idea and have been a part of putting it together to make it work, we support it. So I think that while this motion is a good one, it should be expanded. There should be an expansion of the committee in a way that the committee itself possibly could look at the kind of atmosphere and structure we have in many of our departments so as to lay that base for employee participation.

Mr. Speaker, in view of the time, I beg leave to adjourn debate.

MR. ACTING DEPUTY SPEAKER: Having heard the motion

to adjourn debate, all those in favour, please say aye.

SOME HON. MEMBERS: Aye.

MR. ACTING DEPUTY SPEAKER: Those opposed, please say no.

AN HON. MEMBER: No.

MR. ACTING DEPUTY SPEAKER: Carried.  
Hon. Deputy Government House Leader.

MR. GOGO: Mr. Speaker, as members have been advised, this evening the business of the House will be Committee of Supply dealing with the Department of the Environment. Tomorrow being Wednesday, it's the intent of the government in Committee of Supply to call the Department of Health. I move that when members reassemble at 8 o'clock, they do so in Committee of Supply.

MR. ACTING DEPUTY SPEAKER: Having heard the motion of the hon. Deputy Government House Leader, those in favour, please say aye.

HON. MEMBERS: Aye.

MR. ACTING DEPUTY SPEAKER: Those opposed, please say no. Carried.

[The House recessed at 5:27 p.m.]

