

LEGISLATIVE ASSEMBLY OF ALBERTA

Tuesday, May 9th, 1972

[The House met at 2:30 pm.]

PRAYERS

[Mr. Speaker in the Chair.]

INTRODUCTION OF BILLS

Bill No. 65, The Alberta Hospitals Amendment Act, 1972

MR. ASHTON:

Mr. Speaker, I beg leave to introduce a bill being The Alberta Hospitals Amendment Act, 1972. The objective of the bill is to clarify the relationship between hospital boards and hospital staff and thereby to minimize staff problems. In addition, as the hon. members are aware, the present act prohibits the release of hospital records. The present amendment would allow the patient or his legal representative to apply for a court order to obtain the release of those records.

[Leave being granted, Bill No. 65 was introduced and read a first time.]

MR. CRAWFORD:

Mr. Speaker, I move, seconded by the hon. Minister of the Environment that Bill No. 65, The Alberta Hospitals Amendment Act be placed on the Order Paper under Government Bills and Orders.

[The motion was carried without debate or dissent.]

Bill No. 54, The Mines and Minerals Amendment Act, 1972

MR. DICKIE:

Mr. Speaker, I beg leave to introduce Bill No. 54, being The Mines and Minerals Amendment Act, 1972. Basically there are two sets of amendments, one set deals with the removal of the statutory provisions dealing with maximum royalty provisions in leases. The second is designed to increase the turnover of petroleum and natural gas leases. It provides that the minister has the right to give a notice on a ten-year lease after five years so that the lessee will either drill or pay.

[Leave being granted, Bill No. 54 was introduced and read a first time.]

INTRODUCTION OF VISITORS

MR. DIACHUK:

Mr. Speaker, I take pleasure in introducing to you and to the hon. members of this Assembly a group of youngsters from my constituency, the constituency of Edmonton Beverly. They are Grade IX students from the Calvin Christian School located at 115 Avenue

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and 35 Street, accompanied by two of their teachers Mr. Rainier Vandelft and Mr. Harmen Leusink. They are seated in the members' gallery and I would hope and ask that they now rise and be recognized by this Assembly.

DR. PAPROSKI:

Mr. Speaker, I have the privilege of introducing to you and through you to the hon. members of this Assembly, some 50 students from the Northern Alberta Institute of Technology located in my constituency. I would like to congratulate them for coming and taking part in the legislative process and hope they continue their activity by adding ideas for us to act on. They are accompanied by their staff members, Mr. Monty Hall and Mr. Rod Ponech. I would ask them to rise now and be recognized by the Assembly.

ORAL QUESTION PERIOD

Future of Nursing Services

MR. DIXON:

Mr. Speaker, I'd like to direct a question either to the hon. Minister of Health or to the hon. Minister of Advanced Education, and it's regarding the Dr. Past report in reference to the nursing services in Alberta. I was wondering if either of the hon. ministers could enlarge as to what the government is going to suggest as to whether they are going to do away with the type of nursing service as we know it today. What are the plans of the government?

MR. FOSTER:

Mr. Speaker, I'm happy to reply to that question. I think it's an excellent one and very timely. I have taken the position, Mr. Speaker, with the Colleges' Commission with respect to the Past report that we continue discussions with all interested parties, but that no firm decision will be taken at least until such time as we have had an opportunity of assessing the report of Dr. Walter Worth, the Commissioner of Educational Planning. The Past report, for the benefit of the members of the House, Mr. Speaker, is one which recommends the transfer of nursing and allied health education from the Department of Health to the Department of Advanced Education, primarily through the use of the public colleges in this province.

There have been quite a number of meetings held by Dr. Past of the Colleges' Commission, around the province. I have received a great deal of correspondence and I have assured all parties that there will be no position taken on the Past report until we have reviewed Dr. Worth's report and until we have had full and complete discussions with all interested parties. This would include, Mr. Speaker, among others, the Registered Nurses Association of Alberta, who are very interested. So it's a go-slow situation for the moment.

MR. SPEAKER:

The hon. Member for Calgary North Hill, followed by the hon. Member for Camrose.

Steel Mill for Alberta

MR. FARRAN:

Mr. Speaker, I'd like to put a question to the hon. Minister of Industry. Mr. Minister, I'd like to draw your attention to a report in the newspapers last week that Dr. Hu Harries, MP, a consultant engineer, has said it was now or never for a steel mill for Alberta. He inferred that such an industry, which would be an essential foundation for an Alberta manufacturing industry, would only be built

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with government support. What step is the government taking in this direction, and is the assumption of Dr. Harries considered valid?

MR. PEACOCK:

Mr. Speaker, in answer to the hon. Member for Calgary North Hill's question, I think we have reported in the House that our department has been constantly carrying on negotiations and contacts with people that could be interested in an integrated steel company in Alberta, that these negotiations are of such a nature that in the best interests of these negotiations, I don't think we should say anything more about them to the House at this time. As far as the MP from Edmonton and his remarks of the provincial government's participation in this area, I am not sure, because we have not advanced in those negotiations far enough to identify whether or how far the provincial government will have to participate.

MR. SPEAKER:

The hon. Member for Camrose, followed by the hon. Member for Spirit River-Fairview.

Strapping in Schools

MR. STROMBERG:

Thank you, Mr. Speaker. A question to the hon. Minister of Education; what is the attitude of the Department of Education to sparing the rod and spoiling the child? In other words, the strapping of children in schools?

MR. HYNDMAN:

Mr. Speaker, I believe The School Act is silent on that particular point. It would be my understanding, therefore, that each local school board would have the jurisdiction to make rules and regulations regarding the question of corporal punishment in each school jurisdiction. In addition, of course, jurisdiction resides with the federal government insofar as the Criminal Code of Canada would be one of the parameters there, although my recollection is the Criminal Code provides very special exceptions to parents and those who stand in the position of a parent, which is the position of a teacher when the youngsters are at school.

MR. STROMBERG:

Supplementary, Mr. Speaker. As one who has experienced what it feels like to get the business end of a school teacher's strap, should a child be strapped in front of the class, and should more than one adult be in attendance?

MR. SPEAKER:

The hon. minister's answer has already indicated that that question is out of order and should be directed to a school board.

MR. TAYLOR:

Supplementary, Mr. Speaker. Is there anything in The School Act to deal with the other way around - the youngster strapping the teacher?

MR. SPEAKER:

The hon. member is asking for a legal opinion. The hon. Member for Spirit River-Fairview, followed by the hon. Member for Wainwright.

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Quebec Watchers

MR. NOTLEY:

Mr. Speaker, I'd like to address this question to the hon. Premier. By way of explanation, there was a news report over the weekend about a group called the Quebec Watchers. I'm wondering if the hon. Premier could advise us whether he knows of such a group, and whether he could advise the Legislature of what the objectives of this group happen to be?

MR. LOUGHEED:

Mr. Speaker, I am pleased to be asked that question. I was rather hoping, frankly, that I would be asked yesterday. I know absolutely nothing about the group. I did not see the television report although I must have had 25 phone calls about it. As far as I am concerned, such an approach was implied by the news report as it was put to me. It is certainly contrary to my views about working towards Canadian unity. I reject it completely and I think Canadians would be a lot better advised -- and Albertans in particular -- to try to work together to unify the country instead of planning for its break up.

MR. NOTLEY:

Supplementary question, Mr. Speaker. I must say I echo your views, but can the hon. Premier advise the House whether any members of the Cabinet have at any time had discussions, either formally or informally, with members of the British Columbia Cabinet, or businessmen in this country or other countries concerning the possibility of what might happen if Quebec does secede?

MR. LOUGHEED:

Mr. Speaker, the answer to that is that there have been absolutely no discussions to my knowledge, and certainly if I hear there have been, it will be a matter of grave concern to me. We have absolutely no knowledge so far as our administration is concerned with regard to the matter.

MR. SPEAKER:

The hon. Member for Wainwright, followed by the hon. Member for Calgary Bow.

Hunting Licences for Senior Citizens

MR. RUSTE:

Mr. Speaker, a question to the hon. Minister of Lands and Forests. Some time ago you indicated that you were looking at the matter of complimentary hunting licences for those 65 and over. I understood you were going to report back to the Assembly on that about this time.

DR. WARRACK:

That is correct, Mr. Speaker. That question was raised by the hon. Member for Hanna-Oyen. I had promised an undertaking, and I have in fact replied by memo to him in that regard. Nevertheless, I might mention to the House that this matter was considered by the Fish and Wildlife Advisory Council, who decided not to recommend this on the basis of two primary considerations: (1) that there is a safety factor involved in hunting that is not the case in fishing; and (2) that the hunting is a much more physical kind of activity and therefore not in quite the same category or situation as fishing.

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Those are the reasons I understand the council recommended against this.

Again, I did respond properly to the hon. Member for Hanna-Oyen on this subject.

MR. RUSTE:

A supplementary question to the hon. minister. Does the hon. minister support the council's recommendation on this line?

DR. WARRACK:

Yes I do, Mr. Speaker. Not only the conclusions but the subject of their discussions seemed to me to be very thorough and well considered. These are people I very much respect in terms of their viewpoints on these things, and I am convinced they gave it thorough consideration and made a rational recommendation.

Civil Servants' Files

MR. WILSON:

Mr. Speaker, I would like to direct a question to the hon. Minister of Labour. What is the Lougheed government policy on allowing civil servants to examine the files kept on them by their supervisors?

DR. HOHOL:

Excuse me -- [Dr. Hohol accidentally struck mike] -- I could use that extra time! . . . [Laughter]. . . Mr. Speaker, the policy is a very clear one, but the practice over the years, in some cases for some individuals, may have been different. However, the policy is clear, that the employee sees and examines the supervisor's sheet, or his own file -- if you wish to put it that way -- that is part of the record of the employee.

MR. WILSON:

Supplementary, Mr. Speaker. Because the civil servants are not presently aware of this right, and in fact the majority feel the opposite is the policy, will the government send a policy statement throughout the civil service advising all government employees that they have this right?

DR. HOHOL:

Mr. Speaker, at a meeting of joint council, which is made up of the representatives of the Civil Service Association of Alberta, and the senior officials of the office of the Public Commissioner, and myself as minister responsible for personnel administration, this problem or concern was fully discussed. It was entered in the minutes. I made this same statement on behalf of government at that particular meeting, and had asked both the Civil Service Association officials and those at personnel administration to let the employees of the civil service know. This was about two months ago. I am surprised -- though not that much in view of the size of the civil service -- but, Mr. Speaker, it is possible that some number of individuals don't know. I would be amazed if the majority of the civil service is unaware. They get a monthly magazine, edited and written by their own people. . . and I have asked both groups to make this information as public and as well known as possible. If there are any deviations from this, or any misunderstanding about the intent and the practice and policy of this government, I am to be informed.

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MR. WILSON:

Supplementary, Mr. Speaker, to the minister. Does your policy also stipulate that the files are to be left intact and that no disparaging material is to be removed before the civil servant examines the file?

MR. SPEAKER:

The hon. minister has already said that the files are made available to the....

MR. WILSON:

On a point of order, Mr. Speaker. This has become quite a concern apparently to the civil servants and this particular point was raised in the latest publication of the Civil Service Association newspaper. That is why I asked that specific question. . .if you would allow the minister to answer, sir.

DR. HOHOL:

Mr. Speaker, I believe it is out of order, but if he would restate it I think this question is well-intended, and if we can get information that will assist employees of this government to be clear as to where they stand, I would be happy to assist that way, but could I ask him please, to restate his question. I am afraid I missed the point.

MR. WILSON:

Supplementary then, Mr. Speaker. When a civil servant asks to see the file retained in the hands of his supervisor, and he is granted the right to see the file, can the civil servant be assured that the file is intact, and that, in fact, no disparaging material, if there had been any in it, was removed?

DR. HOHOL:

I think it is safe to say that this is the practice. In recent months -- just who is complaining, I don't know -- but I would like to say that the form for the evaluation of employees is being revised. With respect to derogatory -- depending how you use the word, but assessments of performance could be high, low, medium. This wouldn't be derogatory. I would use the term only with respect to character, and this would not normally, or usually, be the contents of an employee's file. If it were he would be entitled to see it.

MR. SPEAKER:

The hon. Member for Lesser Slave Lake followed by the hon. Member for Stony Plain.

Trapping Season

MR. BARTON:

I would like to direct a question to the hon. Minister of Lands and Forests. Has the trapping season been extended?

DR. WARRACK:

It has not been extended throughout Alberta, Mr. Speaker, but it was extended in a part of Alberta to May 15th. I could describe that to you in some detail, but I think you know which part I mean anyway. But the previous deadline dates that had applied as May 15th were not extended.

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MR. PARTON:

Supplementary, then. The May 15th one that I was worrying about, is beaver. That hasn't been extended?

DR. WAPRACK:

The deadlines which had previously been May 15th remained May 15th. In a part of Alberta where the deadlines had been the end of April they were extended for muskrat and beaver to May 15th.

MR. SPEAKER:

The hon. Member for Stony Plain followed by the hon. Member for Wainwright.

Motorcycle Insurance

MR. PURDY:

Mr. Speaker, a question to the Attorney General. A few weeks ago the question of motorbike passenger insurance for operators under the age of 16 was raised in the House. What has your department done to get this insurance requirement released from policies?

MR. LEITCH:

Mr. Speaker, we have been in the process of preparing an endorsement to the policy whereby in that restricted area -- that is passenger hazards on motorbikes -- the coverage can be endorsed out. We have had meetings with the industry and with the officials of the Superintendent of Insurance department, and I expect that matter will be concluded in the very near future.

MR. DRAIN:

Mr. Speaker, is the minister aware that the rates of insurance on motorbikes has doubled since last year, and if so, is there anything that can be done about it?

MR. LEITCH:

I'm not sure that the hon. member's question means exactly what it appears to mean. The cost of insurance for that type of vehicle has I'm sure, in some cases, doubled, but this year a considerable amount of additional coverage must be purchased. For example the compulsory portion of the liability cover, the accident benefits portion of the liability cover, and also the passenger hazard cover which is a result of our endorsement as opposed to legislation has, up until now, been required coverage. So while the premium may have doubled, and in some cases may even have gone higher than that, the coverage provided by the policy has been substantially increased.

MR. SPEAKER:

The hon. Member for Wainwright, followed by the hon. Member for Medicine Hat-Redcliff.

Natural Gas - Fertilizer Prices

MR. RUSTE:

Mr. Speaker, a question to the hon. Minister of Agriculture. Early in the session he indicated a study was underway about the feasibility of providing natural gas to all parts of Alberta, and later in the session indicated, I think, near the end of the previous month or early in this month he would have a report. Has he that report? Secondly, there is a question regarding the price of fertilizer and the difference between what it sold for in the United

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States as compared to Alberta and whether it was produced in Alberta or the States.

DP. HORNER:

Mr. Speaker, in regard to the first question about the feasibility, I have received some of the reports, but not all of them as yet. I haven't had a chance to evaluate them so we have nothing to announce as yet, but hopefully within the next few days we can.

In regard to the question of fertilizer pricing and the press reports that, in fact, you were able to import Canadian fertilizer back from the United States cheaper than you could buy it here. The reports I have from both Medicine Hat and Calgary plants are, in fact, that this might occur very rarely in an individual case under special circumstances, but that as a matter of practice it wouldn't be feasible or economic to Alberta farmers. The fertilizer manufacturers in Alberta suffered pretty serious losses in the last year. The price of fertilizer in the United States has been traditionally below the price here, and this again has to do with the over-production of certain fertilizer plants, particularly in the eastern United States, which has caused a very severe pressure on general fertilizer prices in United States. There has been some transfer of fertilizer between international companies' plants, but generally the newspaper story referred to a very specific case and it wouldn't be applicable generally to farmers in Alberta.

Medicine Hat Hospital

MR. WYSE:

Mr. Speaker, I would like to direct a question to the hon. Premier. When the Premier visited Medicine Hat last August, did he make a commitment to the people of that area? I'm thinking specifically of installing air conditioning in the Medicine Hat Hospital.

MR. LOUGHEED:

Mr. Speaker, I think I have already answered that question twice. I also asked in debate to hear some specific remarks from the hon. Member for Medicine Hat by way of showing that there was an exceptional case there. Unfortunately he didn't, in my view, effectively present a case, but the matter is still under review.

MR. WYSE:

A supplementary question. Are you saying then, Mr. Premier, that you did not make a commitment?

[Remarks inaudible]

ORDERS OF THE DAY

MOTION FOR A RETURN

195. Mr. Henderson proposed the following motion to the Assembly, seconded by Mr. Strom.

That an Order of the Assembly do issue for a Return showing:

The Report of the Environment Conservation Authority regarding restoration of water levels in the Cooking Lake - Miquelon Lake Trend.

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MR. YURKO:

Mr. Speaker, there are several remarks I wish to make in connection with this motion. The first remark is that on at least three different occasions I have indicated that the government, of course, reserves the right to table or not to table interdepartmental reports, or reports prepared by an agency of government for government itself. Now as the Environment Conservation Authority is, in fact, an agency of government, and it has prepared a report making recommendations to government, this report is classified as an interdepartmental report.

I would also like to suggest, Mr. Speaker, that earlier during the session I had tabled all the hearings that were associated with this particular item. Nevertheless, I wish to suggest, Mr. Speaker, that the government has no intention of not tabling this report and it certainly will in connection with this Motion for a Return. It will table it during this session. However, I do want to suggest that the report has only recently been made available and it will take some time to review and to examine the report in detail by the government before it is tabled in compliance with this Motion for a Return.

MR. HENDERSON:

Mr. Speaker, I just want to be sure in the interests of separating the wheat from the chaff, is the report going to be tabled?

MR. YURKO:

Yes.

[Motion No. 195 was carried without further debate.]

MOTIONS OTHER THAN GOVERNMENT MOTIONS

Community Health and Social Development Centres

Moved by Dr. Paproski; Seconded by Mr. Farran,

Be it resolved that the Legislative Assembly direct the Government of Alberta to give careful consideration:

- A. To the feasibility of implementing the concept of Community Health and Social Development Centres which is described as a comprehensive program to deliver from a single physical facility, a wide variety of health and social programs, integrated and co-ordinated at the community level to achieve maximum benefit for the client or patient; and that,
- B. The feasibility of decentralization and regionalization also be considered; and that,
- C. Information be secured as expediently as possible regarding the establishment of Alberta's Community Health and Social Development Centres in terms of cost, benefit, program and administration.

MR. NOTLEY:

Mr. Speaker, I am very pleased to be able to take part in this debate. As I mentioned during the discussion of the estimates of the Department of Health and Social Development, I would like to commend the hon. Member for Edmonton Kingsway for his tireless crusade on this question of community health clinics. I think I can say

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'crusade' accurately and I don't say that in any critical sense at all. I say that with a great deal of commendation.

I don't really believe there is much point, Mr. Speaker, in outlining at great length the many arguments in favour of community health and social development clinics. I think that matter was fairly adequately discussed when the resolution was originally debated several weeks ago. But I have taken the trouble to contact the Government of Manitoba, which some of the hon. members might be interested in. Manitoba has done a great deal of research in this field of community health clinics, and while they don't have any of them operating as such, they have a number in the planning stages.

I have here a review of health and social development centres, an overall review of the various schemes in Manitoba and, Mr. Speaker, I'm going to take just a moment or two to read portions of this review into the record because I think there are some points which are certainly well worth noting.

"On May 11, 1971, the government adopted in principle the community health and social development centre concept. The model approved envisages a delivery system offering integrated comprehensive health and social services to the public within an institutional framework bases upon three functional components:

1. Overall policy direction by a governing board composed of a majority of consumers of services, including elected representatives from the health and social service workers of the centre.
2. A health team approach providing co-ordinated and integrated health and social services.
3. A block payment system designed to permit maximum program flexibility and the most rational use of health and social service resources.

At its base, the community health and social development centre model represents an attempt to meet a broad range of needs and, as such, it is imperative that imaginative planning be employed to cope with the diverse health and social situations present in Manitoba. The key to this is planning in the community based approach.

Because there is a mosaic of health and social needs in Manitoba, it is necessary to develop community health and social development centres in a variety of locations; remote northern areas, rural regions, small cities, large metropolitan areas, and suburban areas. Only by developing centres in various sites can the concept be tested adequately. In any area under consideration it is essential that there be a strong community support for a health centre. There have been several requests from communities asking for the creation of centres in their regions. This has been true especially of rural areas. This must be taken as a healthy sign of initial interest. If there is no demonstrated support in local communities after a development period of several months, good community based planning dictates that it would be unwise to proceed with the development."

And then the paper, Mr. Speaker, outlines a number of the various pilot projects, one in Churchill remote northern Manitoba, several in rural areas of Manitoba, Gladstone, Lac du Bonnet; one in a relatively small city, the City of Selkirk, approximately the size of Red Deer, and then the various plans for the City of Winnipeg and some of the suburban centres around the City of Winnipeg.

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I certainly recognize, in listening to the debate several weeks ago, that there are many problems with this approach. Certainly it would be wrong for us to suggest that the community health and social service centre is going to, in a single flash of wisdom, solve all the problems of providing the delivery of health services. Nevertheless, recognizing that there are limitations, and recognizing that there may be problems that we have to iron out, I submit that it is a field that we should explore. There are many, many reasons why the community health centre has a good deal of merit. It would be much more prevention-oriented. I think that if we are going to make sensible and efficient use of our health services, we should, as much as possible, make them prevention-oriented.

Also, as the Manitoba paper pointed out, these centres should be decentralized. I would maintain that they should be under municipal control, not provincial control. I think, too, another point again is brought out by this Manitoba paper. The local people should be involved as much as possible in the governing boards of the centres. I do not think that it is an acceptable proposition that these centres should be controlled by the medical personnel. I believe that they really, to be successful, should, as much as possible, represent the community as a whole.

Because, Mr. Speaker, the resolution as submitted by the hon. Member for Edmonton Kingsway asks us to look into this matter, I really doubt that any hon. member can be opposed to a full-scale investigation of such a course of action. I would also like to suggest that, as we investigate it, perhaps we recognize what they are doing in Manitoba too, and look at it not just from the viewpoint of one centre in the City of Edmonton or in the City of Calgary, but look at it with the problems in mind of what we may face if we set up a centre in a small remote northern area, or in a rural community, or in a small city, or in a suburban area.

I frankly think that what they are doing in Manitoba makes sense. They are not rushing into it blindly, but they are taking a reasonable step in the right direction. I believe that the resolution that we have before us is a good one. I would like to press the issue a little farther, as I suspect the hon. Member for Edmonton Kingsway would like to see it succeed a little farther and a little faster. But to the extent that the direction is pointed out and to the extent that it is a sensible direction to take, I wholeheartedly support it, and I would hope that the hon. members of this Assembly would adopt it.

MR. SPEAKER:

The hon. member for Calgary McCall, followed by the hon. Member for Stony Plain.

MR. HO LEM:

Mr. Speaker, in speaking to this motion, may I offer my congratulations to the hon. Member for Edmonton Kingsway for the development of a plan for the Alberta community health and social development centres. This is, no doubt, fundamentally a correct concept that will eventually produce much benefit for every citizen in the Province of Alberta. Integrating services, such as plans to fulfill community needs, and in particular, placing the family as the centre of the social unit, has long been given lip service, and may now through this proposal, become a reality.

As I have said, the concept is an excellent one, but the implementation and administration have not, as yet, been outlined by the mover in sufficient detail. This causes me concern, that such an excellent plan could flounder and fail, if many of these details of the concepts are not considered at this time.

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I would like, therefore, to recite several points which I believe should be taken into consideration at this time.

(1) The medical profession must contribute to a plan such as this to produce viability. In fact, the medical profession must contribute in a leadership role for the day-to-day running of these community health centres.

It is very well for us to delegate the responsibility to the local board, but that alone is not enough. There must be one individual in each centre who has a responsibility and the ability for the day-to-day operation of these centres.

At this time I would suggest that no better qualified group in the medical profession is capable of this responsibility than the existing family practitioners in the Province of Alberta. This, in particular, is all the more reasonable since there are now Canada-wide recognized specialists in family practice. To produce functioning and effective units as contemplated and also to have the co-operation and guidance and enthusiasm of the medical profession toward a government sponsored program, is most exciting to me and the possibilities of achieving success become easily apparent.

Another point for the government to contemplate is the use of the presently-operating ambulatory care centres whether urban, suburban, or rural. I am referring to doctors' offices which now form in most areas a geographical centre for individual and family health needs. This concept would reduce almost to zero the need for capital expenditure by the government at this time. The exciting possibility of a co-operative venture in this area between government and the medical profession would be a milestone in the progress of health care in Alberta and even in Canada.

Another point, if the government were to introduce community health and social centres in opposition to the present out-patient care units, namely doctors' offices and existing private clinics, this would create many problems and it would be very dangerous at this time. As most are aware, the present number of hospital beds, particularly in urban centres, is well below the optimum number as compared with the medical doctors' population. This immediately interjects a problem of getting hospital appointments and privileges for any new doctors brought into Alberta and unfortunately, this could become a very political issue amongst the profession, with the end result, of course, being disastrous to the citizens of Alberta.

The government must also be aware that any influx of doctors created by any major program, such as the one proposed, has a possibility of bringing doctors from other areas as well as from other countries, with varied training and different sets of standards to which they have been accustomed. I sincerely believe the concept of having local boards given the authority over the proposed community health and social centres is excellent.

The use of local talent for employees is feasible, however, the problem of medical confidentiality particularly in small centres, could become a very serious problem. For example, the local gossip could be hired as a receptionist and thereby have access to all her friends' medical files. This is an area of concern.

Also there are presently existing in Alberta a multitude of agencies, both government and private, dedicated to the health of various segments of the citizens of Alberta. But we are lacking in a co-ordinated team effort and consequently often much duplication occurs. This plan now shows the sincere desire to co-ordinate all health care and health delivery. I wish to repeat once again, I feel that to make this plan a truly valuable one, the co-operation of the medical profession must be obtained and their responsibility in providing a leadership role must be sought.

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To further elaborate on the use of the existing ambulatory care facilities, I would like to say this. Many projects can now be entered in a co-operative way through the existing medical facilities within our community. The experience gained in the establishment of this type of service would expose potential pitfalls and develop very definite guidelines for the future. Community and health centres for Alberta would show Canada and the rest of North America what can be accomplished by joint ventures between government and the medical profession.

Finally, Mr. Speaker, this government is dedicated to the rights and responsibilities of every citizen in Alberta, including the medical profession. It must be cautioned that there will be no civil conscription of any medical or paramedical group as a result of plans to make functional this very new and exciting concept which has been presented to the Legislature by the hon. Member for Edmonton Kingsway.

MR. PURDY:

Mr. Speaker, I support the resolution put forth by the hon. Member for Edmonton Kingsway, for decentralization of community health and social development centres. I'm going to dwell for a few minutes on some of the problems I have in my own constituency. The health unit service serves a vast area, including part of the Drayton Valley and Whitecourt constituencies. The hospital zone boundary is now under review, and they follow at the present time, the boundaries very close to the County of Parkland. Social development is served from the West Edmonton office, serving an area west to Wabamun. The Recreation Board follows the boundaries of the County of Parkland for the County of Parkland and the Recreation Board for the County of Lac St. Anne follows the County boundaries of the County of Lac St. Anne. The health unit, hospital, social development and recreational zones should be enlarged or decreased, as the case may be, to serve the people of the community more meaningfully. It is desirable to have two complete health teams in one building, which would serve all physical, mental and social services.

I can see many communities in the province receiving uniform services from this system, except for the highly specialized services, such as kidney units or special rehabilitation units and others. With the amalgamation of all services, health unit workers, professional and unprofessional, salaried and voluntary workers, would be available in one building. The quality of workers may vary with the services rendered. The initial standard of operation could be set by the Department of Health and Social Development, and changes would come forth after consultation with local community boards.

To finance community health centres, money should come from general taxation, according to the ability to pay, and not through municipal property taxation. Grants could still be received from municipalities, provincial, and federal governments, as now is the case. The boundaries between the different services may be a problem, as in the province we have approximately 110 hospital zones, 32 municipal nursing zones and health unit zones, and a decreasing number of hospital zones. Another governance which could be followed consists of the provincial election boundaries. I ask all members to support this resolution.

DR. PAPROSKI:

Mr. Speaker, may I close the debate?

MR. SPEAKER:

May the hon. member close the debate?

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HON. MEMBERS:

Agreed.

DR. PAPROSKI:

Mr. Speaker, as I move to close the debate, I would like to make a few comments in response to some of the comments that were made today.

With reference to the hon. Member for Spirit River-Fairview, and especially in reference to the Manitoba scheme; which came just a few months after I submitted this proposal to Ottawa; the problem that they have faced -- and this is something to be learned by us -- is that their public relations leaves something to be desired. They went about the province, trying to get these centres in very quickly, unfortunately, and did not consult the medical doctors, as the hon. Member for Calgary McCall mentioned. As a result they got a tremendous backlash, and this was reported in the medical journals repeatedly.

It's not only the lack of consultation and PR work they should have done as a province, but they also tried to interject another item with the medical doctors, and that is to modify the fee for service schedule. This caused another backlash. So although basically their concept is good, I think the one lesson we can learn, so our credibility in this province is not destroyed, is to take it easy, to communicate well publicly, as the hon. Member for Little Bow has mentioned to me privately, so that the people will be able to grasp and understand it, and hopefully accept it.

With reference to the hon. Member for Calgary McCall, I would like to make this comment. The medical doctors should be consulted very, very carefully. Any information they can give us, as a matter of fact, should be utilized in this overall concept.

Naturally, there are going to be problems in ironing out the various difficulties that one can see, and the concerns that have been expressed. This is why this is a feasibility study regarding cost benefit program and so forth. I think it can be ironed out, and it is to be noted here, in Hansard, that the medical profession has supported this in principle, and has submitted its report to the federal authorities recognizing this is a good project; recognizing, as you have stated, that there are many ambulatory care units now providing similar services. They support this on an experimental basis.

However, I reject the concept that they should support it on an experimental basis. It should be a demonstrative, co-ordinative basis, not a pilot project, not a study. They will be consulted, and I am confident they will contribute much to the development of this type of concept, and in fact, a program.

Whether the medical doctor should, in fact, be the leader of the team in the centre depends, of course, on whether the medical doctor, in fact, is going to be practicing in the centre. The concept, as it is proposed at this juncture -- which may change of course -- the medical doctors are to practice where they are, in the offices where they want to be, free for service, and not be interfered with whatsoever. However, the medical doctor will use the centre as a team co-ordinated service. And the centre in turn will use the medical doctor.

If, in the future, the medical profession wants to come into the centre and practice their medical practice in the centre per se, then they as a profession must indicate this to government or to the local community, and then maybe it will change; but only if they make that decision.

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With these few remarks, it is apparent to me anyway, and I hope I am correct from the debate on March 15th and the intervening statements regarding the estimates on Health and Social Development, regarding community health centres, and regarding the debate and discussion today, there is general support from hon. members here regarding community co-ordinated health and social development centres. 'Community' meaning where people live, where their activities are. The individual family knows what their needs are and can respond to the needs, and the centre can respond vice versa.

We all realize that total health needs have not been met well, due to various fragmentation that has been going on. We know that costs are rising rapidly, and I think we all agree with that, due to fragmentation, overlapping, duplication, quadruplication and what have you; and over-emphasis on institutional care, and lack of emphasis on so-called -- as the hon. Member for Calgary McCall has mentioned -- ambulatory care, out-of-hospital care, or community care. Response to needs is not ongoing, but it is sporadic, interrupted and slow. This again increases cost and causes undue distress. There is not an adequate health and social accounting that is effective. Therefore, more and more social research is unfortunately necessary, which is very, very costly. Therefore, I am confident all the hon. members really want community co-ordinated health and social development centres monitored by the community for adequate response to total needs, with guidance and support from the provincial government. But this is not government interference; this is allowing the community to do their thing.

I am confident, as has been mentioned many times, that we want decentralization, local autonomy; we want rapid, true, ongoing community response, using the voluntary people in the community to a maximal or optimal level, and the professionals, of course, on a team approach basis. We want to decrease or minimize disparity between urban and rural areas and various other social-economic groups, and yet place emphasis on the individual and family. We want to raise the total health to an optimal level. We want total health needs being met at an optimal dollar cost. In other words, we want optimal needs per dollar cost. We want a mechanism for this; and here is a mechanism that could be used.

With these remarks, I would like to thank everybody who has contributed to this, either directly in the Assembly, or indirectly in the corridors. I have had discussions many times with many people, and I appreciate their added ideas and expressed concerns. These will be incorporated in the total consideration. I would like to close the debate now, and hopefully have unanimous support, for I feel this is truly a direction which will be exemplary, or even ideal for a system for health and social services.

[Leave being granted, the motion was agreed to without further debate.]

DR. PAFROSKI:

Would Mr. Speaker indicate for the record that it was a unanimous vote, or, after a unanimous vote, is that necessary?

MR. SPEAKER:

I don't think that is necessary. It is true it won't be reflected in Hansard. It is an unusual thing. We did it in connection with the request for the visit of Her Majesty. I think that it is something that should be resorted to in very unusual and outstanding circumstances.

SOME HON. MEMBERS:

Agreed.

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Reviews of Right of Entry Arbitration Board Decisions

MR. ZANDER:

Mr. Speaker, I move, seconded by the hon. Member for Stettler:

Be it resolved that the government give consideration to authorizing the Right of Entry Arbitration Board (or any such new board that may be set up in its place) to review at five year intervals compensation and orders made in past years.

Mr. Speaker, there are many people in Alberta who don't know the history of how some people obtained the surface rights, and how other people obtained the mineral rights with the surface rights. There is a very lengthy history of how Alberta became the owner of the mineral rights. It may be interesting to those who have never bothered to read how the people of Alberta inherited the ownership of minerals, and I perhaps should read a portion of it.

Mr. Speaker, the owner of the surface does not necessarily own the minerals, and there is an interesting historical background behind this situation and the distribution of the ownership of minerals in Alberta.

In the year 1670 King Charles II of England granted to the Hudson's Bay Company all the lands including surface and minerals, in the great watershed draining into Hudson Bay. In return for the work of exploration and development of the commercial empire of England by that company, this grant covered a large area of 1,480,000 square miles westerly from Hudson Bay to the Rocky Mountains of the west.

In 1869 the Hudson's Bay Company entered into an agreement with the Dominion of Canada whereby it rendered all its land to the Crown except certain lands at its trading posts and settlements, totalling about 45,000 acres. In return, Canada paid 300,000 pounds sterling and gave the company 1/20th of the land surveyed, and settled during the next 50 years in what was known as the fertile belt -- an area described in the Deed of Surrender as being bound on the south by the United States, on the west by the Rocky Mountains, on the north by the northern branch of the North Saskatchewan River, and on the east by Lake Winnipeg and Lake of the Woods, and the waters connecting them. This worked out to about 1 3/4 sections in each township, or a total of 7 million acres, of which about 2.404 million acres are in Alberta.

Ownership of the minerals within or under such lands went to that company, along with the surface. As a result of the surrender of these lands by the Hudson's Bay Company to the Crown in 1869, the Crown owned 95% of the surface and minerals in the area known as the fertile belt, and of course, the surface and minerals in other unsettled parts of the country.

Mr. Speaker, when the Canadian Pacific Railway was organized and the Dominion of Canada granted to it -- by way of subsidy for building a trans-continental railway -- an area of about 10 million acres, including surface and minerals along the rights of way of the railway, similar grants were made to smaller railways which were subsequently taken over by the Canadian Pacific Railway.

The subsequent ownership of minerals contained in the CPR and Hudson's Bay land was governed by the conditions contained in the agreement for sale. It seems that up to 1902 the CPR in disposing of its land, made no reservation of minerals up to 1908. The Hudson's Bay Company did not reserve any minerals when selling lands, however between the years 1902 and 1912 -- depending on the location of the land and the available forecast regarding the accumulation of minerals -- the CPR may have reserved coal, or coal and valuable stone, coal-petroleum and valuable stone, all mines and minerals. On

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practically all sales from 1912 on, the CPR reserved all mines and minerals. As settlers made their way into the territory they were granted homestead by the Crown, at first the Crown granted both surface and minerals but this policy was only continued until October 31, 1887.

We can see then, Mr. Speaker, commencing with November 1, 1887 the federal government reserved, in the name of the Crown, for the benefit of all people, the minerals in homesteads and other land sales. The reservation of minerals out of land patents read as follows:

"Reserving to Her Majesty, her successors assign forever, all mines and minerals which are found to exist within, upon, or under such lands, together with full power to work the same, and for this purpose to enter upon and view and occupy the said lands, or such other therefore to such an extent as may be necessary for the effectual working of the said minerals and land pits and veins containing same."

The natural resources in that part of Canada now contained within a part of the Province of Manitoba and all of the Province of Saskatchewan and Alberta were administered by the Department of the Interior of the federal government from 1869 until the transfer of the resources to the province in 1930. The Department of Lands and Mines administered the natural resources of the province following the transfer to March 31, 1949. From that day on minerals owned by the province, have been administered by the Department of Mines and Minerals pursuant to The Mines and Minerals Act.

The transfer to Alberta took effect on the first day of October 1930 and at that date the mineral status in the province was: in dominion parks 13,434,240 acres, in Indian reserves 1,328,090 acres, granted by Canada to the railways, 13,031,731 acres and to the Hudson's Bay Company 2,400,400 acres. Others including homesteaders and prospectors 564,269 acres acquired by Alberta in the transfer 132,620,070 - so in total the acreage of the province was 163,382,400. Our province embraces approximately 255,000 square miles of territory. The minerals in 81% of the area of Alberta are owned by the province. Approximately 10% are freehold and the balance are in National Parks and Indian reserves, and is administered by the federal department.

Gold and silver are the royal metals and do not pass from the Crown unless specifically mentioned in the patent. The patent conveying mines and minerals is interpreted as gold and silver being retained by the Crown. Although Alberta has no producing metal mines, mineral production in Alberta accounts for approximately 25% of Canada's total mineral production, the chief values being petroleum, natural gas, coal and structural materials.

Chemicals and minerals means all natural occurring minerals -- that does not include sand and gravel that belong to the owner of the surface of the land under The Sand and Gravel Act, or clay and marble that belong to the owner of the surface of the land under The Clay and Marble Act; or the peat on the surface of the land and the peat obtained by stripping the overburden.

Petroleum and natural gas that belong to the Crown are not sold outright but are disposed of by means of leases and reservations. The number of leases that could be acquired by the application was increased in August, 1941 and no restrictions now exist on the number of leases that may be obtained by any person or by a company registered under The Companies Act of Alberta.

In July 1947, some five months following the Leduc discovery, the number of reservations that a person or company could hold at any one time was reduced to two, each covering no more than 100,000

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acres. The maximum royalty payable under petroleum and natural gas during the initial 10 year term of the lease granted pursuant to this part shall not exceed one-sixth the production obtained from the location.

Mr. Speaker, at this time the province introduced The Right of Entry Arbitration Act, approximately in 1947. This gave or was supposed to have given the surface owner some rights that had not existed before. Under The Right of Entry Arbitration Act an operator may have acquired the land by successful negotiation with the owner. Expropriation procedure may be initiated whereby government, federal, provincial and municipal companies may acquire land in part, or in total, even if you do not wish to sell.

The Right of Entry Board grants other parties the right to enter and to use your land without your permission. No operator has the right of entry until the operator has obtained the consent of the owner of the surface of the land or has become entitled to the interest of the owner to entry by reason of the order by the board.

When a company wishes to acquire the interest in land they will send a landman to negotiate. When negotiations to acquire an interest in the land are entered into by a landman, he shall -- and this is according to The Landsman Act -- leave with the owner of the land or his agent a copy of the proposed agreement to acquire the interest.

At the time he leaves the copy he shall inform the owner or his agent of the provisions of Section VIII, Subsections 1 to 5 of The Landman Licencing Act.

A period of 48 hours shall be allowed to elapse after a copy of the agreement is left with the owner or his agent before the same or any other landsman in his place, resumes negotiations with, or accepts a signed agreement from the owner or his agent, with respect to the interest in the land. And no portion of a Sunday or a holiday shall be included in determining the 48 hour period.

This rule applies only in the case of the first offer and does not apply if the offer is changed. If the first offer is accepted by you, the landman cannot take your acceptance before the expiry of the 48 hour waiting period. He obtains your signature on a waiver form, negating Section 8 of The Landmen Licencing Act. If you refuse his offer he may go to the Right of Entry Arbitration Board or not use your land. During the negotiations the owner of the surface should be presented with a blueprint of the plan showing the area required outlined or coloured in red.

The expropriating people have the right to enter upon the surveyed land. To survey the land they must first give notice to the registered owner of the land and the occupant but require no other permission than the right to do so under the authorizing act.

In Alberta there are two types of expropriation of land. Complete taking where an outright title is taken, or secondly, partial taking where an interest less than an outright title is taken. Expropriation for pipeline rights of way fall in this category, under Section 42 of The Pipelines Act.

The measure of compensation for a complete taking, as worked out in vast numbers of decisions by the courts, is the full value of the land. Full value has also been the measure of compensation for partial taking the residual value in the land to the owner being disregarded.

The principle of awarding full value of the land for a partial taking seems to be well entrenched in expropriation laws in Alberta. It has been argued that the compensation for damage to the land

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cannot exceed its market value. If the cost of reclamation exceeds the market value then the land should be left in its damaged state.

The Board has not accepted the argument mainly for two reasons:

The argument assumes that by paying the market value, the operator has compensated the surface owner in full. That is, if the mineral operator has purchased the area, the fact of the matter is the surface owner does not part with the title and is responsible for the area. He cannot leave it as it is. It becomes a weed patch on his farm and under The Noxious Weed Act he can be charged with the cost of keeping the weeds down.

If a well or other works does not form part of the public utility, the mineral operator receives an interest in the land only so long as the well or other works is producing.

Expropriation and compensation procedure is as follows. The company must file an application for expropriation order with the Right of Entry Arbitration Board. This application must list the names and addresses of all persons who have an interest in the land, or who are leasing it from the government agency. The board shall set a hearing date and cause the company to give adequate notice to those persons involved. After hearing all representation the board shall then issue an order setting out the amount of land granted to the company, the description of the land, the amounts of money payable by the company for the land, and damages which have either occurred already or will occur from construction of the works for which the land was expropriated.

The costs of hearing and by whom payable, the Board shall grant to the company right to enter to the expropriated land. However the company may not enter the land until the board has notified that company that it has made all required payments. Failing that, the board must, on receipt of an amount sufficient to meet all required payments, determine the compensation for the interest in the land.

The board believes that the following principle should be applied. Compensation is to be determined on the date of taking of the land. The owner is entitled to compensation for the land taken and for the injurious effects on the remaining land. It is the value to the owner and not value to the taker that is to be considered. The value to the owner must include all logical, foreseeable advantages, provided they are not too remote, imaginary, speculative, but the present value or the future disadvantages must be determined.

Where expropriation is of an estate or interest in the land less than fee simple, that is, less than an outright title, the compensation for estate or interest shall be on the basis of a fee simple value. That is, as far as the taker has bought the land, the residual value to the owner being disregarded. Where the area taken is a small parcel, compensation for it should be based on the sales of land of comparable small parcels in the same area, having similar characteristics of location, amenities and potential uses.

Damages to surface, and related damage. The standard use here is the market value of land to the owner. This market value may be established by, first, voluntary settlement in the area on a similar site; secondly, the price the owner has already paid for the land; thirdly, land sales in the area of larger parcels; fourthly, land sales in the area of comparable small parcels.

The value to the owner of the land is what it costs to clear, break, and clean the land, accessibility, services found, and potential use. It is fundamental that the small acreage enjoy a higher unit value than a larger acreage of similar use potential. That is, an owner would not sell a small plot of land out of a

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quarter-section for the same price per acre that he would expect to receive if he were to sell the quarter-section. Although there is a loss of production on the area taken, the total expenses of the farm are not reduced.

General Disturbance: The drilling rig or other works may be near the landowner's buildings and where there may be noise or coming and going at all hours of the day, there is a loss of time dealing with the middle operator and its representatives.

The annual allowance and severance, inconvenience, and other factors of the placing of a wellsite in the middle of a farm at the end of an access road, which must at all times be available to the mineral operator, is bound to create difficulties for the owner of the land. There is a very real nuisance and an inconvenience of manoeuvring farm equipment around the wellsite and access road, the severance of a field and the loss of strips and small corners which are impractical to farm immediately adjacent to the boundaries of the area taken. Constant turning and overlapping with machinery causes an undesirable compaction of the soil with consequent loss of production and further losses in harvesting due to the missed grains in the corners and running over swaths while turning. There is also the weed problem of strips in the corners left unfarmed. Only a person with farming experience can fully appreciate the nuisance and inconvenience of farming around an obstacle such as a wellsite or an access road.

Interest in Money: The landowner may be entitled to the current rate of interest of money payable from time to time of the operator until the money is paid. This, Mr. Speaker, is the practice that is being followed by the present board.

The reclamation of the surface of the land shall be performed in a manner satisfactory to The Surface Reclamation Act. This does not mean that the land will be restored to its original condition, as it is physically impossible to do so. Drill mud is mixed with the soil, and there may be oil spills. The productivity of the land at the site will be lower than on the adjoining land.

In the past the hands of the local reclamation council have been virtually tied for years because the final appeal is to the reclamation board under the Department of Mines and Minerals, and the deputy minister is the chairman of the board. What this actually means is that they -- and I mean the Department of Mines and Minerals through the Reclamation Council being one and the same group -- were sitting in final judgment on their handling of the surface and the mineral disposition in the province. This situation should never have occurred because they were actually sitting in judgment of their own performance and most times these groups of people have never seen any of the wellsites under dispute.

Mr. Speaker, there are many parts of the act pertaining to the surface rights by companies and, of course, we occasionally run into The Trespass Act. They are only petty trespasses and I would only like to take a moment to read a section of this.

"The Trespass Act is not a lawful act and is therefore beyond the jurisdiction of the Right of Entry Arbitration Board. This matter is dealt with by the courts."

In the same breath the complaint is that in the past, surface rights owners have not been given sufficient information or time to make a disposition affecting their rights for the past 25 years. Nearly all the land owners and farm organizations thus far are of the opinion that the Right of Entry Board is an enforcement agency that provides an effective ceiling on the amount of compensation that may be paid for the surface. Moreover, the board members by their association with the members of the mineral industry are on a first-

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name basis and therefore, cannot render a just and fair decision. Landowners cannot discourage indiscriminate taking of land or destruction of the environment by asking a higher price than the expropriating company is willing to pay.

Mr. Speaker, since last October I have examined hundreds of contracts to find what type of formula the Right of Entry Arbitration Board has used. I have never contacted them. I contacted them by phone and I got right of entry arbitration orders issued in various parts of the province. I have taken samples in eight fields and compared them also with the average Crown leases that were issued, first of all, through the Department of Mines and Minerals and later through the Department of Lands and Forests.

In reviewing and taking samples by private deals and awards in the following fields, I have chosen the Acheson-Woodbend, the Devon-Calmar, the Bonnie Glen, the Redwater field, the Cremona field, the Keystone field, and the Pembina field.

The average price of a wellsite in the Acheson field is \$1,000 for the right of entry and this, of course, includes the first year's rental or a little better, and I did find some at \$1,400. The Woodbend field averages somewhat less than \$800. The Devon and Calmar fields run from a low of \$800 to a high of \$1,600. The Bonnie Glen field runs from \$850 average, although some were found to be considerably less. The Redwater field has a great variation from a low of \$540 to a high of \$1,260. The Cremona field less than \$1,000; some were normally around \$800. The Keystone field from a low of \$625 to a high of \$1,180 although some were found in the neighbourhood of \$450. The Pembina field was found to be in the area of \$450 to \$800, and in the \$800 range only one or two were found to be near or over the \$1,200 mark. Nevertheless, I found some in the area as low as \$225.

Of course, Mr. Speaker, this brings me to the question of Crown lands. It was my previous opinion that the Government of Alberta had administered our Crown lands in the best interests of the people of the province. On examining some awards from all parts of the province, I was amazed, to say the least, Mr. Speaker.

May I quote some of those awards by the board on Crown lands checked at various parts of the province and in various oil and gas fields. May I take this opportunity to include some of the privately owned lands which are adjacent within the same area? I draw your attention to board order No. 281160 -- this is a private piece of land -- where the company offered for the wellsite \$800, and for the pipeline, \$104. Consequently, the person was not satisfied. He went to the board, and received \$662.40 for the wellsite, and for the pipeline on which the company had offered him \$104, the board allowed \$26.

There is one more example on private land; this is adjacent land. Mr. Speaker and ladies and gentlemen of the Assembly, I'd like to draw to your attention that the same board handled this, and it was dealt with in almost the same time limit. I refer you to board order No. 2167. The taking was 1.47 acres. The board allowed \$97.50, and in the adjacent land was 1.03 acres, which is about half an acre less, and they offered \$20. They were very close together. I would say within half a mile of each other.

Now I will deal strictly with Crown lands. I have board order No. 15959, and in this board order, the total area used was 16.54 acres. The compensation for entering the land was \$150. The subsequent yearly rental on this land was \$75 a year. I may draw to your attention that on this map issued by the Department of Lands and Forests, I cannot find on this any value that equals what the people of Alberta should have received - somewhere in the neighbourhood of

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\$300 to \$400, if this guideline was to be used by the Right of Entry Arbitration Board.

There are many more examples, Mr. Speaker, as I glance through them. There is one here for 6.68 acres, order No. 12039. It is way down south. It's dated January 27, 1955, and the yearly rental on that is exactly \$25. Coming back to township 44, this one is a 5-acre parcel. The original compensation for taking of the land was \$145 and \$10 a year rental from then on. This is the way it goes on. I could cite many more, Mr. Speaker, but they are just about as ridiculous as they can get. Certainly the rights of the people of the province are that they should have gotten more. I see one here that is 28.83 acres with four wells on it, and the total yearly rent on that is \$250. There are many more.

I wanted to pick one out, Mr. Speaker, that is way down in the Lethbridge area where the government owns the land and it is apparently rented out for pasture. This is order No. 8370, so it is within two years. The total amount of land taken was 25.53 acres, and I notice throughout that the Crown was receiving the thin end of the stick. The allowance for loss of use of land - for 6.36 acres \$5 an acre a year rent, and the other one is allowance for severance and inconvenience at \$50 an acre. It goes on, and I'm sure that when you take a summary of all the Crown lands, I could truthfully say that they never at any time averaged out to \$10 an acre for a yearly rental.

In conclusion, Mr. Speaker, I noticed by the Public Income Accounts for the year 1970-71 that the income account from right of entry leases amounted to \$636,636.16. This is on page 46. On page 47 there is another item in there which says Surface Rights on the east slopes of the forest reserve and I presume that these may be one of the two alike so in total then, I assume that the people of Alberta receive something like \$977,291.33 for all the surface leases that were in existence.

There is one more point, Mr. Speaker, that I wish to dwell on before I close, and I presume this was issued in good faith by the former government. I don't agree with the figures it has on it, but I wish to draw it to the attention of the Assembly. It says, "However, the government is convinced that the owner of the surface is entitled to full compensation" -- of course, this is in larger letters -- "as it would be in case of a canal, railway or highway or powerline, a coal mine or any other thing required in the public interest which would cause him any damage or inconvenience."

Of course, The Right of Entry Arbitration Act was passed which provided the setting up of a board of arbitration with wide powers to deal with the matter of compensation to owners. I will grant you, Mr. Speaker, under Section 25 of The Right of Entry Arbitration Act, it did have all its powers. But I say it never exercised its powers. The determining factor as to the value of the land -- this seems to be very strange, because they certainly had the powers to determine the value of the land -- it says, "to determine the value of the land, the board may consider" -- the 'may' is in large letters, but they may never have used it -- "the amount of land which may be permanently damaged by the operator's operations, the adverse effect of the right of entry on the remaining land. (b) the compensation for severance, (c) compensation for nuisance inconvenience noise, which may have been caused from the operation, and any and all such factors as the board from time to time may deem proper and relevant."

It goes on, and at the back of this, Mr. Speaker -- this is where I disagree, because I could nowhere find the formula that was printed on this paper that held true with the formula that was actually on the contracts and on the board awards. It goes on -- "In the first year an oil well will be paid for at \$1,188, and the annual compensation for the well would be \$420."

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I closely checked the next item which is \$1,288. If the first payment on a well was \$1,288, the owner should have received \$428.50. I find this about \$100 less than in even the private contracts, because this doesn't hold true, especially the one that I found at \$1,600. I will take the one for \$1,500 -- it goes from \$1,500 to \$1,400 and I imagine it should have read \$1,600. It says, "annual compensation \$500." If you took the figure between the \$1,600 and the \$2,000 and averaged them out, you would come out with an average of \$600 a year rental. This does not hold true in any of the contracts I have ever examined.

Mr. Speaker, in closing and in summary, may I say that the Right of Entry Arbitration Board started off in the right direction at its very beginning. However, after a number of years and a change in personnel, the awards began to slip drastically. Mr. Speaker, I would say in all honesty and sincerity that I have taken a fair evaluation of the contracts and judged them according to the awards that were made, I can't find where the industry nor the landmen were at fault. The fault lies with the Right of Entry Arbitration Board after the change in personnel at about 1954.

The industry and the landmen found that when the board was cutting their offers -- and this was indicated in what I have just previously said -- when the industry found that the awards were made by the arbitration board, 33% to 50% less of their recent negotiations you could not really blame the industry when the board was setting the pattern. This continued for a number of years -- the protest of all farm organizations to no avail.

Once again the personnel of the board changed and this was in 1964, and of course, a remarkable change came about. The awards began rising very noticeably and have almost reached a point where they could be tolerable. If we looked at a graph, Mr. Speaker, in 1947 we could find a levelling-off period where the awards were pretty fair. And then of course, we came to about 1954 and we went on a downward skid, we hit bottom. I don't want to mention the names of any personnel, but it seemed at that time, when the change in personnel in the board came about, we again started rising.

The point I wish to make in conclusion is, that if a graph were made on the awards from 1947 to 1971, at its beginning we would see a fairly steady line up to about 1954. Hereafter the line would drop to an all-time low until 1964, and here the graph would show a steady rise until 1971. It is also remarkable to note that during the very low period, nearly all inspections by the board were made by one member of the board, and in my opinion this should never have occurred.

My recommendation, Mr. Speaker, would be that at no time should inspections be carried out by one board member. Two should be a minimum requirement. And also that in future board members should be required to travel by themselves and in their own cars, and any fraternizing by them with either party would constitute their immediate dismissal from the board, and neither party would have a right to complain. Thank you, Mr. Speaker.

MR. HARLE:

Mr. Speaker, in rising to second the motion of the hon. Member for Drayton Valley, I would like to point out that the motion before you is that the government give consideration to the matter of having the board review orders made in past years. In particular, it is our contention that the awards made to the Crowns have been lower than to private individuals. We mention the word 'consideration' in our motion, because it is very difficult to find out just how much difference there is, if any, between awards made to the Crown and awards made to private owners.

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This arises because the orders themselves merely set out the amount of compensation. There are no reasons set out in the orders for the awards that are made. We say 'consideration' because it will take a great deal of investigation to discover the facts in each case for purposes of comparison. For example, the orders do not always show the relationship of the respondents. The orders show that the applicant is an oil company and there may be one or more respondents. The respondent may be the Crown and Joe Blow. Joe Blow may be a tenant, he may be a purchaser, he may be a homestead lessee, and yet when you read the orders you can't discover what capacity each of the respondents is in. Some orders have awarded compensation to the Crown and then the land has been sold by the Crown to a private individual, and that private individual is now receiving the awards that were made to the Crown. The awards themselves, of course, over the years become dated. This is not a contract, this is the statute, and statutes, of course, can always be amended.

The motion itself refers to past years. This is because under the new act which has received, I believe, first reading, The Surface Rights Act being Bill No. 64, will provide in Section 36, subsection 2: "This section only applies to compensation orders made after January 1st, 1972." Subsection 5 says: "Where a compensation order provides for payment of compensation on an annual or other periodic basis, the operator or a respondent may give notice that he is desirous to have the rate of compensation thereunder reviewed in accordance with this section, if notice is given during the last three months of the fifth year of the term of the compensation order."

In fact many of the new lease agreements that are entered into by the oil companies with private individuals now provide for a five year review provision. We submit that the review provision in the new bill should also apply to orders made prior to January 1st, 1972.

Mr. Speaker, I would like to get into some of the facts on which we base this submission. The hon. Member for Drayton Valley asked the board to pick out a sampling of board orders involving the Crown, private individuals and both Crown and private individuals in the area west of Drayton Valley. I submit that while the figures I'm going to give you are difficult to rationalize, I believe that in fact the orders themselves are representative. The board had no reason to select the orders in any other way, but to be a representative sampling.

I submit that the Crown and anyone purchasing from the Crown is not receiving proper compensation annually as a result of the existing orders made prior to January 1st, 1972, when this is compared to the annual compensation awards made to the private sector and to private individuals.

Therefore, the next part of my presentation is a rather difficult one because it's a matter of giving some figures. The figures that I want to give are annual compensation -- this is the amount that is paid annually after the first or second year following the entry onto the lands. The orders usually provide for the first two years and then go on and recite that a certain amount is payable annually. This means that the figures that I am giving you do not relate to compensation for various damages.

The area of the land which I am referring to, is that land taken for the wellsite and the roadway and does not cover flow lines, pipelines or any other uses that are required around wells. However, there are a few battery sites that are included. The first group of some four orders relates specifically to the Crown. In one of them there is another person involved, but after reading the order several times I finally come to the conclusion that the individual that was involved in the order was a lessee, because he did not, in fact, receive any annual compensation. Whether he was on there for one

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year or two years, doesn't appear from the order. He certainly didn't get any annual compensation and I have included this group of four to show how much the Crown is receiving in these particular cases.

Order No. 11290, dated December 13, 1957, the amount of the wellsite and roadway amounted to 5.74 acres and the Crown receives annually \$25.

Order No. 12561, dated June 13, 1958, the area taken was 4.62 acres. The Crown received \$140.

On the same parcel of land a wellsite for 5.89 acres and roadway. The Crown received annually \$50.

Order No. 11005, the amount taken was 38.01 acres. The Crown receives \$50 annually.

MR. HENDERSON:

Would the hon. member repeat what the year was of that last order?

MR. HARLE:

February 2, 1957.

The next order is Order No. 1635/60. The area taken was 3.54 acres and the amount of the annual compensation is \$35 to the Crown.

Each one of those figures is the annual compensation.

MR. HENDERSON:

Which year?

MR. HARLE:

July 19, 1960.

The next group is two orders where the Crown is the respondent and some individuals. It does not appear from the order what the capacity is of these individuals; whether they were lessees or purchasers; I suspect they were lessees. In all probability they were not long lessees because the annual compensation was paid to the Crown.

Board Order No. 1032/62. The date is July 11, 1962. The amount taken is 2.21 acres. The annual compensation is \$25.

Board Order No. 992/64. I haven't got the date but it's a '64 order -- the amount taken for a battery site was .8 of an acre and the annual compensation is \$25.

The next group of board orders is quite a long list and they all involved private individuals. This means that the surface of the land was owned by a private individual. I'll read some of them and then, perhaps, go over the majority of them in a rather summary manner. I would point out that these board orders have been amended by board orders and I don't want to read each of the board order numbers.

The first one is 10203. The amount taken was 4.45 acres and the annual compensation was \$275.

The next one is 13587. There were two wellsites in this particular area. One was 4.43 acres and the annual compensation is

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\$308.60. The other one is 2.1 acres and the annual compensation is \$242.

The next one is Board Order No. 2170/59. The area taken is 3.36 acres. The annual compensation is \$284.

The next one is Board Order No. 1336/59. The area taken is 4.37 acres. The annual compensation is \$381.10.

I think, Mr. Speaker, that it would help if I just read the acreages and the annual compensation. I have the board orders, if anyone needs them.

The next one is 4.06 acres. The annual compensation is \$371.80.

The next one is 4.37 acres. The annual compensation is \$406.10. And so it goes.

The next group of board orders represents the situation where the Crown owned the land, and then there are amending board orders which indicate that the money for the annual compensation is to be paid to someone else. I can only interpret this to mean that the land has been sold, and the Crown no longer has an interest in that property.

In all cases, I do not have all of the board orders. That is true of the first one. It is Board Order No. 229/70. The actual order was made some considerable time before that. The ownership has been changed, and the annual compensation is \$10.

The next one is Board Order No. 230/70, the same situation. For one wellsite, the annual compensation is \$60. For another, it is \$75. For another, it is \$75. For the fourth one in this particular parcel, it is \$40.

The next board order is Board Order No. 4879. Same situation. The land has been sold, apparently, and the new owner is receiving the same compensation that the Crown received. The area taken was 4.65 acres. The annual rent is \$46.50.

The next one is Board Order No. 4880. The same thing occurred, and the amount of the compensation is \$47.10. I do not have the area taken by the wellsite, but you can presume that it is somewhere between three and four acres.

Mr. Speaker, it is figures like this that make it very difficult to establish whether or not you are looking at comparable figures. I recognize that it is the duty of the board to examine the property and to make the award and make the annual compensation, dependent on the situation existing at each particular site.

What I have done is merely to take the actual figures the Crown has received and the actual figures that the ordinary individual has received, and the situation where the Crown received the order, it no longer has any interest in the property, and is now being transferred, and the new owner is shown as the respondent in the board order.

I think the figures are sufficient to show that there is some considerable gap between what the Crown has received and what the individuals -- citizens -- have received. I therefore submit that there is sufficient case to ask the government to consider making the five year review available to those board orders that have been passed before January 1, 1972. Thank you, Mr. Speaker.

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MR. FARRAN:

Mr. Speaker, I would like to say a few words in support of the motion. I know there are people who would argue that it is wrong to review a contract set up in perpetuity, but the only answer to that must be that a bad contract, like a bad law, shouldn't be allowed to endure indefinitely, if it is clearly not in the best public interest.

I think we should be careful to differentiate this case from an agreement entered into by two parties over 21 and in their right minds -- perhaps for a short-term duration -- and relating to circumstances that haven't substantially changed. But I would certainly except from this, insofar as my own conscience is concerned, agreements that have been imposed by the strong upon the weak or that have been extorted in some sort of a way under ground rules which were not basically fair. If this proposition were not so, then all the rights of this House would not have been won from the king and his nobles.

The federal government has already adjusted some of the provisions of the agreement with the railroads, so far as tax exemptions on railroad rights of way are concerned.

Of course, the most disgraceful example of a long-term agreement which has never been adjusted were the perpetual bonds issued by the dominion government during the last war which have never been redeemed. I think this is a disgrace and a blot on the conscience of Canada. That is just an aside. Even the British have just announced that at long last they are going to honour the post-war credits given to soldiers overseas, but Canada has never done that.

Anyway, so far as right-of-entry or surface rights are concerned, many of these leases were imposed by the Arbitration Board. So far as I know there was not proper right of appeal to the courts. The rates paid varied all over the province. We have heard enough evidence from the very detailed presentation of the hon. Member for Drayton Valley and the hon. Member for Stettler to know that there has been no consistency whatsoever in the settlement. Apparently the worst period was for the ten years, from 1954 to 1964. But the disparities are most pronounced on crown land as opposed to private land, although there are astonishing differences in the rates paid for one private parcel as opposed to another private parcel. Nothing caused more discontent among farmers than the handling of surface rights some ten years ago, it was handling of surface rights by both the Right of Entry Arbitration Board and by the oil companies themselves.

As I see this proposition and the motion, it is no different from increasing rent. Every other landlord can raise his rents to cover increased costs or the devaluation of the dollar. Since the Crown and the C.P.R. and the Hudson's Bay Company retain mineral rights in the province, very few farmers receive more than a very small amount they obtain from surface rights. Even here, it has only been based on the actual value of the land or the damage, with very little compensation for the intrusion on a farmer's operation.

I know that there were some insinuations the other day about that fellow Roger LeBoeux who started the surface rights movement and he may well have had some strange political quirks and a very free enterprise approach to membership fees, but I think that history will show that surface rights compensations to farmers began to improve from the date of that man's agitation.

I believe that if the Crown is not being properly compensated for the land that it owns, the rate should be adjusted. Even though the new law will put everything right as from 1972, I believe there is a very strong case for making some sort of retroactive adjustment to these other agreements that were entered into prior to 1972.

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But for the years hence, I don't believe it is proper to go back into the books and say "look, you only gave us \$25 a year for this piece of land and you are paying for a private parcel just on the other side of a barbed-wire fence \$400 or something like that." I don't think it is fair to say that you have to correct that, but I say you can correct it from here on in, that all those agreements should be reviewed.

MR. TAYLOR:

Mr. Speaker, I'd like to say a word or two in connection with this resolution. The resolution appears to ask for a review, at five year intervals, of all compensation and orders made by the Right of Entry Arbitration Board in the past, with, I presume, the first review taking place immediately, and then every five years hence the same item would be reviewed.

Mr. Speaker, I think there has to be some premise laid down upon which a review is going to be conducted. Is the review going to be carried out in the light of conditions that existed at the time the order was made, or is the review going to be done in the light of conditions that exist five, ten, fifteen or twenty years later? These conditions vary. The price of land varies. I think there would have to be some premise from which any board would work, in order to keep things reasonably equal.

The other thing that bothers me is that if the judgment, and I say if the judgment, proved to be wrong, or so wrong as suggested in the price given to the Crown, then would their judgment not be equally wrong in a large number of cases where private lands were concerned? If we're concerned only about correcting errors that we assume were made in Crown lands, are we not going to be interested in correcting the errors made on individuals' land? I frankly have difficulty following the resolution. Are we more concerned about the rights of the Crown, or should we not be equally concerned with the rights of individuals?

MR. FARRAN:

If I just might make a point of order, the hon. member must be in error, or have misread the resolution, because it makes no mention of Crown land. It mentions all land.

MR. SPEAKER:

The hon. member is undoubtedly referring to the debate, which was quite proper.

MR. TAYLOR:

Mr. Speaker, with the permission of the mover, I tried to clarify that, and he did tell me that he was talking about Crown lands, and the debate centred around Crown lands, so I'm assuming that that's what it refers to. If it refers to everything, well, that's fine.

I frankly can't follow the arguments -- that it's only going to be carried out for Crown lands, because if the judgment was poor there, then it's likely just as poor in the case of individuals. If the judgment was sound in most cases in the Crown land, then it was likely sound in most cases of individuals. I think that's a reasonable assumption to make. The resolution, apparently, is not clear on that particular point, because the debate has centred almost entirely on Crown lands, and being fair to the Crown.

The other point that I wonder about in connection with this resolution is having a board review its own decisions, even though it's five years later on - this is questionable to me. At this time

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there may be a different board from what there was five years ago, but it's likely the same act and it may well be the same people.

If we're going to have a review that's going to be meaningful, should the review not be carried out by a different body? Even an ordinary court will not review its own decision. It must go to another court, competent as courts may be. It does not review its own decision. It goes to another court and there the review is made or the appeal is heard. I believe there is some soundness in having a review where it rests, to a degree at least, on the judgment of the umpire, but I question very much having the review carried out by the same body that made the decision in the first place.

One other point I'd like to raise, Mr. Speaker, is the point that we have listened to a number of cases today, and I'm not questioning any of them. I'm not even questioning the motives of the hon. members who chose them. They had to select certain cases as we all have to do when we try to prove a point. Are we going to base our decision on whether or not we agree with this resolution, on our own interpretation of the exceptional cases, or are we going to base it on hearing both sides?

In our country we put great emphasis on the point that every man, and I suppose we could say, every board, has the right to its 'day in court', to state the basis upon which it made its judgment. I would suggest, Mr. Speaker, that before voting on this resolution I would like to see the Right of Entry Arbitration Board called before a body such as the Public Accounts, and let the board answer for itself in accordance with the authority given to it by the Legislature of this province. Let them answer; let them tell why they gave this amount to one and that amount to another. If there is not sound reason we can soon decide what to do. But if there is sound reason, then of course, we should know that too, before voting on this particular resolution.

I would hope, Mr. Speaker, that the Public Accounts -- and I am quite prepared to raise the matter in Public Accounts at the next meeting, this session if we have time -- that we call the Right of Entry Arbitration Board before that body and ask why the various cases raised by the hon. Member for Stettler -- and I think we deserve to know why -- why the payment is so low, why it varies from farm to farm when the soils appear to be the same. There may be logical reasons; there may not be logical reasons. I think the hon. members are entitled to know both sides in connection with a resolution like this.

Secondly, I think, in fairness to the board -- I am not justifying the board at this time or condemning it -- the board should have the right to be heard by the hon. members of this Legislature.

I have cases in my constituency that I can raise, too, in which I was very unhappy with the decision of the board. I also have cases in my constituency where I was very unhappy with the second, third, fourth, and fifth agreement made privately between individuals and oil companies. So are the farmers very unhappy about it, because each one was taken as an individual item, instead of taking a whole effect of a number of pipelines, a number of wells, that are on that land. When you take one the compensation appears reasonable and just; but when you take them all together and see what it has done to some farms, then it becomes a different picture entirely.

I would like to ask the Right of Entry Arbitration Board why they have made certain agreements. Even to go beyond that, I would also like to be able to ask some oil companies why they decided to offer so much for this particular farm, and so much for the next one; why they haven't done a better cleanup job in some cases; why they

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buried the black soil in other cases. There are a lot of things that have to be answered.

Mr. Speaker, I again suggest that I hope the hon. members would hold off voting on this particular resolution until we have had a chance to let the board have its day in court, until we have had a chance to ask questions and to hear the answers from that board.

MR. HENDERSON:

Certainly, in examining this resolution, looking back on a few years and the fact that I was born and grew up in the oil business, and lived and worked in oil fields all my life, and still live in one. I have had the privilege of representing the constituency of Leduc for eight years, and now Wetaskiwin-Leduc. At the same time I wore the hat of the MLA in that particular area, I also had the chore of being a field superintendent for a major oil company. I can assure you that I have heard a lot about this particular problem from both sides of the fence. I recall my introduction to provincial politics in 1963 when the so-called Unity League was campaigning on this particular issue. It was a very interesting political exercise.

I think, Mr. Speaker, that this subject is a really interesting one from the standpoint of changing public opinion. I realize there was some sort of history given of the evolution of the board, and I am sure the hon. members are aware that when the board was originally set up following the discovery of Leduc, it was a very expensive, difficult procedure for a land owner to get any form of reasonable restitution other than through a process of arbitration in a court. The board was set up as a mechanism to try to provide some semblance of elementary justice, notwithstanding the law so far as the severance between surface rights ownership and mineral rights. Because this is really where this basic problem originates -- back in the days a few years following Confederation when the federal government before the turn of the century separated the mineral titles of the lands in western Canada from the surface titles.

When the Right of Entry Arbitration Board was set up...and I don't remember, but it was just shortly after the discovery of Leduc...at the insistence of the farm organizations of that day, there was no appeal placed in the act from the board orders -- because it was the opinion of the farm groups at that time, that such an appeal would be unfair because the large companies with their financial resources would create a tremendous imbalance in the opportunity of the two participants to go to court and argue the relative merits of the awards of the board.

So, as a consequence, at the request of the farm people, the appeal was not put in the act. And, of course, a period of 10 or 15 years went by before it finally got to the point when there was enough dissatisfaction with board orders that there was climate for an appeal. I had the privilege of serving on the committee of boards and tribunals -- I think there is still one member in the House, the hon. Minister of Mines and Minerals -- which went through the Province of Alberta in 1966 and listened to the people's complaints about government boards. Certainly out of that, came the recommendation of the committee report to put the appeal in the Right of Entry Board legislation and the legislation was changed at that time.

I have to suggest, Mr. Speaker, that, of course, when there is a question of money involved, there is often not too much logic involved in the argument. The board has only those cases referred to it where there is a difference of agreement. While I have to agree that this is a timely subject for review, on the other hand, I think it should also be brought before the members of the House that 85 per cent or more of the agreements of this type relating to surface rights compensation are signed by mutual agreement between the two

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participants. It is something like 15% -- that is the last figure I recall -- of the cases in question that go before the board. As one looks at the problem in total, I think it would be a tremendous injustice to both the board, both to the individual land owner and the companies to suggest that there is an element of extortion involved in this particular exercise because the facts simply don't substantiate it. Nor do I think that it is reasonable to suggest that a few instances quoted are typical of the entire situation, because as the hon. Member for Drumheller has pointed out, there are a great many factors that have to be taken into calling a board award. A board award on an acre of land adjacent to the City of Edmonton or close to it is a different matter entirely than a board award on an acre of land that is 150 miles southwest of here. I don't know how the board awards were arrived at, but I do think the point of the hon. Member for Drumheller is certainly well taken. Of course, there are other things -- it is often interesting to compare the rental payment in the assessed value of the land. If one looks into it, you will find in many cases, that the rental is really about the equivalent each year to what you could buy the land for in the first place in some cases. Not any more, but in a number of cases.

There are other things such as severance if it causes interference with a farmer's access into his land, or the matter of inconvenience if a well is close to his farm buildings. All these factors get taken into the award that the board makes, which are factors that aren't related directly to land value and production or productive value of the land itself.

It is also interesting to note that in Saskatchewan in the early fifties, they had what they called a ready-reckoning for determining compensation rates. There was a little slide rule that the government prepared. They took the acreage, the yields over a period of years, and worked it all out, and it was very scientific and it looked very just, except it only came up with awards about 1/2 -- on an acre basis -- of what the board in Alberta was paying. So the committee of the government of the day came to Alberta, I think it was the CCF government of Tommy Douglas, examined the Alberta ground rules and went home and brought their system up to date. So there is a lot of history behind this, and the few exceptions as far as the monetary figure is concerned, I don't think really get to the root of the matter.

I would also like to suggest that I don't think it matters what the system is, and what the board awards are, or what the court appeals have come up with on the subject, there are always going to be cases of individuals being dissatisfied. The reason they go to the board in the first place, or they appeal the board order to go to court, is because they both are of the opinion that they are right. Of course, when somebody goes to court, or to the board it's only going to come out that they can't both be right and so one party or the other has to be dissatisfied. I think it would be a miscarriage of justice to suggest that the acute cases really illustrate the situation in total, because they do not.

Of course, on top of that there is always going to be a tremendous amount of political popularity on the part of the member of this Legislature championing the cause of the little man against the big corporation. I recall being involved in operations of taking over leases and so on, from one small company where the lease agreement was almost written on the back of a cigarette package and had stood the test of time for 10 years. Then the large company took over and right away things had to be done differently and I've often suspected that the size of the trouble and the protests raised are directly in proportion to the size of the corporation involved and there is often not too much relationship to the facts of the matter.

The board has, on the whole, served the people of this province well. Again, as I say, the point of the hon. Member for Drumheller

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is extremely well taken so far as giving the board an opportunity to present its case before we rise in this Legislature and condemn the board for its past record. There have been cases, I think, on the appeal side where the courts have substantiated -- maybe the hon. Minister of Mines has this information at his fingertips. It would be interesting to know what the courts have done with appeals on board awards. I think there have been three or four of them -- I don't know how many -- and I think in the majority of cases they have upheld the boards and in a minority of cases they have ordered a different award that was higher. But if the hon. Minister of Mines and Minerals, or one of the ministers of the government has this information, I think it would be of interest to bring it out during the debate.

One goes back to looking at past awards, and the circumstances that existed at that time, and jumps to a conclusion. Of course one has to be careful. I don't see too much difference, for example in this problem, in the community that I'm living in today. Well let's say the first house I bought -- 20 years ago -- cost me \$4,200 and I thought that was quite a price to pay for a house. That same house today is selling for \$16,000 on the market. Naturally the guy that sold it at that time now looks back and thinks, 'boy I wish I'd hung onto that, what a good deal it would have been'. But of course, when there was a disagreement and the matter went up before the board in the first place, this naturally is not taken into account on the part of the individual who is complaining about it.

There are some problems. I'm aware of complaints that I've run into as MLA for Leduc wherein awards were made by the board for Crown lands which were basically inaccessible and miles from nowhere several years ago, and the payment for the land was nominal. Probably you could have bought the whole quarter section for \$100 at the time a \$25 award was made by the board for the wellsite. Since that time the land has been opened up, cleared and its now under agricultural production and under the agreement that was made the company that bought the land, bought it with the understanding that the leases were there and it was an accomplished fact that had to be accepted and they either didn't receive any compensation for it -- they bought the land without receiving a compensation for the annual rental -- or if they did it seems ridiculously out of proportion to present day circumstances. I think we are up against the problem of trying to rationalize the law with a question of elementary justice. Because when one looks at cases like this no amount of explanation of the law and precedence, and so on and so forth, is going to be of any particular value to the individual.

I would like to point out that I think in some regards the debate in the resolution is really also somewhat academic. Since from my experience, once the government puts Bill No. 64 through, with the provisions to review agreements after January 1st, 1972, every five years, I'm sure as I'm standing here, that within a year or two the pressure that's going to be produced is simply going to require that all the agreements made prior to 1972 be re-examined.

I would like to predict that once that happens the pressure is going to be on the industry to re-examine all its agreements that it made voluntarily over the years in light of the same thing. I strongly suspect that public pressure will move the argument in this direction. Once the initial step is taken in Bill 64 to review agreements in future every five years, I think it's a foregone conclusion that it's only a matter of time until agreements prior to that date are examined and reviewed by the board.

I have always noticed with interest, and I note it again, it's in Clause 35 of Bill 64. The way I read the old act and the way I read the new act, where it says "The Board; (a) may re-hear an application before deciding it;" and "(b) may review, rescind, amend or replace a decision or order made by the Board;" I've always

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interpreted it, in fact, as far as the law was concerned, that the Board always had the authority to go back and examine it.

As I read the new act which is before the House, Sections 35 and 36, the clause is still there; 35 still has that power in it; and 36 says that the Board "shall after January 1, 1972, review all the orders." So I, quite frankly, think once we agree in principle, if we accept the legislation in Bill 64, that the request of the mover and the seconder is going to come to pass; regardless of the views of many members of this Legislature; regardless of which side of the argument they're on; and regardless of the views within the industry.

But I do suggest, Mr. Speaker, that while I can, quite frankly, personally accept the fact that this subject has to be re-examined, in view of rapidly escalating inflationary costs of land values and so on, and some provision has to be made in these particular agreements for periodic amendment to them.

I would like to suggest though, Mr. Speaker, this factor is fundamentally unrelated to the job that the Right of Entry Arbitration Board has done in the years gone by. Completely aside from whether individual members of this Assembly think that individual awards may have been too high, or too low, or unjust, or horrible, it will still be a basic fact that with the tremendous escalation that has taken place in the prices of land and real estate in Alberta, we would still be facing the same problem. And it is of some concern to me to hear the whole problem dumped on the shoulders of the Right of Entry Arbitration Board because while I, like the hon. Member for Drumheller, can take some pretty strong exceptions with the Board on some of the rulings they have made, on the whole they have done, I think, a satisfactory job and under some pretty trying circumstances.

There's one thing that I have always felt was somewhat unjust about the old Right of Entry Board and the Board of Public Utilities. I'm aware of some cases, or one or two, where the Board found itself in a complete contradiction. No matter what decision it made it was wrong so it refused to make a decision. I'll have to go back and check with one constituent because I think the case is about eight years old now and I still don't think the Board has ruled on it. Therefore, when we get into Bill 64 it's certainly my intention to see if we can't do something about putting a provision in the act that would require the Board to make a ruling, to prevent it from sitting on the fence in the interest of avoiding a decision that would be embarrassing to itself in light of precedents that it has set.

Mr. Speaker, I think it will be highly desirable to the Board and the gentlemen who served on it -- who have done so really under direction of legislation that was approved in the past years by this Assembly and under direction of the government, some of whose members still sit on this side of the House -- that the gentlemen in question should have the opportunity of explaining to the members of this House just exactly some of the case histories that possibly some of these awards relate to. I feel fairly confident, in spite of the arithmetic and the instances quoted, that the hon. members will find there's something to be said, as well, on the other side of the argument. That need not detract, however, from the fact that elementary justice dictates that, regardless of the precedents and regardless of the law of the matter, it has reached a point in time where there has to be some provision for reviewing the agreements relative to the operation of the Right of Entry Arbitration Board. The die is cast in Bill 64 and I would predict that regardless of how we vote on this resolution, that what the members, the mover and seconder, are asking for, is going to come to pass within two or three years.

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MR. HINMAN:

Mr. Speaker, I want to contribute just a little bit. Perhaps I can remember a little bit further back than some of you. When the term, "mineral rights" first got into the acts, nobody was contemplating oil or gas. They were talking about mines and minerals, and you who are solicitors know the old titles often said, "Reserved unto Her Majesty," or "Reserved unto So-and-So, all mines and minerals and the right to work the same". When I think back to the first disputes that came over this matter, it was a matter of opinion who had the right. Did the man who owned the mineral rights have a right to say to the surface owner, "Do not farm over my mines, or my minerals." Or did the surface owner have a right to say to the man who had the mines and minerals and the right to work the same, "Do not travel over my surface rights".

However, I think the industry, because it wanted to get on with the business, when we came to gas and oil, very quickly recognized that it was important to settle it and that there be some justice in it. I hope that is the objective of those who have sponsored this motion: that all we want is justice, and that justice considers both sides of the case.

I am just going to treat quickly some of the remarks that have been made.

Somebody said that it is no different than rent. But it is a little bit different than rent, because you cannot move to some other place. These wells are pretty well situated.

Somebody said that there is no consistency. But you can only use the word "consistency" in relation to the criteria that you use. I am very much aware of what goes on in appraisals, because I have been in the business a little bit. I saw, just outside of Lethbridge, where the university was, an appraisal on some farm land that placed it at \$55 an acre. In 18 months I saw an appraisal that placed it at \$780 an acre. So I said to the two appraisers, "One of you must be wrong."

"Oh, no," they said, "we are both right. You always appraise it in terms of the use to which it is going to be put."

I did have occasion to go out on quite a number of cases, and review with the farmer, and sometimes with the Right of Entry Arbitration Board members, why they came to this decision. Almost invariably, I find they had done just what any of you would do, if you went out. You would look at the situation, and if this well site was going to take the garden, it was certainly worth a lot more than if it was going to take the swamp at the end of the pasture. I think they did a pretty good job when they went into this part of it.

The thing that perhaps is lacking is the ability of any of us, or all of us, to set up a set of criteria by which you will evaluate what the surface right interruption is worth. That will change, too, over the years. Experience certainly brings this out. I think that is probably one of the things that could be done under this resolution.

Now, as to the Crown against private. Certainly, that was discussed in the old days a good many times. I think that the hon. Member for Drumheller will remember. The lands held by the Crown were not being used. They were being leased, many times as low as ten cents an acre. So The Right of Entry Arbitration Board had a pretty difficult time, to say to the Crown, "Yours is worth \$10 an acre". But the man next door, who owned the land, who was putting it to use, who was slowly clearing it, and was going to do that, had a very different point of view, and rightly so. It would be pretty hard to say to one of these fellows on Crown land, being leased for 10 cents per acre, to suddenly say to the oil company, "It is worth \$5 an acre, or \$10 an acre, for you to reserve a little bit of it."

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Some of these things that seem inconsistent today were not inconsistent. That does not mean that we should not change them. Now, I think what we want to do, is to see that we do devise a system of justice. I am quite in favour of a review, because conditions do change. On the other hand, I think we have to keep in mind that most of the people who do the complaining are not looking for justice -- they are looking for charity. In our political points of view, sometimes we lean over backward because we think we must please the people. We forget that in pleasing some people, we are unjust to others.

I am quite prepared to support this resolution, because I think it only calls to consider. I think many of the things said in this House today will be reviewed if we pass the resolution, and if the government sees fit to carry it out.

I only point out, if I may recapitulate a little bit, that in the early instance mineral rights did not refer to oil and gas. It was a new thing. Values were very low. We have been accustomed to what is called laissez-faire, the free enterprise which had to go because it intimated that whatever is might is right. Somebody mentioned in the debate that one of the reasons we did not provide for an appeal to the courts was that the little farmer, owning only 100 acres or 150 and selling butter and eggs to live, had no way of going to court. So it was felt that if we had an independent board, we would be serving his purpose. Well maybe that time is gone.

Mr. Speaker, all I am concerned with in this consideration is that we try pretty hard to arrive at a criteria for evaluating over the period of five years, just what ought to be done in these instances.

MR. BENOIT:

Mr. Speaker, at the risk of repeating some things that may have been said, I want to say at the outset that I, like the hon. Member for Drumheller, was a little bit confused, probably by the tack that was taken by the mover and seconder with regard to what property was involved, whether it was only Crown land or not. As the hon. Member for Calgary North Hill pointed out, the resolution does not stipulate Crown land only, but so much mention was made of Crown land and how little was given for Crown land in comparison to other land, that I got to thinking in those terms and wondering if there was something missing in the resolution. If the resolution intends to have a review of all the awards that were made and the compensations that are being paid, then that is fine and dandy. If it was only going to review the Crown land then I say there is an argument for having the difference between a Crown land which was partly referred to by the hon. Member for Cardston. That is not the only reason, not only because of the difference of use, but we have to consider the fact that the Crown itself is getting other remuneration from the oil company besides the annual compensation that was made in this particular case. In the end all of it was going directly or indirectly back to the people of the province. So maybe for some purposes of inducement, it wouldn't be too serious an offense for having made a discrepancy or what appeared to be an error against the Crown in situations of this sort.

So far as the comment that was made of the vast difference between prices on one side of the fence and the other, I think that this has been pointed out as being very easy to do. If the fence line happens to go along the edge of a slough and the one side is being farmed and cultivated and the produce is taken off it, that is one thing. But if on the other side of the fence, no such improvements are made, then certainly there is justification for large discrepancy between the compensation for the two pieces of property.

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One thing that I am concerned about is the decisions that were made and the changing of them after so long a period of time. I suppose there is a difference. If we are only referring to the agreements that were made through the Arbitration Board, that is one thing. But we are looking at all of the agreements that were made and that is a horse of a different colour, because these were multi-lateral and bilateral agreements in most cases, not unilateral agreements; and certainly if the agreement was made I see no reason why it shouldn't hold. Granted, times have changed and probably new owners have taken over and the situation might call for a change. On the other hand when they bought the land they knew what the agreements were and they were long standing agreements. However, Mr. Speaker, I don't want to press that matter further because it has been discussed fairly well.

One other point I would like to make before I sit down, and that is the fact that this is a two-edged sword and a lot of people do not consider the fact that if we are going to have a five-year renewal clause in this, it cuts two ways.

For the most part, all the people who have lived in the past three decades have seen prices gradually increase, the value of land gradually increase, inflation, and so on, and all they can see in five-year renewals is an increase, in the compensation. But there may come a time when there will be another depression, or there may be just a gradual recession in which case, it would be to the companies' advantage to have a five-year renewal because the owner of the land is going to get a reduction in his compensation in such cases, rather than an increase. For those of us who are very keen for the increases, we ought to give some consideration to the possibility that there might come a time when they would be glad to have the prices they are getting now, when everything else has gone backward so far as the markets are concerned.

I have no particular objection to the resolution itself, but I think a time will come when we will be dealing with all of this matter -- when we deal with the bill in the days to come, and probably that is the time when we ought to give consideration, more seriously even than now, to what we will be doing with regard to whether we should review these contracts that were made so long ago, in the light of present day circumstances.

MR. CLARK:

Mr. Speaker, dealing with the motion moved by the hon. Member for Drayton Valley, which really in essence talks about the five year review, and going back and doing that, let me say at the outset that I think hon. members should be aware that - and the Member for Highwood has pointed this out - many people who would be involved in having a review of wellsites on their particular land, looking at this review in five years down the road, obviously would be looking towards an increase.

I suggest to the government and to the members of the entire Assembly that, if for one reason or another, down the road there came recommendations from the board that, in fact, there not be an increase, but for supposedly a good reason there be a decrease in the annual rental that individual land owners were to receive, I'm very sure that it wouldn't be very long before the members in the Assembly here would be getting a considerable amount of representation asking that a change be made, and that a landowner have the option of either taking the rental that he was getting during the first agreement or the revised rental, if it was higher. I say that with no disrespect to people involved, because it's human nature.

I know in the particular constituency that I represent, the Olds-Didsbury area, and in mainly the western half of the County of Mountain View, something like 30 per cent of the assessment in that

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particular county is the result of the petroleum industry. I recall back in the 1963 provincial election when the Alberta Unity party was at its height -- I guess is the best way to phrase it -- that Mr. LaBoeuf, who was the head of that organization, ran in the same constituency that I ran in, and there was a great deal of public discussion on this issue of surface rights. One of the matters that was uppermost in the discussion at that time was the matter of an appeal from the decisions of the Right of Entry Arbitration Board. In fact, that likely was one of the key issues at that particular time.

Mr. Henderson has indicated that a Legislative Committee in 1966 looked at the whole question of boards and tribunals. A recommendation was made and legislation was changed so that there was and still is an appeal to the decisions of the board.

I would recall to the attention of the members a situation that happened in the Three Hills area, that, not too long after the legislation was passed for an appeal, the Right of Entry Board made an award in the Three Hills area -- if my memory serves me correctly, just east of Three Hills -- and the oil company involved then appealed the decision of the Right of Entry Board to a court and the court lowered considerably the award of the Right of Entry Board. I can assure members of the Legislature that some MLA's at that time, and I certainly was one of them, got rather strong representation from some people who had been just as active two or three years before to have an appeal, to come back and remove the appeal.

I cite this to substantiate the point that I made earlier, that if there is going to be this annual review in five years, then we will be faced with the same kind of reasoning by individuals, as soon as there comes a recommendation that the second portion of an agreement be less than the first five years.

I know of a situation where people who have only a half-section of land, have more than 20 pipelines across that particular half-section. These are pipelines from a number of companies. In addition to that they have a wellsite on that particular half-section. You can say, "How much money should they have received for this inconvenience?" I would suspect that by this time they have received something in addition to \$30,000. Whether that is enough or whether it is too much, I certainly don't propose to say. The people involved certainly feel that it isn't enough. Nevertheless, the problem remains if we are going to be involved in going back and doing re-assessments or re-evaluations of all these particular events in the past.

I should perhaps also point out -- and someone else has mentioned this earlier in the debate -- that between 80% and 85% of all the transactions which take place are agreed between the oil company, or land buyers representing the oil company, and the individual landowner. The other 15% certainly are the ones we have to date heard the greatest complaints about. But I can recall a situation that took place about 1964 or 1965, where the Right of Entry Board came down to a place west of Didsbury and held a hearing right on the site. It dealt with a well abandonment at that time.

Regardless of what one thinks of the people who sit on the Right of Entry Board, let no member think they have not taken their own fair share of a certain amount of guff. You may want to rephrase the terminology, but on that particular occasion this hearing west of Didsbury out on the abandoned wellsite, I wasn't particularly proud of the actions of some of the people in my constituency, because the kind of treatment that the fellows from the Right of Entry Board got, really shouldn't have been handed out to anybody, regardless of what their particular station in life was. I can't think of any kind of remuneration that those fellows could have got for that day's work

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that would have been suitable for the type of treatment they got there.

One of the real problems we face in this whole area is that between the Right of Entry Board and the legal technicalities involved, the person who deals with them once, twice or three times during a lifetime doesn't understand all the legal terminology and all the problems involved. You get some people in an area who become self-styled experts, and they refer to situations they have heard about, or thought they heard about; as you get further away from what actually happened people aren't so precise about the details. You get comparing situations that have happened, or you think happened, or you heard about happening, a number of miles away from where it actually happened. The stories, with all due respect to the people involved, get a great deal out of kilter.

If we talk about the mistakes the Right of Entry Board has made, yes, I can point to some situations in my own riding where I think they have made mistakes. But on the other hand, I must say that on a number of occasions I have had farmers come to me and say, "I have a well going to be drilled on my land. Would you recommend that I go to the Right of Entry Board, or shall I settle with the company?" Generally speaking as a matter of practise, I have said, "I think there are some real advantages in your going to the Right of Entry Board, because in fact, if you do have problems after the well is drilled or during the drilling of the well, you have at least the protection of the board." In dealing with such things as off right of way damage, with abandonment down the road and so on, there certainly have been a number of people in my area who have benefited from the action of the board. It goes without saying, that yes, the board is made up of people and people certainly can make mistakes.

I must say I am rather impressed with the suggestion made by the hon. Member for Drumheller, that likely we shouldn't vote on this particular motion until such time as the members of the Public Accounts Committee -- and they meet Friday morning -- have had an opportunity to consider the advisability that the committee hear the Right-of-Entry Board people, come to a meeting of Public Accounts, and then we can discuss with them right there some of the examples that have been brought forward here in the Legislature. Frankly, I wish I had thought of that a few years back, because it seems to me to be a pretty reasonable suggestion, and then the various members who have raised what appear certainly to be some very legitimate concerns would have an opportunity to say to the Right of Entry people, "Look, here is a particular case. This is the information that I have on it. What is the Right-of-Entry Board's side of the argument on this particular situation?"

If having the board appear before the Public Accounts Committee did nothing else than give the board it's day in court before we took a vote on this particular issue, that seems to me to be reasonable. So I would urge the members of the Assembly that we hold this matter until such time as the Public Accounts Committee has at least had an opportunity to consider the wisdom of asking the Right-of-Entry board to come before the committee to discuss some of the specific cases which have been raised here, then likely all members of the Assembly would be in a better position to vote on this particular motion.

DR. HOFNER:

Mr. Speaker, I appreciate very much the number of people who have taken part in this debate regarding the question of the reviews on awards. I compliment the hon. Member for Drayton Valley for the excellent review of the situation that he has given, the hon. Member for Stettler for bringing this to our attention, and for that review. As the House is aware, the representations with regard to Bill No. 64 are going to be made to a Standing Committee of this House, and it

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seems to me that it might well be that this matter should be held over and therefore I beg leave to adjourn the debate, Mr. Speaker.

MR. SPEAKER:

May the hon. Deputy Premier have leave to adjourn the debate?

HON. MEMBERS:

Agreed.

MR. HENDERSON:

Mr. Speaker, on a point of order, in view of the time and the fact of the way the House has been dealing with resolutions, we will hardly have an opportunity to do justice in 15 minutes to the next motion. It will get 15 minutes to go to the bottom of the Order Paper. I wonder if the hon. member could agree to not proceeding any further with debating resolutions this afternoon.

MR. HYNDMAN:

.....I move that we call it 5:30.

SOME HON. MEMBERS:

Agreed.

MR. SPEAKER:

The hon. Government House Leader has moved that we call it 5:30. Do you all agree?

HON. MEMBERS:

Agreed.

MR. SPEAKER:

The House stands adjourned until 8 o'clock this evening.

[Mr. Speaker left the Chair at 5:17 pm.]

* * * * *

[Mr. Speaker resumed the Chair at 8:00 pm.]

PRIVATE BILLS FOR SECOND READING

Bill No. Pr. 7

An Act to Terminate Certain Agreements Between
The Canadian Pacific Railway Company and the City of Calgary

MR. FARFAN:

Mr. Speaker, I move second reading of Private Bill No. 7, An Act to Terminate Certain Agreements Between the Canadian Pacific Railway Company and the City of Calgary, seconded by the hon. Member for Calgary McKnight.

[The motion was carried, and Bill No. PR 7 was read a second time.]

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Bill No. Pr. 10

An Act Respecting Great Way Merchandising Ltd. and The Securities Act

MR. HINMAN:

Mr. Speaker, I beg to move, seconded by the hon. Member for Hanna-Oyen, the second reading of Bill No. 10. In speaking to this motion, I merely want to mention a few things which don't seem appropriate in the clause itself. The first is that this particular bill is rather an important piece of the practice of democracy. It is one which calls upon this Legislature to be the court of last appeal. It is based on the fact that the Legislature makes laws which are interpreted by the courts. The courts are not always aware of the intent of the Legislature. As a matter of fact, the legislators themselves are not always sure of their intent. Having been in the House a long time, I have many memories of bills and laws which we have made in this House and which, in the light of court decisions, seemed very different from what our intent had been.

This one has to do with that Securities Commission, and I want to mention just a little bit about commission. I said the other night, in another debate, that a commission is set up because the Legislature wishes a rather independent body to administer certain regulations in the best interests of the people. A commission will always be influenced to some extent by the concept of its chairman, its director, and its board members.

When you think of securities, I need to say a little bit about history. Security originally, and even now, is something which you may pledge for a loan or in support of some action you wish to do. Securities are of many kinds. There are notes, and there are bonds, and there are debentures, and sometimes there is real property which you pledge. But the history of the securities with which we are concerned is very old. They were promotion securities. People were out selling shares in companies and it was a true promotion. When I look back at Canadian history and think that we had some 23 railway companies all building railways in eastern Canada, and at least four or five who wanted to build across Canada, then you know what promotion meant.

There were two things wrong with promotions. One is that there were teams of greed and duplicity, who were always trying to sell these securities. They made untrue statements, they made promises of wealth, they salted mines, they sold land that was under water and out at sea, they sold fake shares, and the result was that governments, to protect the people, set up commissions. The first commissions had as their duty to make sure that there was full and honest disclosure, that anybody who sold a security told all there was to tell about it, and that what they told was true. Very soon they included in the prospectus, which they demanded, the statement that "any investment in this security is speculative". It was fair warning. They said that you cannot sell securities without a licence, and by that method they were able to weed out the people who were dishonest. They required registration of a security before it could be sold. They required a prospectus in which they could demand a great deal of information. But the whole intent was that there would be full disclosure and that this particular thing which you were selling was truly a security.

In appealing to the Legislature to give this particular bill second reading, all I'm asking is that you recognize that this is a rather peculiar one. I don't know that it has happened before in this Legislature, that anybody came to appeal to the Legislature to make a decision to supercede that of a court action. The man who brought the bill in has paid the costs. He has gone through the proper steps to have the petition presented to the House and accepted, and now it is incumbent that we pass this for second reading, that then it can go to the appropriate committee where he

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can present his case. That committee's duty is to protect the Legislature from dealing further with a bill that is not worth it. I think we can leave it up to that committee. If the committee does recommend it, then we have full opportunity in the Committee of the Whole to debate the issue of the bill. So, Mr. Speaker, I move second reading of this bill.

MR. LEITCH:

Mr. Speaker, my difficulty with this bill arises because of the fact that it is a private bill, and as I understand it the procedure may be somewhat different with respect to private bills than it is with respect to other bills, particularly on second reading. With respect to other bills, as I understand the practice, on second reading they are approved in principle. We then go to clause by clause study and that's followed by third reading.

Now there are a number of principles that this bill raises, Mr. Speaker, that I for one would like to see debated at some length in this Assembly. As the hon. member who moved second reading of the bill has pointed out, there has been a court decision here. There has been a conviction. There are other charges which I believe are now on their way through the courts. If we are approving, by giving second reading to this bill, the principle that those decisions be set aside, then I would be very much opposed to it, and would want to hear it debated at some length. On the other hand, I understand, Mr. Speaker, that because this is a private bill, second reading, in effect, permits it to go to the committee, and thereafter the committee makes a report to the Legislative Assembly and at that time this Assembly is free to debate all of the issues which may arise as a result of the bill. If that be the case, Mr. Speaker, I would not oppose second reading of the bill.

MR. TAYLOR:

Mr. Speaker, I wonder if I could just say a word or two. The way the hon. Attorney General outlined the last procedure is certainly the way I understand it. The bill, of course, may be defeated in the committee, and then it's simply reported back to the House, but if its approval is recommended by the committee, then on a private bill I think most Legislatures, and we have certainly done so in the past, have had freedom to debate the principle on that report at that time. I think this is right. Otherwise we deny the people the right, should we debate the principles now and defeat the bill, to be heard by the committee. I don't think that would be sound. I think the way the hon. Attorney General outlined it is the way we'd like to see it proceed.

MR. SPEAKER:

Are you ready for the question?

MR. RUSSELL:

Mr. Speaker, I can't deal with this item that easily. Because it is a private bill, and because of what I know about Great Way Merchandising, I want to go on record now as being opposed to the policies advertised by Great Way Merchandising. I want to make it known at this point to the members of the committee that I oppose further processing of this bill, and I don't even want to go on record at second reading as being in support of it.

My experience with Great Way Merchandising came some time ago, when myself and two other MLA's were invited to a class lecture conducted in the City of Calgary by Great Way Merchandising Ltd. To my way of thinking and from the questions we asked, and from the information we were given, no matter what you call this, or no matter whether it comes under the purview of the Securities Commission or

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not, it is really a pyramid-selling structured scheme. I think the people who are attracted by the advertising and the overtures of Great Way are generally, from what I could ascertain, people of moderate means, people who hope through the pyramid selling structure to become wealthy in a short time, or at least increase their income substantially in a short time. I have talked to some of the people involved, and I have talked to the promoters, including Mr. Birkenshaw, and my conscience just won't let me endorse this bill at any stage. So I want to go on record now as making my views known to the committee on private bills that I oppose it very strongly for these reasons.

MR. FARRAN:

Mr. Speaker, I think I take the same position as the hon. Minister of Municipal Affairs. There have been other cases in the courts recently of people being charged with pyramid selling. There may be some slight differences, but this is really for the courts to decide. I think if we give any sort of indication at all that we will give even the scantest consideration to overruling the courts in this area, we will be making a mistake, because this is not the only pyramid selling type of organization that has been in Alberta. I believe that it is proper for a member from the area to express dissent at this stage of the bill.

MR. STRICH:

Mr. Speaker, I hesitated to rise in my place to say anything at this point in time, but after listening to the last two gentlemen who have spoken, I felt that I should rise in my place and say something. I would have to make it very plain to the House, Mr. Speaker, that it would be very easy for me at this point in time to state my views and to state them very clearly. But when I think about doing that, I then recognize that I am, in fact, cutting off the probability of the committee having full opportunity to review it in the fullest possible manner.

I want to say, Mr. Speaker, that I, maybe more than anybody else in this House, sit in the position of having had some influence in denying this man what he wants. All I want to say, and say it as clearly as I can, is that I have no intention at this point in time expressing my views, other than to say that I agree totally with the procedures outlined by the hon. Attorney General. In order to bring it before the committee it is necessary to have second reading, and then the committee will have full opportunity to hear any representation that will be made on behalf of this man's private bill.

Following that, it is my understanding that it will return to the House where we will have ample opportunity to express our views, and then to deal with it in any manner that we may see fit. Lest there be any misunderstanding as to my position, I want to stand in my place tonight and make it very clear.

MR. HENDERSON:

Mr. Speaker, I know nothing whatever about the matter, so I am completely open-minded, but I want to ask -- without prejudicing my right to speak, and I am not sure I want to -- I would like to ask the hon. Attorney General a question about the matter. I would like to know, has the matter gone before the court? Is the matter going before the court? The hon. Attorney General has left a question in my mind whether it is a matter of overruling the Securities Commission, or whether it is a matter of overruling a court decision on the matter; whether we are being asked to change the ground rules or the law under which the decision was made. I find myself completely in the dark as to which way I should vote on it. I know nothing about it.

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MR. LEITCH:

Mr. Speaker, the company Great Way Merchandising Ltd. was charged with trading in a security without proper registration. That case was heard by a provincial judge; a conviction was entered; there was an appeal to the Court of Appeal; the conviction was upheld; there was an application for leave to appeal to the Supreme Court of Canada; and the application was refused. Following that, proceedings were laid against some of the officers of the company. Without checking I can't tell the House the exact stage of those proceedings. They had been adjourned for some time pending the final decision by the Supreme Court of Canada.

MR. BENOIT:

Mr. Speaker, I think that the hon. Member for Wetaskiwin-Leduc has expressed the position of by far the majority of the members of this Assembly, that we know nothing about the situation. I would be very hesitant to make a judgment precluding this person's opportunity to present his case before the Legislature without knowing something on both sides of the question. I think that we need to know quite a bit more, and considering the hon. Attorney-General's position with regard to second reading, I do not know how we could vote against the second reading of this and close it out without at least having an exposure to the whole situation, and then having an opportunity to debate it or make up our mind with further information. For that reason, I think we should go ahead with second reading. If we discover upon the information being disclosed to us that we do not want to proceed further, then we can always cut it off at the committee stage, or when it comes back into Committee of the Whole. There are other times when we can close it off.

MR. SPEAKER:

I take it the Assembly is ready for the question. It has been moved by the hon. Member for Cardston, seconded by the hon. Member for Hanna-Oyen, that Private Bill No. 10, An Act respecting Great Way Merchandising Ltd. and The Securities Act, be read a second time.

[The motion was carried on a voice vote.]

COMMITTEE OF SUPPLY

MR. HYNEMAN:

Mr. Speaker, I move that you do now leave the Chair and the Assembly resolve itself into Committee of Supply for the consideration of the estimates.

[The motion was carried without dissent.]

[Mr. Speaker left the Chair.]

* * * * *

COMMITTEE OF SUPPLY

[Mr. Diachuk in the Chair.]

MR. CHAIRMAN:

The page boy just handed in a note here, a 1970 or 69 blue Ford, vinyl top, licence number XR-58-48 is leaking gasoline.

The Committee of Supply will come to order.

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Executive Council

Appropriation 1401 Minister's Office

Fees and Commissions

MR. STRICH:

Mr. Chairman, just a question I would like to raise at this time, and it deals with four appropriations, 1401, 1402, 1405, and 1446. The reason that I'm raising it Mr. Chairman, is that I want to get some comparison on staff and I'm sure the hon. Premier will recognize that I would like to know to what extent there have been staff changes, increases or decreases. And it seemed to me as I looked over the estimates that the ones I have referred to are the ones that are involved, plus also, Intergovernmental Affairs, but I'm certainly not intending to go into that. It seems to me that the number of staff that are involved in Intergovernmental Affairs have some relation last year to the Executive Council vote. So, I'm wondering if the hon. Premier would like to give us some explanation at the start.

MR. LOUGHEED:

Yes, Mr. Chairman, I think that's the most valid way to compare it in relationship to the staff component as compared to previous estimates.

I can't deal with the Bureau of Public Affairs, and I've asked the hon. Mr. Getty to deal with it, but it doesn't relate specifically in this area, although there may be one or two exceptions. It brings in a number of different areas that the hon. minister will explain.

There is a comparison that needs to be made on 1401, 1402, and 1405 with regard to staff. The comparison is this: if I could deal very briefly with 1405, essentially there was one person involved related to the Premier's office in the previous estimates and there is now one person. The change has been that the people -- the executive assistants or whatever they are called in the various departments -- have been placed within the various departments, so it becomes, after you make the deduction, a one and one comparison. In other words, the executive assistant to the Premier is there, together with his secretary and his related expense, under 1405.

Under 1401 and 1402, which I'm sure is what the hon. Leader is getting at in terms of the comparison, there are -- if you bring the two together, which is probably the better way to do it, you move out of 1401 the intergovernmental affairs agency as it existed. So the comparison is that there are seven new staff people in the combination of 1401 and 1402. Actually they are all in 1402: the 1401 situation involves the salary of myself, the executive secretary to the Premier, and two secretaries. Then the situation of general administration involves the seven additional places and I would like to explain to the members of the committee where they exist.

Two of them are in the Calgary office. There was one in the Calgary office -- one female -- before. There is now one man, the director of the Southern Alberta office, and two secretaries. So there are two additional people in the Calgary office. There are four additional people in the secretariat to the Executive Council, the administrator of the Executive Council and his secretary, and the assistant administrator and his secretary. That makes six, and then there is one additional person, a receptionist in the wing on the third floor. So if you look at the balance of those three accounts, there are seven new positions and those are the seven new positions -- that is after making allowances for moving people out and trying to be comparative on a position basis with the previous year.

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MR. STROM:

Mr. Chairman, that, I believe, covers it because I was just wanting to get a comparison. I wonder if I might ask the hon. Premier when we come to 1446, just so that we might have some idea before we get there, if that deals with a totally new appropriation and there are some staff, I take it from the answer that I received now, that were transferred from other departments, not within the Executive Council vote.

[The Premier nodded his head.]

Appropriation 1401, agreed to

\$ 100,550

Appropriation 1402 General Administration

MR. STROM:

Mr. Chairman, the other night I raised a point with the hon. Premier in regard to a matter of policy and I am having some difficulty in knowing where I should raise it again, Mr. Premier. You will recall that we were discussing the principle of MLA's on boards and commissions. I'm wondering if you would care to give us some general indication as to the policy that is intended to be followed in that area. I'm certainly not expecting you to deal with every board and commission that we have, but I'm thinking in terms of general policy.

MR. LOUGHEED:

Yes, Mr. Chairman. Since in a way it probably involves more than one bill, I would certainly be happy to try and do that.

Our thinking with regard to the Hospitals Commission is that it certainly is one of an experimental nature, although I believe the hon. Member for Calgary Millican raised last evening in the House the thought relative to the Heart Foundation as well. We feel that it has to be an experiment to see how it works. We are certainly not looking at the situation that was described relative to Ontario. However, we aren't closing any options and we would come back possibly in a year or two years if we felt that it was, in fact, working in a way that required some expansion. But as of now the intention of the government is to limit that approach to the Hospital Services Commission and perhaps the odd one or two other cases such as the Heart Foundation that was raised the other night.

There's no doubt in my mind that there are clearly commissions and boards and agencies of the government where that should not be done. I'll mention two or three in order to show an example. The Liquor Control Board, the Alberta Municipal Finance Corporation were two, I think, that were mentioned by the hon. Member for Wetaskiwin-Leduc, and he mentioned two or three others in his remarks that struck me as he was talking that, quite clearly, would be at the very extreme end of doing that. So all I can say at this point is that it's an experiment. We would assess it and we would come back either a year from now or two years from now and give our views on it as to whether it works or it doesn't work, and then present to the Legislature either leaving it as it is, withdrawing it, or expanding it.

MR. HENDERSON:

Further to that, Mr. Chairman, I certainly have to agree. Some types of boards I can't see any objection to an MLA being on, for example, the Hospital Visitors Board. I question the need for the board in principle, but as far as an MLA being on it if they're going to have one, I can find no grounds for objecting.

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One of the boards I mentioned, the Industrial Incentives Board -- there's a board, you know, for your \$50 million fund -- an MLA on it would be rather senseless. The Energy Board -- I would hope we wouldn't get into this problem with it. The Board of Public Utilities is a judicial board. It might be interesting to get the view of one or two members on this new Surface Rights Board. But even there I think it would probably be a poor idea in principle. I was thinking of its educational merit.

MR. ZANDER:

You need it Jim!

MR. HENDERSON:

I didn't specifically mention the hon. Member for Crayton Valley but if he feels self-conscious about it, the point's accepted.

What I would like to hear from the hon. Premier -- I appreciate the remarks he has just made, it's what I was hoping to hear the last time the subject came up. The hon. Premier has said this is an experiment. Could the hon. Premier give us, at this point in time, how far they're going to carry the experiment this time? There are the two boards, the Visitors Board that's already before the House, and the Hospitals Commission that's before the House. Are there any other pieces of legislation that the government is going to be introducing at this session before they end the experimental phase and say, "let's evaluate it"?

MR. LOUGHFEED:

Mr. Speaker, I think that's valid. First of all these things should be done with forewarning in the Legislature. At the moment our thought and our intention would be limited to the Hospital Services Commission, possibly the Hospital Visitors Board and possibly the Art Foundation and one or two other ones -- no more than that. Certainly, I would like to add to my list that I made before, with regard to the ones that I don't think a member should sit on, the Energy Resources Conservation Board, the Public Utilities Board, and anything that's involved with a substantial outlay of public money, such as the Alberta Opportunity Fund. I believe the way the act is set up that it was actually the Alberta Opportunity Company, which I gather the hon. member was referring to when he talked about the incentive system. So our view would definitely not be in those areas and anything that was involved in a quasi-judicial role, definitely not in that area. Perhaps I could describe it tentatively by saying certainly not in two areas where there's a quasi-judicial function or where there is a distributing of a substantial amount of public funds in the sense of distributing it to individual groups as distinguished from something in the Hospitals Commission where you are dealing with other public bodies. So at that stage I hope that I've expressed to the members of the Commission the limitations in our view and given the assurance that if we went beyond that we would hold it until the fall sitting of the House and try to make a report so that members might come.

MR. TAYLOR:

Mr. Chairman, I feel that I have to let my views be known. I think it's a mistake to mix legislative matters with administrative matters and judicial matters. I believe these are three distinct fields and as far as I'm concerned I think it's a mistake to do this in any one of these. I think we're simply asking for misunderstanding on the part of the general public when we have people who are elected to the legislative field, then appointed to the administrative field or the judicial. And I simply want to go on record as opposed to this type of proceedings.

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MR. HENDERSON:

Mr. Chairman, I wonder if I could pursue the point a little further, mainly because I think we're going to have a debate in principle on it and we might have the opportunity of examining it in its broader terms of reference than we will when we are examining the specific bill.

Certainly, I personally don't see too much difference in certain cases putting an MLA or a Minister Without Portfolio for example in charge of the Medicare Commission. This seems to me to be quite acceptable. And I wouldn't see too much wrong in principle, for example, with putting a member of the Legislature even in the position as the Chairman of the Hospitals Commission, because it would be, in effect, the equivalent of a ministerial position if you want to look at it that way.

But when I examine the direction that the government is taking in this particular matter in the case of the Hospitals Commission, it certainly is going to create a great deal of difficulty when you put a man on as a member of the commission as to who he is representing when he is on there. Is he representing the minister? Is he representing the government? Is he representing his constituency? Is he representing the public? I can foresee some difficulties with the executive branch of the Commission, because of a great deal of uncertainty as to who this man represents. And I say it doesn't matter whether he comes from that side of the House or this side of the House. It's just the principle.

On the other hand I can see a member going on the Medicare Commission without too much concern, because the ground rules for distribution of the public funds are very rigid. There's not too much question of judgment in it; it's more one of policy determination. But the Hospitals Commission is a financial commission that does distribute a lot of funds, and in a manner where there is a fairly high degree of latitude which can't be avoided. What bothers me -- when one sees the amount of money involved, is this done because it's going to a local authority? The fact that having a member of the Legislature on that commission, I think, can do nothing but put the executive commission, the chairman of the board for the commission, in a very difficult position. It will be the experience that that member will have far greater access to the minister's office for example, because he is a member, from my experience, than the chairman of the commission will have.

While I don't take a rigid position that there isn't opportunity for this type of participation, I really have to question in principle when one looks at the problem that will be created administratively, whether the principle is sound in this case. I could go along with putting someone as chairman of it, because you wouldn't have this administrative problem and you could say it is no different than the minister.

On the other hand I could look at it and say, I can't see anything wrong with an MLA being on the board of directors of the University Hospital, or the Foothills Hospital. It seems to me this would be quite appropriate, because it's more of a local issue than it is a province-wide issue.

I'm just wondering what thought the government has given in this case of the Commission Board, to the administrative difficulties? It's not the role of the MLA per se that I'm concerned about. It's the other implications of it within the administration of the commission. Even if it's an opposition member that is on the commission, the problems for the executives of the commission are really no different as to who the MLA is representing. I see some very serious difficulties and my concern really is that in the final analysis it has very distinct possibilities of fundamentally

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undermining the commission. In fact, if one wanted to do that, pick the right man and put him on; he could make an awful mess of it. I'm not saying the government are going to do this, but it's the administrative conflicts that I think will be created when one appoints an MLA on the commission in any position other than chairman of the board. Because if he was chairman of the board, he would be on a par, as far as I am concerned, with having a minister responsible directly for that operation and you wouldn't have the same problems. Or if you had an MLA as chairman of the commission and had an MLA as another member, I can see that. But putting an MLA on the commission as a policy maker, as an elected representative, as one of the non-executive members of the commission is, I can see, going to create some real difficulties within the commission. I would also have to say it would depend very highly on the individuals that are placed on the commission. It is going to be an extremely critical factor because of the possible administrative conflicts that are going to arise.

I hope the Premier would possibly comment on this particular aspect of it. I would also hope that we will get the assurance that we won't go any further with that type of commission with MLA's on it, not just this fall session, but until this experimental period is finished. For the third time, I feel very strongly that in all probability it could very well undermine the position of the commission itself.

MR. LOUGHEED:

Mr. Chairman, I would like to respond to the comments. First of all, I appreciate the remarks made by the hon. Member for Drumheller in terms of the principle as he sees it and certainly there are two ways to look at it. I understand the point that is made there and it is a departure. For that reason it certainly should be debated at length and considered carefully.

With regard to the remarks made by the hon. Member for Wetaskiwin-Leduc, first of all it wouldn't be the intention that the MLA would be the chairman. Secondly, I think it goes without saying that obviously it is not the government's intention to do this to undermine the commission. Thirdly, I think it is valid to point out that there are some administrative concerns and there are some administrative difficulties involved which will require some pretty careful handling by the member that is involved in this situation and placed in that position.

On the other hand, it is our feeling -- and even though I think there is considerable merit, and so does the minister, in having a hospital commission to be expending money in excess of \$200 million a year -- that having one MLA, one member of the Legislative Assembly on that commission -- and certainly that is not a majority of the commission -- has one very important benefit. Perhaps that is the benefit that has drawn us to the conclusion that overrides the point of principle that the hon. Member for Drumheller has raised or the administrative concern that the hon. Member for Wetaskiwin-Leduc has raised, it is the feeling that in these matters it is so important to have people who have a feel for what is happening to people, that aren't looking at it in the bureaucratic administrative process. And I am not trying to down-grade the people who are working very hard at it right now, but there is a different perspective and a different point of view.

If, in any way, they got into a situation where they were the dominant voices on the commission, then obviously the argument that I put and the principle the hon. Member for Drumheller puts, clearly I would be on the side of the view that that is wrong in terms of the administrative, legislative function. But our thought would be that on a minority position with relationship to that commission and again being a minority position, I would hope that it would meet the

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administrative concerns expressed by the hon. Member for Wetaskiwin-Leduc. We are trying it as an experiment, solely for a reason. We think that a perspective is brought to bear on these things by a person that is elected; it is different from a person that is not elected. Whether it works or not I think only time will tell.

MR. TAYLOR:

Mr. Chairman, I wonder if I could say one thing? I would like to emphasize the point raised by the hon. Member for Cardston the other night and that is that when you set up a commission or board, you generally do so to have a body that is going to administer it at arm's length from the government, to some degree to keep the government out of it, and yet, of course, the government takes the responsibility.

I am wondering if a better way of doing this would not be to handle it the way Telephones are handled? The hon. minister of Telephones sits as the head of the Telephones Commission. He is the chairman of that commission. He is responsible to Cabinet, and establishes liaison between Cabinet and Telephones. I think it is an excellent arrangement. For instance, in the The Alberta Health Commission, if we want closer liaison with government, why shouldn't there be a branch of government with an associate minister, with a minister without portfolio as the chairman of that committee?

I think that is a very excellent arrangement. As a matter of fact, my own belief is that governments have gone too far in appointing these boards that are supposed to operate at arm's length. I think in representative government, the minister has to be held responsible, and consequently, the minister has to have something to do with the administration. But to put another person, other than a minister or a minister without portfolio, responsible to the Premier of the province, I think is making an error. I would like to see a move the other way. If we think we've got too many boards and commissions, let's bring them back under the department and under an associate minister or under a minister without portfolio, so you do have a direct line of responsibility. I think that's all I wanted to say at this time.

MR. STRCM:

Just a couple of other questions that I believe would be best placed here under general administration. I don't see anything in any appropriation that would indicate it, but I'm wondering if the hon. Premier has any thought of establishing any other offices in the province that are similar to the Calgary operation. Certainly I want to say that from our experience, and I'm sure from your experience, the Calgary office has worked out very well, so that I am not in any way disagreeing with the principle, but I'm just anxious to know whether the government is giving any consideration to expanding it.

MR. LOUGHEED:

Mr. Chairman, I'm sure, without malice, the hon. Leader of the Opposition knows he has passed me a hot potato with that question, because I've already been into it and the question of where do you go -- whatever I say here, I'm in difficulty -- if you move beyond southern Alberta's office in Calgary. I can sense the warmth of direction coming from about five or six corners in this province, if we expand it. But it is a very valid point. We have tried to project, and are only very partially successful at this stage, that the office in Calgary is a southern Alberta office, and I know that that has some very serious limitations.

I would like to give credit to the previous administration for having established that office. On the other hand, I'm very pleased that we've been able to substantially create a great deal of activity

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within that office. Certainly the Minister of Mines and Minerals, I think, can attest, we've made it a very, very useful place, so that many groups in the petroleum industry, instead of coming to Edmonton to meet with the minister, the minister is down meeting with them. The same pertains, as many members are aware, to other departments, although I mention the Minister of Mines and Minerals particularly.

It also seems to be developing in another effective way; that people find that they are getting more and more acquainted with the office, that they are using it in a semi-ombudsman role, or at least as an intervening step before they get in touch with the Ombudsman. Certainly the number of phone calls that are going back and forth indicate that the office is growing in activity and work. As far as the people in the metropolitan area of Calgary are concerned, they are certainly very pleased with the growth of it.

But I must admit, at least at this stage, that I haven't got an answer for the hon. Leader of the Opposition as to where we go from here, and there are no provisions this year in the budget for an expansion of any similar office. I would close by saying that I would welcome representations from all quarters of the province.

MR. DRAIN:

Me first.

MR. STRICH:

Mr. Chairman, before there are too many that rise to --

MR. CHAIRMAN:

I wonder if I could interrupt you. It seems that -- I hope it isn't an omen -- I've got another note about another car here. A brown 1972 Pontiac, your headlights are left on.

[Mr. Lougheed pantomimed slinking away]

MR. STRICH:

Mr. Chairman, before there are too many that rise and make a pitch for some government office, I would like to raise a point with the hon. Premier in regard to decentralization of government operation. I know it's a subject that is kicked around periodically, and certainly there are arguments that can be made on both sides. My question is basically this -- is the Premier giving any consideration to placing departments in any centre other than Edmonton? Before he replies I would state that I would hope that before any thought be given to decentralization that consideration be given to problems that will arise when a department gets too far from headquarters. It is really in this context that I am raising this question.

MR. LOUGHEED:

Mr. Chairman, that again is a difficult question. Certainly, that is the objective of the administration. There are limitations as to how it can be realized. One of the things that has developed, as I think you will see under Appropriation 1407, is to the extent the shifting of certain responsibilities from the Department of Mines and Minerals to the Energy Resources Conservation Board has been a factor in that direction. Certainly, it is the hope of our administration to do that. Frankly, we would be prepared to sacrifice to some extent, in terms of efficiency, or alleged efficiency, having regard to the need to have a decentralized operation wherever it can practically be done.

I don't think it is possible to dismantle existing operations and move them. But I think that whenever we get into a new activity,

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and a new operation -- and hopefully when we get involved in new ones we will be eliminating some old ones -- but when we get involved in some new activities we should, in fact, at least make an assessment in every case as to whether that operation isn't a practical operation to be developed outside of the metropolitan area of Edmonton. But we recognize the limitations of that.

I should say, because the hon. Member for Drumheller is going to ask me before I am through so I might as well get it clear on Appropriation 1402, that one of the task forces is under 1402: The New Incentives for Albertans program, with a budget of \$4,000. That involves travel by car \$500, travel by air \$1,500, hotel accommodation \$900, meals \$730, miscellaneous \$370, or a total of \$4,000. The reason it is under this appropriation is that basically we are asking that task force, chaired by Mr. Young, to look into overall matters of economic planning, such as the matters of a possibility of a development of a Bank of Alberta, or similar situations. It was felt the economic planning committee of cabinet was the appropriate place for that particular task force to report rather than to a particular minister.

I would like to go back once more, though, to the decentralization concept. I do think that greater effort has to be made by all members to come forth with ideas as to where new operations of government -- and I throw out, for example, the area of tourism is one -- where a greater degree of activity can be placed in centres other than the capital, because I think it is a healthy thing for the province if they do this. I grant the limitations that were implicit in the hon. Leader's remarks.

MR. STRCM:

Mr. Chairman, another point that I would like to raise, and I would say this, that I suppose I could have risen in my place and could have gone through all the points that I have been trying to make. I hope the hon. Premier appreciates that rather than do that, and do it on the basis of trying to make a complete speech on it, I have chosen this other method. I want to say right at this point that I appreciate the answers that have been given.

There is another area, Mr. Chairman, that concerns me a great deal. It is the area of constitutional reform. I must say here that I have listened rather closely to a statement or two that the hon. Premier has made. I would like to refer to one wherein, if I understood you correctly, you suggested you would not hesitate to have a confrontation to the point where, if the issues were great enough, you were prepared to take it to the people and receive a mandate from them. Now I have to say to you also, that at the time of making that statement, there was no suggestion as to what area you were looking at, as to what you would consider as falling under that particular kind of confrontation.

My concern is, that after having had an opportunity of observing constitutional discussions in progress for a number of years, I have some real question marks in my mind as to the progress that can be made, if there is not a spirit of willingness to have some compromise. I say that very carefully, recognizing that one must be very careful in giving consideration to compromising our position. It has become very evident to me that if we are to hope for any progress there are some facts that we ought to recognize and recognize rather clearly. I recognize, for example, that it was my privilege to go through negotiations for a period of about three years. We then had an election. There was a change in government. And you certainly have every right to decide that you are not interested in following or pursuing the course that a previous government followed. The point that I want to make is that it seems to me if this is the course that governments will pursue, then we will in fact have a very difficult time in arriving at any solution

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to constitutional reform. Because at the time of seemingly arriving at a consensus, it is just very, very possible that there will be an election in some province, and we are then back to square one and starting all over again.

So, my suggestion is that I do not think the government should suggest that there will be a need of having this kind of confrontation or that there will be a need of taking that return to the stand. It may follow, but it seems to me that, in the spirit of trying to arrive at a solution, we would have to pursue the course I was very happy to see you pursue when speaking to the Press Club down in Toronto which is simply saying that we recognize that in Canada we have a nation with tremendous potential, and we must do everything we can to preserve it as a nation. I've certainly been happy to hear you express yourself in that particular area.

My concern tonight is whether or not as a government you are prepared to enter into negotiations with the spirit of compromise if necessary, not a serious compromise but certainly expressing a willingness to consider the views of other provinces -- if in fact you are giving consideration to proposing that the governments, now that there are a number of new governments established, go back to the conference table to see whether or not they can arrive at some solution to constitutional reform. I would certainly be interested in hearing a few remarks on that.

MR. LOUGHEED:

Mr. Chairman, those are very valid questions raised by the hon. Leader, but I don't want to start by saying that I disagree with the premise that was taken, because it may be more a matter of misunderstanding of approach rather than disagreement. What I was saying in my remarks on the budget and what I feel very strongly about, is that we are quite prepared to enter into discussions regarding the constitution in a spirit of compromise, with one condition. That condition is that constitutional reform includes, as part of any package, a clear effort -- an extensive effort -- being made by the eleven governments to come to grips with the issue of the balance of responsibilities and the allocation of resources.

My concern with the discussions last June in Victoria wasn't so much with what actually was agreed to but what was not agreed to. My concern was that if what had happened was that in the natural spirit of enthusiasm for bringing back our constitution to Canada, we moved in that direction without dealing with the fundamental issue of Canadian public life, which is, in my view, the balance of responsibilities in the allocation of resources. The public generally would think that the issue was over and resolved, and everybody was satisfied, and we could go about our way. I just personally feel quite strongly that that simply wouldn't be so, and that the people would be led into a feeling that they could relax about the issue of constitutional reform.

I've found, as I'm sure the hon. Leader has found, that it is very, very difficult to get the public at large exercised about this particular issue, even though it strikes very much at everything we do in this Assembly and everything we try to do in terms of local government. For that reason our view is that we're not prepared to consider constitutional reform that doesn't make some effort to try to come to grips with this question of division of responsibility and allocation of resources.

Now having said that, though I think I mentioned it pretty clearly in my Budget speech which I don't have before me, but I certainly mentioned it in my address in Toronto that the hon. Leader referred to, we are quite prepared to have some give and take so that those things that can be best done by the federal government, or best done by the provincial government, or by local government, can be re-

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assessed. We're prepared to look at it with an open mind and if compromises are required we are prepared to make them. But just so there is absolutely no misunderstanding we, as a government, are not prepared to enter into a situation of constitutional reform that doesn't involve a sincere effort to come to grips with that particular problem -- which is the age old Canadian problem -- of balancing responsibilities with resources in a federal state.

MR. STROM:

Mr. Chairman, again I would like to say this. I have no disagreement with the points that you have made in regard to some of the concerns that we should have in the area of constitutional reform.

At the Victoria conference, it may be of interest to the House to know that one of the issues that we considered to have high priority -- if in fact there is any priority at all to the constitutional matter, and as you have indicated there is certainly no indication on the part of the general public that they feel that there is any great need to deal with it. But I say this: if there is an interest on the part of Canadians to bring the constitution back to Canada and have it truly a Canadian constitution, it seems to me that the first thing that needs to be dealt with is the amending formula itself. If we could agree on the matter of an amending formula then we have taken a long step towards dealing with the other issues that may arise from time to time. But as long as it's impossible for us to arrive at an agreement on the amending formula it will have to remain as it is. If I were to place any priority on it I would place it in the area of arriving at an agreement on the amending formula.

The basis for the discussion at Victoria was really not on the basis of the provinces themselves, but taking into regard populations that will exist in the future having some relationship between the voting power and people, which I think is rather important. Certainly we get into the area of where provinces will vie with one another in order to have their -- I was going to call it a prestige factor but it really isn't a word I want to use -- but having their level of importance, I suppose, recognized in Canada at this point in time.

I, for one, would like to make it very clear right now, Mr. Chairman, that I don't attach strong significance to it, but I simply want to place it on record that if we are going to discuss it that it seems to me the amending formula should be the first priority. Now I would be interested if the hon. Premier wants to respond to that, and then I have one other item that I would like to raise on general administration.

MR. LOUGHEED:

Mr. Chairman, I would like to respond because I think the record should be clear on the point. I also appreciate the remarks made by the hon. Leader and the logic behind that particular point of view.

I personally hold to a different one. I consider that the higher priority is coming to grips with the balance of responsibilities and the allocation of resources, rather than the amending formula.

MR. STROM:

Thank you. Mr. Chairman, I don't intend to pursue it because we merely placed our positions before the Assembly. I welcome the opportunity, and I thank the hon. Premier for giving me an opportunity to present it at this point in time.

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Mr. Chairman, to the hon. Premier. The last point that I want to raise has bothered me for a number of days and I have not seen any other place where I can raise it other than in this area of general administration, and I'm not sure that it really fits under this one. If it doesn't I will certainly be happy to be advised accordingly.

I recall that in the budget address you made in this House you made some reference to a situation -- and I don't know whether you referred to it specifically -- but I'm going to refer to a specific that I'm thinking of. It is in regard to a commitment made for air-conditioning at Medicine Hat. It was raised in the Question Period today, and I'm not going to pursue it from that point, Mr. Premier, so I hope you will not consider it from that basis. But the point that I want to pursue it from is that I gather from remarks made that whether or not the government deals with it will depend on the representation that is made from those who are directly involved. And if they can make a good enough case for it, then you would certainly consider it is something that should be taken care of.

All I am concerned about is this. If there is a commitment from government I don't feel it is a responsibility of mine to reiterate and re-argue and to try make a case for it. I am vitally interested in that particular situation. I'm not going to go into the arguments now, but I simply raise the point as to whether or not, in your view, in areas where there may -- and I use the word 'may' -- have been a government commitment, that the members from that particular area have a responsibility to pursue it and make the arguments before the government may follow through.

MR. LOUGHEED:

Mr. Chairman, like the hon. Leader, I'm not sure about where the matter should be raised, but it's a very valid matter so let's deal with it here.

That particular matter involves this question. First of all, it was a statement of mine during the election campaign on a night that I recall was 103 degrees above, and it had great validity, and I'm sure it still has. At that point I then pursued it after September 10th, with the administration of the Hospital Services Commission. The response that I got back was that it would have to be made clear that within the particular situation of the Medicine Hat General Hospital there was a legitimate argument that the climatic conditions and the other conditions were different, generally speaking, from the rest of the province to warrant an exception. If that was not so there would be some pretty vigorous resistance on the basis that the fiscal capacity of the administration was simply not such, within our present budget, to across-the-board meet all of the obvious onslaught and flood of demands that we would get throughout the rest of the province.

The position that the hon. minister and I have taken on the matter is to try to see if it can be established on a factual basis, and justified, that in the area of Medicine Hat and the Medicine Hat Hospital truly climatic and population breakdown data can warrant an exceptional case.

As I said in answer to the question this afternoon, that matter is still open and is under reassessment. Without being partisan about it, the point I was trying to make, both in my Budget speech and this afternoon is -- it is one thing I think to enter into vigorous debate in this House, which is part of the House, and that we all appreciate it. It is another thing to enter into partisan debate when it relates to a constituency matter. Because I consider -- and that's why I picked that and two or three other examples in my Budget speech -- that whatever corner of the House you sit in you may enter into partisan discussion, but surely when it comes to a point of constituency interest, you present that in a different way and

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present it on the basis instructively of the needs and requirements of your constituency.

And I was trying to state in the Budget speech that I wanted to assure members on both sides of the House that I would try as much as I could to look at it that way. And that when arguments that had merit were made on a constituency basis, that I was not the slightest bit interested in what side of the House they came from, but when they were made on a partisan basis I was human enough to respond that way. The position at the moment is that the matter is open, we are looking for the arguments, we are looking for the further submissions. We have an excellent presentation right now from the Medicine Hat General Hospital, but it doesn't go quite far enough. It needs to go a bit further.

MR. STROM:

Mr. Chairman, I know that an invitation has been extended to the hon. Premier to be down in my constituency in the month of July for, I believe its 50th or 60th celebration, I should know the number of years. I will be praying for warm weather and we may be able to take it up at that time.

AN HON. MEMBER:

I'm afraid the timing is great.

MR. BUCKWELL:

Mr. Chairman, I'd like to ask the hon. Premier, as far as your office in Calgary, you say you could meet oil executives or groups. Could you give us an idea, what is in it for the average citizen? What type of service, say, if we were to direct it from there?

MR. LOUGHEED:

Well, the first thing in it for the average citizen, I think, is an understanding of which department to deal with. I find, as I'm sure the hon. member finds, that one of the real problems you get involved in when you are dealing with the citizens is to come to grips with an assessment of which among 18 departments and I'm afraid to say how many agencies come within the area -- that an individual citizen should go to, to try and get some help. And that's a difficult problem -- sometimes difficult for the hon. member and myself to assess -- because there are lots of grey areas there.

One of the main responsibilities of that office -- and I didn't want to create the wrong impression when I mentioned the Department of Mines and Minerals, because that, although an important role, is certainly not the prime role of that office. The prime role of that office is to create a situation in Southern Alberta where the citizens, either by telephone call -- and lots of them are loathe to make long distance calls, even if they are collect -- or in person can visit, to try and get some information as to the place to go for an answer to a question, to find out which minister to see, to find out who such and such is, to find out about a deputy. The very simple matters of public communication that I think are so essential -- and no matter what government it is -- are awfully hard to meet. So that is the purpose of the office -- the prime purpose -- and I'm sorry if I misled the hon. member in any way by referring to the Department of Mines and Minerals. It's important, but with due respect, it is certainly not the prime function of that office.

DR. BOUVIER:

Mr. Chairman, in view of the fact that the hon. Minister of Mines and Minerals does use this office extensively, and there is now one in Southern Alberta, one in Central Alberta, of course, which is

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the capital. How about Fort McMurray in Northern Alberta where all the oil action is going to be very soon?

AN HON. MEMBER:

I think I agree. He's got a great argument.

MR. BUCKWELL:

Supplementary, Mr. Chairman, to the hon. Premier. Do you envision having small caucus committees or Cabinet committees to be advertised where citizens could come and make their briefs, rather than coming all the way to Edmonton?

MR. LOUGHEED:

Mr. Chairman, yes. I think the previous administration are well aware of something that they did, and that was advertise the attendance of ministers who were there periodically. We intend to follow up with that -- that was a very good step. But in addition to that, it is the hope when we are not sitting to have groups of ministers moving throughout the province, which is also something the previous government did, and to hold full Cabinet meetings, as much as possible, in other parts of the province. Because there is no question in my mind that this is one of the most effective ways of public communication and we would welcome, of course, any help from members on either side of the House when we're planning to do that, as to what the best time would be in their particular area to receive those submissions.

MR. NOTLEY:

Mr. Chairman, to come back for just a moment to the constitution. I certainly agree with the hon. Premier that when we're talking about the constitution, the allocation of responsibilities and the division of power is really the major question. I also agree that there isn't really too much public interest in it, but it seems to me that one of the problems may be that perhaps Canadian leaders, and I think this is true generally, have not been as specific as they could be in specifying what they mean by division of powers and allocation of responsibilities.

My question, and perhaps just a comment first. Just from reading your various speeches on this matter I get the impression, and correct me if I am wrong, that you would generally follow the view that we should very strictly interpret the BNA Act and that the federal government should stay in its area of jurisdiction and the province should stay in its area of jurisdiction. That may be a misunderstanding of your position. If it is, please correct me. But in any event, what I would like to pose to you is whether or not the government is preparing a formal position paper on the division of powers and the allocation of responsibilities, a position paper which would clearly set out the changes that you think are necessary and also where you feel the residual powers in our federal issue should rest, whether it should be with the provinces, whether it should be with the federal government, or some combination of the two.

MR. LOUGHEED:

I would like to answer that, Mr. Chairman. I think there were three parts to the question the hon. member raised. Our view is that as of now, in the absence of agreement for change, we are prepared to stay and want to stay within the strict interpretation of the BNA Act and have each jurisdiction respect the primary responsibility of the others so far as it can be understood under the British North America Act. That is, in my view, only an interim stage. But we certainly object, in the absence of agreement, to the encroachment on so many of these areas, frankly, by the federal authority.

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I want to say, though, that it was our hope that over the course of perhaps the next number of years we could make some progress in this area, and that is why in the course of my Budget remarks I tried to use a couple of examples. I had to gulp a bit because I think I used the example of environment -- and had to look the other way instead of at the Minister of Environment -- as being something where the primary responsibility might, by the very nature of the nation, rest at the federal level. But I do think that while staying with a particular existing situation, respecting each other's areas of primary jurisdiction, we should be concurrently working with some degree of progress to a better division of responsibilities than we have at the moment which would be in the interests of the people. Because I really feel, as I said in Toronto, the public are wearying about this constant battle between levels of government.

On the second question, which is the formal position paper, we haven't yet gone that far although the Minister of Federal and Intergovernmental Affairs -- and his department -- is building towards it. I am a little concerned with that sort of formalizing if it is done at every provincial government level and a federal government level, because when I attended, as an observer, the Confederation for Tomorrow Conference that Prime Minister Robarts called, I believe in 1967, each government came out and planted down their extreme position. As I recall the position of the government of the Province of Quebec, they were going to make sure that it was there. It was there alright, if any of you have read it. My feeling is that that is the difficulty with formal lines. You have drawn these formal lines before a conference. I think in general terms the most useful approach that provincial governments could go through is an assessment of which level of government can best do the job for the people. So that, I hope, would be the approach we would take.

Finally, on a residual basis, I would have to say to the hon. member that regardless of our feelings the government closest to the people could do the best job. I think in any final settlement of this situation the residual responsibility would have to rest with the central and federal government.

SOME HON. MEMBERS:

Agreed.

MR. RUSTE:

Mr. Chairman, a question to the hon. Premier. I believe it was a week ago today in one of his discussions here, he referred to a meeting and he mentioned it was a closed meeting. Unfortunately I haven't got Hansard here, but I think it was one of the meetings of the ministers.

AN HON. MEMBER:

Was that the First Ministers' Conference?

MR. RUSTE:

The First Ministers' Conference, I believe it was. And my question to you is, have you considered making a statement that you would make your position known in regard to whether it is a closed meeting or not, to try to break that deadlock? I think this was one of the things that you said.

Secondly, while I'm on my feet, have you considered further the possibility of having a direct line, as far as the Ombudsman's office is concerned, to people no matter where they are in the province.

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MR. LOUGHEED:

Mr. Chairman, with regard to the second question, yes, we're in the process of making an assessment on a direct line with regard to the Ombudsman. I hope that we can report after we get the information from AGT, before the end of the session.

On the question of the open meeting, that's a more difficult matter. I just think it would, with respect to the hon. member, be improper for a first minister to go into a meeting and say, "Well, I don't agree that it should be closed; regardless of the fact that the other ten of you are going to keep it closed, I'm going to go out and be public in the corridor about what is discussed." Frankly, I just don't think that would work. What happened at the First Ministers' meeting I attended in November is that I asked the Prime Minister if I could raise it at the start. He was the chairman at the very start of the meeting. He raised it, and we agreed that it would be raised again at the conclusion of the meeting. It was raised at the conclusion of the meeting, and two or three of the first ministers took objection to my view that they should be open meetings. I frankly said that I intended to pursue it at future meetings, because I just don't see, over a two or three day conference, why the general meetings cannot be open to the public. There is going to be plenty of opportunity at an evening occasion or on other occasions to have closed portions and have private discussions. But in my view it's in the best interests of the public of Canada at large if these meetings are open. Frankly, if I could finalize that point by saying, I'm really curious how you have an open meeting when I counted 148 people in the meeting when it was being conducted.

Appropriation 1402, agreed to \$ 329,145

Agreed to without debate:

Appropriation 1403 Lieutenant Governor's Office \$ 23,448
Appropriation 1404 Election Act 11,700

Appropriation 1405 Ministerial Assistants

MR. RUSTE:

Mr. Chairman, just on that, is the hon. Premier in a position to tell us how many ministerial assistants there are in the total of government?

MR. LOUGHEED:

No, I am not, Mr. Chairman. I think it's about the same number that was involved -- in the area of nine, I believe. That is other than the ones referred to that were formerly in No. 1405 and have been transferred to other accounts.

Appropriation 1405 total agreed to \$ 38,281

Agreed to without debate:

Appropriation 1407 Energy Resources Conservation Board \$2,763,825

Appropriation 1410 Alberta Women's Bureau

MR. BUCKWELL:

Mr. Chairman, could the hon. Premier tell us, who is responsible for this department.

AN HON. MEMBER:

Mr. Fussell!

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MR. LCUGHEED:

A very good question. Definitely not! Mr. Chairman, the hon. Minister, Miss Hunley will respond, and not the Minister of Municipal Affairs.

Appropriation 1410 total agreed to \$ 42,095

MR. STROM:

Mr. Chairman, I missed on Appropriation 1407, if we might just revert to it and clarify one point. They still report to the Premier and it is your intention of keeping it so?

MR. LOUGHFEED:

Mr. Chairman, yes they report in a formal way to the Premier -- that's the Energy Resources Conservation Board. However I've asked the Minister of Mines and Minerals to be responsible for the administrative responsibilities to the extent that is required. For example, the budget that's contained here and the reviewing of the budget with the board was done by the minister and not by myself.

Appropriation 1413 Tourism -- Minister's Office

MR. FRENCH:

In view of the fact the Minister of Tourism reported on the STEP program, I have one or two questions I'd like to ask him. I presume this is the right time to ask. Is this a cost-sharing program with the federal government - the STEP program?

MR. DOWLING:

Mr. Chairman, I would prefer you ask these questions under the hon. Minister of Labour and Manpower, since the funds that are made available for the STEP program come under his department.

One point, Mr. Chairman, I would like to make under Appropriation 1414. There are two errors. Under 'Travelling Expenses' the figure should be \$48,000. Under 'Other Expenses' it should be \$102,000.

DR. BUCK:

Mr. Chairman, I would like to make one or two comments on this. I touched on it briefly one time before. I feel very strongly that this department, as important as it is, should be a full minister's department, hon. Premier. The job, important as it is to the people and the welfare of this province, should either be a full minister's department with full pay, or else it should be given to the hon. Minister of Federal and Intergovernmental Affairs, because at least that way he would have something to do. I say that facetiously, but the other part I mean very very sincerely, that I know the man who is looking after that department right now is working at it full time. And I think it is an injustice -- regardless of who the man is that is looking after this department -- that he be a Minister Without Portfolio, with the grave responsibility that he has.

It is a department that is going to be growing and growing. All the money we get from tourism is 100 cents a dollar. So I would like to say, Mr. Premier, that I think this should be made a full minister's salaried position.

SOME HON. MEMBERS:

Agreed.

[Mr. Dowling rises]

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MR. LOUGHEED:

You can't answer that.

Mr. Chairman, I think there is a great deal to what the hon. member says. I would love to get into a course of argument over the question of the hon. Minister of Federal and Intergovernmental Affairs, and how important I think that responsibility is. So I will ignore that comment; we have already had the debate.

But there is no question that tourism, really in terms of the future, has two aspects to it one, in terms of providing jobs for our young people, and secondly in terms of diversification of our economy and getting us off of our resource base a very, very critical industry. The only difficulty we have -- and I very much appreciate the hon. member's remarks -- is that we look at the question, at this stage anyway, of existing departmental responsibility. I think we have had lots of fairly strong comment about the size of our Cabinet, and we are concerned with that matter.

I am equally concerned -- I would like to make it clear to the hon. member, Mr. Chairman -- with the responsibilities that the hon. Minister of Health and Social Development has in terms of the merging of those two departments. On the other hand there is a terrific responsibility that has been placed under the hon. Minister without Portfolio Responsible for Tourism. I do think that is something that should be kept as a very open question for this Legislature.

HON. MEMBERS:

Agreed.

DR. BUCK:

Mr. Chairman, I just wanted to say, hon. Premier, do you think you can get by the next four years without making decisions that are not always going to be popular? Many of them are going to have to be unpopular, but this is the job of government. If you and your caucus feel that this should be a full portfolio, then for gosh sakes, go ahead and do it. Never mind the waffling. If you think it should be done then do it, because you are the government.

MR. LOUGHEED:

Mr. Chairman, when it comes to the question of popular decisions I find in this business, that it is the unpopular ones you are making most of the time. In any event, I don't want to enter into a debate with the hon. member. The question is that we have at least felt that this area is important enough to have been taken out and separated from the Department of Industry and Commerce, because it needs the energy and imagination of one person who is directing his full talents to it. At this stage, stage one, we think that is sufficient; we think it is a significant improvement over the situation of moulding it within the Department of Industry and Commerce, as was the case in the past. I grant it as being stage one, I hope it will work this way. Frankly, I think, because of the energy and imagination of the individual involved, it has a good chance of working.

MR. DIXON:

Mr. Chairman, I wish to make one or two remarks and then maybe the hon. minister could enlighten me on what they're doing. I think we should become a little more parochial in our tourism promotion, and what I mean by that is we should do more to enlighten our own Alberta people on the advantages of visiting other parts of Alberta. I also believe that with the tremendous number of people that come to Alberta in a comparatively short period, our publicity should be

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directed to the months other than, say, July and August. I believe also that we should maybe have closer co-operation between the education department and tourism as far as our own young people are concerned, because we have a great province here and I think we're over-selling ourselves in fields outside of our province. I think we could spend more time and more money on efforts to get our own Alberta people to visit other parts of Alberta. As we get to know each other better, the greater the province we will become.

MR. DOWLING:

Mr. Chairman, . . . when the hon. member said parochial I thought he meant we should do our own thing all by ourselves as a province. I believe we should be promoting Western Canada as a region, along with British Columbia and Saskatchewan perhaps. But I would like to say that we have a considerable amount of money set aside, something in the order of \$20,000 for in-province promotion. We have been in touch with the Department of Education through the hon. Mr. Hyndman, and in touch with the Department of Advanced Education in the hope that over the months we can introduce courses in our advanced educational schools, and an education program in the minor grades in our elementary schools, that will educate our youngsters as to what Alberta really has to offer.

In speaking about the shoulder months, most of our promotional material is going out during the shoulder months, advertising off-season travel, special rates and things of this nature. I think this answers the questions that you asked.

MR. RENDERSOHN:

Mr. Chairman, let's return to the line of questions here that the hon. Member for Clover Bar was pursuing. Just very briefly, I'd like to say that I agree with the hon. Premier and his comments that no matter what he does, he's wrong. I think that's what he said, you know. I say this facetiously, of course. I'd also like to suggest though, in somewhat the same vein but with a slight touch of sincerity to it, on the comments about making the hon. Minister Without Portfolio Responsible for Tourism a full-time minister, if he did this, he could kill two birds with one stone. He could get out of the difference of opinion over representation on the Hospitals Commission and he could make the new minister responsible for the Hospitals Commission.

MR. BARTON:

I was just going to ask the hon. Minister of Tourism if he's planning any special promotions, like in Calgary and Southern Alberta to direct some of the tourism North. The reason for this, and I think I'll explain it, is that two years ago I did a special promotion out of my drugstore through radio station CKYL, and I ran it for sixty days. I attracted 1,430 people that registered in my store and got a little gift. Out of that, 730 were Albertans. And out of that 730, 523 were from the City of Calgary. So, I'm just saying that maybe a heavier advertising promotion in that particular area to see the North does seem to help. I broke it down into provinces, and our real pool is in Western Canada, and I agree with you.

MR. DOWLING:

Yes, Mr. Chairman, we are doing a considerable amount in this regard. We've been in touch with two of the major radio stations in the central and southern part of the province, in the hope that we can establish a joint program of promoting in-Alberta travel. The first area that they want to tackle is the Peace River country, to promote the Peace River country to all Alberta. I have an ally on my left, who insists that two-thirds of the province is located above

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the City of Edmonton and every place he goes, he promotes tourism into the Peace country. One thing I should mention though, before I sit down, is that I made no financial arrangements with the hon. Member, Dr. Buck.

MR. BARTON:

Could we just follow that up by using our northern parks, because this is the theme that I used and it was very successful -- provincial parks. Our northern provincial parks like Cardinal, Lesser Slave Lake, and Cross Lake were the ones that I used and it was very successful in getting the people into the parks and getting them into the area. I think if we base it on what facilities we have up there it has a better impact of spreading the people around.

MR. DCWLING:

Mr. Chairman, one of the things that all members should know is that by 1980 we have to have an increase of some 300% in the facilities we offer the travelling public. I don't necessarily mean motels and hotels, but facilities for people to go to, recreation areas and so on. On this basis we are very excited when we receive an application for a loan through the Tourist Loan Program from northern Alberta, and we have had a considerable number. One that I am extremely anxious to get going on is for an area north of High Level, and I'm sure most of you know where that is. We are looking at it very carefully.

MR. BENOIT:

Mr. Chairman, just a thought or two that I would like to share. My interest, probably, in tourism stems from an early minor interest in philately, that got me interested in foreign countries and then later on I happened to hit the country where I'm living now, where there are some very avid promoters of tourism who kind of got it in my blood. Since then I have attended a number of conventions and there is one thing that bothers me, and I would like to share it with the members in the Legislature tonight.

Tourism, I think, is considered by the hon. Minister as being the third most lucrative industry in Alberta. Now whenever I go to conventions this is the impression that I get -- that almost every tourist I see from now on I should see with dollar signs in his eyes. It kind of bothers me because everything we say about tourism seems to be measured in the monetary aspect, and it sort of seems to override or overshadow -- not intentionally, but this is what happens -- the people who really are what tourism is all about. I think that tourism should be looked at a lot more as people than dollars.

Now I know you can't have people arranged like this, and criss-crossing one another without dollars being transacted. But it's pretty important because people mean public relations and if there is anything that is going to come out of tourism that so far as we are concerned, is going to benefit our country, it's going to be what these people who come into our country can bring to us, and what we in turn can share with them -- not just dollars and cents, but ideas and fraternization and this sort of thing.

On the other hand, because people are what they are, tourism brings to us a certain amount of trouble. There's a conflict between the tourist and the resident due to certain circumstances. I think of the trespass situation and this sort of thing. There is always the unsociable type of people. There's a real conflict between the development in our country and conservation. The conservationists don't want to develop the tourism aspect because that means more people coming in. On the other hand those who want the money, the bucks in the hand and so on, are wanting to develop everything they can so that they can attract them. So our problem with wilderness

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areas -- Lake Louise for instance -- and even our own little Chain takes up our way create problems. But they are the things that attract people and bring them together from all over the world.

Tourism, I think, needs to be a balance of trade too. We were talking a few moments ago about the idea that we should advertise Alberta and get the people to visit Alberta first, and I agree with that 100 per cent. But we can't get a real tourist industry unless we have a balance of trade. We talk about Canada spending \$10 million more in the United States than the United States pays in Canada, or something of this sort. We don't measure it in terms of how many people went to the States as compared to the number of people who came to Canada and this sort of thing.

The whole idea or philosophy that I want to suggest is the need for thinking of it in terms of people. When I go touring and I land into a service station and the fellow comes to look after me, I can tell in a minute whether he's after my dollars or whether he's interested in me. And it makes a difference whether I'm going to go back to his filling station or whether I'm going to go somewhere else next time and hope to find somebody who's more interested in me than my money. All those who are interested in my money, of course, get kind of deflated when they find out how little there is, but that's beside the point, they don't know it until they go to collect the bill. So I think that we should think of it in terms of people.

Now I would just like to say a word about the hon. Member for Clover Bar's suggestion and try to set the hon. Premier at ease in this matter. There was a time in this Legislature -- hon. members who sat here in previous years know how strongly I urged this idea of a Department of Tourism by itself. But when I see the proliferation of departments that can take place, when I see the bureaucracy that can build up, I change my mind. And I want to say one or two things in this regard with connection to tourism.

Tourism became the third biggest industry in Alberta and not because there was a special Department of Tourism. One of the main reasons was because it was promoted by the private sector and it got its drive and its initiative without so much government help. We could just destroy some of this initiative by pouring too much effort into it. No mistaking it. I'm not suggesting that we cut down the budget or anything like that -- I think we ought to add more -- but we have to be careful how we do it because if it's going to be business then it's not the government's business to be running the business. It's the government's business to create the climate for that business, to see that that business prospers. But let the private sector carry on the business because they know more about it than we do and they are the ones that are going to benefit from it, in all respects, dollar-wise as well as people-wise. If they're going to run it then they know more about it and they should be pushing the entire affair, as much as possible.

Now, I think probably if it is considered as an industry -- and here's where I raise the question, Mr. Chairman -- I'm not sure it should be considered as an industry, but if it's going to be considered as an industry then maybe it should have stayed with the Department of Industry and Commerce. Not that it's not going to get good attention under the Executive Council, and probably this will turn out all right too. But I don't favour, necessarily, a department for it. It can be done as an arm of a department just as efficiently as a whole department by itself. The fact that it's put into a department doesn't necessarily mean that it's going to be that much more efficient -- with all due respect to those who think it should be a department as yet. So if it stays the way it is, the hon. Premier will get my backing on that.

Finally, Mr. Chairman, I would just like to suggest that I don't think the place of government in tourism is to horn in or heavily

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subsidize, but to do as has been done, and as I feel confident will continue to be done under the circumstances now -- to create the climate and to guide it so that it will continue to be, sure, a big industry so far as the people are concerned, but more important, a matter of exchange of people and an exchange of ideas between people, so that the public relations between the people of Alberta and the other areas of the world get around. And the whole thing comes into a really full-orbed philosophical thing, as well as material.

MR. DOWLING:

Mr. Chairman, I factually totally disagree with my hon. friend from Highwood. First of all if he thinks that we can continue to act toward tourism as the former administration did, and I said I was going to be positive on the day I was elected, I guess I can't be, but if we are going to act as they did, we'll have a third position for the tourism industry always. It is number two in Canada as an earner of dollars, and a very important earner, and it will always be that way in Canada providing the private sector receives the assistance and the stimulation and that governments act as a catalyst.

Prior to this government being elected and having the Tourist Branch excised from the Department of Industry, there never was a great deal of stimulation until the past few months. I believe that when we were the opposition during the past few years we can claim some credit for what stimulation there was given to the travel industry.

A couple of other things that I just can't believe the hon. member can say, coming from an area where tourism is so important. To my way of thinking, tourism is not just a dollar thing, it develops a quality of life for Alberta and for the people who visit this province --

MR. BENOIT:

I didn't say that.

MR. DOWLING:

No you didn't say that. The private sector has been waiting for years for someone to help them. They've got the help now. They've got the Alberta Opportunities Fund, which is really going to get this industry off the ground. We have revamped our system of contributory grants so that the people in the private sector truly do their thing. We don't subsidize them -- we stimulate them. And it is truly, as you say, a private sector industry that we just try to help. There is no way that we destroy anything -- this is nonsense. There is only one industry in the world that you can promote, the people can come and use it, and they can go away and you still have it to sell again. I said once before that 75% of the people who come to the national parks in Alberta come for the scenery, and when they come back, it's because of the people of Alberta. Anybody who doesn't think he is a diplomat for the tourist industry shouldn't be here in Alberta and shouldn't be a resident -- he doesn't qualify.

I believe that the tourist industry simply has to involve every single square inch of this province. Not just the base, the national parks of our province, which I am very proud of; it has to involve the total thing. That's why I'm so excited about the loan program and the applications for loans that we're receiving from every corner.

So with those few remarks I must totally disagree, Mr. Chairman, with my hon. friend from Highwood.

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MR. BENOIT:

I'm going to make mine pretty brief, Mr. Chairman. If he can say he totally disagrees, while he keeps on talking the same as I did, well that's all right; I'll disagree too.

MR. CLARK:

Mr. Chairman, in those oft-used words, "I wasn't going to take part in this debate, but -- "

I would like the hon. minister to give us some rather clear distinction between the two terms, 'subsidize' and 'stimulate'. The hon. minister went to some length to point out to the hon. Member for Highwood, that he too wasn't in favour of subsidization of the industry, but he certainly implied that he was an avid supporter in the field of stimulation of the tourist industry.

And also, in the course of the hon. minister's remarks, I'd like the hon. minister to make some comments on the question of the program which was initiated a year ago where the Alberta Commercial Corporation, if my memory serves me correctly, made \$1 million available, or was prepared to make \$1 million available to the tourist industry to help in the area of stimulation and the provision of greater accommodation. If I recall correctly, the tourist industry was having problems with projects that were going to a number of the financial institutions. The approach that was announced at the time, and I think, rather strongly supported by all members of the Legislature, was the one million dollars that the Alberta Commercial Corporation made available. I think the hon. minister will recall that the \$1 million fund was greatly over-subscribed, and I'd be interested in knowing whether the hon. minister sees that venture by the Alberta Commercial Corporation which was started a year ago, in the field of stimulation, or subsidization.

And lastly, I'd be interested in the hon. minister giving us some breakdown as to what's happening to the grants of the various tourist zones this year.

MR. DOWLING:

Mr. Chairman, those are excellent question. First of all, as I indicated before, I think that, because of the harping by the opposition of former years, they had to do something or else we wouldn't keep still. Therefore, a very timely loan program was introduced at the Travel Industry Association convention in Jasper, where I was speaking, and I found it delightful. I couldn't even criticize it because it was exactly what we had been asking for, for so many months. That of course has been continually expanded and now it is going to be the Alberta Opportunity Fund. I am very proud of my very small share in developing the act that will make that fund a reality.

With regard to grants as opposed to --

MR. CLARK:

How much money are you going to have for it this year?

MR. DOWLING:

We have a total of \$50,000 to work on, on a rotating basis. It all won't be available this year. Up to this date we have committed ourselves to spending \$9 million by way of developing tourist facilities throughout the province. Almost \$2 million of that has been spent. The other is committed but not finalized.

With regard to the difference between subsidization of grants and stimulation, I think the terms of reference for this contributory

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grant system this time are a little better, with due respect to what was being done before. The grants are based on very particular things: the development of brochures, things of this nature. We want each of the zones to develop a capability of managing their own affairs. So we are going to work on providing a certain portion of these funds for managers. I think it is vital. You can't expect people on a voluntary basis to devote the time it really requires to the tourist industry in some of these small towns.

There are 12 zones as you know. I am not sure I quite answered that question, but there are 12 zones in the province. Last year we had devoted an amount -- \$82,951 was claimed from the matching grants, as they called them at that time. There were \$90,000 made available. This year we have \$180,000 available, \$5,000 of that is being held back for a special program that we hope we can introduce through NAIT or SAIT in developing expertise in the field of the hospitality industry. We haven't gotten around to finalizing this, we have a discussion slated with the president of the NAIT organization within the next week or two.

For the benefit of the members, the grants we have set aside for this year, and I will compare them to last year so that you have the two figures -- last year there was \$25,000 given to the Alberta Travel Association, now the Travel Industry Association of Alberta. This year it is \$30,000. Zone one received \$7,500 last year; it will receive \$14,000 this year. Zone two, which is Medicine Hat, received \$8,500 last year and will receive \$14,000 this year. Zone three which is Big Country, Drumheller, was allotted \$5,000, they claimed \$3,867, and we have budgeted for \$8,000 this year. Zone four which is Central Alberta, zone five, Battle River, zone six Lakeland, zone seven, Evergreen -- I am sorry I should take these one at a time -- Central Alberta, zone four will receive \$8,000 this year and received \$5,000 last year. Zone five \$8,000 this year, \$5,000 last year. Zone six, the Lakeland country, is \$6,000 this year and they had \$3,084 last year. The Evergreen zone in the Edson, Hinton, Whitecourt, Grand Cache area has been inactive for the last number of years and we have budgeted for \$4,000 this year for them, just to get them off the ground.

The Mighty Peace country, zone eight had \$5,000 last year and will receive \$10,000 this year. They have made application, the Mighty Peace zone, to have their zone split into three because of the massive part of the province they are dealing with. The way this works, they make application to the Travel Industry Association of Alberta to have their zone split. If the Travel Industry Association agrees, they then make representation to the Alberta Government Travel Bureau. Again, it is a private sector thing. They make the recommendations and we discuss it and either agree or disagree.

The Jasper zone will receive \$14,000 this year, it received \$6,000 last year. The reasons for this and all of these things, are based on population and the number of people they get in the area. Jasper and Banff, for example, have no information centre on the borders. It is the first place that the people coming in from B.C. hit that is in an Alberta townsite. So we provide additional funds so that they can establish their own information centre in view of the fact that we have some considerable problem negotiating with the federal Parks Department. So Jasper will receive \$14,000, Calgary zone 10 will receive \$25,000, received \$15,000 last year. Edmonton will receive \$20,000, they received \$9,000 last year. And Banff-Lake Louise \$14,000 and they received \$9,000 last year. And that total is \$175,000 with a \$5,000 cushion which we hope to use in the development of a course of some kind.

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MR. CLARK:

I'd like to move the comments along, Mr. Chairman, by asking him -- you said there would be \$9 million in the Opportunity Fund that would be used in the field of tourism. Is that right?

MR. DOWLING:

That, Mr. Chairman, is what is committed now.

MR. CLARK:

\$9 million out of the total \$50 million in the fund?

MR. DOWLING:

That's correct.

MR. CLARK:

One-fifth of the Alberta Opportunity Fund has been allocated to tourism?

MR. DOWLING:

Part of this fund is what was there prior to the \$50 million fund being allocated. We had, up to the end of October or November, committed something in the order of \$6 or \$7 million, so from this fiscal year on, we will be in excess of, say, \$7,500,000. I should tell you a little bit about that so you know what it is; \$7,500,000 built 14 new motels, expanded 14 others, created 750 jobs of a permanent nature, with no mention of how many temporary jobs during the construction phase. It created something in the order of -- I was going to give you the figure for the amount of facilities in terms of dollars it created. It slips my mind for the moment.

MR. CLARK:

Mr. Chairman, where is this money right now? Is it in the Alberta Commercial Corporation?

MR. DOWLING:

Yes, all this fund is being handled by the Alberta Commercial Corporation, yes.

MR. CLARK:

Those are the same funds that are being transferred from the Alberta Commercial Corporation to the Alberta Opportunity Fund. Is that right?

MR. DOWLING:

Yes, that's true. The Alberta Opportunity Fund will be operated by the Alberta Commercial Corporation as well.

MR. CLARK:

So this \$9 million that you're talking of that's been allocated to tourism is within the \$13 million that the Alberta Commercial Corporation will be transferring to the Opportunity Fund, because if I recall correctly, not long ago the Minister of Industry said that \$13 million, or approximately that, from the Commercial Corporation, along with about \$10 or \$12 million that the government will be putting in over a period of years, along with \$25 million of guarantees would be the \$50 million for the Alberta Opportunity Fund.

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MR. DOWLING:

I would suggest, Mr. Chairman, that what has been a loan since the start of this fiscal year, would be something in the order of perhaps \$2 million, and I can get these figures for you. So what I'm saying is, from September 10th to the end of the fiscal year, the accumulated amount that was loaned or committed was in the order of \$9.3 million.

MR. CLARK:

The point I'm trying to make is that that money in the Commercial Corporation is already allocated. And that is the total amount of the Commercial Corporation, in the vicinity of \$13 million, is going to be transferred over to the Alberta Opportunity Fund, and the amount that was allocated last year, under the program that was started previously, along with the amount of money you say is going to be allocated this year, is all part of the Commercial Corporation's funds which are going to be transferred to the Opportunity Fund. So whether it's allocated last year or this year, we've still got \$9 million, you're telling me, out of the total \$50 million, that's going to be allocated to tourism?

MR. DOWLING:

I would suggest, Mr. Chairman, that the \$50 million starts at the beginning of this fiscal year, and what was loaned prior to that was in excess of the \$50 million.

MR. CLARK:

Are you suggesting then that the amount of money in the Commercial Corporation that was allocated last year on this particular program, that we referred to earlier, is not going to be transferred and be part of the Opportunity Fund this year?

MR. DOWLING:

I'm not sure what the hon. member means when he says transferred, Mr. Chairman, because I am assuming that the whole operation is handled by the Alberta Commercial Corporation with the facility of the Alberta Opportunity Fund as the act that provides for this.

HON. MEMBERS:

Agreed.

MR. CLARK:

Just to conclude this dialogue, Mr. Chairman, so there is hopefully no misunderstanding. Of the \$50 million that's going to be available to the Alberta Opportunity Fund to people across the province, already \$9 million is allocated to tourism?

MR. DOWLING:

Mr. Chairman, you misunderstand the Alberta Opportunity Fund. The Alberta Opportunity Fund is to create or develop industry throughout the province, whether it happens to be tourist facilities, or whether it happens to be seed cleaning plants or whatever, it's still the Alberta Opportunity Fund. Any program to develop industry is going to be considered on its merits, and if it is a fitting program or project, it will automatically be approved, regardless of whether it involves a fish plant or whether it involves a motel, or whether it involves a picnic site, or a trailer park, or a hunting lodge. If it's a viable project according to the senior people in the Alberta Commercial Corporation then it will be developed.

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MR. BARTON:

Mr. Chairman, on zone 8 I am quite familiar with the fact that they are splitting it up into three zones -- will the \$10,000 be divided three ways? Is it still under a matching grant quota? Will an administrator for each of the three zones be hired by your department?

MR. DOWLING:

In answer to the first question, the Alberta Government Travel Bureau has allotted \$10,000 to the land of the Mighty Peace tourist zone. There is only one, and there will be only one until next year, because we have no allotment for it. If they want to split their \$10,000 three ways that is their business. If they want to hire a manager that is also their business. It is their money on a matching grant basis, on a 60% contribution from the provincial government, 40% from the zone. In other words, to get that \$10,000, they must be prepared to put up two-thirds of the amount, \$6,670 in order to qualify for that \$10,000.

MR. RUSTE:

To the hon. minister. Is he proposing to make any expansion of the visitor information booths that were brought into being last year, or were expanded on last year? Secondly, maybe without divulging secrets within Executive Council, can he explain what happened with the provincial parks position in the serious reduction of some 60% in park development? To me it doesn't tie in, where you are promoting tourism -- I think you were mentioning, with your hon. colleague beside you, about the expansion of the North, that certainly we need to expand the park facilities to keep up. That is one phase, but I am not saying that is the total phase. But certainly, we need to expand the park facilities to keep up with expansion of the tourist industry.

MR. DOWLING:

Yes, Mr. Chairman, we have no expansion program for the number of tourist information centres for this year because of the amount of our budget. I can tell you where these are for your interest. There are quite a number of them. There are 14 permanent ones; there are three other than the permanent teepee type constructed information centres; then there are the Banff, Jasper and Fort Macleod ones. We have staff in five Canadian Government Travel Bureau offices in the States, and we have seven mobiles which tour the province. There is an increase in the number of information centres when you take it in the total picture.

With regard to parks, I can recall the hon. Minister of Lands and Forests indicating he was in a catch-up position at one time during the course of the debates. He felt that for this year he simply had to catch up on the parks that were promised in years past, where nothing had been done. He just had to do something about this before establishing any new ones. I am in total agreement that when a park is established it should be established because it is needed, not because it is politically expedient. So I support him totally.

HON. MEMBERS:

Agreed.

MR. SORENSON:

Mr. Chairman, I believe the hon. minister hosted a tourism conference in Calgary in February. Is that true?

MR. DOWLING:

No.

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MR. SORENSON:

A number of groups from my constituency presented briefs. Could you tell us how many briefs were presented, and did this conference prove successful?

MR. DOWLING:

I can't tell you how many briefs were presented. We had a number of speakers who were invited. I would suggest there would be at least 30 briefs. They are all available in the offices at any time you want to see them. I think it was an extremely successful investment. It cost in the area of \$3,000. Coming in at that point in the fiscal year, there was very little financial flexibilities so I felt it was necessary to gather together the experts in the field, and pick their brains. On this basis, I thought it was extremely successful.

MR. DIXON:

Mr. Chairman, one or two short points. I was wondering if the hon. minister could inform the House as to whether Alberta is in line for any awards? Last year, the last thing the previous minister of the previous government did, was to go to Montreal and get the Canadian award for outstanding tourist promotion for our province. The minister got up tonight and said that we didn't do such a good job, apparently, in the former government. Yet we received the award for Canada. So maybe he is holding back -- I am wondering if we are getting the award for North America, or maybe for the world?

In any case, one other question while I am on my feet, Mr. Chairman. He mentioned the fact that Jasper was getting \$14,000 and the Banff, Lake Louise area would get \$14,000. We have had a lot of controversy, both pro and con, and the people of Alberta are quite concerned about the Lake Louise project.

Now the hon. minister mentioned a few moment ago, Mr. Chairman, that he was anxious to get more accommodation for the tourists and this is our number one problem in Alberta to get more accommodation, and the accommodation that will serve people of all walks of life. And so therefore I'm wondering if his department is planning on spending any money that will inform the people of Alberta, both pro and con, about the Lake Louise project, because I think it is something that we should give some leadership in, and let the people decide, but at least give them both sides of the picture.

MR. DOWLING:

Well, Mr. Chairman, I could hardly wait to get on my feet, and I must tell you why, because I said just a few minutes ago that I will not be negative. But I'm going to be one more time. The film that the hon. gentleman was referring to was 'Under the Sun'. In my view, it was a delightful song, and an absolutely impossible film. It won an award in Canada and it absolutely bombed out in the international market. And I'm not pleased about that, because it cost \$76,000 to produce, and it was a photographer's dream, but it didn't do any of the things it was supposed to have done. It was supposed to promote Alberta, and what it did was promote raindrops, flowers, and sun peeking through the leaves. So I feel very badly that you've had to force me to get up and say that.

The other thing is that the information centres in the park are there for a very definite purpose, because our good friends in B. C. are advertising their province, "Come to Beautiful B.C. and don't forget to visit Jasper and Banff." Well, it's obvious that you assume that Jasper and Banff belong to B.C. The information centres are there so that we can say "Come to Jasper and Banff, and for

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goodness sakes, come and see the rest of Alberta". So this is why we make that expenditure here which I think is quite well justified.

I could say at the same time, with all due respect, that I have received some letters commending us on the song that accompanied the movie 'Under the Sun'. But, I have to truly admit that it was not the film that it was supposed to be and it was a very expensive production. The photographer is to be complimented because he did a tremendous job for the photographers of Alberta.

MR. DIXON:

Well, I was wondering, Mr. Chairman, following the hon. minister's remarks, if it bombed out in the United States, or wherever else it happened to go to. I was wondering then, maybe we can still salvage it, even going along with your derogatory remarks about it. Could we use it for something else, because, for example, our flowers in Alberta are some of the best in North America because of their vivid colors, and the raindrops keep falling on the minister's head, maybe. But anyway, what I'm trying to get at is that we did get recognition. And I'll be the first one to congratulate the hon. minister when he can come back with an award. My question is, is the Department of Tourism at the present time in Alberta in line for an award? Have you heard any rumours?

MR. DOWLING:

Well, yes, Mr. Speaker, yesterday I was at the Travel Industry Association of Canada Convention in Victoria for one day, and the awards were presented. We have all the terms of reference required to make sure that all the zones of Alberta have an opportunity to participate in these awards, and I'm hopeful that the zones, through the private sector, do something that will warrant an award. I'm sure that the department will do everything they can to assist them.

MR. DIXON:

One final remark, Mr. Chairman, referring back to my original request about getting our young people more interested in tourism. Nothing makes me prouder than what went on here the other day when our young people took part as far as the environment was concerned. But I still feel we need to step-up our present tourist program within our schools. Maybe we should think of what they could do; in other words, we mentioned Northern Alberta. What would be better than an essay on Northern Alberta, that could be distributed throughout the province in a contest, and the same thing for the students in Southern Alberta. Now I was wondering Mr. Minister, and I'm serious in it, have we any stepped-up program to get our children more involved in what is going on, whether it is tourism or whether it's anything else? In this case it's tourism. I think we have the great example of our young people wanting to become involved, when just last Sunday, when thousands of them were out on the march and some of them went the complete route. So I think this is a group of people that we can utilize and they eventually will be the best salesmen for our province, because they live here and they will be that much more aware of what we have here.

MR. DOWLING:

Mr. Chairman, I certainly appreciate the hon. member's remarks and we are looking at this extremely carefully. As I said we have had some initial contact with both the Ministers of Education and we are attempting to develop some way to get involved with the schools. We've had a number of people from the private sector make proposals -- games, jigsaw puzzles -- just an endless array of things that they think would work if we introduced them into the schools and I'm sure it will come within the next few months.

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HON. MEMBERS:

Agreed.

MR. RUSTE:

Mr. Chairman, I suppose as a farmer you could say with enough raindrops and sunshine we get golden grain, and in the autumn golden leaves. But my comment and question to the hon. minister is that how can he explain when he inferred that there was catching up to be done in park development -- how is this going to be accomplished by reducing the park development budget by 63%?

MR. DOWLING:

Mr. Chairman, we will be in the Land and Forest appropriation very shortly. I suggest that you ask the question at that time.

HON. MEMBERS:

Agreed.

Appropriation 1413, agreed to \$ 21,430

Agreed to without debate:

Appropriation 1414 Alberta Government Travel Bureau \$1,100,000

Northern Development
Appropriation 1418 Minister's Office

MR. BARTON:

I have a few questions here I would like to ask the hon. member and neighbour. How many members are there on the Northern Development Council that exists now -- the representation, plus how you are going to appoint the two that are going to be added and the balance that are not being filled?

MR. ADAIR:

Mr. Chairman, in relation to the members of the board as it sits right now, as I stated in the annual report it's inactive. You are a member of that board, as you well know, and you have done nothing. I have not asked you to. I think we should get that clear right off the bat. As far as the other fellows are concerned they, too, are inactive. As far as appointing the new members, when it comes to that point of expanding, we'll be getting names from people in the areas and we'll be attempting to balance across the northern part of the province, including the northwestern and northeastern sections, and I am looking at the area around Lac La Biche and south of that area towards St. Paul and the Fort McMurray area. We have a representative up there at the moment. You are representing the Slave Lake area. We have a chap from Grande Prairie, one from Wanham -- they are not around right at the moment -- but that was the makeup of the board previously. Now I think that should answer that particular point as to what we are going to do in the future.

MR. BARTON:

So as it is now, it's sitting in limbo and there is no representation in any area on the Northern Development Council?

MR. ADAIR:

That's right. It is, as I said, inactive at this point in time.

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MR. BARTON:

At what stage are you prepared to develop the council according to your appropriation as to the appointments?

MR. ADAIR:

Just as soon as we pass Bill No. 35.

MR. NCTLEY:

First of all by way of comment, I made this point during the debate on the bill to expand the Northern Alberta Development Council and I would like to make it again. I feel that the development of the North is important enough that we do require a full-fledged minister and a full-fledged department. We don't want to get into the debate that we had in the last appropriation again, but I do want to go on record as making that comment.

I have two or three questions. The first one I would like to direct to the hon. Premier. In reading over the Ninth Annual Report the only thing I can perhaps say is that it strikes me that the hon. minister is making a plaintive plea for help here. He says, "This activity is now fast drawing to a close and the question that remains is with respect to where we go from this point forward."

Now, Mr. Premier, I would like to ask you where do you see the Northern Development Council going in the next three or four years? To what extent are we going to substantially expand this appropriation? To what extent are we going to expand the responsibilities of the council? To what extent are we going to expand the responsibilities of the minister?

MR. LOUGHEED:

Mr. Chairman, they are very valid questions. I'm not in a position to fully answer them, or in any way to do an adequate job of responding because the minister hasn't had the opportunity, working with myself and others in the Cabinet, to develop fully the sort of policy that is implicit in the question and certainly required.

I read, too, the report and thought it was pretty clearly a plea from the hon. minister and in both a direct and indirect way for the expansion of efforts in this area. I don't think it's good enough to merely try to make it look like things are happening by pulling out of departments things that are going to be done anyway and fitting them within this particular package. There clearly has to be some planned programs.

One of the things that has intrigued me in the last week or so and I am sure all members -- and I've only had brief conversations with the Minister of Highways on this matter -- and that is a really effective Alberta reaction and response to the northern highway. I think how we handle that is going to be a real challenge for our administration, presuming that the federal government follows through with their commitment, have done their cost surveys accurately and have determined the way in which they can deal with permafrost construction effectively in the North and that their estimates are going to be of a nature to provide a quality road to Inuvik. Having been in Inuvik myself, and having noticed like those of you who have visited the very difficult area involved, at one time they had a community that literally collapsed because they made an inaccurate decision on construction. One can not but be concerned about the need for the federal government to build the northern highway properly and effectively. If they do, we in Alberta have a responsibility to make sure that our northern development and that project are effectively tied together. And one of the ways we can be doing something about northern development is to assure that that occurs.

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Members from other parts of Alberta who have their priorities, particularly regarding highway construction within the next few years, are going to have to assess those desires and those suggestions in relationship to what that road could mean to the development of the North. It's tied into the previous item of revolving tourism.

But as I see it, on an economic basis first, there is no question that we have to look to an expansion of northern development. We just simply don't have the answers to the questions that have been raised by the hon. member at this stage and I would hope that within a year we would. But by the same token I think that there are responsibilities on the other side of the House by members who are in this part of Alberta, representing this part of Alberta, to submit, either by way of debate or directly, their views as to how the Northern Development Council can be more meaningful than it has been in the past.

MR. BARTON:

Mr. Chairman, there is one other question and I don't really know whom to direct this to, whether it's Intergovernmental Affairs or Department of Highways or Northern Development. Under the Northern Transportation study -- I think Mr. Adair, who we initiated as a member, is familiar with it, the cost-sharing with the federal government -- are they going to continue on with arterial roads off the main road? For instance, the one going east-west that is proposed from Peace River into the Peerless Lake recreational area, the branch road from the main artery to High Prairie and Wabasca into Athabasca? Is this going to be a continuing commitment on a cost-sharing basis or is it just on the one artery going north and south?

MR. ALAIR:

Mr. Chairman, to my knowledge it's just on the one road right now but there is some commitment, I understand, through the Department of Highways to do some survey work on one of the arteries that will be swinging to the southwest off that road and that would be the one towards Peace River through the Cadotte Lake country. There is also one that will be swinging off somewhere in the future to the Utikuma side of the lake and going down towards High Prairie. But I'm not sure about going east at all on that at this time.

MR. EARTON:

The one that I'm really concerned about -- because it opens a real recreational package to the Peace River country, and I think you'll have to agree with me -- is the one from Peace River into the resource area of the Peerless Lake-Graham Lake area where the timber is. I think it goes past Loon Lake and I think that one should be a priority for the hon. Minister of Intergovernmental Affairs to negotiate because it does open up a total development package for that particular area, and gives all communities in the North the opportunity to take advantage of the resources in that area. This was reflected in a statement made on TV, which is partly why I'm bringing this up, because I think this is the reason there hasn't been a study. We've initiated the study, and I'd consider this government responsible to continue on in a major development because it opens up two-thirds of the province, roughly.

MR. ADAIR:

That's right, Mr. Chairman, I agree with those particular points that you bring up and the fact that we are looking at roadbuilding, particularly in northern development. Possibly the hon. Minister of Federal and Intergovernmental Affairs may want to comment further on it, but I do know that at this stage there are some discussions about work on that particular road that you were speaking of.

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DR. BOUVIER:

Are there any thoughts -- maybe I should direct this to the hon. Premier -- of putting MLA's on this commission?

MR. ADAIR:

I think possibly if I may, I'll answer that. There were two MLA's on this particular commission in the past. This is again a possibility when we start looking at the members for the future.

MR. GETTY:

Mr. Chairman, I would just ask the hon. Member for Slave Lake to make sure that he explores this question very fully with the hon. Minister of Highways, whose estimates are still to come.

MR. BARTON:

I will!

MR. GETTY:

He is involved now in reassessing all priorities, in the North, in line with the comments the hon. Premier made with regard to the development that is going to be necessary for the Mackenzie Road that we have heard so much about lately.

MR. BARTON:

Just to follow that up, hon. Minister of Agriculture; from my pipeline to Ottawa I believe they are prepared to negotiate, but it's cost-sharing. I think we're misrepresenting it because it is a 50-50 program, not a 75-25, and I hope that this comes back. I'll clear that up, but really I think they're prepared if we don't take advantage of the objectives of the Lesser Slave Lake pilot project we may be set back several years in trying to establish that type of program throughout the total North.

MR. NOTLEY:

Mr. Chairman, I'd just like to ask one or two questions before we pass on. First of all, when we were discussing Health and Social Development Estimates, we came to the Metis Rehabilitation Fund and at that time there was some concern over whether enough money was being spent on the whole question of native Albertan development in the north. And at that time if I recollect, the Provincial Treasurer mentioned that there were various other areas where money was being spent. I'm trying to recollect his words, but my understanding was that you would be in a position to supply us with an inventory of programs that relate to native Albertans, as they generally come under your department. So my first question is, do you have such an inventory tonight that you can give to us so that we are in a position to perhaps make a judgment on this important question?

MR. ADAIR:

Mr. Chairman, in relation to an inventory or a specific inventory, no, I do not have a specific inventory of projects that relate to the native people. As they come in and as they are received in our office, we go over them and we work with the various people that are involved. I might point out that Appropriation 1463 is the area that covers the native projects; that's the community development fund that will be discussed a little bit later on. And that is the area which used to supply the projects that we approve for the native people of the Province of Alberta.

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MR. NOTLEY:

Are there no other projects or no other areas where there will be substantial expenditures other than 1463 then, to your knowledge?

MR. ADAIR:

That's right. At this particular point, that is the only one we have that relates to the native projects for Alberta.

MR. NOTLEY:

I would like to ask one final question about the Northern Development Council itself. You indicated as soon as you passed the bill that you intended to make it operative as quickly as possible. Do you have any idea of when -- next month, within a couple of months? And secondly, how many meetings do you anticipate during the course of the year? Are you going to have regular monthly meetings or what?

MR. ADAIR:

Yes, once we get the council make-up, we'll be setting in motion the meetings and we will be having them monthly, and I would say, probably starting in July.

MR. BARTON:

I hate to take up the time but I think it's basic. Are you going to have a representation from the native and Metis sector on the Northern Development Board?

MR. ADAIR:

Yes, Mr. Chairman, it is our hope to have possibly two representatives. That is what we are working toward. One from the Metis and one from the native. Now there may be one representative from an area that will be of, say, Metis extraction that will be the dual representative for that area, but he will cover that end as well.

MR. BARTON:

Secondly, on the Appropriation 1463 that you mentioned, does any special area programming of native and Metis ancestry relate to this appropriation?

MR. ADAIR:

Would you repeat that again, please?

MR. BARTON:

In vote 1463, is there any special native and Metis programming in it?

MR. ADAIR:

I am not sure exactly what you are referring to or what you are getting at.

MR. BARTON:

The Lesser Slave Lake special programs. Because, all right --

MR. ADAIR:

That will be discussed a little bit later, but as far as my particular appropriation, my portion of No. 1463 covers grants or

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loans that we will be making to the native projects. But there are other monies in that for parts that you are referring to.

Appropriation 1418 total agreed to \$ 41,234

Agreed to without debate:

<u>Appropriation 1419</u>	Northern Development and Native Affairs	\$ 75,000
<u>Appropriation 1421</u>	Public Service Pension Act	9,265,000
<u>Appropriation 1422</u>	Retiring Gratuity, Civil Servants	16,500

Appropriation 1423 Members of the Legislative Assembly Pension Act

MR. DIXON:

Mr. Chairman, I would just like to ask a question -- more for advice regarding the Members of the Legislative Assembly Pension. I think that we should consider providing that, unless a person opts out, he is automatically covered for the benefits which are available. I think that would be a better way than the way they do it now, where certain members -- in particular I am thinking of myself as former Speaker, a Leader of the Opposition, Deputy Speaker, or any other office holder -- unless that person actually opts out and states that he doesn't want the program, then he should be automatically covered. Otherwise I can see where we are going to run into some problems which we have already met in one or two cases. I believe it would be a better way and a more business-like way of doing it, because when you talk about the MLA Pension Fund, I think the average MLA feels that he is entitled to whatever any other MLA gets regardless of what status he may hold in the House, and that isn't always the case. So to avoid any situation and so that the man knows what is coming to him -- what I am trying to say is he is automatically covered unless he opts out saying he doesn't want to be covered. This is the point I wanted to put across.

DR. HOHOL:

Mr. Chairman, just for the information of the House, after discussions with Mr. Dixon, I presented this problem to the Public Service Pension Board, and they are making an assessment of this at the present time. It looks like it is a reasonable proposition and likely workable. I will report to the House at a future date.

HON. MEMBERS:

Agreed.

Appropriation 1423 total agreed to \$ 305,000

Agreed to without debate:

<u>Appropriation 1424</u>	Local Authorities Pension Act	\$4,075,000
<u>Appropriation 1425</u>	Public Service Pension Board	\$ 373,540

MR. HENDERSON:

Mr. Chairman, before we turn the page, I would like to go back to Appropriation 1423 for one brief minute if I could.

MR. CHAIRMAN:

I beg your pardon?

MR. HENDERSON:

Could we revert to Appropriation 1423 very briefly?

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HON. MEMBERS:

Agreed.

MR. HENDERSON:

I would just like to ask the government to take under consideration a matter relating to the MLA Pension Act. I make this suggestion on the basis of some experience and review of recent developments in this province, but also with a view of looking after the hon. member's interests seated opposite some four years from now.

AN HON. MEMBER:

Agreed.

MR. HENDERSON:

I would like to suggest quite seriously, though, that they take a look at this interlock that is in the plan now where a Cabinet minister, for example, can't contribute just to the Cabinet Pension Plan. He has to belong to the MLA one too in order to collect the Cabinet pension. For example, I found myself, that I belonged to another pension scheme all the time I was in the backbenches. I went into Cabinet, I dropped that, so I started paying into the Cabinet fund. Then after it was over, I was pleasantly surprised because I thought this Cabinet pension was something that I would collect in the never-never. It might buy a bottle of whiskey or something in the future. That was a little bit of a pleasant surprise but I found out that in order to protect the investment I had made in the Cabinet pension fund, I also had to put in a few thousand dollars to buy back into past service in the MLA fund. I am sure there are going to be members that don't necessarily want to participate in both. I don't know what the technicality and the interpretation of the act is, but I would like to bring it to the attention of the government and ask them to look at it.

The second thing, while we're looking at it, is the fact that while I'm not in the Cabinet, I don't look at myself as retired from politics. I think there may be something to be said for examining the act, so far as members of the Assembly are concerned, because I think the precedents are based on the public service pension scheme. This has somewhat different connotations attached to it. A member could defer the point in time in which he starts to collect the pension. It isn't a matter of collecting it when you leave the House. One could defer it to age 65. The way it is now, you are, as I understand, obliged to take it, and all I do is pay it back to the federal government. I'd just as soon leave it in the provincial program and see it accumulate, than see the federal treasury get the tax dollars out of it,

DR. HORNBER:

That's in there now.

MR. HENDERSON:

I didn't understand that was there, from my discussions with the boards. If it is, I wished I had known about it, because I questioned it and I didn't get that interpretation.

DR. HOHOL:

Mr. Chairman, to go back to the two questions in reverse, there is an option, just as Mr. Henderson indicates. On the first question, the act is as you say it is -- the two pensions together. It makes good sense to separate them, because how old you are when you enter service and how long you're here is the kind of information

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on which you make the judgment whether you get into the plan or whether you don't. Again, while that's the way it is now, we're looking into the feasibility of separation. But on the second point, you can defer your pension.

MR. YOUNG:

Mr. Chairman, I'd like to pursue this matter of pensions for just a moment. I discovered that there is no provision for integration between The Public Service Pension Act, The Local Authorities Pension Act, and The MLA Pension Act, even though they are all administered by the same board. I think when this is being reviewed that this matter might be looked at. I found it rather frustrating this past winter, in trying to get some responses. I have rather arbitrarily resolved my problems at the moment, but they may recur for some other individuals, either now or at some future point in time.

Appropriation 1440 Emergency Measures Organization

MR. FRENCH:

Mr. Chairman, I believe the Deputy Premier responds in this particular vote. I'd like to ask what expenses are paid to people taking courses which are offered by the Emergency Measures Organization?

DR. HOFNER:

I didn't hear that.

MR. FRENCH:

What expenses are paid? For instance, if a person is coming into Edmonton to take one of these courses, what expenses are they paid, say coming from place X, into Edmonton?

DR. HOFNER:

They are paid transportation, of course, and their subsistence allowance for the time they are off, and a small appropriation they share with the federal government, and of course, the provincial government, in each of the areas in relation to -- as you may know they are divided into three zones, the Peace River zone, the Northern zone with headquarters around Edmonton, and the Southern zone. Underneath those zones are the various districts that are involved. The cost-sharing is 12.5% municipal, 12.5% provincial and 75% federal, in relation to the assistance program to the municipal people themselves. In addition to that, there are additional monies available for travelling expenses for people who are not public servants, who are not part of the department, and other subsistence that is available for these people. But primarily, it's under the financial assistance program, as it's called, in relation to the municipalities.

MR. FRENCH:

I'm wondering if any consideration has been given to increasing the subsistence to these people coming in, as I understand that, for instance, our local group is having some problems in getting people to come in and take the courses because they don't quite get enough to pay for their meals, and they feel they should at least get their meals when they come in for these courses.

DR. HOFNER:

Yes, I've had that representation made to me by a number of people that have been involved in Emergency Measures. I might just

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say that we're in the process of evaluating the entire organization and its role. As I mentioned earlier in the House, we gave them the job, or the opportunity, or the challenge to develop a new Disaster Act. We're working on that, and at the same time we'll be having discussions with other people in this area in relation to where would we go with the Emergency Measures Organization.

MR. DIXON:

Mr. Chairman, while we are on the subject the hon. Member for Hanna-Oyen has referred to, I served for a number of years as a City of Calgary representative, one of the representatives appointed by the City Council each year for the Emergency Measures Organization. There is one little problem there, the fact that I am a sitting member of the Legislature. Apparently, you would be barred from getting any of your expenses paid for the reason that you are a sitting member of the Legislature. Really, it is not that I am worrying about it, because I have been at it a long time and have taken care of it out of my own pocket, but it is unfair, I believe, where somebody does volunteer their time, and because they happen to be a member of the Legislature, there is a question as to whether they would put themselves in jeopardy by even being paid for their 'out of pocket' expenses, as the saying goes in this House. I just wondered, while the re-organization is going on, if they would look at this situation.

DR. HORNER:

We certainly will, Mr. Chairman. I think the suggestion is a good one.

Appropriation 1440, agreed to

\$ 675,062

Appropriation 1446 Bureau of Public Affairs

MR. LOUGHEED:

I think the hon. members are entitled to a brief introduction and explanation with regard to the Bureau of Public Affairs. First of all, the bureau commenced its operations on April 1st of this year, and hence, in that way, is a new operation of government, although it has taken in a number of other areas. The Cabinet has established a policy committee to guide the bureau. It is chaired by the hon. Minister of Federal and Intergovernmental Affairs, Mr. Getty, who will answer any questions that you have in regard to it. It involves the hon. Deputy Premier, Dr. Horner, the hon. Minister of Education, Mr. Hyndman, the hon. Minister without Portfolio Responsible for Tourism, Mr. Dowling, the director of the southern Alberta office of the government that I referred to before in Calgary, together with the director of the bureau, Mr. David Wood.

MR. HENDERSON:

I am not sure of the complete objectivity of this particular exercise. This might be one of these boards or committees that they want to put a member of the opposition on, too.

MR. LOUGHEED:

Mr. Chairman, we thought about that, and we felt so concerned that in previous years when we looked at the magazine 'Land for Living' and we weren't asked to join the Editorial Board, we thought, well --

MR. HENDERSON:

Of course, there is the fundamental difference in philosophy. The hon. members opposite disagreed with that, and I am sure they

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could -- [laughter] We have an open mind on this side of the House, and we would be quite in agreement to participate.

MR. STROM:

The fun section of it is over. I was really interested in knowing the number of new positions that have been established in this one. I understood that the hon. Minister of Federal and Intergovernmental Affairs was going to give us the breakdown.

MR. GETTY:

Mr. Chairman, what it is, is a gathering together of the Film and Photographic Branch and the Publicity Bureau and Mr. Whalley into this Bureau of Public Affairs. There are, other than the staff that were transferred, six additional staff positions which are to meet the increased promotional activities in industrial development.

MR. RUSTE:

Mr. Chairman, there are a lot of news releases and information bulletins about? What is the policy there as it relates to the Members of the Assembly?

MR. GETTY:

Do you mean these releases going out to the public? Certainly, the Members of the Assembly have every priority as well. If it isn't happening, it is something we will make sure happens immediately.

MR. DIXON:

May I ask a question, Mr. Chairman? Mr. David Wood is the director. Is he on a contract or has he been hired as a permanent -- should we say -- civil servant? The other thing I wanted to ask the hon. minister before he answers my first question is, is this something I could compare with Information Canada? Is this a similar thing?

AN HON. MEMBER:

Thanks a lot.

MR. DIXON:

Maybe you could explain the difference, then.

MR. GETTY:

If you look at the organization as it was before, namely the Publicity Bureau and the Film and Photographic Branch, they are operating much as previously with the exception that they were attached to the Department of Industry and Tourism. We felt this was not the best place for them so they were placed under the Executive Council to allow for better co-ordination of the publicity needs. They communicate as widely as possible with the people of Alberta with respect to those programs that the government is carrying out.

MR. DIXON:

. . . on a contract, I'll tell you, the reason I'm asking it is this, I notice he's doing other work outside the Legislature and I was just wondering.

MR. GETTY:

Well, he may have been winding something up or down; in any event, he's on a contract.

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MR. BARTON:

Is this particular department planning any films, documentary films that can be circulated in the schools in the north and the south? There is a sort of a lack in this area.

MR. GETTY:

There is a film that is going to be prepared, I just have to find it in the details. I think it is for the Department of Agriculture. Trust the Department of Agriculture to be there first. The hon. minister could pass that information on to you. There is a film that is provided for in the budget.

DR. HOFNER:

The film, I think, is one that is associated with our export marketing drive, for which we have had some discussions as to how it should be done. This is being reviewed at the moment because we don't want to bomb out with the film, with another film, as the federal government did recently in Japan with their film situation. The idea behind having the film was to have some documentary evidence that we could show people, visiting trade groups particularly in the winter time what the country looked like in the summer time, and in our production phases.

MR. BARTON:

To follow that up one more step, the reason for asking that question is twofold: one for the North and one for an anti-litter campaign that can go around. That might sound funny, but we put on a promotion in Slave Lake to clean up some of the cars and some of the litter that has been lying around for several years, yet we couldn't find a documentary film on pollution or litter in any area to present to the classrooms as an impact. I was just wondering if you're planning any in that area.

MR. GETTY:

Mr. Chairman, there is not one presently planned; however, it strikes me as a pretty reasonable request, one I'd like to discuss with the hon. Minister of the Environment and with the director of the bureau.

MR. NOTLEY:

Mr. Chairman, I want to say at the outset that I'm not questioning any motives here, but I think we all realize that a Bureau of Public Affairs can be a trifle touchy at times, and with a look at some of the hub-bub over Information Canada, we can readily appreciate why. The tendency from time to time, in certain provinces in Canada, is for government advertising to be fairly heavy before people go to the polls. The reason that I direct this to you is that I'm wondering whether you've given any consideration to a code of ethics or an advertising guide to set out the standards, and whether or not such a code would be tabled in the Legislature so that we could all collectively take a whack at it.

MR. GETTY:

We haven't specifically considered a code of ethics, a guide to be tabled in the House for debate. We have just had the policy committee in effect since April 1. One policy we made very clear initially was that it will be for the explanation of government programs to the people, so they can best take advantage of them and to make absolutely certain as a matter of policy that no way will there be political innuendoes, as you have suggested can happen. I

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will be happy to, and intend to, raise the suggestion with policy committee for consideration.

MR. DIXON:

One final question on the films, Mr. Chairman. What is the government's yardstick? I understand that these films go to contract but how do they arrive at awarding the contract? It can't be just on the cost, because there are a number of things involved. I wonder if you could outline to me how they finally arrive at this contract, because I wouldn't want us to fall into the trap that we apparently fell into as a government, and got a film that wasn't any good. So I wondered what the present government criteria are in awarding a film?

MR. GETTY:

I haven't dealt with that fact yet, frankly. I will discuss it with the director of the bureau. I'm certain from his experience and from the ideas he has for talented staff, that they will be able to assess those bids that come in on any given film. However, I will make a note of it now to report back to you on that very matter.

Appropriation 1446, total agreed to \$1,291,440

Appropriation 1460 Human Resources Research Council

MR. CLARK:

Just one comment, and one question. I haven't changed my view with regard to the government making a mistake in this area, but I would ask at this time for the hon. Premier to give the House an explanation for the government's decision to phase out the Human Resources Research Council. Perhaps I could add one more question. The stories are making the rounds that the government will be employing the former director of the Research Council to head up research in the government. Is this so, and has it been done?

MR. LOUGHEED:

Mr. Chairman, I would like to ask Miss Hunley to respond to that question. I think note should be taken that the hon. member's question was "employed by the government" and so I would ask Miss Hunley to reply.

MR. CLARK:

Mr. Chairman, with all due respect I'd like to hear from the Premier, if that's not asking too much, the government's reason for phasing out the Research Council -- the explanation of it -- how long or how short the Premier may want to make it.

MR. LOUGHEED:

Mr. Chairman, with respect, this responsibility was one with which I charged Miss Hunley, and so I would like her to answer in the House.

MISS HUNLEY:

Mr. Chairman, I expressed myself before in my budget speech my reasons for phasing out the Human Resources Research Council. We believe we moved in the right direction. We know that the hon. Member for Olds-Didsbury disagrees with this; however, I am convinced that we did move in the right direction. We are in the process now of winding it down. Some of the staff are finishing some studies that are partially finished. Some will be directed into other areas -- the university. The director himself is going into private business and we are in the process of negotiating with him a contract

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-- not to work for the government -- he's forming a research consulting agency, I believe -- at least, this is in the process of being discussed at the present time. If this happens, then we are prepared to farm out and engage him to do some research for the government.

MR. CLARK:

I appreciate the fact that the minister commented on this in her budget remarks, but it seemed that to me the decision phasing out the Research Council -- perhaps the minister, or the Premier once again, could touch upon two or three of what you consider to be the most important reasons for moving in this direction.

MISS HUNLEY:

Our reasons for moving in this direction was on review of the studies that had been done and our projection into the future of what studies were proposed that might be planned by the Research Council. The cost of the studies, the fact that actually they weren't making the impact on policy formation that we thought something that was costing this much money should do. Therefore, we felt that it wasn't filling the bill.

It seemed to feel that it had to have a fair amount of in-house staff in order to study the very broad philosophical lines in which they were examining. It looked as though it was getting increasingly expensive down the road and it seemed to be a luxury that we couldn't afford to let grow at the extent it was growing, so we phased it out.

Appropriation 1460 total agreed to \$ 450,000

Appropriation 1461 Human Resources Development Authority

MR. HENDERSON:

In view of the decision taken on Appropriation 1460, what is the intention of the government insofar as the future of the Development Authority itself is concerned?

MR. LOUGHEED:

Mr. Speaker, I would like to ask the Chairman of the Authority to respond to that.

MR. GETTY:

Mr. Chairman, one of the most difficult appraisal jobs that we're faced with in the administration is determining the future direction of the Human Resources Development Authority. I cannot at this time advise the members of the House as to the future direction of the Authority because the assessment is not complete.

I might say, in going through the process of assessment, that it has been obvious that there have been ebbs and flows of different thinking in the Authority in the past, but is difficult to determine whether it's accomplishing those things it was established to do. We are attempting to do that as quickly as possible. It bothers me to one extent in that I know it's difficult for the people who are employed in the Authority. That causes me great concern but it is something that when we make the decision we trust it will be the right one.

Appropriation 1461 total agreed to \$ 161,536

Agreed to without debate:

Appropriation 1462 Alberta Advisory Council

NIL

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Appropriation 1463 Community Development Branch

MR. NOTLEY:

Mr. Chairman, I would like to ask a question. I notice the decline is almost exclusively due to a drop in the grants. The appropriations last year provided for \$2,140,120, the appropriation this year for \$988,000. Now I would like to direct to the minister in charge of this the question as to what is the breakdown as to the drop in the grant?

MR. GETTY:

Mr. Chairman, the actual grants for the year 1971-1972, although the appropriation was \$2,140,000, were \$1,273,000, and the present appropriation is \$988,000. Actually the present appropriation is made up of a series of grants. I will give you the main ones; the Metis Association, \$237,000; Native Communication Society, \$110,000; Native Counselling Service, \$150,000; General Native Projects, \$300,000; and then there is a general Human Resources Development Authority projects grant appropriation, \$191,000, making up the \$988,000.

One of the reasons that it is possible that the grants can be lowered this year is that there are some non-recurring ones in last year's. For instance, with the dispute between the federal government and the Indian Association of Alberta, and the holding up of their funds from the federal government, the administration felt it was necessary to provide \$100,000 to the Indian Association of Alberta. That would be a non-recurring grant.

Also there were funds for an Alberta PA-TA-PUN Development which is no longer going to be funded from the Human Resources Development Authority. So in taking those two away and realizing that there was only \$1,273,000 last time, they are fairly close and it may be possible that some of the grants that have been given in the past under closer scrutiny, will not be given in the future.

MR. NOTLEY:

On that, Mr. Chairman, the hon. minister gave us approximate figures of the grants for the various native organizations, the Metis Association, and the Native Communication, and so on. Is he in a position to give us the comparative grants, last year's grants compared to this year's proposed grants so that we might be in a position to know specifically what the changes are? I realize that a good portion of that, approximately \$300,000, would be made up of these general reductions. But I'm wondering if there are going to be any specific reductions in the grants to the organizations and what those would be.

MR. GETTY:

I don't have them sitting side by side. The Native Counselling Service, this year is planned for \$150,000; last year \$186,000 was given. The Metis Association, this year \$237,000 planned; last year was \$262,000. Native Communication Society last year was \$110,000; this year \$110,000. Those are the large ones that I can line up here, I'm not sure if there are some other specifics.

And since I'm dealing in the grants for the Native Metis people, you should be aware, and all members should be aware, that it relies heavily on the recommendation of the hon. Minister Without Portfolio in charge of Native Affairs.

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MR. NOTLEY:

One further question, Mr. Chairman, and that is, in allocating the grants to the native organizations, Mr. Minister, what consultative process is followed by the government? For example, is the organization given formal written notice of what its grant will be, and are they given an opportunity to make representation to you or directly to the Cabinet or what have you?

MP. GETTY:

Well, they would be able to make representation to me, but I would insist that they made their representations first to the hon. Minister in charge of Native Affairs. They also would be able to make representations to members of the Human Resources Development Authority. But I would rely strongly on the hon. Minister in charge of Native Affairs. And if you'd like to follow some questions as to the priorities he establishes, I suggest you do so right now.

MR. NOTLEY:

Mr. Chairman, then I'll just direct one additional supplementary question to the hon. Minister Without Portfolio in charge of this department.

I notice, just quickly doing some rapid calculations, that there is approximately a 10 percent reduction in the grants. Can you give us your reasoning as to why the grants are cut down at this time?

MR. AEAIR:

Mr. Chairman, not other than the fact that the general tightening of the belt was placed into effect.

I think one thing we should mention right now is that the process that we're attempting to start with the groups across the Province of Alberta is to get the groups to sit down and give us long range projections as to just where, down the road, we'll be able to assist them in getting on their own feet and standing on their feet. And this is what we are attempting to do right now with these groups. These figures that were given to you right now are projections as to what we feel we may be able to allot this year for these people.

MR. EARTON:

Mr. Chairman, a decrease in staff: is that due to community development officers? Also, in straight dollars, what part of this appropriation belongs to the Lesser Slave Lake Special Area?

And you mentioned native programming: is the majority of this programming in the Metis area of the province?

MP. GETTY:

Mr. Chairman, I am not sure I can break out exactly from the Community Development Branch those dollars that are tied to exactly the Lesser Slave Lake area. You will notice on the next page, Lesser Slave Lake projects. We have some detail there. I am not sure what you are getting at in the other question. As far as the reduction in staff, it has been in some cases community development officers, in other cases general administration staff.

MR. EARTON:

It is during this appropriation that I asked the Attorney General's department for the court workers. Would you know whether you are going to continue on with this type of program or whether you are going to expand it?

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MR. GETTY:

The court room?

MR. BARTON:

Yes, I think -- remember when you referred me to this appropriation?

MR. CHAIRMAN:

Mr. Barton, I believe, means native court workers.

MR. BARTON:

Right!

MR. GETTY:

No, I recall it being discussed, not in the House, but with members of the Authority. I would like to get that information for you so as not to give you incorrect information.

MR. CHAIRMAN:

I think Mr. Adair wishes --

MR. ADAIR:

I wonder if the hon. member would repeat the question. I think I got part of it, but I didn't get all of it.

MR. BARTON:

Under the Attorney General's department, I thought there would be a co-ordinating effort to guide these court workers as to the responsibility of law and the responsibility of the individual. He referred me to this appropriation. I was wondering if you were going to expand the program, or cancel it, or continue on with it, or what is the liaison? Basically, what I am getting at is the fact that there is a two-way responsibility between the Attorney General's department -- one is to the society or the laws that we live in today and the other one is to be fair and just and understanding. I think these court workers have to be co-ordinated in this type of an effort because they are going, one way or the other, too far.

MR. ADAIR:

I think off the bat, we should very clearly state that it will not be cut at this particular time. We are working with Chester Cunningham and his group. We have had a good number of discussions with him and we are attempting now to sit down with him and co-operate with him in expanding his thoughts somewhere down the road, maybe not this year but somewhere down the road. It may be this year too, I don't know just exactly what the limitations are as far as budget is concerned.

MR. BARTON:

This point I would like to get across, is there going to be any representation from the Attorney General's department in these meetings as far as the responsibilities of the individual and the law? I think there has to be a lecture or a seminar held for these court workers to understand both sides. Do you follow me now?

MR. ADAIR:

Yes, Mr. Chairman, I follow you quite clearly on that. I might again reiterate the fact that Mr. Cunningham has a number of seminars

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in which he will have people of the type you are talking about now that would be working with them.

MR. TAYLOR:

Mr. Chairman, I would just like to make one comment. From my observations I think Mr. Chester Cunningham has been doing an excellent job in this regard and I commend him for it.

SOME HON. MEMBERS:

Agreed.

MR. GETTY:

Mr. Chairman, one thing I was unable to answer the hon. Member for Slave Lake was with regard to the amount of the Community Development Branch that is for Slave Lake. But it is broken down on another page here. These are relatively rough figures but it is \$170,000.

MR. BARTON:

Out of this appropriation?

MR. GETTY:

Yes.

MR. DIXON:

I wonder, Mr. Chairman, just before we vote, I was interested in what the hon. Minister of Federal and Intergovernmental Affairs was saying. Are you trying to tell the House that you are working with the treaty Indians as well? Is this the native people? You were saying something about, I think you were referring to Mr. Cardinal's group who ran into difficulty and they needed extra help. Is there any co-ordination between this department and the Federal Indian Affairs Department, because if there is I believe we should be trying to work with the Federal Indian Department to get a lot of the money that we are putting out in advance. Maybe somebody could enlighten me as to how much of this money has gone to actual treaty Indians who are not wards of this particular government.

MR. GETTY:

Mr. Chairman, the matter could probably best be answered by the Minister Without Portfolio in charge of Native Affairs. The \$100,000 I referred to was actually a loan that the administration felt should be made to assist the Indian Association of Alberta when they were engaged in their dispute with the federal government and in financial straits. The assessment now is that the loan will not be recoverable, therefore it was included as a grant last year. It's shown as though it was a grant in last year's expenditures. It is not provided for in this year's expenditures. I'm absolutely certain that the Minister Without Portfolio in charge of Native Affairs does work very closely with the federal Department of Native Affairs.

MR. DIXON:

Just one more supplementary, then. I wonder, is it your intention then, Mr. Minister -- this is a good project for you to be working on -- the next time you are in Ottawa, to get together with the federal government? Because after all, I agree with you. The Indian people were caught in this fight and a lot of them were innocent, outside of the executives that were in the fight with the federal government. I'm sure if a good story and a reasonable brief were given to the federal government to show that this money was

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definitely needed, and the province, I think with all credit to them, came up and gave this money, with an idea of giving it to them as a loan that would eventually be repaid, the taxpayers of Alberta would be reimbursed this amount of money. Apparently the federal government has changed its mind a great deal in the last few days, and I see where they are starting to go for the programs they said they weren't going to go for before. I thought this might be an opportune time for us to try and get this money back. I'm not opposed to what we did, but I still think, in all fairness, we should try and attempt and recover that money -- if not from the Indian Association itself, a separate agreement with the federal government.

Appropriation 1463 total agreed to \$1,757,612

Appropriation 1464 Lesser Slave Projects

MR. BARTON:

I just have one question.

HON. MEMBERS:

Agreed.

MR. BARTON:

Agreed, one question. Is the government going to continue on with the special area agreement for my constituency?

MR. GETTY:

It's the intention of the government to continue on with the special area which you refer to, meanwhile to negotiate on a broad policy basis, to establish what we consider to be -- what we hope would work out to be -- a more advantageous manner of having the objectives of the Department of Regional Economic Expansion delivered within the Province of Alberta.

MR. BARTON:

I just said a little bit of a lie. Part of that special area is in the hon. Member for Smoky River's riding.

Appropriation 1464, total agreed to \$ 975,000

Agreed to without debate:

Total Income Account \$23,892,398

Capital Account

Appropriation 1483 Lesser Slave Lake Projects \$1,850,000

Total Capital Account \$1,850,000

MR. HYNDMAN:

Mr. Chairman, I move that the committee rise and report progress and beg leave to sit again.

HON. MEMBERS:

Agreed.

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[Mr. Speaker in the Chair]

MR. DIACHUK:

Mr. Speaker, the Committee of Supply has considered certain estimates, reports considerable progress and begs leave to sit again.

MR. SPEAKER:

Having heard the report and the request for leave to sit again, do you all agree?

HON. MEMBERS:

Agreed.

MR. LOUCHEED:

Mr. Speaker, I move the House stand adjourned until tomorrow afternoon at 2:30 o'clock.

MR. SPEAKER:

The hon. Premier has moved that the House stand adjourned until tomorrow afternoon at 2:00. Do you all agree?

SOME HON. MEMBERS:

2:30!

MR. SPEAKER:

2:30 o'clock. The House stands adjourned until tomorrow afternoon at 2:30 o'clock.

[The House rose at 11:12 p.m.]