

LEGISLATIVE ASSEMBLY OF ALBERTA

Monday, May 29th, 1972

[The House met at 2:30 pm.]

PRAYERS

[Mr. Speaker in the Chair.]

IN MEMORIAM

MR. SPEAKER:

It may be appropriate for us to observe a moment of silence in respect to the memory of His Royal Highness, the Duke of Windsor.

[A one minute silence followed.]

PRESENTING REPORTS BY STANDING AND SELECT COMMITTEES

MR. ASHTON:

Mr. Speaker, as Chairman of the Standing Committee on Private Bills, Standing Orders, and Printing, I wish to report from the committee. The committee has had under consideration the following private bills and begs to report the same with the recommendation that they be proceeded with: Bill No. 1, being an Act to Amend an Act to Incorporate the Grande Prairie Racing Association; Bill No. 2, being an Act to Incorporate the Historic Society of Alberta; Bill No. 3, being an Act to Incorporate the Sisters of Charity of Providence of Calgary; Bill No. 5, being The Society of Industrial Accountants of Alberta Act, 1972; Bill No. 6, being an Act to Amend an Act to Incorporate Canadian Junior College; Bill No. 7, being an Act to Terminate Certain Agreements Between the Canadian Pacific Railway Company and the City of Calgary; Bill No. 9, being an Act to Incorporate the Institute of Accredited Public Accountants of Alberta.

The committee has further had under consideration the following private bill and begs to report the same with the recommendation that it be proceeded with with certain amendments; Bill No. 4, being an Act to Amend an Ordinance to Incorporate Les Soeurs de Charite de la Providence des Territoires du Nord Ouest.

The committee has had under consideration further bills and begs to report the same with the recommendation that they not be proceeded with; Bill No. 8, being an Act to Provide for an Extension of Time for Commencing an Action Beyond the Period Allowed by the Limitation of Actions Act; Bill No. 10, being an Act Respecting Great Way Merchandising Ltd. and The Securities Act.

The committee further begs to recommend that with respect to certain of the bills just described that the fees less the cost of printing be refunded; Bill No. 2, being an Act to Amend an Act to Incorporate the Historical Society of Alberta; Bill No. 3, being an Act to Incorporate the Sisters of Charity of Providence of Calgary; Bill No. 4, being an Act to Amend an Ordinance to Incorporate Les Soeurs de Charite de la Providence des Territoires du Nord Ouest;

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Bill No. 6, being an Act to Amend an Act to Incorporate Canadian Junior College; Bill No. 8, being an Act to Provide for an Extension of Time for Commencing an Action Beyond the Period Allowed by the Limitation of Actions Act.

The committee also further begs to recommend that the Rules of the Assembly relating to private bills be amended to discourage petitions for private bills in instances where the privileges of such private bills are available under existing public bills.

MR. SPFAKER:

Having heard the report, is it the wish of the House that the report be received?

HON. MEMBERS:

Agreed.

NOTICES OF MOTION

DR. HCFNER:

Mr. Speaker, I would like to give notice that on Wednesday next, to propose the following resolution to the Legislature:

Resolved that the Legislative Assembly of Alberta requests the Executive Council to appoint a committee of three Alberta citizens, namely, Mr. Justice Michael O'Byrne, Chairman -- Mr. Justice O'Byrne is a Justice of the Trial Division of the Supreme Court of Alberta; Mr. Dudley E. Bacthelor, who is a retired city commissioner of the City of Calgary; and Mr. Arnold Platt, who is executive manager of the United Farmers of Alberta, and a former president of the Farm Union of Alberta; with instructions to:

- (1) Assess the adequacy or otherwise of:
 - (a) existing 1968 indemnities and expense allowances, including the per diem living allowance of MLA's, taking into consideration present circumstances, as well as the anticipated fall sitting of approximately four weeks;
 - (b) existing 1968 salaries of the Speaker, the Deputy Speaker, the Premier, the Leader of the Opposition, and members of the Executive Council.
- (2) To make recommendations to the Legislative Assembly as to changes, if any, in the set of indemnities, expense allowances and salaries, as may be fair and appropriate to present and anticipated circumstances, and
- (3) to complete and publish its report on or before the 15th day of September, 1972, and to deliver a copy of the said report to the Speaker, the Premier, and the Leader of the Opposition.

INTRODUCTION OF BILLS

Bill No. 99

The Legislative Assembly Amendment Act, 1972

DR. HORNER:

Mr. Speaker, I beg leave to introduce a bill, being Bill No. 99, The Legislative Assembly Amendment Act, 1972.

These amendments to The Legislative Assembly Act will make it possible for members to be paid on a monthly basis in regard to their indemnity and expenses, and will date to September 1, 1971, so that members will be able to collect, hopefully in the near future, seven-

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twelfths of their indemnity, and then continue to collect a monthly stipend which will include both their indemnity and the expense allowance.

In addition to that, Mr. Speaker, there are some changes in regard to the payment of members sitting on Select and Special Committees of the Legislature. These are the two primary purposes of the amendments to The Legislative Assembly Act, introduced today.

[Leave being granted, Bill No. 99 was introduced and read a first time.]

Bill No. 93
The Wilderness Areas Amendment Act, 1972

DR. WARRACK:

Mr. Speaker, I beg leave to introduce a bill, being Bill No. 93, The Wilderness Areas Amendment Act, 1972.

The amendments to The Wilderness Areas Act, Mr. Speaker, have three basic principles. The first of these three is to remove the recital beginning "Whereas" on the front of Chapter 114, that refers to the 144 square miles maximum size that a wilderness area can have. So as a matter of principle, that maximum is being removed in the suggested amendment, and in that way opening the principle towards an ecological system approach to a wilderness area, rather than a specified maximum of geographic size.

The second principle involved in Bill No. 93, Mr. Speaker, is to establish firmly three wilderness areas in the Province of Alberta. The three wilderness areas are the wilderness areas as suggested and recommended by the Wilderness Advisory Committee. Their report was tabled in this House on March 15th. The boundaries are such as suggested in that report by the Wilderness advisory committee to the hon. Minister of Lands and Forests.

The three established wilderness areas will become (1) the Ghost River Wilderness area near Banff National Park of 59 square miles in size.

Secondly, the Siffleur Wilderness area which will be considerably larger, at 159 square miles in size and in the area along the Rocky-Clearwater Forest that is south of the North Saskatchewan River.

The third wilderness area will be the White Goat Wilderness area, which will be much larger, at some 488 square miles in size. It lies north of the Siffleur Wilderness area.

The third principle is to establish a principle within The Wilderness Areas Act, the principle of having a controlled buffer zone to surround all or part of a wilderness area in which there would be activity related to more intensive human use, but this would be controlled. And this would then be a buffer zone between the wilderness itself and the areas that are the vacant public lands in the areas. Within the buffer zone, in this third principle that would be established by the act, there would be no strip mining, quarrying, major water diversions or impoundments within the buffer zone, which we wish now to establish as a principle within The Wilderness Areas Act of Alberta.

[Leave being granted, Bill No. 93 was introduced and read a first time.]

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Bill No. 104 The Planning Amendment Act 1972

MR. ZANDER:

Mr. Speaker, I beg leave to introduce a bill, being Bill No. 104 The Planning Amendment Act 1972.

The amendments contained in the bill were requested by the Urban Municipal Association in resolutions passed at their annual convention, and presented to the Cabinet for their consideration. These amendments to The Planning Act have two objectives, to bring to an end as of October 31st, all specific use zoning that has not commenced development. These were a special category of zoning allowed for a short period. They were allowed by the Provincial Planning Board in spite of objections by members of the local Planning Commission. Some were allowed on very unsuitable land. The government feels that the developers had long enough, over three years, in which to demonstrate their intention to proceed.

Secondly, the other amendment is designed to protect the zoning of an area where both the zoning bylaw and the development control bylaw may be declared defective by the courts under the old wording.

[Leave being granted, Bill No. 104 was introduced and read a first time.]

MR. RUSSELL:

Mr. Speaker, I would like to move, seconded by the hon. Minister of Public Works, that Bill No. 104 be placed on the Order Paper under Government Bills and Orders.

[The motion was carried without dissent.]

INTRODUCTION OF VISITORS

MR. YOUNG:

Mr. Speaker, I would like to introduce to you and through you to the members of this House, a class of Grade VI students from St. Mark's School in the Woodcroft community in my constituency of Edmonton Jasper Place. They are located in the members' gallery with their teacher, Miss Baillargeon. I would ask that they stand and be recognized.

FILING RETURNS AND TABLING REPORTS

DR. HORNER:

Mr. Speaker, I would like to table for the House the report of the Tradition and Transition Committee which examined the briefs submitted to me in regard to that report that was tabled in the House a year ago. Just briefly, Mr. Speaker, we generally accept the recommendations of the committee outside of the recommendation that they made with regard to 4H. As I have mentioned in the House before, the energetic leadership of the Minister of Culture, Youth and Recreation allows us in agriculture to say without any qualms that we'd like 4H to stay with them. We'll give them the input to continue its work.

ORAL QUESTION PERIOD

MR. SPEAKER:

The hon. Member for Calgary Bow.

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Abortions

MR. WILSON:

Mr. Speaker, I would like to direct a question to the hon. Minister of Health and Social Development. What is the policy of the government or of the Alberta hospitals, with regard to the continuing employment status of nurses who because of their moral or religious beliefs, refuse to serve on abortion operations?

MR. CRAWFORD:

Mr. Speaker, I have to say to the hon. member that that is not a matter I have ever directed my attention to. I'm not aware that there is any difficulty in retaining employment by such people. It would be an interesting thing to contemplate what the result should be if there is a difficulty in retaining employment by such employees, and if the hon. member could bring to my attention any known cases I would be quite interested in pursuing the matter.

MR. WILSON:

Supplementary, Mr. Speaker. Inasmuch as it was brought to my attention over the weekend that one nurse felt that if she did not participate, she may well lose her job, I was wondering if The Individual's Rights Protection Act would guarantee her continued employment.

MR. CRAWFORD:

I think the hon. member's question brings us into a very difficult area, because the other side of the point just made by the question is, of course, that an abortion is a valid medical procedure in many cases -- indeed it is supposed to be in all of the cases where they are allowed, because they do follow upon the taking of a decision based on a special procedure. So that is the other side of a matter which is, unfortunately, not free from difficulty.

MR. SPEAKER:

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

Program Directory

MR. BENOIT:

Mr. Speaker, I think I will address my question to the Deputy Premier. He may want to pass it on. Very grateful for the program directory in which I place the Alberta Services Guide and it makes it a little fuller. My question is what is the present government's intention with regard to the six-volume inventory that was provided for us in 1968 and later upgraded by the previous government? Is it the intention to keep on with that or to expand this one?

DR. HORNER:

Well, Mr. Speaker, I would like to reply in this way. The document to which the hon. member has referred is one that we have through the direction of the hon. Minister Without Portfolio in charge of Rural Development, my department and other departments co-ordinated on in trying to put together the present programs in legislation that apply to rural development. I am aware of the other directory the hon. member speaks about, but I am not aware of any changes that are going to be made in it. This was a specific project to allow most people of rural Alberta -- people generally -- to be aware of the programs. We now intend to upgrade, hopefully, any of

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the new legislation and new regulations into that program directory as soon as physically possible.

MR. SPEAKER:

The hon. Member for Spirit River-Fairview.

Fluoridation

MR. NOTLEY:

Mr. Speaker, I would like to direct this question to the hon. Minister of Health and Social Development. Would the minister advise the House whether it is true that he has ordered the rural oral fluoride program phased out, and if so, what is to replace the benefits of this program?

MR. CRAWFORD:

Mr. Speaker, the future of the program is under review at the present time. I would think that it could be resolved within a short period and I could make the information available to the House within a few days.

MR. NOTLEY:

A supplementary question, Mr. Speaker. In conducting the review, is the government consulting with rural dental and medical officers in this review?

MR. CRAWFORD:

I'm not personally doing that, Mr. Speaker. My review of it is based upon trying to assess the respective merits of both sides of the case.

Microfilm as Evidence

MR. R. SPEAKER:

Mr. Speaker, a question to the hon. Attorney General. Is it the intention of the government to introduce legislation recognizing microfilm as an official document or legal evidence?

MR. LEITCH:

Mr. Speaker, I assume the hon. member is referring to an amendment to The Alberta Evidence Act, and if that is what he has in mind it is not the intention to introduce it at this session, but it is a matter that we have been looking at.

MR. SPEAKER:

The hon. Member for Calgary Millican.

Government-Industry Relationship

MR. DIXON:

Mr. Speaker, I would like to direct a question to the hon. the Premier. Over the weekend the hon. Minister of Industry and Commerce was speaking in Jasper. He referred to the relationship between government and industry -- and he described the relationship as lousy -- and that the Alberta business doesn't enjoy a totally positive reputation with the Legislature. What are the reasons for the present government arriving at these conclusions?

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MR. LOUGHEED:

Mr. Speaker, I am sure that the hon. Minister of Industry and Commerce is quite capable of responding to that very interesting question.

MR. PEACOCK:

Mr. Speaker, in answer to the hon. member of the opposition's question, I was alluding to the general relationship that industry had with government, its problems and vice versa. I wasn't specifically pointing out the Province of Alberta or for that matter any other province in western Canada. But I was relating to certain things that we have experienced in the private sector when we have attempted to do business with governments, moving from one department to another department before getting an answer. I was giving these examples, and that was what I was alluding to when I was speaking to them. I suggested that there were many ways that we could improve this relationship.

MR. DIXON:

A supplementary question to the hon. minister. He used the term 'Legislature', and I'm sure on this side of the House we are not as concerned. What positive steps is he going to take to prevent this from continuing?

MR. PEACOCK:

Yes, I think that what we are attempting to do is set up our economic district advisory councils, which we will have an input from the seven districts of the Province of Alberta back into the Legislature here as to what are the problems that these areas are experiencing in the areas of business, business problems, economic stability, growth, etc. I think this will be helpful. I think that what we are attempting to do in the areas of our own department is cross-fertilizing some of the problems that are prevalent or that are commonly encountered in the development of business in the Province of Alberta, whether it be through Lands and Forests or Mines and Minerals, or through the Environment. We will attempt to have these problems handled in a department so that we will eliminate some delay here. I believe what we are doing with the Opportunity Fund is a glaring example of what we are attempting to do to stimulate the confidence and interests of what government and business should be doing in the Province of Alberta in relation to capital requirements, research and development.

MR. SPEAKER:

The hon. Member for Vermilion-Viking.

Educational Travel Funds

MR. COOPER:

Mr. Speaker, I have a question for the hon. Minister of Youth, Culture and Recreation. Possibly a short preamble is necessary. A group of 60 Grade XI students in my constituency have made arrangements for an educational tour to Vancouver and Victoria in mid-June.

My question is, Mr. Minister, is there any financial assistance available for such an educational project, either from the Alberta Department of Culture, Youth and Recreation, or from any branch of the federal government?

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MR. SCHMID:

Mr. Speaker, in reply to the hon. member's question, I would suggest he contact the Secretary of State Department in Ottawa and he can do so, actually, through our department. We have someone there who knows the exact extent to which funding of these programs will be available.

However, the opinion of my department to fund programs of students going outside of the province just for educational purposes is that they really do have to get to know our own province first. Therefore, we feel we should support students who travel in our province as much as possible, and even that can not be done enough due to the limited funds available.

MR. SPEAKER:

The hon. Member for Sedgewick-Coronation.

Chinchilla Breeding

MR. SORENSON:

Mr. Speaker, my question is to the hon. Minister of Agriculture.

Mr. Minister, are you aware that certain provincial residents have been stung, and they're not bee-keepers, they are chinchilla ranchers? What are the prospects and hazards in starting chinchilla ranching in Alberta?

DR. HCFNER:

Mr. Speaker, this is a perennial problem and I'm sure that my predecessor could also agree that this is one of the promotional schemes primarily that people should be very aware of before they get any idea that they are going to make a great deal of money raising chinchillas, and they should be particularly aware of all the facets, including whether or not they have a market for them. I think that is about all we can do, to make very clear to the people of Alberta that before they enter into this kind of enterprise they investigate it very thoroughly.

MR. SPEAKER:

The hon. Member for Calgary Millican.

Parking Tickets

MR. DIXON:

Mr. Speaker, I would like to direct a question to the hon. the Attorney General.

The recent decision regarding parking tickets in Calgary last week by the provincial judge there -- I wonder if your department is going to give any instructions to local authorities who are carrying out the prosecutions under this act?

MR. LEITCH:

Mr. Speaker, I'm not sure what the hon. member has in mind when he says "instructions to the local authorities". I haven't yet seen the judgment to which he's referring. I would think that if, in fact, it says they are illegal we have a choice of either appealing that decision or following the results of the decision, which would be that the tickets are not legal and, consequently, no charges would be laid as a result of them.

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There is, of course, the further possibility of amendments to the legislation which is under review in that decision, and that would be within the jurisdiction of the hon. Minister of Highways.

MR. SPEAKER:

There appear to be no further questions. I wonder if the House would agree that we might revert for a moment to Introduction of Visitors.

HON. MEMBERS:

Agreed.

MR. YOUNG:

Mr. Speaker, with respect, I'm afraid it's about a minute and a half too late to revert now. Thank you just the same.

ORDERS OF THE DAY

MINISTERIAL ANNOUNCEMENTS

Village Lake Louise

MR. GETTY:

Mr. Speaker, many members of the House during this session have expressed considerable interest in the government's position regarding the Village Lake Louise Project.

We've made a commitment to pass this decision on to the members of the House as soon as it was possible and I'm able to do that today. I would like, for the hon. members' information, to read a letter which was sent to the federal government outlining the Alberta government's position on the Village Lake Louise proposal. The letter is written to the hon. John Chretien:

"Dear Mr. Chretien:

As you are aware, the Government of Alberta has been completing an assessment of the Village Lake Louise Project in Banff National Park. The purpose of this letter is to inform the Government of Canada of our reaction to the project and make some general comments on the manner in which it has been developed.

When Prime Minister Trudeau visited Edmonton recently, he stated that the Alberta Government's response to the Village Lake Louise proposal would be a major factor in the federal decision whether or not to proceed with this controversial project. Despite his recognition that the views of the Alberta Government regarding development proposals in National Parks in our province are of major importance, it is unfortunate that there was no consultation with us during the development stages of the project.

The history of the project, as you know, is that the National Parks Branch conducted a series of broad, general, and inconclusive public hearings on development plans for our National Parks during April 1971 in Calgary, Edmonton and Vancouver. At that time, there was a vague reference to a specific development project in the Lake Louise area. The next public statement was the announcement early in January, 1972 by Village Lake Louise Limited of their plans -- followed shortly by the announcement from the National Parks Branch that they would hold public hearings regarding this specific proposal in

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Calgary on March 9th and 10th, 1972. Up to that time, there had been no communication whatsoever by the Government of Canada with the Alberta Government, or any consultation with us regarding an appropriate time for public hearings. When our governments were striving for effective co-operation and consultation on many matters, it was most regrettable that the National Parks Branch failed to do so on this issue. Had this happened, I am certain a number of problems the project encountered could have been avoided.

I trust you will communicate to the National Parks Branch the expectation of our government that future major development issues in the Alberta national Parks should involve adequate advance consultation with the Alberta Government.

The date of the public hearing on the Village Lake Louise proposal of March 9th and 10th was a most unsatisfactory date for our government as we had been working steadily with our legislative program towards our first Session, which had been announced weeks before as commencing March 2nd, 1972. With the pressure of our Session and our legislative priorities, it has really only been since late April that we have had an opportunity to give adequate consideration at the ministerial level to this matter and come to a conclusion.

It would have been easy for us to have taken a quick and perhaps politically popular position on this issue at the time of the hearing, but we felt that the matter was of such significance that it required adequate consideration and assessment by our government. We also believe it was important and helpful to have heard the views of interested Albertans over the past few months. In the main, these views were the genuine concerns of many citizens. We do admit that it was disappointing to have extremist views expressed by an organization like the National and Provincial Parks Association, which dealt in personal attacks and innuendos. Their deplorable tactics detracted considerably from the well considered views that were expressed at the public hearings by responsible citizens and groups.

Our response to the Village Lake Louise Project was made more difficult because there are two valid, yet conflicting objectives, which it was attempting to meet. On one hand, is the obvious need for improved recreation and accommodation facilities within the National Parks in this province. You will be interested to know that this was recently confirmed in a unanimous vote in the Alberta Legislature while dealing with a resolution on the subject. However, there is also the valid concern that the purposes of the National Parks will not be met by additional large concentrations of population, created by development projects which include hotels and shops in the absence of any well-accepted plan to zone the Park in a manner to assure that the natural beauty is maintained in the vast majority of the Park area. It is important to note that the Government of Alberta feels that these conflicts are capable of being resolved by judicious planning and development.

We recognize certain advantages to the specific Village Lake Louise Limited proposal:

- (1) It sought to provide needed recreation and accommodation facilities, in a beautiful part of our country;
- (2) It was proposed for an area which was already marred by haphazard development;
- (3) It would attract visitors and provide many jobs for our young citizens;
- (4) It would help to increase the enjoyment that many Canadians derive from the area's attractions;
- (5) It appeared to be soundly-conceived and adequately-financed as a commercial venture.

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There are, however, some very serious defects in the specific proposal:

- (1) It appears that the project will result in too great a concentration of population, contrary to the spirit and intent of the National Parks;
- (2) The acknowledged lack of a thorough study of the environmental impact of such a project on an area which is known for its natural beauty and relatively fragile ecology;
- (3) The nature of the project indicates that the facilities will not meet the needs of Canadian and Alberta families of all income levels;
- (4) The validity of the condominium principle within a National Park is questionable and suggested allocation of their ownership is unrealistic;
- (5) Another large townsite would be created while problems encountered by the existing townsites of Banff and Jasper have not been solved.

Alberta has had officials from several provincial departments making this evaluation of the project although, as mentioned, ministerial assessment has only been possible in recent weeks.

As a result of this study, our government has concluded that until these existing deficiencies are solved we cannot specifically support the Village Lake Louise Limited proposal.

It has also become obvious that any large project of the nature of Village Lake Louise Limited should only be considered after the National Parks have been zoned using the following proposed guidelines:

- (1) Non-development zones which should involve the majority of the park area and where no development should be allowed of any type.
- (2) Partial development zones involving most of the balance of the park, where development would be restricted to facilities such as roads and riding and hiking trails - the purpose of this zone would be to make it possible for the citizens to enjoy the parks in their natural state.
- (3) Development or recreation zones being a small percentage of the park which would allow recreation and accommodation facilities for Canadians and visitors so that these people could enjoy the mountain areas of Alberta which lie primarily within National Parks. These developments would include appropriate sports such as skiing in the winter and golf in the summer with the facilities capable of meeting the requirements of average income earners.

We are prepared now to enter into discussions with your government to work out a logical park zoning plan, which we believe is essential before any alternatives to Village Lake Louise are proposed. We do not think it is fair to developers to encourage their interest until acceptance of such zones has occurred and been fully communicated to the public. We are convinced that when this zoning and the necessary ecological studies have been finalized, our two governments can readily develop acceptable alternatives to meet the needs of our citizens.

We also urge that as part of such discussions, we work out with you a feasible approach to assuring an adequate degree of local autonomy for the many Albertans who are now residents in the townsites of Banff and Jasper. You will recall we have provided you with copies of our study on this matter which was recently tabled in the Alberta Legislature and we would be pleased to hear your reaction to it.

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In summary, the Alberta Government is not at this time prepared to support the specific proposal of Village Lake Louise Limited -- despite some obvious advantages -- for the following reasons:

- (1) Such a project could only be authorized after adequate environmental studies have been undertaken -- and such is not now the case with the Village Lake Louise proposal.
- (2) Specific major development projects such as this should occur only after the park areas have been properly zoned to assure protection of the original objectives of the national parks.
- (3) This specific project appears to be too large in scope and could tend to create an undue concentration of visitors and employees in one part of the park.
- (4) The specific projects fails to assure recreation and accommodation facilities for Canadian and Alberta families at all income levels.
- (5) Problems facing Banff and Jasper remain unsolved, and creating another large townsite will only add to the problems.

We are sure you agree that the time has now come for the whole question of National Parks policy in Alberta to be settled in a manner acceptable to the majority of our citizens. This policy must meet the concerns of most of our citizens as previously mentioned -- that is, National Parks essentially preserved in their natural state for the enjoyment of this and future generations but with some portion of the mountain areas of Alberta within our National Parks available to meet the recreation and accommodation needs of Albertans and Canadians. We emphasize again that we believe these dual objectives can be met.

In reaching these objectives and establishing a policy, our government is prepared to co-operate with you in every possible way.

Our studies indicate a number of alternatives which we can consider. A few of these are:

- (a) Removal from National Park status of the existing highway transportation corridor perhaps in exchange for some other part of our province.
- (b) Federal financial assistance in the development of adjacent Provincial Park areas to reduce the anticipated pressure on National Parks within Alberta in the future.
- (c) Aggressive encouragement and assistance for recreational developments in such attractive areas as Hinton, Grande Cache and Canmore.

Our departments have been making considerable progress in these areas and have been alerted to the possibility of immediate meetings and discussions with your officials.

We believe the painful progress of the Village Lake Louise Limited proposal has provided certain positive lessons and a base from which we can develop the best possible National Parks Policies for Alberta and Canada. We look forward to meeting this challenge with you and await your response."

Thank you, Mr. Speaker.

MR. STRONG:

Mr. Speaker, I don't have too many points that I wish to make. After all, it is a rather lengthy statement that the government has

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just presented at this point in time. The only matter that concerns me, as I listened to the report itself, is that I had the distinct feeling that a considerable amount of the hon. minister's time was spent in complaining about the lack of action on the part of another jurisdiction. I suppose, in a sense, it is what we have come to expect, because we have had to listen to that sort of thing repeatedly here in this House, where government members have been spending a considerable amount of time blaming past administrations for their failure to do certain things.

I would have to say, Mr. Speaker, that it is apparent to me that the government has waited a very long time to come up with a decision that really is no decision, as far as definite action is concerned, but merely a decision of postponement, which is suggesting that the project itself not be proceeded with, but rather that there be studies initiated, consultations entered into with the provincial government, and that a considerable amount of time will now be used for the consideration of other proposals or other means of taking care of recreational needs of our province.

Certainly I can agree with many of the points that were made, and I think that the government are correct in making them. But I do believe that the points that I just made previously certainly also need to be looked at, when taking into consideration the report that has just been given by the hon. minister. I was rather interested in the suggestion of the roads being passed over to the province, and then suggesting that in place of roads that might be given to us, we in Alberta be prepared to give consideration to granting more land for federal parks within the province of Alberta. I would have to say immediately, Mr. Speaker, that in my view the federal government has more lands within our province than in all of the other provinces together. Certainly at this point in time I see no need of offering to provide more lands to the federal government as federal parks.

What has happened is, of course, that effectively the provincial government has now said 'no' to the development project. We have now nothing to consider at this point in time by way of an alternative. I would hope that the provincial government would very quickly give consideration to development outside of the park, over which they have complete jurisdiction and for which, I am sure, they would get support from all of the members of this House.

I think the need gets more pressing as time goes on. I would certainly hope that the government would give very serious consideration to ways and means of providing greater facilities and more facilities outside of the park without waiting for federal help.

GOVERNMENT BILLS AND ORDERS
(Second Reading)

Bill No. 101
The Senior Citizens Shelter Assistance Act

MR. RUSSELL:

Mr. Speaker, I would like to move, seconded by the hon. Minister of Public Works, second reading of Bill No. 101.

I am going to make only a couple of remarks which I think are rather important, to re-emphasize the principle embodied in this bill, because of the details and the monies involved in the bill, and I think fairly extensive debate at the time of budget consideration of those items.

The basic underlying principle of the bill, Mr. Speaker, is the fact that the foundation levy costs for education in Alberta do not properly belong on residential property tax, but more logically do

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belong to the general revenues of the province, and are a provincial responsibility. We have put that statement to the citizens of Alberta for their consideration. Following the establishment of our Task Force on Municipal-Provincial Financing, we understood in discussions with the task force that we would continue as quickly as possible with the implementation of that policy, and that arriving at their reports and budgetary considerations in this first year, priority should be given to the senior citizens of Alberta.

The principle of the bill, Mr. Speaker, is that all kinds of homes are to be included when we are talking of residential property or the dwelling place of a senior citizen and that secondly, there should be no means test or limitation applied to the amount of tax relief given. The bill goes a little further than that, Mr. Speaker. I think an important aspect of it is to recognize that indirectly, renters do pay part of their rent towards property tax, and in that regard, some of that indirectly towards educational property tax. There is a provision in the bill for an annual payment of \$50 to our senior citizen renters in the province.

I think all members can understand quite readily that because of the way this legislation is tied in directly with the Homeowner's Tax Discount Plan in order to allow the senior citizen to select whichever scheme gives him the greater financial benefit, there are some budgetary implications that are not completely clear this year. With the information that is available to us, we have come up with as accurate estimates as possible. But without knowing exactly how many people will move from one plan to another, or without knowing how many senior citizens receive the guaranteed income supplement, it is very difficult in the first year of anticipated operation of the program to be absolutely specific. However, we think we have, to the best of our ability, included adequate financial votes in our budget in order to meet the provisions of this bill.

The same kind of remark might apply to some administrative procedures. The bill was written in a way which tried to anticipate the various situations that might arise, or the various kinds of ways that people might wish to apply for this rebate. We try to keep it as simple as possible, and for those of you who have seen the 1972 homeowner tax discount applications, you will recognize that the education foundation levy abatement appears merely as a third choice for this year on that application form.

So in conclusion, Mr. Speaker, this is a bill that is presented by the government to the Legislature in order to try and give substantial relief to the senior citizens of this province by way of relieving the basic cost of education with respect to the education foundation levy from their residential property, whatever that abatement might be.

MR. BUCKWELL:

Mr. Speaker, would the hon. minister answer a question? Now, when the homeowner's grant first came into being, I think it was \$50, it was paid on the quarter on which the house resides, and subsequent years after, it reached \$75. Everybody got \$75 when it was apportioned. Is it still going to apply on the whole property or the quarter on which the house resides?

MR. RUSSELL:

I assume you are speaking only of farm residences.

MR. BUCKWELL:

Yes.

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MR. RUSSELL:

Yes, it is written to apply to the home parcel, which I think in 99 per cent of the cases is a quarter. I think all members can appreciate the difficulties the government faced in trying to apply this rebate just as the homeowner's tax rebate had been to residential property which is not assessed, so the principle of extending it to the home parcel was incorporated in the act.

MR. DOAN:

Mr. Speaker, it is with much regret and remorse that I rise to oppose this Bill No. 101 in its present form. Particularly so, being a member of a task force which has spent many hours trying to work out a proposal fair to all. Our new Alberta government recognizes agriculture as the basic industry of this country. Agriculture was the means of survival of our early settlers who made up the foundation stock of a good percentage of our population today. Bill No. 101 makes this government responsible for setting up special considerations for senior citizens to be fair to both urban and rural populations, even though our rural numbers are only one-tenth the number of senior citizens living in the cities, towns and villages. I will repeat that, Mr. Speaker, our rural numbers are only one in ten -- one-tenth of the number of senior citizens living in our cities, towns and villages. Surely this government is not going to line up on the side of the urban citizen and ignore a non-fair deal to a far lesser number of our rural voters?

There is only one line in this bill that needs to be changed so it would apply to the rural senior citizens the same as the urban. On page 7, under Homeowner's Assistance, subsection (3), and it says here, I quote:

"in a case where the eligible residence consists of a farm building exempt from a set assessment, an amount equal to the provincial school levy imposed on the parcel of land on which the eligible residence is situated".

I maintain that the last part of that clause 'an amount equal to the provincial school levy' imposed on all the land owned by the eligible senior citizen would qualify this for the rural resident the same as the urban resident. This discriminates against the rural senior citizen, as in its present form it limits the relief from assessment to only part of the farm where the urban senior citizen's total assessment of property has no limit.

The average farm assessment over all Alberta is less than \$3,000 for a quarter section. So if the quarter this home is situated on is assessed for no more than the average, the farmer would only receive \$90. Some would say that he could then apply for the supplement, but it would almost be impossible to be a recipient of the supplementary part of it if he owned a quarter section of land and the building on it. So in this case he could only receive 30 mills times the assessment on his home quarter. I have yet to find a farmer owning a home and a quarter section of land and receiving the income supplement.

Some will probably say that my suggestion opens the door for a rancher with thousands of acres. On the other hand I know and can give you names of senior citizens in Calgary who own -- in one case a house assessed at \$18,000. With the act in its present form this urban senior citizen will write-off almost \$600 and there is no doubt there are a good number of such valued homes in both Calgary and Edmonton.

As a matter of fact I have heard over the weekend also that there are houses in Calgary in the real upper class that some of them crowd very close to half a million dollars. So you can imagine what the relief will be in this case.

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The most unbalanced part of this bill is the fact that nine-tenths of the people in Alberta live in the urban homes. So for every poor farmer senior citizen who gets a limited relief, nine senior citizens get an unlimited relief in urban homes. This is the old merry-go-round where the farm taxpayer today gets it in the neck on education costs. We have statistics to show that on a per capita basis now the farmer pays twice as much as the urban taxpayer towards education. This is simply because he has, as a rule, twice as much property as the urban taxpayer.

A farmer not only has to raise his taxes out of his farm property, but he also has to make a living out of it, whereas the urban dweller pays taxes on his home, but as a rule he does not make a living out of his home.

But even so, should education costs run more for one person to educate his children than for another person. Through all these years the farm taxpayer has been subsidizing cost of urban education. Now with the first new deal the senior citizen, this bill says that the only senior citizen who will be continuing to pay some on education tax will be the senior citizen on a farm with more than a quarter section.

Further more if this is an example of what we hope to achieve another year, and this is extended to all property owners, then it is a quite simple example that the farmer will be the only property owner who will pay towards education of his children, whereas in the future the urban property owner would get full relief of the basic costs of education.

MR. PARRAN:

Mr. Speaker, while what the hon. Member for Innisfail says is basically true in terms of figures, one has to look at it in the light of the dilemma that is to be faced in all rationalizations of property tax in Alberta when farm dwellings are not assessed.

All services from the state on a local government level in Alberta are paid by land tax in rural areas. This means that the average farmer and the above-average landholder carries the load for rural residents with small land holdings. You can have intensive farming operations on 40 acres or 80 acres and be paying almost nothing in terms of property tax because the tax will be based on the land value which has a maximum of \$40 assessment a year. The average, as the hon. Member for Innisfail points out, is not close to the \$40 which could be a \$6,400 assessment for a home quarter -- which is a little more than the average home occupied by a senior citizen in a city. The average, because of discounting for soil types and productivity and so on, fetches down the assessment on a home quarter to about an average of \$3,000 or \$3,500 as opposed to \$6,400.

This bill, so far as the very small number of senior citizen farmers affected is concerned, should be looked at in the light of a temporary measure for one year until we fetch in the overall re-drafting of the whole property tax approach in 1973.

It is true that in the rural areas because the assessment is low, being based on land, mill rates are generally high. The other point to bear in mind is that on small parcels, although people on under 20 acres presumably pay their way because they have to demonstrate that they get a principal livelihood from farming, those over 20 acres only have to demonstrate a livelihood which could be just a row of about a dozen beehives, as much as the \$82.50 a month an old-age pensioner gets.

Opposition is very strong in the rural areas to any suggestion that farm buildings or dwellings should be assessed despite

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recommendations of committees after committees for the last 20 years. This opposition is fairly easy to understand. It comes from the farmer primarily because he makes the first error of confusing assessment with taxation. To arrive at a tax dollar you have to multiply assessment by mill rate, so a high assessment means a low mill rate and a low assessment means a high mill rate to produce the same tax dollar. There is certainly logic in the opposition so long as there was, or continued to be, a provincial levy for education of 30 mills on all assessment. In that case, of course, if farm dwellings were added to the land assessment and they were still paying the 30 mills they would, indeed, be paying more in taxes.

Perhaps when this is removed, as the government has promised at the end of the year, the opposition won't be so strong and the option perhaps can be given to local authorities to look at their assessment measures on a detailed sort of local basis, especially in areas where difficulties have arisen.

I believe that at the moment you have got to face the fact that most of the senior citizens live in the cities, the towns, and the villages. There are some in minimal circumstances living on farms but not very many who will be living on a quarter section. Those who are living on less than a quarter section are paying almost nothing in tax already, because of this anomaly I've told you about of the smallholders not paying very much because all their taxes are based on land. I think there would be almost no senior citizens on old age supplementary allowance who are still practising active farming because the conditions for getting the supplementary allowance are that they must have absolutely no taxable income. So we're talking about very, very few in this area of maybe a quarter section to a half section holding, who may be not getting a benefit of much more than \$20 to \$30 in the total benefit.

To extend it beyond the home parcel would be to say that you have got to give the total exemption from the education levy to huge land holdings, some of which cover several townships, especially in southern Alberta. We have huge holdings like the McIntyre Ranch and all the big ranching areas along the foothills. This would be a very significant erosion of the tax base at this stage. It is possible that in the course of the year, as the task force continues to look at the problem, we may be able to exempt all farm land.

The exemptions will be applying to all citizens, senior and junior, next year when we bring-in our study. At the moment this is just a temporary relief for the hard-pressed senior citizens. While the point made by the hon. Member for Innisfail is understood, I can't see anything much fairer than saying that the exemption should apply to the parcel on which the house sits, and this goes up as high as a quarter section which could have an assessment of as much as \$6,400 if it was top class, number one soil, "A" land.

MR. ZANDER:

Mr. Speaker, I believe we can live with this for at least one year, because I do believe that the number of senior citizens living on the farms are very small, although there are some. Nevertheless, I think the hon. Member for Innisfail brought out one point, and I think he is probably referring to the formula that came out in 1969. For your information -- I think it is good information -- in the total province in 1969, with two exceptions -- and let me give you an illustration -- in the county that I represented for some 24 years the total assessment in that county was somewhere in excess of \$70 million. This includes for taxation purposes, for education, and for the urban-rural area. I want to make this plain.

In this area the pupil ratio, or the pupils in that area were somewhere in the neighbourhood of 5,000 pupils. Taking the total assessment and dividing it amongst the number of pupils, this is the

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basis of the educational cost. We had approximately \$15,000 per pupil assessment in the county of Parkland. Applying the Foundation Program at 30 mills, this represented \$450 for every pupil. This was the money that was available for education on that basis.

Now in 1969, and I'm not not taking Calgary -- I'm going to take Edmonton -- the number of pupils that were attending school in the City of Edmonton at that time, based on the assessment available for the Foundation Program, was approximately \$2,400 assessment per pupil. Now if you apply the 30 mills on this, you can readily see that the City of Edmonton was contributing approximately \$72 per child by way of the Foundation Program. And this is exactly what the hon. Member for Innisfail was saying.

Now in the total assessment of the Province of Alberta, the survey that was done back in 1969 indicated, without exception, only two cases that the urban-rural sector outside of the two major centres were paying the bulk of the Foundation Program, and I think this is something that we should look at. But I think, when we're going to look at the total assessment, taking away the assessment on residences in the province as we propose next year, I can live with the legislation as proposed in that bill because it's only of one year duration, and as the hon. member, Mr. Farran, has said, that really, there are homes that are running in the \$18,000 to \$20,000 range. But by the same token you have, probably, large ranches, large holdings. This could run into considerable money, and certainly I think the balance off between the two, for another year we can certainly live with it.

But I just wanted to bring this out for your information, that I know the ratio in Calgary -- I haven't got it with me today, but the ratio for Calgary is somewhere around the \$3,300 per child. When you take the exceptions of the two, you have to admit that the industry and the people outside the two major centres are contributing heavily to the Foundation Program. And the only way that we can get done with the educational mill rate is to take it out of the resources of the province, so all of us will be on an equal basis.

MR. TAYLOR:

Mr. Speaker, I want to just make two or three comments on the bill. I am not going to repeat everything I said in one of the other debates, except to emphasize that the bill is going to be a real boon to the wealthy and a real help to those who aren't in the wealthy class. I support the bill for those who have moderate incomes. I don't support it for those who have very big estates and whose estates go up into the \$100,000 or more class. I haven't got the figure of how many are involved and I am not really concerned right at this moment about the number. It is the principle that I think isn't sound to exempt people who are well able to pay educational tax and then secure the amount of which they are being relieved from others who are less able to pay. I think that is the unsound principle in the whole thing. I don't think anyone objects to paying a little more if they are wages or in the income brackets to help senior citizens of moderate incomes who are living on their pensions and very little else. But certainly those who are wealthy shouldn't be relieved of educational tax -- something that is important to every man, woman, and child in the province irrespective of their economic condition. It is in the interest of everyone that every boy and girl be educated in this province -- the spinster, the bachelor, the old and the young -- because if they aren't educated, society will pay for it at a later date. Consequently, I again repeat that I am not in favour of relieving wealthy people who happen to be 65 years of age or over from educational tax.

There are one or two other points that worry me a little, and possibly the hon. minister could clear them up when he is closing the debate. One is where a farmer passes away and the widow lets her

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house go on the farm, or tears it down, or doesn't live in it, and moves to town and rents the land. She is still over 65, she is still a senior citizen, she is still a farmer, she is depending upon that income for her livelihood or supplementary, her pension. In my view she is in the same category as if she continued to live on that quarter section. I know there may be administrative difficulties but I think in cases where she would have qualified were she living on the quarter section and was simply living in town for health or other reasons, that she should not be barred from having the benefit that accrue to all others in similar categories. I am not talking about the wealthy, I am talking about people who have very moderate incomes and the average old-age pensioner.

There is another case, too, that bothers me somewhat where some farmers -- and again there may not be too many -- are building their homes on one quarter section and using the machinery together and farming other land. The quarter section where his house is, is not his land. He is living on his neighbour's land and he is doing it with full permission and full arrangement and so he has no house on his quarter or half, or sometimes a full section. Whether he would qualify or not, I don't know. Possibly the hon. minister could deal with that particular case.

I am mostly concerned about the widow or widower who has moved to town for health and other reasons and who, it appears, will not receive the benefit even though he or she is of very moderate income. I am certainly very interested in what the hon. minister has to say in connection with that particular type of case.

MR. CLARK:

Mr. Speaker, if I could perhaps just make four comments. It seems to me, as a result of the bill, and especially section 4 of the bill, that we're establishing a limit as far as senior citizens who are still farming is concerned, but that in fact we're not establishing a limit for any other senior citizens. If I heard the comments of the Member for Calgary North Hill properly, he said that firstly, this was a very small number, and he said secondly, that it was only for a year. It seems to me then, if those two factors are right, the decision has to be based on whether, in fact, you place more priority on the equity as far as senior citizens are concerned across the province, or do you really place more concern on the money which the province might be losing by treating senior citizen farmers on exactly the same basis as you would treat the other nine-tenths of senior citizens across the province? If my interpretation of the bill is correct then, quite frankly, I think I would find myself on the side of equity rather than on the side of the amount of money involved.

It would be very interesting if the minister could, in the course of closing the debate, give us some indication of how much money was involved in this one-tenth of the senior citizens in the province. Obviously, it should have been a very, very sizeable amount, if it was so important that you couldn't treat those senior citizens still involved in agriculture differently from the other nine-tenths of senior citizens across the province. As I say, if I interpret the bill correctly, then frankly I would find myself in the same corner as the hon. Member for Innisfail, and would not be enthusiastic at all about this particular portion of the bill.

MR. SPEAKER:

The hon. Member for Lethbridge West, as a matter of fact, tried to get the Floor a moment ago.

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MR. GRUENWALD:

Thank you, Mr. Speaker. Just a couple of very short comments on the bill and its relation to this business of the farmers being entitled to the break as well. I think it must be pointed out that farm buildings alluded to here are not assessed at all at any time, and there are many farms in the Province of Alberta that are worth \$30,000 and \$40,000 and \$50,000 and \$60,000, who have never paid tax on that particular piece of property. So therefore, they have been getting this break all the time. I really don't think you have to get too sympathetic at this particular point in time as to whether they are going to get the break in this particular bill, just because that particular area isn't exempt from the taxes. I think it would be an additional concession to senior citizens living in farm homes if they were to get the extra amount there.

I wonder if it isn't about time also, that we started thinking about whether we should be worrying about this education tax. I think it's high time that maybe we should be thinking in another area, that all the revenue from the province should go into the general fund. I can't see earmarking taxes all the time. I don't think there should necessarily be an earmarked educational tax or an earmarked hospital tax, or any of the rest of them. I think they should all go into the general fund and be redistributed according to need, into any area where the need is the greatest. I think this should be given serious consideration.

MR. KOZIAR:

I think that what we're looking at here, Mr. Speaker, is reducing the taxation for the senior citizen's home and not for the senior citizen's business. A person who is over 65 years of age who owns an apartment building in the City of Edmonton won't receive any more relief from the taxation on the apartment building than he receives now. His relief is only insofar as the home is concerned. The same applies where a person over 65, in a town, owns the hotel. That person over 65 is not going to receive any relief from the education portion of the taxation on that hotel. The relief only applies to the place where he lives. We must look at farming on that same basis, that a farm can be a residence, but more than that, it is a business. What we are looking at in this particular act is to relieve the person who is over 65 from the education portion of the tax on that portion, really, of his land that is his home, and not that portion of his land that is his business.

I think if we take a look at the whole situation, there is no doubt that there are farmers who are having financial difficulty. This government recognizes that the whole farming community is one that we should be looking at strongly, and we are doing just that under the Department of Agriculture, but I think in looking at the matter, one would find that the farmers who usually are in the worst financial circumstances are those with the smallest farms. It is the farmer with just one quarter-section of land -- who doesn't have half a township -- who is having the greatest financial difficulties. He is the one who is going to benefit the most. This is the point that has to be made.

The last point, of course, Mr. Speaker, is that the farmer, from the additional quarter sections of land that are assessed, can deduct the tax payable on those quarters of sections from his income tax. In other words, he is paying pre-tax dollars for the tax on those sections of additional land; whereas the city dweller who pays say, \$300 or \$400 of property tax on his home cannot deduct from his income tax the tax which he pays on that, and so he is paying after-tax dollars, which can be a substantial amount.

Admittedly, in the case of senior citizens, the number who pay substantial income tax is very small, so that this consideration probably is of little concern. But the point is, Mr. Speaker, what we are looking at in this particular bill is the reducing of the

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hardship of the education portion of the tax on the home and not on the business.

MR. SPEAKER:

May the hon. minister close the debate?

SOME HON. MEMBERS:

Agreed.

MR. SPEAKER:

Does the hon. Member for Spirit River-Pairview wish to say something?

MR. NOTLEY:

Just a couple of comments on the bill to follow up some of the observations made by the hon. Member for Drumheller, Mr. Speaker.

The Senior Citizens Shelter Assistance Act as it is constituted, in my view, is going to be a windfall for high income people. It will provide, at best, a very mediocre level of assistance for low income people. I don't think I need dwell on this, Mr. Speaker, because I have discussed the argument both in the budget debate and also during the estimates of this particular department. But it seems to me that there is a very important matter of principle here that I want to take a moment to stress. If we are going to provide tax relief, surely that tax relief should be in relationship to the 'ability to pay' concept.

I would note, Mr. Speaker, that in the province of Manitoba the government in that province has introduced legislation which deals with school taxes, where the higher the income, the lower the subsidy; the lower the income, the higher the payment from the provincial government. In short, it reverses the principle that is enunciated in this bill, where you are going to have high income senior citizens who own a great deal of property, with a very substantial measure of tax relief. On the other hand, those senior citizens who live in some of the dreary tenement houses of our cities will at best get \$50, and there is no real guarantee that we will be able to guarantee them that, because without rent controls it is quite possible that landlords will gobble up that \$50.

The principle, in my view, is incorrect. I believe that if this were done in terms of a total re-assessment of the cost of education in the province; if we were going to take over all of the 30 mills for, everybody, and then reassign the taxation burden to pick up that cost and relate it to the 'ability to pay' principle, then perhaps I could support it. But in view of the fact that we aren't doing this, we are taking just a segment of our population dealing with senior citizens and we are, in fact, helping high income people who don't need it, and not providing much in the way of assistance to low income people who do need it. In that sense, Mr. Speaker, I think that the bill is ill-advised and should have been deferred until the government was in a position to overhaul the total school financing picture in the province.

MR. RUSSELL:

Mr. Speaker, perhaps I could answer the specific questions that the hon. member has put forward, and then deal with a couple of remarks in summary.

The hon. Member for Olds-Didsbury asked if we had an estimate as to the numbers of senior citizens involved in this program. The

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latest records available show that just in excess of 55,000 senior citizens in Alberta applied for the homeowners tax discount.

MR. CLARK:

Pardon me, Mr. Speaker, I didn't make my point clear. I was interested in the number of people who would fit into this group that will have a limit on their exemption. Those are the people involved in agriculture.

MR. RUSSELL:

No, we don't have that at the present time, Mr. Speaker. When the budget allocation, the vote amounts, were being computed in order to cover this legislation, it was done -- and I think I mentioned this earlier -- on the basis of averages and samplings; it is very difficult to know exactly how many people in the province will move out of the one program, the homeowners tax discount program, into the senior citizens shelter assistance program. We believe that the \$4 1/2 million that we have in the votes will adequately cover it. It is estimated that perhaps 40 per cent of the senior citizens applying for homeowners tax discount get some portion of a guaranteed income supplement so that in turn determines whether they are going for \$75 or \$150.

So it is because there are so many unknown factors involved in the one formula or variables that I am unable to give in this first year, hard, specific numbers. However, with the work that the task force is doing now, and they are collecting a lot of hard data from every municipal tax collecting authority throughout the province, I hope at this time next year to have some very accurate information for the benefit of the members.

The hon. Member for Drumheller brought up a couple of interesting situations with respect to what might happen under certain situations and I mentioned, of course, that we might find some unique administrative situation because of the way that people die or change their residences or other things of that account that might affect the situation of a senior citizen. As I said, the bill is written as much as is possible on the same guidelines and principles as the homeowner tax discount, so it should be fairly easy to move from one program to another.

If we apply the situations that the hon. Member for Drumheller mentioned against the principle that there is only one benefit paid per residence, and that you have to occupy the residence for 120 days in the year, the same as the homeowner's tax discount, I think it is fairly easy to cover most situations. In the case of a widow who moves from the property she owns into rented accommodation somewhere else, she is entitled to the renter's assistance of \$50. She would not be entitled to the payment on her own property which she rents and from which she is getting some income. If she rents that property to other senior citizens of course they are eligible to get the \$50. So, the other instance you mentioned, I think, would be answered by that kind of reasoning too, that it always refers to the place in which the applicant lives, whether he rents or owns that.

Mr. Speaker, just in conclusion I want to say that I have been interested in two points which have brought out by the members, and that is the fact that there really doesn't appear to be a means test or an income limit on this, and that the wealthy will benefit and the poor people won't be any better off. I want to emphasize again that the principle of the bill is not one which is based on income, but rather one which is based on what residential property should support in the way of financial responsibility. This bill embodies the principle that residential property should not support the basic costs of the education foundation plan.

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It's unfortunate I think, in our enthusiasm to debate the bill -- where we are taking examples from either end of the income scale -- that the senior citizen has very, very poorly assessed land on a per acreage level, as opposed to the senior citizen who has a quarter of a million dollar residence in the city somewhere. I admit that there are probably citizens of both those types in Alberta, but surely to goodness the majority of our senior citizens are those who are living in the various locations throughout the province in assessed residences somewhere in the \$5,000 to \$8,000 bracket -- that is the total assessment. So it's the majority of senior citizens that, I believe, will be getting substantial help under the terms of this act. I think it would be a shame if we were to vote against the act in its first year of introduction, in its first year of operation, because we are unhappy that there might be an example of a person who is going either not to benefit or to benefit too much according to our way of thinking. But I must emphasize that I cannot agree with the remarks that have been made with respect to an income limit or a benefit limit with respect to how this act will work, because it is not based on income. The principle is based on the policy of what that property should support.

If a senior citizen, in fact, has this fabulously expensive estate, it stands to reason that he has paid his education tax in relation to the value of that estate all his life up until the age of 65. Now when he reaches the age of 65 we say to him, "because you are wealthy and successful and have paid high income taxes all your life, have paid high property taxes all your life, you are not going to benefit to the same degree as other citizens." We don't except that principle, Mr. Speaker. We think if you have reached 65 and own the residence, that the property should become exempt.

Some of our previous speakers have said that it's certainly the government's intention to extend the benefits of this act to all residential property owners in the province next year, but we hoped in our first year in office that we could do something for the senior citizens. I honestly believe that the attempt to help them has been appreciated, from the mail I have been getting and the remarks I have been receiving. I hope that because hon. members fear that there is an urban-rural split which I don't believe, because I think the remarks made by hon. members on both sides of the House indicate the difficulties that we have in trying to deal with the matter of giving a fair break to farm residences which are, in fact, not assessed, in the true sense of the word, like other residents throughout the province. Trying to guess what an assessment might be or put a limitation on it of some kind, I think is unfair and the only thing -- and you can see from the remarks we have received -- is to apply the benefits on a sliding scale to the parcel on which the residence sits so that the benefits do slide up and down in a manner as the assessed value of urban property slides up and down.

I recognize and I admit that the act perhaps is not 100 per cent perfect, but I think it has got a number of good substantial points going for it, and will help a majority of our senior citizens in Alberta in a very meaningful way that all members should have no fears about supporting it at this stage.

[The motion was carried on a voice vote, and Bill No. 101 was read a second time.]

Bill No. 79 The Alberta Labour Amendment Act, 1972

DR. HOHOL:

Mr. Speaker, I move, seconded by the hon. Attorney General, that Bill No. 79, being The Alberta Labour Amendment Act, 1972, be read a second time.

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The major principle of the bill has to do with improving certain circumstances which have to do with the employment situation in Alberta. I will comment on these briefly. They are a five:

First, it is the purpose of the act to enlarge the Board of Industrial Relations by adding alternate members to the board. We will be able to hold hearings at the same time. Without, sir, being small "p" provincial, I want to say to the House that the figures for Canada, province by province, show that our board held more hearings by far than any other board, including the larger provinces, in 1971. This, in spite of the fact that we have not had, for one year, a vice-chairman. We have had applicants but it has been our view that we did not find a suitable person, and we are continuing to do this.

I should mention, too, that under the Board of Industrial Relations it is the purpose of this act to enlarge the scope of the work of the mediation staff. I have discussed under The Manpower and Labour Act the concept of mediation without prejudice which, in brief, means that the mediators will work with labour and management before serious problems occur, and attempt to offset these.

Secondly, Mr. Speaker, a major principle in the bill intends that the work day within the normal total hours of weekly work may be adjusted so that on application by employees or by employers the Board of Industrial Relations could approve a three-day week or a four-day week so long as the total number of hours, not including overtime, do not exceed the normal work week. This is not intended to have instant, ready and general application, but rather that we begin to learn in those enterprises and those services and industries that are more suitable for a different work week, to begin to find out how this might work.

A third feature of this bill, Mr. Speaker, has to do with the protection of employment with respect to the garnishee of wages. I have always, long before I was in the House, wondered what kind of help it is to an employee who is in such difficult financial circumstances that he must have a garnishee of wages, in what way it helps him when he gets released or severed from his employment. I'm not generalizing because all management doesn't do it, but enough of this kind of thing has happened that it has given me the kind of concern to the extent that the amendments will prohibit the severance of employment because of garnishee of wages.

Fourth, the employee under the amendment, would have protection against total loss of his wages in case the company for which he works goes bankrupt, or for some other reason goes out of business. To this point he is not the first benefactor of the allocation of any resources that the company has left. In most cases he is third, in some cases he is second behind the creditor. If the House approves the amendments to this bill, the employee will be the first person to be able to recover up to a maximum of 80 per cent of the wages owing him.

And fifth, sir, the amendments to this bill will set the conditions of termination of employment. We have watched with great interest and study Bill C253 in the House of Commons, which in large measure has been changed from its initial writing. Here in Alberta I want to indicate that it's the government's intention through this amendment to see that employers and management provide fair and reasonable time for severance of employment, should this be necessary because of technological or such other changes as may require management to terminate the employment of employees. Thank you, Mr. Speaker.

[The motion was carried on a voice vote, and Bill No. 79 was read a second time.]

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GOVERNMENT MOTIONS

MR. BYNEMAN:

Mr. Speaker, I move that you do now leave the Chair and the Assembly resolve itself into Committee of the Whole for consideration of certain bills on the Order Paper.

[The motion was carried without dissent.]

[Mr. Speaker left the Chair.]

* * * * *

COMMITTEE OF THE WHOLE

[Mr. Diachuk in the Chair.]

Bill No. 60
The Highway Traffic Amendment Act, 1972
(Amendments)

MR. CHAIRMAN:

The amendments to the bill have been circulated.

[The amended clauses were agreed to without debate.]

MR. COFITHORNE:

Mr. Chairman, I move that Bill No. 60 be reported as amended.

[The motion was carried without debate.]

Bill No. 29
The Department of Manpower and Labour Act

[All the clauses of this bill, the title and the preamble, were agreed to without debate.]

DR. HOHOL:

Mr. Chairman, I move that Bill No. 29 be reported.

[The motion was carried without debate or dissent.]

Bill No. 28
The Apprenticeship Amendment Act, 1972

[All the clauses of this bill, the title and the preamble, were agreed to without debate.]

MR. PURDY:

Mr. Chairman, I move that Bill No. 28 be reported.

MR. CHAIRMAN:

I'm sorry, Mr. Taylor had a question. I'm sorry, I missed one, 2.(1). Thank you, Mr. Taylor.

MR. PURDY:

Mr. Chairman, I move that Bill No. 28 be reported.

[The motion was carried without debate.]

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Bill No. 55 The Universities Amendment Act, 1972

MR. STRCM:

Which bill are we on?

MR. CHAIRMAN:

Bill No. 55, The Universities Amendment Act.

[All the clauses, the title and the preamble, were agreed to without debate.]

MR. HARLE:

Mr. Chairman, I move that Bill No. 55 be reported.

[The motion was carried without debate or dissent.]

Bill No. 43
The Cultural Development Amendment Act, 1972

[All the clauses, the title and the preamble, were agreed to without debate.]

MR. SCHMID:

Mr. Chairman, I move that Bill No. 43 be reported.

[The motion was carried without debate or dissent.]

Bill No. 45
The Department of Culture,
Youth and Recreation Amendment Act, 1972

[All the clauses, the title and the preamble, were agreed to without debate.]

MR. SCHMID:

Mr. Chairman, I move that Bill No. 55 be reported.

[The motion was carried without debate or dissent.]

Bill No. 74 The Alberta Art Foundation Act

MR. HYNDMAN:

Mr. Chairman, I believe there is a small amendment being prepared at this moment by the Legislative Counsel. If you could hold that one at this time and come back to it later tomorrow?

MR. CHAIRMAN:

Bill No. 11 is next?

MR. HYNDMAN:

Yes.

MR. CHAIRMAN:

I'm sorry Mr. Minister, is 10 next?

MR. HYNDMAN:

Eleven.

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Bill No. 11
The Public Highways Development Amendment Act, 1972

MR. MANDEVILLE:

Mr. Chairman, I am reluctant to hold up this terrific progress that we are making here, but I do have a concern with this section of the bill. When one realizes the area that it takes in. As you know the 1,000 feet from the highway comes under the jurisdiction of the Department of Highways. The 1,000 feet is not what concerns me so much in this area, it is that at every intersection they have the jurisdiction within one-half of a mile. This means that on our east-west highways, this bill controls everything within one-half mile of the highway, because intersections, of course, are every mile.

As far as the development is concerned, I wouldn't be so concerned if it was development and you had to get a permit to develop, but what this bill does is to control all the property, material, equipment, or anything within the distance of a controlled highway. That is the area that gives me some concern. For example, a rancher could have a stockade within one-half mile of a highway, and I realize that is an order the hon. minister has to make. However, sometimes you can get someone who is in charge of this and can send out an order and it might not be just as it should be. You could have a piece of machinery out there, and you could have it moved. I think if it were close to the highway I wouldn't be so concerned, but to take in half a mile -- I think it is taking in a little bit too much.

I would like the hon. minister to explain. Maybe I am getting this bill wrong. I wasn't here at the second reading of the bill; I happened to be out of the House. It states here in the Hansard:

"In presenting Bill No. 11, this is a bill which deals with the owners of chattel. The purpose of this bill has been to give the department some control over properties they have acquired."

If this is over the properties which they have acquired, I have no concern with the bill, but if it is all properties, I think I would be quite concerned with this portion of the bill.

MR. COPITHORNE:

Mr. Chairman, this portion of the bill deals with the chattels. In the past there have been examples where property that was expropriated for highway purposes was held up because of certain chattels, which the department was not able to remove for considerable time, and held up the progress of the road. The points that the hon. member has brought to the House have been in existence for quite some time.

MR. CHAIRMAN:

Does that clarify it, Mr. Mandeville?

MR. BENOIT:

It is only property that has been acquired that is involved.

MR. MANDEVILLE:

I appreciate that, yes, but it doesn't --

MR. COPITHORNE:

Mr. Chairman, the rest of the act has been in force for quite some time.

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[All the clauses of this bill, the title and the preamble were agreed to without further debate.]

MR. COFITHORNE:

Mr. Chairman, I move that the bill be reported.

[The motion was carried without debate.]

Bill No. 12
The Judicature Amendment Act, 1972

[All the clauses of this bill, the title and the preamble were agreed to without debate.]

MR. LEITCH:

Mr. Chairman, I move that the bill be reported.

[The motion was carried without debate.]

Bill No. 16
The Teaching Profession Amendment Act, 1972

[All the clauses of this bill, the title and the preamble were agreed to without debate.]

MR. LEE:

Mr. Chairman, I move that Bill No. 16, The Teaching Profession Amendment Act, 1972 be reported.

[The motion was carried without debate.]

Bill No. 14
The City of Calgary and
Calgary Power Ltd. Agreement Authorization Act, 1972

[All the clauses of this bill, the title and preamble, were agreed to without debate.]

MR. FAFFAN:

Mr. Chairman, I move that Bill No. 14, The City of Calgary and Calgary Power Ltd. Agreement Authorization Act, 1972 be reported.

[The motion was carried without debate.]

Bill No. 18
The Provincial General Hospitals Amendment Act, 1972

MR. TAYLOR:

Mr. Chairman, I'm wondering if the hon. minister would give us some indication of why this is confined to Calgary and Edmonton. The policy of the government is decentralized and I agree with that policy. I'm just wondering if there is any particular reason why this should be confined to Calgary and Edmonton.

MR. CRAWFORD:

Mr. Speaker, I want to assure the hon. Member for Drumheller that that is one of the things that occurred to me after I saw the printed version. The answer is that there is no real need why it should be in Calgary and Edmonton; it just happened that the previous act referred to Calgary and Edmonton and then it was made plural. I would like to assure the hon. member that full consideration will be given to whatever further changes in the act may be necessary, and I

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too, would look with a favourable eye upon the possibility of further decentralization.

[All the clauses of this bill, the title and the preamble, were agreed to without further debate.]

MR. CRAWFORD:

Mr. Chairman, I move that Bill No. 18, The Provincial General Hospitals Amendment Act, 1972, be reported.

[The motion was carried without debate.]

Bill No. 19

The Department of Education Amendment Act, 1972

[All the clauses of this bill, the title and the preamble, were agreed to without debate.]

MR. HYNDMAN:

Mr. Chairman, I move that Bill No. 19, The Department of Education Amendment Act, 1972, be reported.

[The motion was carried without debate.]

Bill No. 21

The Farm Home Improvements Amendment Act, 1972

MR. TAYLOR:

Mr. Chairman, I would like to say a few words in connection with this. I realize the purpose of this amendment is to make capital available to farmers, but I frankly do not agree with the principle of permitting banks to charge farmers a higher rate of interest than the prime lending rate. It may be the argument that the banks won't loan the money unless this is done, but I just can't see why we should be putting farmers in this position where they are going to have to pay a higher rate of interest, particularly when under the present time one-half of the rate is guaranteed. I realize this is for farm home improvements, but farm home improvement in my mind is just as vital to retaining the family farm as cultivating the land. They need a proper house to live in, they need water and sewer, they need homes that don't leak and so on. I consider this as part of the farm, and I think it's a very important part if we are going to encourage people to stay on the farm and not move into the more luxurious living that can be found in urban centres.

Consequently, by saying to the banks they can charge one per cent per annum over and above their prime lending rate, I think is being a little unfair to our farmers. I just can't see why we should be permitting a larger rate of interest in this case. I would much rather see the government do something substantial and that is increase the government guarantee from 50 per cent to 100 per cent. I think that would be a real boost to the farmers who want to improve their homes. I frankly don't see how the government is going to lose out in this. In farm home loans they would probably have to give the title to their lands, or put up adequate security even with the government guarantee, and even with the government guarantee the government has to approve it. There certainly could be sufficient collateral to support this.

In my view, if we are going to enable our farmers to get better homes, and consequently in that respect help to keep them on the land, I think we have to do something better than giving the banks permission to charge them one per cent higher interest than the prime lending rate. So I would move that Section 2 be struck out and that we amend Section 3 of the act by striking out "50" and inserting

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"100". This will increase the government guarantee from 50 per cent to 100 per cent. Then, if the Legislative Counsel considers it necessary, amend 5(1) by striking out "one-half" and inserting "all". Amend Section 5 by striking out Clause 2. I would so move, seconded by the hon. Member for Hanna-Oyen.

DR. HCFNER:

Mr. Chairman, I am amazed at the amazing lack of understanding of these facts by the hon. Member for Drumheller. As a matter of fact it was his government that had on the books The Farm Home Improvements Act for 25 years. The total outstanding liability under this act as of two days ago, Mr. Chairman, the amount of loaning that has been done in the last number of years was \$15,000.

The reason -- and my hon. friend surely should have had in the past some discussion on this with the banks the prime rate, of course, is a rate that is almost a fictional rate in the sense that nobody ever gets it. At least they certainly have never been quick to give it to me and to other people that I know of. Perhaps some certain large borrowers where the accounting work or the book work is not large in relation to the total amount of the loan do get prime rates. But the banks -- and the credit unions have found this out too, and my hon. friend, if he is a member of the credit union will know that their interest rates are higher than the banks. One of the reasons that they have to have this higher interest rate is simply to cover their costs of bookkeeping in relation to smaller loans.

The reason the banks have not made any loans under The Farm Home Improvement Act isn't because of the 50 per cent versus the 100 per cent guarantee at all. They are not concerned about that. As a matter of fact in groupings in these guarantees we are finding that, for instance under The Livestock Loan Act, there's a 20 per cent guarantee. Where a large number of loans are being made, as in the Feeder Association loans and the livestock loans, they are not concerned about the percentage guarantee. What they are concerned about is that the prime rate doesn't cover their cost, and therefore they won't make any loans.

Now, my prime concern in the home improvement field is to raise the amount and make it available so that a farmer and his family, particularly if he has access to a tract of timber either on his own place or in one of the licence berths that the hon. minister made available last fall, could produce a pretty substantial house after this act is passed in its amended form.

If my hon. friend then has a look at the interest rates that are considered in relation to CMHC, he will see that one per cent over prime is not out of the way at all, and the only way we're going to get the banks to put any money in at all is to have this amendment. Therefore, Mr. Chairman, we have to reject the motion from the hon. Member for Drumheller or we won't be doing anything at all for the farmers of Alberta.

MR. FARRAN:

For the information of the hon. Member for Drumheller, the going rate for a capital loan for businesses with very good collateral is one and a half per cent over prime.

MR. TAYLOR:

Mr. Chairman, I understand the prime rate to be the rate that is secured from the Bank of Canada -- the rate at which the money may be secured -- and charging one per cent more than the prime rate will be interpreted throughout the province as charging one per cent more than the rate for which the farmer can normally get the money.

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Well, maybe the hon. members are shaking their heads, but I said to a banker the other day right in this city and asked him about this and he said, "Well, it would probably be one per cent more than the going rate." What the going rate is I don't know, but if it's one per cent more than the going rate, that's the part to which I object. I don't think farmers should be charged one per cent more. Now I realize there haven't been many loans made under this and maybe there aren't going to be many loans made either, by increasing the interest rate. But certainly there would be a far better chance of farmers getting loans from banks at whatever the going interest rate is if there is a 100 per cent government guarantee. I have never yet seen a 100 per cent government guarantee where the bank is afraid of the loan -- the loan is guaranteed.

DR. HERNER:

They don't care if it's guaranteed 100 per cent if they still lose money on it in relation to not making enough on the interest to cover their costs and it is as simple as that. If you don't make enough -- I've had some extensive meetings with the banks in the last two weeks in relation to some of our other guaranteed loan programs -- they are complaining in regard to the dairy program that one per cent over prime doesn't give them enough to cover their accounting costs. I'm just saying to my hon. friend, very frankly, that there won't be any loans made at all unless we give them some flexibility in regard to that interest rate, because time has proven that. There is just no way they are going to sit down and bother about what they consider to be a small loan, and they're not concerned about the guarantee. As I have said, in the livestock thing it's 20 per cent, the P.I.'s have been going for years with a 20 per cent guarantee. That's sufficient guarantee as far as the banks are concerned, but what they are concerned about is to be able to have enough to make their costs -- and they're in private business -- to make their costs plus a profit in relation to the transaction.

As I point out again, credit unions found this out a long time ago and that's why the interest rate that credit unions apply is not the same as the banks' prime lending rate; they can't do it or they will lose money on their overhead and this is, in effect, the argument here. If we're going to do something and make this money available -- we're not talking about usury interest here -- we're talking about one per cent over the prime lending rate and I'll be quite happy if they'll make that money available.

MR. TAYLOR:

I just want to make one comment, Mr. Chairman, perhaps the whole misunderstanding of the whole thing is using the term "prime lending rate". Surely if banks are using the term "prime lending rate" it infers that they are lending money at that rate to somebody, or they're borrowing money at that rate from somebody, otherwise why have it? I'd much rather put this in the everyday language and know what the rate is -- the going rate. If prime lending rate means the going rate, then I disagree with this entirely because I've never yet seen a bank lose anything on the going rate that they charge on their loans. And I don't think they will lose anything. Now if it's below the going rate, then that's a different matter entirely. But if they are losing money then they are not going to make any loans one way or the other. If they're losing money, why are they using the term 'prime lending rate' at all? Why don't they use the interest rate that's in force at the time? It may change from month to month or from year to year. And there should be some method of determining whether or not the farmer is going to be paying more than necessary. I think that by the government giving a 100 per cent guarantee at the going rate, not at the prime lending rate, but at the going rate, this should encourage farmers to improve their homes.

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MR. ZANDER:

Mr. Chairman, apparently the hon. Member for Drumheller hasn't loaned any money lately, because he doesn't understand the difference between the going rate and the prime rate. The answer simply is this. If the prime rate is 6 per cent, the going rate is 8 1/2 per cent. Now all the hon. minister is asking is that it be 1 per cent over prime. If prime is 6 per cent, then 7 per cent shall be the lending rate. But we all know that the going rate today is 8 1/2 or 8 1/4 per cent. The prime rate may only be 6 1/4 per cent. So the farmer is still getting an advantage if he can borrow the money for 7 1/4 per cent. It's just that simple to understand.

MR. TAYLOR:

Well, Mr. Chairman, certainly I've loaned no money -- I'm not in the loaning business. I don't have any money to loan -- and I haven't borrowed any either.

AN HON. MEMBER:

You've got a fortune!

MR. TAYLOR:

If the hon. minister can give the assurance that 1 per cent over the prime lending rate is less than the going rate, then that's all we want to know.

DR. HORNER:

It is. It is.

MR. TAYLOR:

That's not what a banker told me in the city the other day.

DR. HCFNEE:

Well, Mr. Chairman, there are two points that I'd like to point out to the hon. gentleman. Number one, we are not bringing this in without prior consultation with the banks in relation to their loaning policy. And I have said very plainly why there haven't been any loans made under this bill, that is because the banks wouldn't make them. So we said, 'well how will you?'. And that was their reply. The farmers in Alberta, if the banks will go for it -- and again, I can't force them to do it; but in my view, the passage of the bill as amended will mean that farmers will have available to them intermediate term credit to improve their homes, that will be better than anything else that is available to anybody else in relation to the homebuilding field.

MR. TAYLOR:

Now, Mr. Chairman, that's the exact objective that I want, too, where they have a better rate than the lending rate. With the assurance from the minister that that will be the case, I'm quite prepared to withdraw the amendment. That's the objective that I wanted to achieve. And it would certainly have sounded far better to have said, 'less than the going rate' rather than 1 per cent more than the prime rate. Because a prime rate can be juggled whether the hon. members on the other side believe it or not.

MR. MOORE:

Mr. Chairman, I think it's ridiculous that this Legislature should be a place where a member who sat in here for as long as the hon. Member for Drumheller has to have explained to him what the difference is between prime lending rate and the going rate of the bank.

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Now my constituents have been paying the going rate, which in a bank runs anywhere from 11 to 12 per cent for farm home improvements, and at some trust companies and other places runs up to 15 per cent, for a good number of years while this bill was sitting on the books. They weren't able to borrow at prices that would have been somewhere in the neighbourhood of 7 1/2 to 8 per cent during the last several years. And we have got three or four guaranteed livestock loan programs in operation, that have been inoperative for quite some time, that are built on that same concept. Certainly anyone who reads the financial papers knows that the various banks from time to time adjust and make public their prime lending rate. There shouldn't be any doubt whatsoever that when this bill says not exceeding one per cent above prime lending rate, everyone will know, from time to time, exactly what that interest rate is.

Your entire amendment wasn't well thought out to start with. Now you are trying to back away from it, and quite frankly, you are not doing a very good job. You may as well admit that the program didn't work before. The minister has introduced an amendment that will make it work, and it will provide some much needed funds for a lot of people in rural Alberta to make home improvements.

MR. TAYLOR:

Mr. Chairman, the hon. members are getting awfully touchy. . . [laughter]. . . I admit I don't know everything. There are lots of things I don't know. One thing I do know, though, is that the rates by banks can be juggled considerably to the disadvantage of the farmer and the labourer. All I am asking in this is that we do everything possible to make sure that the farmer and the labourer are not going to be hurt through inadvertent wording. That is the only objective and since the hon. minister has said he can give us a guarantee from his consultation with bankers that this is going to be less than the going rate, I'm quite prepared to withdraw the amendment. That is the only objective and we had in introducing it.

MR. CHAIRMAN:

I believe you've had that guarantee, haven't you, Mr. Taylor. The hon. minister a while ago has given you that statement. Before we move with this may I have a unanimous agreement to withdraw this motion that was presented by the hon. member, Mr. Taylor, and seconded by the hon. member, Mr. French?

HON. MEMBERS:

Agreed.

MR. BUCKWELL:

All I wanted to say, Mr. Chairman, I don't know what all the fuss is about because the way the bill is being amended originally, the banks would just not lend money at prime. This is one per cent over prime. They might not even lend it then, but let them try.

MR. MINIELLY:

I wanted to say the going rate is prime plus one and a half.

[All the clauses of this bill, the title and the preamble, were agreed to without further debate.]

DR. HORNER:

Mr. Chairman, I move that Bill No. 21 be reported as amended.

[The motion was carried without debate or dissent.]

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Bill No. 15
An Act respecting the
Minister of Industry and Commerce

MR. DIXON:

I wonder if I could ask the hon. minister at this point, Mr. Chairman -- his department's plans for any expanded air strips in our province. Is this part of the overall plan under this new direction?

MR. PEACOCK:

Mr. Chairman, the hon. member, Mr. Dixon -- yes, we intend to expand our services.

MR. DIXON:

It is nice to hear that, Mr. Chairman, from the hon. minister, but I was wondering if he could be a little more specific in his -- for example, the hon. Member for Stettler might be interested in the fact that they put lighting in Stettler. He might not be so interested now, but are we going to get into that field as well? What are we going to do to help these smaller areas? The air strips are becoming more and more important. Just where is the government going to fit in as far as assisting them?

MR. PEACOCK:

Mr. Chairman, we have noted to the House before that we are doing a review and establishing our priorities on what we have to do in transportation. We recognize that the modes of transportation that we have been using in the past, whether it be by rail or by road, are inadequate in many cases, that we have to supplement it by air. We appreciate, and I am sure the House does, that there are some problems in extending air services in the Province of Alberta, because it comes under DOT and it comes under federal jurisdiction. We are in the process right now of trying to establish these authorities and these responsibilities so that we in the province can move on them.

I'm sure that you've sat in the House long enough to be aware of what the problem is. If you ask us what we're going to do, yes, in those air services that are on visual control aids, or I should say, those services that are not in any way regulated -- we intend to research those and get a priority list on those and see what we can do about extending our services in those also.

[Section 1 was agreed to; Section 2 to Section 5, the title and the preamble, were agreed to without debate.]

MR. PEACOCK:

Mr. Chairman, I move that Bill No. 15 be reported.

[The motion was carried without debate.]

Bill No. 22
The Coroners Amendment Act, 1972

[Sections 1 to 3(1.1) were agreed to without debate.]

Section 4

MR. BENOIT:

Mr. Chairman, on this particular point, there is a word that is used here that I would like to have the minister assure me is satisfactory. In talking about the disposal here, it says "bury the

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body" and you substitute, "release the body for burial." I'm wondering if the body, in fact, has to be buried, or is this the idea here? Why can't we use a word like, "release the body for disposal," because there are at least three methods of disposing of it. I think it ought to be amended accordingly, or someone might get sticky and insist that it has to be buried when they don't want it buried. I don't mean the dead person, either.

MR. LEITCH:

Mr. Chairman, I'd have to check the definition section. I don't think there is any difficulty about the other means of disposing of the bodies with that wording.

MR. DIXON:

Mr. Chairman, while we're on this bill, there are a couple questions that I have written down to ask about. I was wondering in that Section 2, why isn't it 30 days after the operation, whether he's in hospital or whether he isn't -- that is the patient that has died, he or she?

The other question, while I'm on my feet -- maybe the minister could answer them both at the same time -- is, what is the ruling in Alberta on subpoenaing witnesses who may be charged with an offence afterwards? In other words, he may have murdered this particular victim that the coroner's jury is deliberating on. They've got quite an argument going in Ontario at the present time, as a matter of fact. I brought it to the hon. minister's attention last week, and I just wondered if he'd had an opportunity to find out whether the same thing could happen here in Alberta?

MR. LEITCH:

Well, on the 30 days, that's in a sense an arbitrary figure that's picked. You'll notice that if the person dies in hospital within 30 days after the operation, there is an automatic requirement for an inquest. As I followed your question, why isn't it 45 days, why isn't it outside the hospital or --?

MR. DIXON:

I'm sorry, Mr. Minister, through the Chair. What I was concerned about, he could have his operation and he could go home on the 15th day, and if he dies in 30 days or less there's no inquest. But if he happens to still be in the hospital there is one.

MR. LEITCH:

It's not quite correct to say that there is no inquest. There may not be one. There may still be one. This is compulsory if he's in the hospital for that period of time. If he dies at home there may still be an inquest. It doesn't mean there doesn't have to be one. So it's a question of whether you must hold one, or may hold one. You must hold it if a death occurs within a hospital, within 30 days after the operation. You may hold it if the death occurs outside of the hospital.

MR. DIXON:

Well I say, with all deference to the hon. medical practitioners that we've got in here, in other words, if a patient is going to die, get him out of the hospital before the 30 days.

MR. LEITCH:

There is one other reason for it, of course. When they are within the hospital they are within the immediate control and

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supervision of the medical staff, and when they are at home they are not. As I say, you may hold it at home even though the death occurs at home.

On the other point you raised, that is really a question that arises as to whether a person is a compellable witness if he has been charged. Now, there is no doubt that he is a compellable witness if he may be charged, but he has the right to have counsel present, and cross-examine the witnesses. I simply haven't been able to find the answer yet to the question, if they have been charged whether they are compellable witnesses. My memory is that on the Saskatchewan legislation, the Supreme Court of Canada ruled that they weren't compellable witnesses. Certainly, the practice in Alberta has not been to subpoena those people who have been charged with serious offences arising out of the death.

MR. STRCM:

Mr. Chairman, I don't know if this is the place to ask it, but an interesting point comes up, and that is in relationship to when death actually occurs. I realize that this maybe isn't a problem that the hon. Attorney General can necessarily resolve, but I must confess that I was a little surprised to read an account in the paper just the other day, of where a certain person had been declared dead. The organs were then going to be removed for transplants. They got ready for the transplant operation or to take the organs from the so-called dead person, only to discover that he was yet alive.

The point I raise here -- and I think one that we are going to have to look at seriously, whether we are inside the medical profession or outside -- is the matter of determination. I am wondering if the hon. Attorney General has any thoughts that he would want to make on it. Certainly, Mr. Chairman, with your indulgence, I realize it is outside of the act. I merely raise it as a point that I think we will have to look at one of these days. I am wondering if the hon. Attorney General would have any comments at this point in time.

MR. LEITCH:

I really have difficulty responding to that, Mr. Chairman. I think there are two issues. There may be a legal question of when a person is dead, but I think for all practical purposes that is irrelevant. The only one we are really concerned with is the medical definition of when death has occurred.

I am sure there is a well-understood position by medical people as to when death has taken place. Perhaps the hon. Minister of Agriculture --

MR. STROM:

Can I just make this point? I was really in my own mind, Mr. Minister, wondering whether or not we are looking at a legal problem somewhere down the road that would have to be resolved legally in order to satisfy the problems that may arise for the medical profession, just in a case like this.

DR. BERNER:

Mr. Chairman, it covers the problem that the hon. Leader of the Opposition has brought up.

MR. STRCM:

Does that mean that medical men are responsible?

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DR. HCRNER:

It deals with all the question of transplantation of organs. It is either The Human Tissue Act or The -- I forget the name of the act -- but we discussed it a year ago in the House.

MR. RUSTE:

Mr. Chairman, this may not be specifically in the sections dealt with here, but a question has been raised to me -- who can become a coroner? Going back to the act, it seems to assume that a coroner must be an MD. But it doesn't say so definitely in Sections 3 or 4. Would you check that part and let us know, or have you the information now?

MR. LEITCH:

It is my information, but I would want to check it -- we have only doctors as coroners. I would think that it would be only in most unusual circumstances that we wouldn't want a doctor.

MR. DIXON:

May I direct a question to the Chair? I wonder, what is the process one would have to go through if a family wanted a body exhumed and have a coroner's jury carry out an investigation on it? It would be beyond the coroner's jury, even a medical investigation on it -- an autopsy. What would the family have to do to bring this about? Would there be any cost to them?

MR. LEITCH:

I have had a few cases since coming to office where we have simply had a request. That is, in the case where the coroner has decided one has not been necessary, but the family and relatives have wanted one. They have simply asked for it and we have complied with their request. As to cost, my memory is that if there is a cost it is negligible, maybe a small fee for the report, but it would be a negligible cost, a few dollars.

[Section 4 was agreed to; Section 5 was agreed to without debate.]

Section 6 (amending Section 13(1) of the existing act)

MR. DRAIN:

I would appreciate very much having some explanation as to why Section 17 is amended, striking out Subsection (2):

"At an inquest where the death may have been caused by an explosion or an accident at a mine not less than three of the juryman shall be mine workers."

To me this would appear to be quite reasonable, for the reason that mining as such is a different type of occupation and a jury would have a problem in comprehending just what does occur underground unless there was at least one member on the jury that would have some understanding of what the processes were all about. So I would be pleased to have some explanation as to why this was struck out.

MR. LEITCH:

Mr. Chairman, there are two or three reasons. One, there has apparently on occasion been some difficulty getting three miners who aren't immediately involved. If you have a small mining operation, you don't want to take the miners from that particular operation because they are too closely connected with the accident, and that would mean bringing in miners from some other area.

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The second thing is that this is a provision of some antiquity, and there have in the past 50 or so years been a great number of occupations which involve as much technical, personal knowledge, if you like, as mining. For example, in some oil-drilling operations and so on, so there are a lot of other fields where the causes of the death may be equally difficult technically. There is no requirement in the act for taking jurymen from that particular occupation, and it has worked out well. They have never felt any difficulty not having in the legislation a requirement that you get people from that particular occupation. So the coal mining one has really been left by itself. With the growth of technical knowledge other areas have become complex and difficult, but there has been no change there and they haven't experienced any difficulties.

So the net result was that it appeared to be that there would be no difficulty in removing it, and it might on occasion be an advantage, where you could use people who were knowledgeable but not necessarily mine workers on the jury, without bringing in at some appreciable expense mine workers from other localities.

MR. WILSON:

Perhaps the minister would be good enough to enlarge a little bit on why we don't have inquests in all accidental or mysterious deaths.

MR. LEITCH:

Well, there are two questions there. I would say that when we have mysterious deaths we do have inquests, but we don't have inquests on all accidental deaths, and I think I expressed the opinion earlier in the House, but will repeat it again, that in my view, many of these inquests were a wholly unnecessary expense.

For example, we go to the typical highway traffic accident, and everyone knows what has happened. The police have been investigating and the witnesses who were there -- everyone knows what has happened -- one car got over the centre line. And we then go through a long process to answer the questions of why, when, where, and how did the people in those cars come to their death? It has really been a prelude to a civil law suit. The legal profession enjoys these. They are anxious to have them because they get on the inquests, and conduct cross-examinations of all the witnesses to determine liability, to determine why the car got to the wrong side of the road. Absolutely nothing worthwhile comes out of the whole inquest operation, and it is reasonably expensive. They may go on for two or three or four days and you have a jury, and a coroner and a number of other people. Certainly over my years in practice I have been convinced that many of these inquests in that climate were of very little value, except as a preliminary to the ultimate civil litigation.

Now when you talk about mysterious deaths where there is no immediate explanation for why the death occurred then, of course, there is an inquest. It's in these cases where the cause of the death obvious that it has always seemed to me that many of the inquests are unnecessary, particularly in traffic accidents.

MR. FARRAN:

Mr. Chairman, a further question to the hon. minister. We were all raised on Agatha Christie and detective stories, and the public has the suspicion that occasionally a death is reported as a suicide and no inquest takes place when it might have been a murder. Also, they express alarm at the very large number of certificates signed by doctors for death from natural causes. Apart from traffic accidents this is where the public has some concern over the obvious decision that there wouldn't be an inquest.

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MR. LEITCH:

Mr. Chairman, the practice that I have been following in the department since September is to act when there is some reliable information, or some responsible information, that indicates someone is suspicious as to the cause of death, or not satisfied with the cause given on the certificate, we order an inquest. So we'll tend to err on the side of holding them in those circumstances, rather than on the other side.

I think that for the very reasons you have mentioned, that it is not a good thing to leave the impression that someone may have died under mysterious circumstances, and it is being hushed up and no one has really got to the bottom of it. But these decisions are never easy ones because very often close members of the deceased are satisfied with the cause of the death that has been given on the death certificate, they have gone through the pain of losing someone; it may have been under somewhat unhappy circumstances such as an apparent suicide, and they are extremely reluctant to be involved in further public proceedings such as an inquest. They are very, very reluctant to have the government put them through that embarrassment.

So I think that we shouldn't just automatically hold inquests in those cases, that there should be some information which we can regard as coming from a reliable source, that indicates that there might be something more than appears on the death certificate, and in those cases we do order inquests.

MR. DIXON:

Mr. Chairman, I was wondering while we are on this subject, and I think the hon. minister touched on it, a lot of the families don't want to go ahead and have it because of publicity. Has the government ever given any consideration, before they brought this bill in, of declaring a moratorium on press reports, something like a judge can do with a murder case if he decides, you know, they get some sort of an agreement so that there isn't any publicity given, at least in the preliminary end of things. Was any thought given as far as any jury investigations?

MR. LEITCH:

Mr. Chairman, I haven't given that any thought, and my immediate reaction to it is that it is not a good thing because after all the whole purpose of an inquest is to have a public forum -- if you like -- whereby the public can hear the evidence and be satisfied that someone who has come to his death mysteriously, that the facts surrounding that death are brought to light. I think it would be very much contrary to that principle to say, "We're going to hold an inquest but we are going to do it privately." After all these things are always investigated by the police and we do have that information, it's available to the government. The advantage of the inquest is that you hold these things in public so that people can hear what happened and if it's properly done, be satisfied that a proper investigation has been made and proper conclusions reached. I think any holding of them in camera would be completely in conflict with that principle.

[Section 6 was agreed to without further debate; Section 7 to Section 12 were agreed to without debate.]

Title and Preamble

MR. BENOIT:

Mr. Chairman, on the title and preamble, with regard to that word 'burial' there is no definition in the definition clause. If

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the hon. minister can assure me that we won't get any hangups on that, well, I'm prepared to leave it go.

MR. LEITCH:

Mr. Chairman, I can assure the hon. member that to my knowledge there has been no such hangup in the past. I wouldn't expect any in the future; if there is I'll see that it's cured by an amendment.

Mr. Chairman, I move that Bill No. 22 be reported.

[The motion was passed without dissent.]

Bill No. 23
The Companies Amendment Act, 1972

[Section 1 to 7 were agreed to without debate.]

MR. DIXON:

While we're on this maybe I could direct a question, maybe rather than to the sponsor of the bill, to the hon. Attorney General.

We had a gentleman here before the House under Private Bills, complaining that Gestapo methods were used in searching for documents in his office. He was given no prior notice of any investigation; he said they all walked in -- reminiscent of Nazi Germany I think was the term he used -- and I just wondered if the hon. minister -- for the benefit of the hon. member here, plus the other hon. members -- what is the usual type of inspection? Is it without warning or is it with a warning?

MR. LEITCH:

I'm guessing, Mr. Chairman, but I take it the hon. member is referring to an investigation by the Securities Commission and that is a little different thing because they go in and take possession of documents.

I may say, for the benefit of the hon. member that, as always, there are two sides to the story. I have gotten the other side of the story from the Securities Commission and I don't know that I want to go beyond saying that it differs substantially in all material respects from the one the hon. member is referring to.

The procedure followed by the Securities Commission is simply to take, pursuant to an order -- they must have an order for this -- then to take possession of the documents. There is the safeguard that first of all they must get the order. This is not something they can walk out and do on their own. So far as I'm aware they have nearly always been able to do this without the slightest complaint from the people whose records and books and whatever they are looking at.

[Section 8 to 19, the title and the preamble were agreed to without debate.]

MR. JAMISON:

Mr. Chairman, I move that Bill No. 23 be reported as amended.

[The motion was passed without dissent.]

MR. HYNDMAN:

Mr. Chairman, I move that the Committee rise and report.

[The motion was carried without dissent.]

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[Mr. Diachuk left the Chair.]

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[Mr. Speaker resumed the Chair.]

MR. DIACHUK:

Mr. Speaker, the Committee of the Whole Assembly has had under consideration the following bills: No. 29, 28, 55, 43, 45, 11, 12, 16, 14, 18, 19, 15, 22, and begs to report the same.

The Committee of the Whole Assembly has under consideration the following bills: No. 60, 21, 23, and begs to report same with some amendments.

MR. SPEAKER:

Having heard the report, is it the wish of the House that the report be received.

HON. MEMBERS:

Agreed.

[The motion was passed without dissent.]

MR. HYNDMAN:

Mr. Speaker, I'd like to deal with a number of housekeeping matters and outline the business of the House for this evening and tomorrow. Before doing so, I'd first ask on behalf of the hon. Minister of Manpower and Labour, leave of the House to revert to Notices of Motion so that he can give oral notice of a bill to be introduced tomorrow.

MR. SPEAKER:

Does the House agree with the request of the hon. Government House Leader?

HON. MEMBERS:

Agreed.

NOTICES OF MOTION

DR. HCHCL:

Mr. Speaker, I hereby give notice that tomorrow, Tuesday, I will move that you do now leave the Chair, and the Assembly resolve itself into Committee of the Whole to consider a resolution for a bill for an act being The Workmen's Compensation Amendment Act, 1972, and that I will beg leave of the Assembly to introduce that bill.

BUSINESS OF THE HOUSE

MR. HYNDMAN:

Mr. Speaker, I'd also like to advise the House that after Wednesday of this week, that is after the day after tomorrow, the hon. Minister of the Environment will not be in the House because he will be attending an International Environment and Ecology Conference in Stockholm, Sweden, from this Thursday until June 16th. This is an international conference, a UN conference on the environment. He is one of the six accredited Canadian delegates.

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Regarding tonight's business, Mr. Speaker, I'd like to advise the House, that tonight we will begin at 8:00 o'clock with consideration in committee of all those bills in committee dealing with the Department of the Environment in view of the minister's absence after Wednesday. So at 8:00 o'clock tonight we will start with consideration of the following bills in committee: No. 30, The Agricultural Chemicals Amendment Act; 31, The Department of the Environment Amendment Act; 51, The Litter Act; 42, The Environment Conservation Amendment Act; 26, The Beverage Container Amendment Act, and 41, The Clean Air Amendment Act. After that we will move down the Order Paper beginning with Bill No. 24 which we left this afternoon.

Regarding tomorrow afternoon, the hon. Leader of the Opposition advised me, Mr. Speaker -- I think a useful suggestion -- that the offer made last week whereby Tuesday afternoon would be used for government business, would apply again tomorrow and the following Tuesday, I understand. I believe this is a useful suggestion and our caucus has considered it as well. Accordingly tomorrow afternoon, we would propose after Orders of the Day, to move to second reading of The Individual's Rights Protection Act, The Sexual Sterilization Act, and then to second reading of all other bills on the Order Paper under second readings, except two, and those are The Mineral Taxation Act and The Mines and Minerals Act, which will be dealt with later. Tomorrow evening we would propose to move back into committee and move down the Order Paper.

MR. STROM:

Mr. Speaker, I wonder if the hon. House Leader could advise us as to how many bills are left to be introduced. I noticed that there are quite a number that came in today. Are we still to expect many more bills?

MR. HYNDMAN:

Mr. Speaker, I believe The Workmen's Compensation Amendment Act tomorrow is the second last or very close to the second last.

MR. SPEAKER:

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

[Mr. Speaker left the Chair at 5:33 p.m.]

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

DR. HORNER:

Mr. Speaker, I move that you do now leave the Chair and the House go into Committee of the Whole to study bills on the Order Paper.

MR. SPEAKER:

Having heard the motion by the hon. Government House Leader, do you all agree?

HON. MEMBERS:

Agreed.

[Mr. Speaker left the Chair at 8:02 p.m.]

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COMMITTEE OF THE WHOLE

[Dr. McCrimmon in the Chair.]

DR. MCCRIMMON:

The meeting will now come to order.

Bill No. 30

The Agricultural Chemicals Amendment Act, 1972

[All the clauses of this bill, the title and the preamble, were agreed to without debate.]

MR. YURKO:

Mr. Chairman, I move that Bill No. 30 be reported.

[The motion was carried.]

Bill No. 31

The Department of the Environment Amendment Act, 1972

[All the clauses of this bill, the title and the preamble, were agreed to without debate.]

MR. YURKO:

Mr. Chairman, I move that Bill No. 31 be reported.

[The motion was carried.]

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Bill No. 51 The Litter Act

[Sections 1(a) to 1(b) (iv) were agreed to without debate.]

Section 1(b)(v)

MR. BUCKWELL:

Mr. Chairman, I'd like to ask a question of the hon. minister. Would this include, say the sanitary inspector of the Health Division?

MR. YURKO:

Yes, it would.

[Section 1(b)(v) was agreed to.]

[Sections 1(c) to 6(2)(b) were agreed to without debate.]

Section 6(2)(c)

MR. STRCM:

Mr. Chairman, I don't know what point I should raise it on, but I'd like to ask the hon. minister, does the minister have any control of the litter as it is being hauled out to a dump? I think he's maybe aware of the case that I'm raising, where Medicine Hat has to cover a mile and a quarter, I believe it is, of a rural road, and considerable carelessness is displayed where nails are dumped on the road. I was wondering, does the minister have any control over the transporting of litter to a refuse dump?

MR. YURKO:

Yes, Mr. Chairman, under this act the type of problem the member is referring to will certainly be covered. I would like to indicate that because of the very broad definition of a highway in the definition part of the section. Then under part 1, under Section 3(3)(b), it refers specifically to glass or like materials, nails, tacks or scraps of metal, so that the problem that you are referring to, hon. Leader of the Opposition, will definitely be covered under this act. We could take almost immediate action once this act is passed.

MR. STRCM:

Mr. Chairman, could I raise the other problem, too, where there is a considerable scattering of plastics over the countryside because of wind, after it's dumped on the refuse dump. Would you be able to take action on that area as well?

MR. YURKO:

Yes, Mr. Chairman. This, of course, would come within the municipality, basically, from a land fill site. We could take action through unsightly property, with respect to this -- which is still to come, part 2.

MR. RUSTE:

Mr. Chairman, on this, back in number 5, it refers to the disposing of litter on any land, and I say that if I own land I can dispose of it on there. But then you get into 6 where it deals with the disposition of in water or under ice or so on. Would that interfere with what I did on my own property, on water? Say there is a slough in the centre of a section.

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MR. YURKO:

Water here basically refers to permanent bodies of water, which are generally the lakes and streams classified in the meaning under the control of the province, or owned by the province. I'm not sure that a slough would come under that category. A slough would basically be considered as part of the land. Again, it would depend on just the situation in hand.

MR. BENOIT:

A dugout near a road?

MR. YURKO:

If it's a dugout near a road, and if it comes within the idea of an unsightly property, then of course we do have control under the second part.

MR. RUSTE:

Mr. Chairman, when he's talking about a dugout, I can think to some people a dugout might be the nicest thing to see, if they are short of water, on that part. But what I was getting at was that some of these sloughs are, unfortunately, pretty permanent, on farms. I was just wondering -- just to get into the real technical part of it -- whether you have control over that, on private property.

MR. YURKO:

I say again, Mr. Chairman, it would depend on whether the body of water would be classified strictly as part of the land or whether, in fact, it would be a body of water, under The Water Resources Act. If it was a body of water under The Water Resources Act then this would certainly apply, but if it was a temporary slough which is really part of the land and not classified as a water body, then of course, it would be part of the land.

MR. STROM:

Mr. Chairman, I would like to ask another question in regard to this. Where it would be impossible to establish a responsibility for the littering, what steps would be taken in the matter of a cleanup? Would that have to be taken care of by the municipality in control of the dump, or would the department be responsible? I can see in the case that I brought to the hon. minister's attention that if there is inability to establish blame, we then are unable to do anything for the farmers and ranchers who are suffering because of this litter.

MR. YURKO:

If the culprit can't be identified then, of course, it is referred to the municipality. I think in the hon. member's case it would probably be referred directly to the municipality. Then the emphasis would be on the municipality to identify the culprit. I did get some questions with respect to this aspect from the Alberta Association of Municipal Districts and Counties, but I think at this time we have to put, on a provincial basis, the emphasis on the county or on the municipality.

[Part 1, Section 6 (2) agreed to without further debate.]

Section 7 (a), (b), (c) were agreed to without debate.

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MR. STROM:

Mr. Chairman, just a question to the hon. Attorney General. Do you believe there should be minimums for first offence in this particular act, using your arguments on another one?

MR. LEITCH:

Do you think they can do it innocently?

MR. RUSTE:

Mr. Chairman, just to follow that up, though -- to get back to Section 6 (2) (b) -- where we have 'leaking', this could happen accidentally, and yet under the statute you could be fined then for \$50. It could be unintentional, but it well could happen.

MR. YURKO:

Mr. Chairman, I believe that that minimum fine is really what has been in The Highway Traffic Act for some years. If my memory doesn't fail me, I believe that is correct. It is something that has been standard for some time.

[All clauses of Section 7 were agreed to.]

[Part 2 Section 8 was agreed to.]

MR. BENOIT:

Mr. Chairman, may we assume that the government property will be treated the same way as other property? I am thinking of gravel pits and stock piles of cars in gravel pits, and this sort of thing.

MR. YURKO:

Very definitely so, Mr. Chairman.

MR. RUSTE:

Mr. Chairman, on this one, Section 9 (1), 'when viewed from the highway' -- you can get on farm land where you could be in the centre of a section and it could be still seen from the highway. Are we going to have this to contend with?

MR. YURKO:

Mr. Chairman, some discretion will be exercised by the officer in every case. There is always a comeback to the minister, and I am sure the minister will exercise subsequent discretion.

MR. RUSTE:

Where does it provide for going back to the minister for discretion on this?

MR. YURKO:

Under Section 10 and under Section 13 there can be appeal made.

[Sections 9 to 11 were agreed to without debate.]

Section 12

MR. STROM:

Mr. Chairman, if I may just raise it. Would this be the section where the hon. minister would suggest, then, that he could levy the cost against the municipality for the clean-up?

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MR. YURKO:

Yes, Mr. Chairman.

MR. STRICH:

If the municipality refused to do this, then what recourse would you have?

MR. YURKO:

The action would then be taken by the department -- whatever action is necessary -- and this would then be charged back to the municipality and would be extracted from any grant made by the province, or any funds that the province provides to that municipality.

[Sections 12 to 15, subsection 1, were agreed to without further debate.]

Section 15(2)

MR. FARFAN:

What would happen if a gravel pit changed hands, and the municipality hadn't been able to enforce any reclamation procedures against the original owner, and it had changed hands a couple of times since? At the moment they have taken the position that they have not been able to enforce it on the subsequent owner. Could you now make the present owner tidy up the gravel pit?

MR. YURKO:

The act is not retroactive, Mr. Chairman. The existing owner of any unsightly premises would, of course, be liable.

[All remaining sections of the bill, and the title and the preamble, were agreed to without further debate.]

MR. YURKO:

Mr. Chairman, I move that Bill No. 51, as amended, be reported.

[The motion was carried.]

Bill No. 42
The Environment Conservation Amendment Act, 1972

[Sections 1 to 2 were agreed to without debate.]

Section 3

MR. FOSTER:

Mr. Chairman, on this, where it refers to the addition of a member to the committee, I believe that when the hon. minister was speaking he mentioned a four-member authority, that it was split up into two halves to hold hearings. Does he feel that is sufficient, for two out of a four-member board to hold hearings?

MR. YURKO:

Yes, Mr. Chairman, definitely so. We only have two members on the authority right now, and they are in the process at this moment of holding hearings on historical and archeological sites. So it

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certainly is sufficient, but we hope with four members that we can hold two hearings at one time.

MR. RUSTE:

Isn't there a possibility -- let's just stretch it a bit and say that they are holding two hearings at one time on somewhat the same or related matters -- of them coming up with findings that may be different. What spot would that put the authority in?

MR. YURKO:

Mr. Chairman, I'm sure that if the hon. member examines the bill he will note that the reason for some of the changes is to integrate the work of the authority through the Minister of the Environment and also to relate it to the government in total. I'm sure that what the hon. member suggests will just not happen.

[Section 3 was agreed to without further debate.]

[Section 4 was agreed to without debate.]

Section 5

MR. DRAIN:

I have already enunciated on second reading my regrets about this particular bill, and I was hoping the hon. minister would consider bringing in an amendment, because there are two alternatives in this particular bill, as I see it. One is that the basic concept of the environmental authority is completely destroyed under this particular section because it is no longer in a position to deal at arm's length in relation to environmental matters. In other words, the recourse is to go back directly to the minister. I can see this concept to a certain extent insofar as the minister is directly responsible in his office for this particular bill.

However, having regard for that, I would think that position the minister should have assumed, if he had subscribed to the contention that the environmental authority was redundant, useless and of no value, was that he should have dismantled this particular thing.

Having regard for that, and also to what I have said heretofore, I now move to amend Bill No. 42, Section 5, Clause 6 by striking out the words "after consultation with the minister" where they appear in the first line of the paragraph. This is seconded by the hon. Leader of the Opposition, Mr. Strom.

MR. YURKO:

Mr. Chairman, if I might speak very briefly, very briefly indeed, to the motion that was made. I think it must be recognized that an organization in limbo, not necessarily reporting to any particular person, is a pretty ineffective organization. I want to suggest that if it's construed that by reporting to the Lieutenant Governor in Council you are reporting to the Premier, then I think there is some fallacy to this belief, because the Premier is pretty busy trying to organize the entire government rather than the functions of one very, very small segment of government.

In this regard, I want to suggest that since we have taken this action the authority has functioned to a much better degree. As a matter of fact, some major hearings have already been conducted. By co-ordination and integration through the minister the effective role of the authority, I believe very personally and very honestly, has been enhanced very considerably. The number of hearings that we have now scheduled with regard to policy, new directions and so forth, is

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really tremendous. The authority finds itself, and I say this without reservation, functioning much better when it has somebody that has a window in Cabinet, and that has access to Cabinet, working with it constantly.

I just want to read one short paragraph before I down sit from a letter that I have been writing to some people who have written to me in regard to this. I would just like to read the one paragraph. because this is my concept of the functioning of the authority.

"Furthermore, may I suggest to you that I see the primary role of the authority as one in which it leads the government into new policies and programs regarding environmental management. It is not only important to define such programs and policies, and determine public acceptability, but it is even more important to define strategy and manner of implementation of such programs and policies. Integration into government in total is vital as often improper strategy kills what otherwise are very good policies and programs. This is the main reason why integration of the authority's commissions with those of government must, of necessity, be co-ordinated through a minister and preferably the Minister of the Environment."

MR. R. SPEAKER:

Mr. Chairman, I would like to make one or two remarks about what the hon. minister has just said.

One of the things that concerns me very much in this particular item is the fact that the object of the Conservation Authority was to have an immunity from the political side and from the public in general to look at things objectively. The hon. minister has felt, by making this amendment, that anything they do has to be done after consultation with the minister and I think that is of concern.

The second thing that concerns me is when a minister is able to stand up and say, "Now the program is functioning much better." I would have to say that a self-evaluation of that type certainly isn't really of any merit. I would like to put these words in quotations as that type of an evaluation sings the song of an evaluation that is only done by a bureaucrat and the value of it can be taken the same. I really feel that that doesn't give the program very much merit in itself with that type of evaluation. I think, basically, Mr. Chairman, that is the point I wanted to make.

MR. YURKO:

I just have one answer to that, Mr. Chairman, and that is that there is not very much that I've run across in environmental matters that is not political.

MR. NCTLEY:

Mr. Chairman, I am sorry that I wasn't here for second reading and didn't have an opportunity to enter into the debate which obviously took place before. But just speaking to the amendment proposed by Mr. Drain, one of the things that has struck me in the last three or four weeks, Mr. Chairman, has been quite a large volume of mail from various groups, fish and game groups and conservation groups, who have expressed considerable concern at this particular provision. Not that they have any concern over this particular minister -- I think they have a very high regard for him and especially high regard for his zealous determination to maintain the environment -- but it's the principle of putting the Environment Conservation Authority under the control and being answerable to a minister that really concerns these groups. And I think perhaps a concern that somewhere down the road -- maybe a number of years down

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the road -- we may have an environmental minister who isn't quite so zealous and who doesn't take his duties quite so seriously.

So they have expressed concern, I am sure, to a lot of us as members of the Legislature and I must confess that I was interested in listening to your reply to Mr. Drain. I had hoped that perhaps you would have some stronger reasons as to why you feel that this is necessary. I can see some technical arguments, some cost-accounting arguments in terms of supporting this bill, but it seems to me that the basic proposition of the Environmental Conservation Authority in the first place is, surely, that it should be as free as possible from political interference. It should be in a position where it can rap everybody's knuckles on occasion and the legislation as it was set up before seems to me provided the independence necessary for the Conservation Authority to act in its proper sense.

I reluctantly find myself in support of Mr. Drain's amendment. I had hoped that perhaps, Mr. Minister, you would be able to impress me sufficiently with the cogency of your arguments that I wouldn't have to support Mr. Drain's amendment, but I think that having listened to your presentation, the arguments for the Conservation Authority being independent are still pretty strong.

MR. YURKO:

Mr. Chairman, if I might speak again, very briefly, I don't want to prolong debate too long tonight but I could go on for several hours if you wish.

I would like to make three very quick points. Because of the fact that the previous government set up a bill which is highly misunderstood I say, with all honesty to the hon. member, he doesn't understand the bill. He doesn't understand what was set up, because I did investigate to find out what, in fact, was set up by this bill. There are three misconceptions which have been bandied about in a really big way. And it all involves this independence that you talk about. What was set up was strictly nothing more than a government agency, reporting to government. It has no ombudsman-like powers at all. It's strictly a government agency.

Secondly, the thing that was bandied about, including by the authority itself, is that it was a Crown corporation. I got a legal opinion, and in fact the opinion is contrary to that -- it's not even a Crown corporation.

The third thing that is bandied about, and has been bandied about by some of the people that have written to you and to me, is the fact that the authority has powers to correct certain matters. If somebody wrote to the authority, the authority could immediately take some action and correct the situation. I say this idea is totally false. And I say, as I've said before, if this government intends to some day set up an ombudsman-like body for environmental matters, then it will do so. But it will do so by a massive revision of this bill, or a new act. Because this is not such a type of body. The difficulty is that the wrong impression has been cast amongst such groups as the Fish and Game Association, and they've never really taken the time to read the act -- to read it, and interpret it and see just exactly what the authority really is. The authority must integrate all its functions with the government, through the Conservation and Utilization Committee, as was specified in there. So all I say, Mr. Chairman, is there is an awful lot of misunderstanding of what, in fact, was passed several years ago.

MR. STROM:

Mr. Chairman, the point raised by the hon. minister, I think, conveniently ignores one important point of principle. And that is that the authority have the opportunity to investigate any situation

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that is brought to their attention by any person in the private sector. And that they are not subject to a rule by the minister or by the Cabinet in making a decision as to what they want to investigate. If I interpret Section 5(b) and the new (b) correctly, it says, "may after consultation with the minister, inquire into any matter pertaining to environment conservation." Certainly it states in no uncertain terms that the environmental authority must have the permission of the minister before they make inquiry or before they check any matter. And it's in this area that I say the hon. minister can make all the statements he wants to about the misinterpretation of the previous bill, but I can say emphatically that the intention of the government at that time was to give the Environmental Control Authority the greatest amount of latitude necessary to, in fact, become a public ombudsman in the area of environmental matters.

Really I have to say the same as the hon. Member for Spirit River-Fairview. I don't think anyone questions for a minute, the enthusiasm and zeal with which the present minister is pursuing the matter of the protection of our environment. I'm sure this is very much appreciated by all members in this Legislature, as well as by the general public. But I can recall on many, many occasions hearing members on this side of the House, when we were in the government, point out to us on matters similar to this, that what we were failing to take note of were the implications later on when some other person was in charge of the act. This is the point that I'm bringing to the attention of the hon. minister. I'm sure the minister does not intend that he wants to control the authority, but I say the possibility of doing it lies within the interpretation of the act as it is written.

SOME HON. MEMBERS:

Agreed.

MR. YURKO:

Well, again, speaking very briefly to what the hon. Leader of the Opposition has said. I think that (a) gives the authority all the latitude that it can possibly want. "It shall conduct a continuing review of policies and programs of the government, and government agencies on matters pertaining to environmental conservation, and shall report thereon to the minister."

That gives them as broad a leeway as possible. If we look at (b) may inquire after consultation with the minister into any matter pertaining to environment conservation, makes its recommendations and report thereon to the minister."

It doesn't say they have to get the minister's approval. That says that all they do is consult with the minister. The reason for this consultation is very, very important. It is important because we are doing a tremendous number of programs. The Alberta Research Council is doing a series of programs. We are going to set up a research secretariat that will be monitoring research across the entire government. We have programs that are going to be done in connection with the federal government. Somebody has to control or co-ordinate this work, or these groups go on their own separate ways and an enormous amount is then duplicated.

There is nothing in there that says that the authority can't look at any matter. It just says that before looking into it, it should consult the minister to see if somebody else is already doing that work. I'm suggesting that the department and many other agencies are going to be looking at many matters. It is just sheer nonsense to have three or four groups within government -- and government is getting very large -- looking at the same thing. That is all section (b) says.

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SOME HON. MEMBERS:

Agreed.

MR. TAYLOR:

Mr. Chairman, I want to make one or two comments on this. The hon. minister mentioned that there are not many environmental matters that are not political, and I think this is so. That is why I believe it is important to have more than just one person looking at some of these very important matters that may affect the livelihood of a great number of people.

I go along with the hon. Leader and the hon. Member for Spirit River-Fairview in connection with the confidence the general public has in the hon. minister and in his ability. That isn't open to question at all. I think it is the principle that is worrying most people. I don't know of anybody who thought this was a Crown corporation. It was really an authority reporting to the Lieutenant Governor in Council. That was what it was intended to be -- an authority, not a Crown corporation.

I have never had anybody suggest that it should be a Crown corporation and I am not in favour of it being a Crown corporation. I think it should be as close as possible to government, and yet with a free hand to investigate matters that a government might shy away from. There are such matters. Governments are made up of human beings and most human beings don't want to condemn themselves. Consequently, there is always that possibility. I am not even suggesting that the hon. minister won't have the courage to have his own government's activities investigated. But there is always that possibility of not doing so, because it would reflect upon the administration of which he is a part.

In (a) and (b), the way they are now going to appear if this resolution carries without the amendment, I think we have two items that are a little bit inclined to be contradictory because they are both dealing with environmental conservation. In the first one, the authority not only may, but shall, conduct a continuing review of policies and programs of the government and government agencies on matters pertaining to environment conservation and shall report thereon now to the minister. They have no choice. They shall conduct a continuing review of policies and programs of the government and government agencies.

Then when we come to (b), again pertaining to environmental conservation, is the second one only dealing with environmental conservation in which there has been no government input whatsoever? Is it going to be completely separate from government? Because if it is involving government and government agencies, then it is going to be difficult to many of these matters not involving input from government in some way, shape, or form, (a) and (b) are really contradictory. In (b) we have "they may do this" not "shall" but "may" after consultation with the minister.

That is the only item -- all through the act the authority reports to the Lieutenant Governor, not the hon. Premier, but the Lieutenant Governor, in order to have the benefit of the thinking of all cabinet ministers, not just one. Many pieces of legislation are placed in this way, in order to make sure that the judgment of more than one person is carried. I had the experience, and I'm sure the hon. minister may have the experience, of being very much convinced about certain things, but unable to carry the judgment of the majority of the Cabinet. Then it becomes government policy and more than just the minister is involved. That is really all the amendment will do, in my view; it will strengthen the legislation.

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The minister still has no difficulty in saying to the authority, I want to keep in close touch with all environmental matters. Being the minister, they'll obviously bring all matters to you. But with this one, it smacks just a little bit of a policy that the authority is going to be restricted and curtailed and able to carry out environmental investigations only after consultation with the minister. I think the few words there actually weaken the legislation, and in my view, it will be less contradictory and certainly stronger legislation if the amendment is carried by the House.

MR. STRON:

Mr. Chairman, there is one point that I wanted to make when I was speaking on it. It's in the matter of co-ordination. Certainly I can accept the hon. minister's suggestion that there is a need of co-ordination of various organizations and bodies that are involved in conservation. But I ask the minister, in all seriousness, would it not have been just as easy to get this co-ordination from the authority simply by communicating your wish in this matter without having, at this point in time, to write it into the legislation? Because I suggest to you that if you say no, it's not possible to do it by letter, that you have effectively said to me that you do not have any confidence in the authority for them to exercise some degree of interest in co-ordination.

I suggest that this legislation is new legislation. We are, in fact, breaking new ground. All I can draw from the minister's insistence in having the change made is that there is definitely a desire on his part to gain a control, even though he may not exercise it at this point in time.

MR. R. SPEAKER:

Mr. Chairman, I'd just like to add to what our Leader has said. I think the words of the hon. minister have been -- in his own words -- sheer nonsense. The logic is just not consistent. Some time ago we debated as to whether the Department of Federal and Intergovernmental Affairs was legitimate or not. We've accepted that legislation on the basis that it will co-ordinate the programs of government and also co-ordinate between the federal and provincial levels. We, at no time, have passed any legislation which indicates that any one of the ministers in the front row must do something after consultation with the Minister of Federal and Intergovernmental Affairs. If what the minister says here by putting it in this legislation -- if it applies here to the authority, then I think it applies to the legislation of the Minister of Federal and Intergovernmental Affairs likewise.

I can only say that if the minister can say co-ordination and try and pull the wool over our eyes, but underneath, and knowing from experience, that when you write something into legislation and any body has to come to you as a minister and report, that means that your say, when they leave your office, is going to be a fairly final type of say. If there is something you don't want looked into or something investigated, that's where it will stop right at that point.

I think that as the minister gets a little more experienced, and as I said a little earlier, continues to evaluate what he does, that that could possibly be a tendency. So I'd just like to say that that being in the legislation only says one thing and that's control. In no way does it say co-ordination.

MR. CHAIRMAN:

We have an amendment, moved by Mr. Drain, seconded by Mr. Stron, that Bill No. 42, Section 5(b) be amended by striking out the words,

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"after consultation with the minister," where they appear. All those in favour of the amendment say 'aye'.

[The amendment was defeated by a voice vote.]

[Section 5 and Section 6 were agreed to.]

MR. STRICH:

Before we leave this bill I would like to make a very short statement. I suggest that if we are going forward with the bill as proposed, the government may just as well strike out the work of the authority and place the responsibility directly under the minister, and let the minister run it as he wants to.

I suggest that what we are doing is nothing less than taking away the power of the authority as it presently exists. If this is what the government wants to do, we certainly accept the fact that they have the muscle and the power to do it, but then let us be straightforward about it, let us be honest. Let us take away the work of the authority; let us place it under the hon. minister directly, and let him run it the way he wants to. I suggest that this is, in fact, what this act is doing.

MR. TAYLOR:

Mr. Chairman, I would like to add a word in connection with Section 7. The authority isn't even going to be able to carry out its own banking arrangements. It can't even open up its own account without the authority and after consultation with the minister. All through this bill are the same words 'with the approval of the minister'. Actually it is making a mockery of the authority.

[Section 7 was agreed to without further debate.]

[The title and the preamble were agreed to.]

MR. YURKO:

Mr. Chairman, I move that Bill No. 42 be reported.

[The motion was carried.]

Bill No. 41
The Clean Air Amendment Act, 1972

[All the clauses of this bill were agreed to without debate.]

Title and Preamble

MR. LUDWIG:

Mr. Chairman, I would like to ask the hon. minister a question under Title and Preamble. Does he anticipate any staff increase in order to implement this legislation?

MR. YURKO:

Definitely so, Mr. Chairman. I think when I took my estimates through that the bulk of the increase in staff was in the division of Pollution Control. This is the enforcement arm of our pollution control set-up. The Standards and Approvals Division, of course, is the judicial arm and it's being increased from -- well the total in the standards and approvals is eventually going to be something like 19 or 20 people.

The two divisions have had their budgets virtually doubled. The Pollution Control Division and Standards and Approval Division look

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after The Clean Water Act, The Clean Air Act, and The Litter Act, The Agricultural Chemicals Act, and several other pieces of legislation.

MR. LUDWIG:

In implementing this in the estimate you gave, you are not certain how much staff you will require to really put it into effect, depending on how much work you have.

MR. YURKO:

Mr. Chairman, we went through all these numbers -- I can't remember them all right now -- but we went through them all during the estimates.

MR. LUDWIG:

If you don't know the answer don't try to give us one. Don't try to bluff your way through.

[The Title and Preamble were agreed to.]

MR. CHAMBERS:

I move that Bill No. 41 be reported.

[The motion was carried without debate.]

Bill No. 26
The Beverage Containers Amendment Act, 1972

Section 1

MR. WISE:

Mr. Chairman, as mentioned the last time we dealt with this particular bill, it was brought out that the industry are very concerned with Bill No. 26. I might say that I am very disappointed that the hon. minister is even proceeding with it after all the feedback that he has received from the industry on it.

The bill may very well put some of the bottlers out of business, and I am concerned about one in my particular area that with the passing of this bill may be put out of business. I think that legislation should be to promote industry in Alberta rather than to kill it. Two weeks ago when we dealt with this the hon. minister mentioned that he was setting up an advisory committee and I wonder if he could expand on it at this time as to when it would be set up and the effective date of this bill.

MR. YURKO:

Mr. Chairman, there are three things that I am going to cover as briefly as possible. The first thing I am going to indicate is that this bill will be brought into force by proclamation. It will be brought into force in the latter part of the year.

The second thing is that we are at this time putting together members on an advisory committee to the minister on the writing of the regulations and the manner in which this bill and the regulations will be implemented. The writing of the terms of reference of this committee is going on at this time.

I also want to say something else in direct relationship to the member on the other side that just spoke, because he has spoken on this matter on several occasions. It reminds me that he brought in a letter --, and I'm not entirely certain that he got permission to

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bring that letter into this House -- pointing out that a certain number of people were laid off in his constituency because of the implementation of this bill. I felt that it was necessary to get the facts before the House in relationship to this matter, so I wrote to determine what the facts were, and all I want to say at this time, Mr. Chairman, is that I'm having one heck of a time getting the facts to substantiate not only the letter but what the hon. member has said, because there seems to be some indication that The Beverages Container Act was not at all responsible for what, in fact, the hon. member indicated in this House some time ago.

MR. NOTLEY:

Mr. Chairman, I wonder if I could just ask a question of the hon. minister and not get into the dispute over the presentation made in the Legislature.

The advisory committee that you mention. Are you in a position to advise the Legislature what the breakdown of the membership of that committee will be? For example, Mr. Minister, are there going to be representatives on the advisory committee from the glass industry, and from the union representing the men employed?

MR. YURKO:

There is a list that has been established at present, but it is not a finalized list, of the representatives. The list does represent the glass industry. Mr. Dalton of Montreal as a matter of fact, has requested to be on the committee and I have accepted his appointment. The Alberta Soft Drink Association will certainly be on; the Retailers Association will be on; some of the consumer groups will also be represented. We have given some consideration to representing Labour on the committee. I say again, we envision approximately 12 at this time but the size of the committee isn't fixed by any stretch of my imagination, and if anybody in this House, or even outside this House, feels and makes a very good case that some other group should be represented on this committee, I would be very pleased to put them on. I think the larger the body of opinion we have on this committee the better the regulations are going to be.

MR. NOTLEY:

Mr. Chairman, if I can just make a very strong appeal to you, Mr. Minister, in this advisory committee as you consider representatives, that you do everything possible to make sure that there is at least one representative from the organized workers in the glass industry. As you know, there is a good deal of concern in the Medicine Hat-Redcliff area about the implications of this act, and if we're going to proceed with it it seems to me that it's prudent to work in harmony with the organized trade union movement through the Glassworkers' Union and I would suggest that you don't just say this to try to make a political point, because I think if we are concerned about the implications -- the economic implications -- on the workers involved, we should make sure that they are engaged in the decision-making process as much as possible as we consider what regulations will be set up under the act.

MR. YURKO:

I just want to make one point, Mr. Chairman. I think the hon. member is somewhat confused. He indicated 'if we go ahead with this act' -- the act is in force and has been in force for some months, and all we're doing is making some revisions to it in order to make it less discriminatory, if that might be the word. In other words, instead of just directing it at the soft drink people we're now extending its scope. And, secondly, we're bringing in the concept of the universal depot. The reason for this is that there is a very distinct need for this universal depot.

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I'm suggesting that this will be brought in under the most careful consideration, by the advice of everybody involved that will be affected. They will have an opportunity to have input into these regulations. Whether or not we exclude anybody from the universal depot will, of course, be dependent upon the input of this committee and several other factors.

We recognize that the real important thing of this revision is not the revision as much as the manner in which it is going to be implemented, and we're doing everything we can to see that this is done right.

MR. NCTLEY:

That's precisely how I feel, that you should make sure that the trade union movement through the Glassworkers' Union is represented on your advisory committee.

MR. WYSE:

Mr. Chairman, in responding to the hon. minister, if he wants to beat around the bush and doesn't want to accept the facts that were in the letter, that's up to him. I think it's been proven in the letter that I presented to him that the people of Medicine Hat were laid-off as a direct result of The Beverage Container Act. And besides --

DR. HCFNER:

That was thanks to your Social Credit Government!

MR. WYSE:

And in regard to the comments you made, I had permission from the group that came to Edmonton to use the letter. I did not read the letter in the Legislature. I presented the letter to you on a personal basis.

MR. YURKO:

You tried very hard to table it.

MR. WYSE:

I didn't table it.

MR. YURKO:

No -- but you tried.

MR. WYSE:

I didn't try.

MR. LUDWIG:

Mr. Chairman, I'm surprised at the hon. minister's line of reasoning that he states that firstly the hon. Member for Medicine Hat does not really have the right to bring the letter in here; and secondly, he lets out a few vague generalities and says, "because I couldn't get the facts, the hon. member must obviously be wrong." I think that when he wants to refute any kind of a letter that he has to produce better facts. He's also saying, because the people there won't talk to me or won't give me the facts, then the hon. member must be wrong. It appears that the people of Medicine Hat prefer to deal with the hon. member rather than with the hon. minister -- it appears obvious to that. I think his remarks to try to refute the hon. Member for Medicine Hat's remarks by innuendo and vague

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generalities is just a further indication of the arrogance that has crept into this government.

DR. HOFNER:

Oh, oh.

MR. LUDWIG:

And the Premier number two is the worst example of it.

MR. YURKO:

Mr. Chairman, on Thursday of this week, I'm going to be leaving for Sweden --

AN HCN. MEMBER:

Hurray.

MR. YURKO:

I'm very thankful indeed, for one particular reason, that I won't have to put up with some of the nonsense that is being displayed by one particular member now for the last month or so. And I think that is going to be a very welcome reprieve.

AN HCN. MEMBER:

Agreed.

MR. YURKO:

I do want to suggest one thing --

MR. CHAIRMAN:

I'm going to have to get my gavel pretty soon if this keeps up.

MR. YURKO:

I intend to get the facts to the House in connection with the hon. member's contention from Medicine Hat.

MR. LUDWIG:

Mr. Chairman, I hope that when he does go to Sweden he displays a lot more intelligence and commonsense than he does in this House.

AN HCN. MEMBER:

Hear, hear.

MR. CHAIRMAN:

Should we get on with the amendment?

MR. TAYLOR:

Mr. Chairman, we are at the bottom --

AN HCN. MEMBER:

Yes -- bottom of the bottle.

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MR. TAYLOR:

Yes -- bottom of the bottle -- the bottom of page 1, and we are just starting the amendment. Is this correct?

MR. CHAIRMAN:

Yes, we have finished page 1.

MR. TAYLOR:

Yes, well, Mr. Chairman, I'd like to say a word or two in connection with The Beverage Container Act and the amendment. The Beverage Container Act was brought in primarily to eliminate litter of bottles and broken glass along our highways, and along our streets, in our parks, in our lakes, etc. That was the first objective of the bill.

The second objective was to get people, as far as possible, at least, to try to persuade people to carry their judgment to use the returnable bottle which is cheaper than the convenience packaging or the non-returnable containers.

With reference to the first objective, I think there has been an improvement along the highways, streets, etc., but not as much as I would have liked to have seen. There are still quite a few bottles there. One thing about it is that there have been more returnable bottles being thrown into our ditches than ever, and there are people to pick those up. Most people will go and pick them up -- and it's not even a charge on the Department of Highways -- they don't have to use their own men, when free enterprisers, youngsters, men or women go out and gather up these bottles. I think this is good legislation. I think the bill is good and I certainly have no apologies for introducing it into the House. It was supported pretty generally by the members of the last Legislature.

The thing I'd like to emphasise is those two objectives that we had in mind, namely to try to eliminate some of this litter and get people to use the returnable bottles so they would have an incentive to take them back to the store and get their money back. And now when we look at the two objectives, particularly the second one, I would think the legislation has been very successful because it came into effect on January 1st. As a matter of fact the use of the non-returnable containers has dropped drastically. According to the industry itself, there has been a drastic drop in these non-returnable containers. I think that was one of the big objectives. There has been a vast increase in the use of the returnable bottle. I think that is good. Except in one of two places in the province, this has been the experience. So the legislation has been reasonably successful in accomplishing those two objectives.

The part that is a little bit worrying -- and again I want to emphasize the point that the hon. minister emphasized -- is that he plans to introduce these universal depots with extreme care and caution. I think this is very essential. My view is that there is a place for universal depots in certain parts of the Province of Alberta, and that they just won't work in other parts. The danger of the universal depot concept, particularly if everybody had to take their containers -- refillable and non-refillable -- back to the depot, the danger is that people will not go out of their way to do this. We may well have a return to the dumping of bottles in the garbage cans, throwing them on the waysides, but a great danger of returning to the non-returnable container, because it is too far to take them back to a depot.

If there is any weakness in the legislation -- I think the legislation generally is good. I support the idea of depots because it is a convenience to some people in some parts of our cities and so on. But I think if we do not continue to -- not permit, but require, every retailer to take back the containers that he sells, there is

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going to be a notable weakness in the legislation. If the retailer is not required to take back the containers he sells we may well undo everything that has been done, and we may well not only start the trend back to the non-returnable containers, but also the trend back to throwing the bottles into the garbage cans, putting an extra burden on the taxpayers of our cities and towns, instead of it being carried properly by those who sell.

Therefore, I would like to suggest that the legislation -- or could I deal with one other point first? In the amendment I notice that the "universal depot means a depot established in accordance with the regulations by a retailer or a manufacturer" and then they must take back all types of containers. Consequently, there is very little chance of retailers, particularly in the cities, becoming a universal depot. They don't want to take back containers of all kinds. When it says "all kinds" I would assume this would also mean the liquor, the beer, the wine, the whiskey bottles as well and properly so. So I don't think there is any danger of the threat of every retailer becoming a universal depot.

Secondly, of course, these universal depots have to be approved by the minister. So I don't think there is any danger there at all. I do think the danger that is worrying some people, and is certainly worrying me, is that the retailers will now say, "there is a depot three miles somewhere in the city and you are required to take your bottles over to the depot." I don't think any of us need to be naive enough to think that everybody is going to head for the depot. The trend is going to be the other way, to take them and throw them in the garbage can.

The trend was there before until it was stopped. It was stopped by making it convenient for people to take them back to their retailer. This caught on all over the province before, where they were getting a return of a very low percentage. The return of the refillable bottles jumped in some places 75 to 84 per cent, and it was generally under 20 per cent before the act came into force. So it did start the trend of people using and returning their refillable bottles to their retailer. I would like to see that trend continued, along with the depot. You then have a very strong piece of legislation, because you're catering to those who live close -- and everybody lives close to a retailer -- and you're also catering to those who have large volumes and are wanting to take their large volumes to the depot.

I would like to move, Mr. Chairman, seconded by the hon. Member for Medicine Hat, that we add a section to Subsection 2. This is assuming that all the rest of the legislation will pass as presented, namely, by adding subclause 5 after subclause 4 and 2, which simply says, "notwithstanding any other provision of this act, a retailer must take back any soft drink containers that he has sold from his premises upon request." The only thing this can do would be to strengthen the legislation. I would submit it to the hon. minister for his consideration. I think it will continue to encourage people to take the containers back to the retailer, and it will also fit in very, very nicely with the depot idea as set out by the hon. minister.

MR. ASHTON:

Mr. Chairman, if I might speak to the amendment, basically I would oppose the amendment, because it's redundant. The way the act reads now, retailers must, in fact, take back these containers. It's as simple as that. If you have a look at the act, in Section 2 -- this is of the existing act -- Section 2(1) "a retailer or person on his behalf shall accept an empty container presented by any person," and so on, "where it is a container of a beverage sold by the retailer and shall pay the person a refund."

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I understand the problem that you are describing, and I've agreed with most of what you've said tonight, up until the last point that you raised. Perhaps you, when you were discussing the act last spring, were subjected to some of the lobbying by the bottlers that some of the members on this side were subjected to last fall, when the prophets of gloom and doom in the bottling industry were suggesting that Bill No. 103, which was passed last spring, was going to wreak havoc in the whole bottling industry. But within a few months, of course, they are now back telling us that it is a wonderful bill, and expressing the same objections to Bill No. 26. I must confess, I've become a little bit sceptical of some of their statements.

I'm sure the minister acknowledges that the regulations will be very important, and he's already stated that, as to how he handles the setting up of the universal depots. He acknowledges the fears expressed -- although Bill No. 103 appears to have discouraged the use of throw-aways, and discouraged the use of cans, for example, which will mean more bottles -- that in this new act, there is a danger that if it is handled wrongly it will tend to reverse that trend. The government is conscious of that danger and they will be handling this in such a manner that hopefully that danger will not be fulfilled.

Basically on that basis, I would submit the amendment should not be supported because it is redundant.

MR. TAYLOR:

Mr. Chairman, could I just deal with that point about redundancy? I can't see -- let me read the section -- "retailer or person on his behalf shall accept an empty container presented by any person," etc. But when you establish a depot somewhere in the City of Edmonton, the retailer may then say, particularly if he's contributing towards the cost of that depot, "Take it over to the depot. I'm not taking your bottles back." That's the only reason I think we should put in that "notwithstanding any other provisions of this act, the retailer, when requested to do so, must take back any soft drink containers that he has sold from his premises." We're leaving a loop-hole for the retailer who is not as conscientious as others, to say, "No, take it over to the depot," which might be two miles, it might be five miles away. Because of that section which we put it, we put it in deliberately to provide for the day when we did have depots. Along with that we need to make sure that the retailer continues to take these containers back when requested to do so by his customers. That is the only reason for introducing the amendment, and on that account I would suggest it is not redundant.

MR. YURKO:

Mr. Chairman, if I might just speak to the amendment. The regulations are extremely important under this act. They establish that the minister can exclude any container from being part of a depot system -- any bottle. Therefore, it reverts back to the retailer taking it up in every case.

Secondly, the minister approves those regulations in every case with respect to the depot. Those regulations haven't as yet been finalized. That regulation can say that the maximum distance can be 100 yards, or a half mile, or a mile. You must recognize that the leeway must be given within the regulations and not necessarily within the act. So that every provision that the hon. member is talking about is in the act now. But it is reflected in the regulations.

It is recognized, and we have recognized that some of the large stores, like the chain stores, may have a health problem in bringing into their stores certain types of containers. As a result it is

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more advantageous all around to have that large store tie itself up with a depot which may in fact be a couple of hundred yards away or a half mile away, because that chain store serves a vast area. There are no corner stores there; I am talking about the city as against the country.

I suggest that everything the hon. member has suggested is in this act, but to a large degree is related to the regulations. I want to indicate to the hon. member again that if he has any fears in connection with the universal depot, the minister can exclude a returnable container from the universal depot if he considers it the right thing to do. He can exclude beer bottles from a universal depot if he thinks this is necessary. All this flexibility is there within the act at this time. There is going to be greater flexibility in the regulations.

I want to make one other point. That is in contradiction to what the hon. member has said. I want to use a very specific example for this. The beer industry has set up one of the finest depot systems that I know of in existence. They are bringing back 93 per cent to 96 per cent of their bottles. Old ladies buy beer, and old people buy beer, divorced couples buy beer, young couples buy beer, and everybody buys beer. Some people like buying beer without alcohol. That is true. I don't disagree with this, but nevertheless, the depots that have been set up by this establishment are remarkable for a number of reasons.

First of all, they have an amazing record for recycling. Secondly, they have been able to standardize their container. Highly competitive industries have recognized the need and the desire to standardize this container, and not only standardize the container, but standardize the package. The industry has recognized that as an industry they must accept all containers at their depots, not only the beer bottles that are tied in with that depot, but all imported cans, all imported bottles. They accept them at their depots because they recognize that it is their responsibility to do so. As a result they have been able to limit the number of imports -- rather amazing.

Thirdly, it is rather interesting what happens. They have indicated that most of the bottles come back on Saturdays. There is a great rush on Saturdays for returning containers. One of the difficulties they have expressed to us in connection with tying the pop bottle depot with the beer bottle depot is that they would have a flood on Saturday mornings, because most people today do what I do, and the rest of the people do, who are mobile -- they allow their bottles to accumulate and their cans to accumulate for a week. Then the Boy Scouts come around, or the Girl Guides, or the Cubs. Or they take them back on a Saturday. They don't necessarily take back every case every day, but they allow them to accumulate in their basement and take them altogether once every two weeks or so.

We have considered all these aspects of it. As I have indicated to the hon. members, I spend an enormous amount of time in this area -- about 15 per cent of my time. What we have in here is flexibility. I say again, the industry didn't co-operate initially at all, but I am suggesting that there is some measure of co-operation and some indication that they certainly are going to co-operate after the introduction of the universal depot concept.

I say again that the industry didn't co-operate initially at all. But I am suggesting that there is some measure of co-operation and some indication that they certainly are going to co-operate after the introduction of the universal depot concept. If nothing else, this is a tool, and a weapon to bring about co-operation.

We have more objectives than just the two the hon. member has indicated. We have several other objectives. One is educating the public, and there is no better way of educating the public than when

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they pay for it. Every person knows that he is paying for something. This is a wonderful form of education.

Secondly, we are intending to go gradually into the re-cycling business in a big way. We also recognize that the legislation will eventually be extended far beyond pop bottles and beer bottles. There are other types of containers, too, that are becoming very prevalent in our society. These are going to have to be re-cycled. The universal depot concept lends itself to massive re-cycling if you want to get into this concept. But the little corner store doesn't.

However, the corner store is one of the cheapest ways for Coke and Pepsi and some of these companies to handle their containers, because they don't pay for them. They put the cost and the effort on somebody else. This is one reason why it is more difficult to do something through the depot system, when somebody is getting his services for nothing. I think that is all I am going to say at this time.

MR. LUDWIG:

Mr. Chairman, I didn't think that I would hear a Conservative minister tell the Legislature so soon after they go into office that what can be done by regulation, let's not put in legislation. He knows best. He will make it work really well because he knows all the ramifications of everything. But last year, and the year before, it was almost like a chorus, "Oh, it's government by regulation." Everytime a Conservative opposition member had anything to say, it's government by regulation. They hardly got their feet wet in government, and what do they do? They reverse themselves, and say, "Well, why should we bring in a little amendment? I can do it by regulation. I am the minister, I've got the power, and I'd like a little bit more. The people will get educated through me, how to do this, and everything will be fine."

AN HON. MEMBER:

Open government.

MR. LUDWIG:

Yes, open government. That's a reversal of everything they stood for, and they expect the people to trust them. They came in here and, year after year, the whole row of them, the ten of them -- and the hon. Minister of Mines and Minerals was the arch-mover in this thing -- "Oh, it's government by Order in Council and regulation."

And the hon. minister stands up here and takes 20 minutes of our time to convince us that that is the best thing that anybody can do. The hon. minister is sitting down there laughing. He hasn't caught on to the idea, but we will hear from him too, I suppose. He has been in here long enough, the hon. Minister of the Environment, and he makes a bare-faced plea that, "we don't need that amendment, I can do it by regulation." I am surprised to hear this. I am sure that all the backbenchers maybe didn't catch it, but I am sure that they would not have favoured government by regulation, the members opposite. I think that they must have some concern about this. But now they are sitting there smiling, "This is nothing. Now we are in, we can be as arrogant as we like. Regulation is the best way to do it."

Last year, that was the worst form of government possible by, regulation. So we will have to watch him carefully, because this fellow, the hon. Minister of the Environment, has a sort of a creeping desire for -- creeping up on everybody. He wants just a little bit more authority. He says that he knows best. The Legislature shouldn't pass an amendment because he can do it by

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regulation. That is exactly what he said, and I think that is the kind of thing that all hon. members ought to fight.

MR. YURKO:

I just want to say one thing. The hon. member doesn't recognize that regulation is only possible if it is already in the legislation. For some reason or other, he doesn't recognize it --

MR. LUDWIG:

That's where the rub comes in. Yes, sure. I recognize that as well as you do.

SOME HON. MEMBERS:

Question.

MR. HINMAN:

This isn't really a very vital thing in the way it is going to work. I would suggest the argument that the amendment is redundant is not in order. As long as you have in Section 2, "for a person on his behalf", it is open for almost anybody to say, "Well, I have arranged with the depot to receive on my behalf." The minister tells us that he anticipates further legislation. I would suggest that for this year the intent of the House ought to be that a retailer does take back the containers -- the refillable ones -- which he sells.

Certainly, the big stores are the people who do the best on this, and they can afford the help, and they do have the space that many little corner stores don't have. They have to put the bottles outside and they tell me that the kids bring them around for the third time some Saturdays, to get the refunds. So the kids aren't as dumb sometimes as the politicians. I would suggest that if you do think it is redundant, it still isn't going to hurt to make sure of the intent of a retailer to take back the refillable bottles at this premises, when they are brought back. I think we should support the amendment for that reason.

MR. WILSON:

Mr. Chairman, I would just like to say a few words in favour of the amendment. First of all the statistics, I believe, indicate that the use of returnable containers is increasing appreciably, particularly since the introduction of the act last year.

Now in addition, one point that hasn't been discussed this evening is that what will the depot system do to the retail price of soft drinks? Will the implementation of a depot system without the retailers taking back their bottles increase the price? The minister mentioned that the retailers are now bearing the cost of handling the bottles, and if he is in fact in agreement with the concept of the amendment, I think many people would feel much easier if it was spelt out in this amendment, or as it is in this amendment. If the hon. minister isn't opposed to the principle of it -- as he indicated that he wasn't -- I see no reason why he is so reluctant to be more in favour of it, and if he has any statistics or any forecast on what the likely effect of the depot system -- if it was implemented on an exclusive basis -- would do to the price of retail soft drinks, I would certainly like to hear his comments in that regard.

MR. BENOIT:

Mr. Chairman, I have one question of the hon. minister or the hon. member who sponsored the bill, whichever the case may be. Do you really think that if the bill says, "a retailer or person on his behalf," that you can make a regulation that says the retailer has to

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do it and omit the person on his behalf? Will the regulation override the statute?

SOME HON. MEMBERS:

Question.

MR. TAYLOR:

Mr. Chairman, I think we are entitled to an answer. Surely the objective of all of us should be to get the strongest legislation possible. There are just three points that I would like to add in connection with the matter, and I hope the hon. minister and sponsor of the bill will let us have their comments on same.

The first one was touched by the hon. Member for Calgary Bow, Mr. Wilson, in connection with the price. Now there is more beer sold than wine and whiskey, and there are more soft drinks sold than beer. The heaviest use of these drinks is soft drinks. At the present time a case of 24 carries a two cent deposit, so 48 cents are added to the cost today. That becomes refundable to the person when he takes the bottles back. Now if they are required to go to a universal depot, then there is another one cent added on, so that is 48 cents plus another 24 cents which gives you 72 cents per case for soft drinks. This is assuming, of course, that they are going to a universal depot.

If this became widespread, it could mean additional costs to the people who use soft drinks of from \$1 million to \$3 million a year based on the number of depots. I think that's a point that needs some consideration because if it's necessary, as the hon. minister says, if the cheapest way is to use the retailer, then let's not establish a universal depot simply for the sake of having a depot. The regulations can lock after that part to a degree. But I don't think that we should underestimate the importance of this cost, because we shouldn't have the people paying unnecessarily. They have enough costs on their shoulders now without putting additional costs there even though it's only 24 cents a case, because it does bring it up now to 72 cents, 48 of which they get back of course. There are still 24 cents involved.

Now in the case of beer at the present time, we pay five cents a dozen for handling, 30 cents in all, but the Alberta Brewers use a five cent per dozen for handling. Now if they are going to be charged for the one cent, there is going to be a seven cent increase there that somebody is going to have to absorb. If you go by the one cent per bottle it will either be the Alberta Brewers or the Alberta Liquor Store or it will be passed on to the consumers. But there is an additional amount of seven cents involved in handling these beer bottles over what it is costing those who handle the beer bottles today, if the one cent is involved.

If they can do this at five cents a dozen, I frankly can't see any reason why it should be increased to seven cents a dozen, and possibly the legislation is too definite when it says it must be one cent, because maybe it need not be one cent. The amendment deals with that particular point and it does say "to pay an additional sum of one cent." I think possibly if we said "not more than one cent" it might enable the beer bottles to be handled at the five cents they're being handled at today instead of an additional seven cents a case. That's the second point.

It appears that this extra cost is unnecessary in connection with the beer bottles and if the retailer can be used, the 24 cents is going to be an extra cost placed on the shoulders of the user of soft drinks. Those are two of the reasons why we think the amendment is sound, and the amendment makes for better legislation because it helps to reduce the costs on the people. I can't see why the hon.

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members opposite are not prepared to accept those arguments, unless they can show that they're not correct. If they can show they're not correct I'll be the first one to back up, but I've checked this out and researched it pretty carefully, and I think that is correct.

The other point that I would like to re-emphasize is the point that was raised by the hon. Member for Highwood, or a person on his behalf. The hon. Attorney General and his legal men can answer this better than I, but it would appear that a regulation must not be contrary to the legislation. Therefore, when the legislation says a retailer or a person on his behalf, it is very questionable to my mind, and to the minds of many, whether a regulation could say that a retailer must continue to handle it. Now with this provision in the act the hon. minister and his committee are in an excellent position to do one or the other because they can use one clause or the other clause. Surely the hon. members want to keep these refillable bottles on the increase. It helps our glass industry, it reduced the litter, and for the life of me I can't see why anyone objects to the retailer being required to take back the containers that he sells when requested to do so. For the life of me I just can't see why the hon. members are so adamant against that particular thing. It's doing what the hon. minister says he wants to do in his regulations.

Let's put it in the act and then we won't come up against this legal problem of passing a regulation that is going to get around the section that says "the retailer or a person on his behalf".

MR. YURKO:

There are several points I wish to make.

In regard to "the retailer or a person on his behalf", it's not always easy to define the "retailer", whether you're talking about a store or the owner of that store, or a person employed within that store, or the store itself, and the manner in which this is written covers every aspect of this. But it does tie into the depot also. The depot can be the person on behalf of the retailer and, of course, this is done for a reason. It also indicates that every depot must be approved by the minister, so the minister doesn't have to approve any depots at all -- and in all honesty, none has been approved to date.

I suggest that we want to involve the industry in total to collect its containers, and the one cent that the hon. member is talking about is immaterial when the industry does it. The one cent is really an incentive to get the industry to do the job itself and to get the industry to get together and set up a trust fund, if necessary, with each contributing to the trust fund on the basis of total volume of sales, which is what we started with in the legislation 103 before the beginning of the year. It broke down for only one reason, because suddenly Coke and Pepsi, who were going to get into the depot system, at the last moment decided they weren't going to have any part of the depot system. But Coke and Pepsi would have been fine if they only sold their soft drinks in returnable bottles, but that's not the case. The vending machine business is going up very rapidly and very dramatically. And Coke and Pepsi wanted both sides of the good thing. They wanted to be able to handle their returnable cases whenever they felt like it, through their little retailers. But at the same time they wanted to have complete freedom in handling their vending machines and their cans. And so they put up notices on their vending machines, take your cans to the nearest coke dealer wherever he was, because there was nobody at the vending machines to take back his cans.

Now if they would have tied in with the depot system, their cans would have gone into the depot system. But they are the result of much of the major confusion. Here are two companies that wanted the best side of both sides of this matter. They take every possible

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advantage -- the game is one of marketing -- and any company that can effect even the smallest marketing advantage, does so irrespective of its responsibility to society. And this is one of the reasons for, in fact, the universal depot. Because whereas a company sells 70 per cent of its business in returnable bottles, it sells 30 per cent in non-returnable cans, and its non-returnable can sales are going up very rapidly through vending machines. And the trend in the United States, and in every other jurisdiction that I have examined, is that in fact, the returnable bottle is losing very rapidly. I recognize that the returnable bottle has gone up 8 per cent since January 1st in Alberta -- I have those figures -- they gave me the figures -- just like they gave them to you. But the point is that this may only be a temporary thing.

Now I want to suggest something about costs, when you suggest that the cost may get too high. If the industry is really interested in keeping its costs down, then it will set up a trust fund and the cost won't be 1 cent for a container at all. In fact, it won't be the .5 cents that the beer industry -- or the .4 cents or the .5 cents that it costs the beer industry.

As a matter of fact by combining the two depots, and increasing the volume, the cost will go down substantially. All we are asking in this legislation, we're telling the industry -- in no uncertain terms -- get together and handle your garbage -- and get together as an industry, and don't fracture like you have in the last three months. Because all you've done in the last three months is cause discomfort and displeasure, and no end of confusion amongst the public.

As a matter of fact, if the industry was even conscious about taking back its bottles, every single independent bottler could have been a depot to take back recycled bottles, or returnable bottles. But they have refused. Where Boy Scouts have, in fact, gathered bottles, returnable bottles, Cokes and Pepsi, they could have taken them back to the plant. And they were taken back to the plant and given to the plant and the boys said reuse them. But the plants refused to do this. They said, take them back to our stores in batches of 24.

And furthermore, some of the storekeepers or the retailers wouldn't give 2 cents back on the bottle, but insisted that you bought the Coke brand or the Pepsi brand in exchange for their bottle. And this is one of the reasons their sales went up quite dramatically, because they took every possible advantage. You just have to live with this type of thing and for the hon. member across the way, if he ever has worked with legislation that affects almost every single human being, then he'll find that this is entirely different legislation and regulations that affect every single human being in this society; that type of legislation is entirely different than the type of legislation that just affects a very few people in the society.

Now I think I've covered everything that I want to cover, but I am sure that the hon. member, Mr. Ashton would like to make a few comments.

MR. ASHTON:

I just have a couple of remarks. If the existing act doesn't require a retailer to take the bottles or the containers back at his own place of business, then it could be interpreted that he could appoint somebody else down the street to do it. I might suggest that that might not be a bad idea because it introduces some flexibility to the minister when he is setting up his regulations. And on that basis again, the amendment that the hon. Member for Drumheller proposed should be opposed.

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As an illustration I would like to point out that one of the bottlers in Alberta has made a suggestion that refillable bottles be returned to the existing dealers and that the throw-away cans and bottles be handled through the universal depots. I don't particularly buy the idea, but it may be a way of easing into the system. The hon. members are aware right now that it is the throw-aways that are handled through the contain-away depots.

With regard to the extra cost, I think it would be foolish for me to make a statement that there will not be an extra cost when we are talking about the one cent per bottle. However, I think with any environmental legislation we have to face the fact, as citizens, that it may cost us some money if we require industries in cities or municipalities to not discharge junk into our rivers and to introduce sewage control equipment and so on.

This is going to cost money. It may be that this legislation will cost some money. I think we have to face that as fact. This is one thing I find about the young people in the province is that they tend to -- and I think we saw this last week -- they are prepared to look at this. However, it is not as bad as it sounds because if the retailer isn't handling that bottle -- and some of these containers are going to universal depots -- if the retailer isn't handling it, obviously he is making a saving. How much the saving is, we cannot say.

As the hon. Member for Drumheller has pointed out, the beer bottle recovery system in this province is very efficient. They are down to a mere few cents a dozen. Of course, one of the secrets of that system is the standard bottle that they use. I was delighted to hear the hon. Member for Macleod suggest on second reading that our objective should be locking at a standardized bottle. I might point out that if anyone suggests that we are hearing noise from the industry now, just wait until Coca-Cola would see a bill requiring a standardized bottle. Then you will hear some yelling.

So that is all I would have to say. I would still have to vote against the amendment on that basis. It doesn't allow the minister any footage.

MR. YURKO:

Mr. Chairman, I just want to say one thing. I have one great consolation with respect to costs and that is that the majority of this money is going into jobs. It is going to be paying salaries.

MR. WILSON:

Mr. Chairman, at one stage in this evening's debate on this issue I thought that the hon. Minister of the Environment was in favour of the intent of our amendment that was proposed, to the effect that retailers would still deal in the returnable bottle. But now I am beginning to wonder after hearing the comments from him and the hon. Member for Edmonton Ottewell. I would like further clarification from the hon. minister as to whether or not it is his intent, if he defeats this amendment that we proposed, to put into the regulations that retailers will take the bottles or containers back.

Secondly, I would just like to give him some statistics that I think refute his statement that non-refillable containers are going up. In 1969, non-refillable containers represented 18.6 per cent of sales in Alberta; in 1970, 15.8 per cent; 1971, 15.6 per cent; and in 1972, the first quarter was 9.6 per cent. Cans, for those same years, were 29.6 per cent of sales in 1969; 35.1 per cent in 1970; 33.9 per cent in 1971; and in 1972 dropped to 25.2 per cent; whereas in 1972 the returnable containers went back up to 65.2 per cent which was the highest for any of those years.

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But I would like to have a clear statement from the hon. Minister of the Environment as to whether or not it is his intention to use the retailers in addition to the depots. I am not talking against the depot system, but I sure think that the retailers should be involved in this, particularly from the aspect of tourists. I don't think anybody has mentioned that this evening. It is all right if you collect bottles in your basement, as the hon. minister suggested, but how many tourists are going to carry six Coke bottles around town looking for a depot? They're going to chuck them out the window if they can't get rid of them at a retail store. I think it is going to defeat the very thing that we are after here.

MR. YURKO:

In connection with the hon. gentleman's statistics, he might have delved into them a little deeper. When we brought the legislation in, the non-returnable glass bottle virtually disappeared. So this immediately changed the statistics. The percentages changed immediately by virtue of the fact that the non-returnable glass bottle disappeared. As a result, some of this was replaced by cans, some of this was replaced by bottles, but it suddenly changed the percentages. That doesn't mean that the cans went down at all. As a matter of fact, the cans went up slightly, rather than down, even though your figures show that they went down. You juggle your figures and you'll see.

MR. WILSON:

You're good at that.

MR. YURKO:

What that amendment is suggesting is that the choice of return be given to the individual, to the consumer. What we're saying, in no uncertain terms, is that that choice is now available in the legislation, if the minister so decides to exercise that choice. But if the minister decides not to exercise that choice, for reasons because he knows more about the situation, through the advisory committee that has been set up, than the hon. member across the way, then the minister, I feel, should be given the opportunity to make that choice.

The objectives are what are important, and all I'm suggesting is that the minister isn't going to blithely go off in some direction. He's going to try to do what's best for the province, and what's best for the people of Alberta. All you want to do is remove this choice.

I'm suggesting that at this point in time, with the flexibility that is necessary at this time in this type of legislation, that this choice is something that is vitally necessary. I suggest that the need for removing this choice at this time is not there. If you ask me to prove that it should be there, I can ask you to prove that, in fact, the choice shouldn't be there. As far as I am concerned, in having to live with this thing for the last seven or eight months, I simply suggest to you that that choice should remain within the legislation. If, in fact, we find that choice is not necessary in the fall, or a year from now, then certainly we can remove that choice. But at this time I think it's necessary.

MR. R. SPEAKER:

Mr. Chairman, one of the questions that hasn't been answered that I certainly would like answered, is the potential conflict, as was raised by the hon. Member for Highwood, between what is in the legislation and the intention that you would carry out by regulation. If the minister could comment on that, I would appreciate that very much.

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MR. YURKO:

Mr. Chairman, I don't understand what the hon. member is getting at. There is no conflict. The legislation provides a fairly substantial degree of movement on the part of the minister and his advisory committee in establishing regulations, but no regulations are going to be established outside the scope of the legislation. All regulations will be within the scope of the legislation, so I don't understand this conflict that's being referred to.

MR. TAYLOR:

Mr. Chairman, that's just what worries us, because it says, "a retailer or person on his behalf 'shall'." There is no choice -- it's not may, it's shall. So any retailer can say that the depot, wherever it is, is collecting them on my behalf. How you can establish a regulation to change that without the amendment, I don't know.

The other point that I'd like to emphasize -- and this should, as far as I'm concerned, cover the field -- is the matter of cost. I am a little concerned when the hon. minister says the extra cost will create jobs. I don't think that should be the objective. Perhaps I misunderstood him. I think we should keep the lowest possible cost to the consumers, and then if jobs are necessary, fine. But let's not increase the cost to the consumer simply to create jobs. If that becomes the objective, we'll be doing what we did in the depression -- moving dirt in wheelbarrows, instead of using modern equipment. It certainly created jobs, but it didn't create too much for the country. While jobs are essential, let's not create jobs for the sake of creating them. Let's keep the price as low as possible in order not to require additional bodies and not to put additional costs on the people.

The other point -- I still don't appear to have had an explanation about this extra seven cents that will be required to handle the beer bottles. If that extra seven cents is being shoved on, it is simply being shoved on unnecessarily, because the industry has shown it can handle them at five cents.

In conclusion, as far as I am concerned -- then I have said everything I want to say -- is that I think in view of all of the items, our objectives are the same on both sides of the House. I don't think any of us are working for the industry or for any particular group. I think we should be working for the people of the province. We think the people of the province should have the choice of taking their containers back to the store from which they bought them, and that that storekeeper should be required to take them back when requested to do so. That is really all the amendment is saying.

If the hon. minister and the hon. sponsor of the bill want to have further time to consider this, we certainly have no objection to holding it over until tomorrow, but if you have completely made up your mind, that is a different matter. But I think the thing is important enough, in order to keep costs down, and particularly to make sure we increase the number of refillables and reduce the number of non-returnables to the greatest possible degree. Those are the objectives we should be working towards.

MR. YURKO:

Mr. Chairman, I would like to take the three points one at a time. The reason, 'on his behalf' is because of the fact -- I have said it twice -- I will say it a third time. There are vending machines; there is no storekeeper on a vending machine. There is no retailer on a vending machine. Somebody has to accept that container. The industry isn't as simple as it is made out to be. It is a very complicated thing. The hon. member pointed out that all

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these cans were going to depots, and that 7-Up and the rest of the manufacturers of cans-vending machines had to accept these cans back at depots, or at some storekeeper's somewhere else where that can wasn't bought. So there is a need 'on a person's behalf', 'on a manufacturer's behalf', or 'on a retailer's behalf'.

I want to suggest that there is compatibility between job creation and keeping the cost down to the consumers. I went through this. I suggested if, in fact, the depot that was now receiving beer bottles and was handling them for five cents per case, if it wanted to get into the business, it could reduce the per case cost substantially. Nevertheless, it would still create jobs and still reduce the per case cost very substantially.

With respect to point number 3 and the seven cents on a case of beer. No one has said -- I have mentioned over and over again -- that the minister has the opportunity to make an exception to the universal depot. That is right. One of the first things I might do, if the beer people don't want to get involved -- but I would like to see them involved because their experience in this area of depots and in handling pelletized materials, and in standardization, is really tremendous. I would like to see them involved, because they could give the soft drink people an enormous amount of guidance. So there is an incentive for them to get in. As a matter of fact, they could lower their costs below five cents per case.

This is the flexibility we have built into this act, or into this bill. We can't prejudge the situation at this time. We simply say we have to have this flexibility. Let us set up an advisory committee; let us bang some heads together and see what we can come up with -- the best system, the cheapest for the consumer, at the same time creating some jobs; at the same time doing a really good job all around, fulfilling all our objectives, rather than only one or two.

This is what we have tried to do in this bill. We have every one of these features in this bill at this time. We will fail or succeed in the manner in which we implement it.

MR. DCAN:

Mr. Chairman, I would like to speak to this amendment. I would like to speak to the way it affects me, or the way it might affect a customer. I think the retailers of soft drinks today are the ones who are putting the pressure on. They want the business, but they don't want the trouble of looking after the returned bottles. I feel that it might be that a retailer will start stocking cans if this is changed the way it is going to be changed now. Cans are twice as easy to stock as bottles. You can get the whole carton and stack one carton on top of the other. You can't do this with bottles. If I want to go down to the corner store and get a carton of pop -- and I do this quite often -- I generally look for the empty carton at home, and I take the bottles back with me. If I have to wait and find a depot some place, I am afraid I am going to wait, and they are going to accumulate around there until my wife probably throws them out or we'll fill up the back of the car and go looking for a depot.

MR. CHAIRMAN:

The question has been called. All ready for the amendment as moved by Mr. Taylor and seconded by Mr. Wyse.

Amend section 2 by adding the following sub-clause:

- "(5) Notwithstanding any other provision of this act, a retailer must take back any soft drink containers that he has sold from his premises."

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MR. TAYLOR:

Mr. Chairman, I am sorry, I didn't write in yours,

"Notwithstanding any other provision of this act, a retailer when requested to do so, must take back . . ."

I'm sorry. I probably left that out of your section.

"when requested to do so, must take back any soft drink containers that he has sold from his premises."

[The amendment was defeated by a voice vote.]

[Amendment 2.1, sections 4 to 6 of the bill, were agreed to without further dissent.]

Title and Preamble

MR. WYSE:

Mr. Chairman, the hon. minister has signified to the House that he has spent considerable time in the last two weeks or ten days on this bill. After studying it clause by clause, I can just suggest that the hon. minister didn't spend enough time preparing this bill.

AN. HON. MEMBER:

Agreed.

MR. WYSE:

It seems to me that a government that is supposedly concerned about industry and about individuals, and then bulldozes a bill like this through the House, is very disappointing to me. The hon. minister suggested that it would create jobs. I would like to suggest to the hon. minister that it is going to kill some of the industries in the Province of Alberta. Again, I am thinking about the industry in Medicine Hat.

I would just like to say again that I am very, very disappointed in the hon. minister. I would like to ask him a question. How many groups has the hon. minister met with in the last two weeks? How many has he turned down? If the hon. Premier was here, I would like to ask him the same question.

MR. YURKO:

Mr. Chairman, I didn't indicate that I spent a lot of time on the bill or on this topic in the last two weeks. Those were the words of the hon. member. I said that in the last eight months or so I spent a great deal of time in this area, something like 15 per cent of the time. I didn't say what I spent in the last two weeks. I don't know where the hon. member got the idea that I said I spent a lot of time in the last two weeks.

I've had, I believe in the last two weeks, two meetings with the industry. My department is constantly in contact with the industry. The number of phone calls, the number of complaints and letters that are coming in against the system as it is are very extensive. Every radio show, virtually every talk back show indicates that some changes have to be made and I think with that Mr. Chairman, I close.

MR. DIXON:

Mr. Chairman, I understand that there will be quite a change in the bottles with the new screw-cap that is coming out. I understand

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that there has been quite an increase in sales, especially with Coke, in the larger bottles with the screw-top because they are very convenient.

Also while I'm on my feet I was wondering about these depots that are in operation for whiskey bottles,, beer bottles and everything else that is not re-cycled back. They claim that after you get north of Red Deer you can't deliver the glass back to Redcliffe for breakage and re-cycling again into new bottles. What is the government's plan for the disposal of all the old bottles that are beyond the Red Deer area and north that are not going to go back to be re-cycled, to be filled again by the product? What are you going to do with the old bottles?

MR. YURKO:

My understanding is that an organization is very actively investigating the establishment of a re-cycle plant for feeding glass into the Redcliffe Glass Works at this time. They are looking at this matter from across the entire province. Once you start accumulating material, be it glass or metal, then you find other people very actively concerned about putting it to use. I have no hesitation in suggesting that once the depot system gets going in a very substantial way that methods of re-cycling are going to be found without any difficulty at all.

MR. DIXON:

A supplementary question, Mr. Chairman. Would that go for the same thing as the cans as well? As I understand the argument it's the freight rates from north of Red Deer to the plant rather than the shredder plant to shred the glass before they haul it. It seems to me that the big problem is most of these bottles are broken anyway. They can do this quite easily, but apparently the freight rates make it prohibitive to ship it back to Redcliff. Apparently they could use all the product but there is no way they could get it down there under the present -- I forget, it's so much a ton anyway.

MR. YURKO:

The freight rates that are calculated are always calculated on a one-way trip. The real fact of the matter is that when you calculate matters on a two-way trip going loaded in either direction then the entire situation changes. So when you examine a situation you always look at it on a one-way trip and these are the figures that you heard. But we have a salvage depot in Edmonton that has been buying bottles for a cent and a half. A bottle that is worth two cents, they have been buying for a cent and a half. This legislation doesn't prevent anybody from getting into the business of buying bottles. Anybody can get into the business of buying bottles, establish himself as a depot, and buy a two-cent bottle for a cent and a half if somebody wants to sell it to him. They are shipping their bottles. They are buying all sorts of them.

[Title and Preamble were agreed to without debate.]

MR. ASHTON:

I move that Bill No. 26 be reported.

[The motion was carried without debate.]

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Bill No. 10
The Public Service Vehicles Amendment Act, 1972

[Section 1 to Section 4 were agreed to without debate.]

Title and Preamble

MR. TAYLOR:

Mr. Chairman, was the hon. member able to check and make sure that the ambulances are going to be able to operate now in regard to breaking speed limits at certain times when it is a matter of life or death?

MR. HANSON:

All this bill does is define the ambulance. It will have its own rules and regulations. All these rules will be for the better not the worse.

There was one thing brought up over this bill -- a first-class driver's licence. This will stay the same, and any other points that will improve it will be added. It won't make the ambulance less economical.

[Title and preamble were agreed to without further debate.]

MR. HANSON:

I move that Bill No. 10 be reported.

[The motion was carried without dissent.]

Bill No. 25
The Condominium Property Amendment Act, 1972

[All clauses, the title and the preamble were agreed to without debate.]

MR. LEITCH:

Mr. Chairman, I move that Bill No. 25 be reported.

[The motion was carried without dissent.]

Bill No. 27
The Fuel Oil Tax Amendment Act, 1972

[All clauses, the title and the preamble were agreed to without debate.]

MR. MINIELY:

Mr. Chairman, I move that Bill No. 27 be reported.

[The motion was carried without dissent.]

Bill No. 32
The Alcoholism and Drug Abuse Amendment Act, 1972

[All clauses, the title and the preamble were agreed to without debate.]

MR. LEE:

Mr. Chairman, I move that Bill No. 32 be reported.

[The motion was carried without dissent.]

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Bill No. 35
The Northern Alberta
Development Council Amendment Act, 1972

[All clauses, the title and the preamble were agreed to without debate.]

MR. ADAIR:

Mr. Chairman, I move that Bill No. 35 be reported.

[The motion was carried without dissent.]

Bill No. 36
An Act respecting The
Minister of Telephones and Utilities

[Section 1 to 5 were agreed to without debate.]

Section 6

MR. CLARK:

Mr. Chairman, while we're so agreeable, I wonder if the hon. minister would agree to outlining rather briefly -- very briefly, in fact -- those areas that he sees his office becoming involved in, in the area of utilities. And my reason for asking the question is this. I don't have any difficulty in following the hon. minister's involvement as far as telephones are concerned, but the minister has on more than one occasion in the House talked about the role of the Board of Public Utilities Commissioners. And I would like to ask the minister where he sees the utilities portion of his portfolio going, and specifically, what he sees himself being involved in in the next year?

MR. WERRY:

Specifically?

MR. CLARK:

Quite specifically, as far as utilities are concerned.

MR. WERRY:

With respect to utilities aspect of the portfolio, the Public Utilities Board as such will remain an independent quasi-judicial body with no interference from Executive Council whatsoever.

The duty that I am charged with is developing an overall policy with respect to utilities in the province, and that will take in private utilities and such problems as rural development and rural utilities.

MR. CLARK:

Can I just follow it up, Mr. Chairman, then -- and I ask this specifically because I've had some people come to me pretty directly and say, OK, what's the utility portion of portfolio involved in. And I would be correct in saying, then, that you will be involved in this question of public versus private utilities in rural Alberta. Is that the main scope of your venture for the next year?

MR. WERRY:

Well, yes in the main it will be concentrating on rural utilities and also getting underway a number of studies in connection with the Energy Resources Conservation Board, the duties that they

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have under The Hydro and Electric Energy Act, combining their duties and getting a number of studies underway to develop the utility portion of the portfolio in the best interest of all Albertans.

MR. CLARK:

Will you be taking on then, some of the responsibilities of the Energy Resources Board?

MR. WERRY:

Well no; I indicated the Energy Resources Conservation Board have authority vested with them now. I will be co-ordinating and not over-lapping any studies that they have or any public hearings that they have underway, or scheduled for the forthcoming year, so there will be no duplication. I will be working with them in order to come up with a comprehensive assessment of the needs in the area of all utilities within the province -- such as gas, electric, telephones, etc.

MR. CLARK:

If you could you give me two or three areas of the specific studies you will be involved in this year; and then two or three examples of the problems you have had with the Energy Resources Board to point out the need for co-ordination, I likely could understand you a great deal more easily.

MR. WERRY:

Well if you'll look in The Hydro and Electric Energy Act, you will see that -- I don't have my file with me tonight -- but they are charged specifically with certain duties under The Hydro and Electric Energy Act. It would be very easy for me to duplicate those duties.

There is, as you can appreciate, a variation of utility rates throughout the province by the very nature of the system that we have -- a mixture of municipalities and to private utility firms that have different rates in their franchised area. It seems to me that if we are going to develop the portion that is served by Alberta Power, somehow we have to ensure that that service area has a more equitable rate with the Calgary Power franchised area. Otherwise industry will tend to locate in rural Alberta in the Calgary Power service area because you are at a distinct disadvantage if you want to locate in Grande Prairie as opposed to Olds because of power rates.

Also gas co-ops now are coming into rural Alberta with a larger number being activated. There will be a rural gas co-op policy that will be -- studies are fairly well complete and a policy will be forthcoming very shortly on that. So there are a number of areas that the utilities portfolio will cover that are now within the scope of the Energy Resources Conservation Board.

MR. CLARK:

Just to make one last comment, Mr. Chairman, and that would be this. I am told of the studies that have been going on as far as gas co-ops are concerned and you are the third minister that is now involved in this. The hon. Minister of Rural Development and the hon. Minister of Agriculture has commented on this on several occasions. So I come to the conclusion that basically this year you are going to be involved in this question of public versus private use of power. When you talk about making some changes as far as the rates are concerned, really that is going to be -- if I could use that oft-termed expression -- that is going to be the main thrust for the year.

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MR. WERRY:

Mr. Chairman, I would hate to leave the House with that impression that that is the main scope of my duties in the forthcoming year. Because of the very nature of the problems in those two franchised areas and also the municipalities that serve their own municipal districts -- Edmonton Power for instance, Medicine Hat, Lethbridge -- it seems to me that there has to be some way of reducing the cost in the service area of Alberta Power because of the disadvantage that they're at.

Maybe the resolution that was put in by the hon. member, Mr. Moore, that there be a provincially owned grid system which is altogether different from public power -- maybe that is the answer where we can have a grid system that feeds the whole province. The grid system would purchase power from whoever wants to generate it and can generate it at the most economic rate. The grid system would, in turn, wholesale it out to industries or to municipalities and REA's. I, for one, don't pretend to know the answer but that one strikes me as being possible. I don't know but I think it is one that warrants studying.

MR. NOTLEY:

I wonder if I could just ask one question to follow up the hon. Member for Olds-Didsbury. I was interested in your comments on rural gas co-ops. Could I ask you what role your department is playing in this feasibility study that we have heard about for the last several months? Is this being commissioned under your department or is it under the Department of Agriculture, Rural Development, or just exactly who is in charge of the mechanics of it?

MR. WERRY:

Mechanics emanated from the Rural Development Committee of Cabinet. It was commissioned under the Department of Agriculture under the Co-operatives Association. Once the policy is enunciated, or becomes policy, then it will come under my jurisdiction for administration.

MR. RUSTE:

Mr. Chairman, just on that line then, I thought your administration would be under the Co-operatives Activity Branch. Are you going to deal with the administration of that? This is what is confusing me. I think rural gas co-ops have been mentioned and so on. I would just like an explanation of this.

MR. WERRY:

You are looking at the financing of the co-ops themselves and then you are looking at the distribution. The financing will still be under the REA's and the gas co-ops but the administration of the rural gas policy will come under my portfolio. But now again, the loaning and the funding of the co-ops themselves will still be administered under the Co-operatives Activities Branch -- the REA's and the gas co-ops. That's who the local co-operative will approach to get their financing. My department and the Co-operative Activities Branch will work together in setting up guidelines for granting those loans, but it will be up to the Minister of Agriculture, the Deputy Premier's Co-operatives Branch to administer the loaning of those funds for the gas co-ops.

MR. RUSTE:

Do I take it then, Mr. Chairman, that the gas co-op will go to you, then for a source of fuel -- we'll take in natural gas. They'll have to go to you to get the source of fuel then and then to the Co-

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operatives Branch for the administering of the financing of the distribution system.

MR. WERRY:

That may be one of the functions, but I would think that before you can get a loan -- say you have a particular co-op in mind and you are applying for a loan. One of the criteria that will be within the Co-operatives Activities Branch will be that first of all you have to have a feasibility study as to the number of farmers that will be in on that line, the cost of that line, you must have a contract for gas supply to that line, the maintenance of that line, insurance. Those are some of the things that the Co-operatives Activities Branch will make sure that the individual co-op must have before they will approve those loans. So there is a certain amount of co-ordination between the Minister of Agriculture and myself on that particular area.

MR. RUSTE:

Where does the Minister of Mines and Minerals fit in to it then, because he has, I think, the basic source, hasn't he?

MR. WERRY:

Well, no, it's a matter of the co-op contracting with a gas distributor -- someone who has the gas and is available. So it's a matter of contracting between two parties. But the co-op must have a contract. In the past, this has been one of the areas that has been a problem -- is that a gas co-op will go out and not have a source of supply for a ten or a twenty year period. Therefore, this will be one of the criteria -- that they'll have to have an adequate supply at a reasonable price before that co-op will be granted funds.

MR. DIXON:

Mr. Chairman, on that subject, I was quite interested. If the minister would enlarge on it a little bit -- the other day during the oil royalty hearings, I believe it was the people from the Fairview area who were claiming that one of the fields that had already dried up -- Worsley -- they were complaining that they couldn't hook into anything close in the area. How is the government going to assure them a supply?

MR. WERRY:

Mr. Chairman, I think the hon. member would be aware that when Turner Valley first started burning gas in 1935 -- just letting it go up in the air -- there is a large storage reservoir in Turner Valley. When Jumping Pound came on stream in the '50's, what in fact is now happening is Jumping Pound -- the pipeline doesn't come from Jumping Pound into Calgary, the pipeline goes from Jumping Pound, down into Turner Valley, back from Turner Valley into Calgary. So that if Worsley has depleted its supply, then it's a matter of getting some gas back into the storage that's available there.

MR. DIXON:

You're talking about oranges and apples in a case like that. You've got the population in that circle. As a matter of fact, you didn't mention Bow Island, and it can store the gas nearby. You've got this complete circuit. I think what they were concerned about is that they were in that one pocket in northwestern Alberta and they haven't got the population to support that type of thing. I was just wondering what policy the government was going to make to guarantee, as you were mentioning, a long range supply of gas so that we don't get these co-ops started, and in three or four years time they are in the Legislature asking for special action to take care of the supply.

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DR. HCFNER:

Can I speak to that very briefly? One of the ideas behind doing a feasibility study in the province was to make sure that all of these areas could be supplied. We're waiting for the final technical submission, so that we can make some announcement in regard to policy covering all of the areas. We are aware of areas like Worsley and we are hopeful that with the kind of program we are anticipating we can do just what the hon. minister has said -- provide a guaranteed source of supply over a period of time for all of the areas.

MR. DIXON:

I wonder if I could finish it up then. In other words you would be talking about a subsidy for a certain area that didn't have the population to warrant it. You mean you would charge them a full price regardless of what that price was, without subsidy?

DR. HCFNER:

That is the hon. member talking, not me. Nobody is talking about subsidy whatsoever. If the hon. member will take the time to look at the pipelines that now criss-cross this province, including the Worsley area, he will find that there are additional pipelines in the area. It may be necessary in certain areas to build laterals from main lines to provide co-operatives. This is why we are so anxious that any co-operatives that are being formed now be of major size, so that it would be economically feasible to have main line laterals built in to certain areas.

MR. RUSTE:

Mr. Chairman, along that line, which department will be in charge of -- shall we say -- the gathering and the machinery that provides the natural gas to these areas?

DR. HCFNER:

As the hon. Minister of Telephones and Utilities has said, there is a divided responsibility here. We are responsible in rural development and in the Co-op Activities Branch to try to provide the gas, or the funding (if you like) for the rural gas system. But there are a number of other problems that are more properly under the Department of Utilities. These include not only the source of gas, but also the quality of gas. One of the real problems has been the lack of good quality gas in certain areas. We have had some that has frozen up because of liquid in the lines. We have had some in which people were found half unconscious because of a leakage of hydrogen sulfide in the lines. There have been no regulations and no control of the kind of gas that has gone into some of these rural systems. That alone is going to be a major area for the hon. Minister of Utilities to be active in, as far as rural gas is concerned.

The whole question of the mechanism, or the technical part of the gas supply, certainly the Co-op Activities Branch doesn't have any technical competence in regard to these matters. Their responsibility will be primarily in the funding area. We will, as the hon. minister has said, have close co-ordination in the area, but the technical matters will more properly be under the Department of Utilities.

MR. RUSTE:

Where does the Department of Mines and Minerals . . . I want this clarified. Does it get into the picture at all or not?

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DR. HERNER:

Mines and Minerals, of course, are responsible for the initial drilling of the gas, the question of the transmission of gas and so on. They are the primary source, if you like, but they have never been enough concerned about -- in my view -- the question of quality of gas and reliability of source.

MR. STROM:

Mr. Chairman, did I understand the hon. Minister of Agriculture to say that the government would provide the lines leading to the co-operative from these? Then who would this be charged to?

DR. HERNER:

That is one of the problems that I said when I first got up, that we are awaiting the final technical submissions in regard to the question of feasibility of laterals and this type of thing, to be able to announce some comprehensive policy. I didn't say who was going to be in charge of the provision of the laterals. I did say that if we have large enough co-operatives in an area it will then, hopefully, become economically feasible to run steel laterals in if they are required.

MR. STROM:

And charge it to the co-op?

DR. HERNER:

It will be part of the cost of getting gas to the area.

MR. STROM:

Mr. Chairman, I appreciate it would be part of the cost of getting gas to the area. I am merely asking, has the government this matter under consideration? Are you saying that at the moment you are not sure whether you will be paying part of the cost, and that you may, in the final analysis, pay a part of the lateral lines?

DR. HERNER:

No, the entire matter has not been finalized. This is what we are waiting for, as a matter of fact. One of the questions is the question of the requirement of the laterals and how much they will cost, the question of the economics once you get it there. I am sure the hon. Leader of the Opposition can appreciate that it is going to depend in certain areas on numbers. We are awaiting submissions from the people who are involved in the transmission of gas. In regard to this entire problem, I can't give them an answer until I get those submissions.

MR. STROM:

Mr. Chairman, does the hon. minister have any idea as to the percentage of the area that could possibly be served -- that is, I am thinking of the fiscal possibility, because you have indicated now that the costs have not been totally analyzed as yet, so there are some, I am sure, that would be totally out of reach. That wouldn't be known at this point in time. I am merely wondering -- is there some ballpark figure as to how many might be able to be serviced by gas under this plan?

DR. HERNER:

I can give a ballpark figure, Mr. Chairman, and it is strictly that. Our objective is to service over 95 per cent of the people of Alberta.

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MR. NCTLEY:

Mr. Chairman, just to follow up on some of the questions that have been posed -- I think, Mr. Minister, there is as you know, a great deal of interest in this whole proposition in rural Alberta. I think we have had a bit of a problem with the study perhaps taking a little longer than might have been the feelings of some. I am wondering if you are in a position tonight to give us some indication as to when you will have those studies completed, whether it will be within the next two or three weeks, or whether it will be before the end of June, or what the situation will be?

Further to that, up on several of the points raised by the hon. Member for Calgary Millican, it is my understanding that in allocating the Alberta supply, while there is a certain specified supply set out for the province, this is not, however, done field-by-field, the supply is computed in general and not on a field-by-field basis. The concern of the people from the Fairview area was that we have a very large field in that community, adjacent to the community. I think that they are interested in whether or not the government has any intention of changing the regulations for supply so that there would be a stipulated supply from that field, which would be set aside for consumption both in the community and the adjacent countryside.

DR. HCFNER:

I think that those are reasonable questions. The first one, in regard to when we will be in a position to make some announcement, I am as anxious as the hon. gentleman to move forward in this area. There are technical problems that we have to have the answers to before we can shoot off at the hip, or we are going to get into trouble.

When the government does make that announcement, we want to be in a position where we can say that it is technically feasible, that these are the outlines, and to do the job. Part of the problem, again, that has to be looked at, is this question of the assurance of supply, if you like, a grid system within Alberta so that gas can be moved from one area to another if necessary, so that we can say to the people of Alberta that we are going to assure them of a supply of gas -- and when I say the people of Alberta, I mean all of the people that are going to be provided with gas. I think that these are important considerations that we have to finalize before we can announce a policy in the area.

MR. CLARK:

Mr. Chairman, I believe I was the member that broke the agreeable atmosphere of the House. Perhaps the hon. minister would agree that by the fall session he would be in a position to indicate to us a bit more concisely what the utilities portion of his portfolio is going to be doing, because the hon. Minister of Agriculture just said that he was going to make the announcement as far as --

DR. HCFNER:

I said the government would.

MR. CLARK:

You caught yourself there somewhat, so that you aren't going to. By the fall session, could you perhaps have for us somewhat of a detailed breakdown as to really, what you have done and are going to do.

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SOME HON. MEMBERS:

Agreed.

MR. DIXON:

Mr. Chairman, I was quite interested in the prediction of the hon. Minister of Agriculture, that 95 per cent coverage for gas is what they had hoped to do as a government, at least work towards that objective. I am just wondering -- recently I have talked to engineers in the oil industry and they feel that, because of the environment regulations and other things, that the by-products of the gas are going to drop drastically in price. I am wondering if your study is taking this into consideration? It might turn out that in some areas it might be better than trying to run a natural gas line. If these products are going to drop, and there is going to be a surplus of them, does this study also include the future of the other types of gas other than the piped natural gas?

DR. HOFNER:

I would like to assure the hon. gentleman that if in certain areas propane would be the cheapest fuel we would certainly consider setting up co-operatives that could provide propane. While propane is an excellent fuel, if the hon. member has ever lived in the country when it's 50 below and the propane freezes up he will appreciate some of the disadvantages.

MR. DIXON:

I have been in a few countries that were frozen up and they didn't have propane.

What I'm trying to get, at and I'm serious about this because we have a fairly large industry -- this chap was going to go into the greenhouse business not too far from Calgary and a survey showed that it might be better, looking into the future, to use methane and butane and other things that are going to be in surplus supply. I'm serious when he claims, and they are doing a practical study at the present time -- so there must be something to it. I'm not just throwing this out as a hope for a future, this is actually what is going on at the present time -- this study for this particular industry.

DR. HOFNER:

Mr. Chairman, there are all kinds of figures that are available as to comparative costs between propane and natural gas. Just off the top of my head -- I have the figures in my office -- but when you are talking about natural gas at 70 cents, it is the same as five cent propane and if the hon. gentleman knows where you can buy propane for five cents a gallon I would like to know where.

MR. DIXON:

I think the hon. minister is missing the point all together. It's not only the cost of the fuel, you are talking about building lines to all these individuals farms, and as the farms are getting larger, the costs are naturally going to increase, because you have to go longer distances to serve the customers that you are talking about. So you have to take both things into consideration.

MR. FARRAN:

A point of order, Mr. Speaker, what has this got to do with the bill?

[The title and the preamble were agreed to.]

May 29th 1972

ALEERTA HANSARD

56-83

MR. WERRY:

Mr. Chairman, I move that Bill No. 36 be reported.

[Motion was carried without debate.]

MR. HYNDMAN:

Mr. Chairman, I move that we rise and report.

[The motion was carried without debate.]

MR. CHAIRMAN:

I would remind all the hon. members to put their jackets on before the Speaker comes in please, including the gentlemen with the dark shirts that sometimes might not be so conspicuous.

[Mr. Chairman left the Chair at 10:56 p.m.]

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[Mr. Speaker resumed the Chair.]

MR. DIACHUK:

Mr. Speaker, the Committee of the Whole Assembly has had under consideration the following bills: Bills No. 30, 31, 42, 41, 10, 25, 27, 32, 35, 36 and begs to report the same.

The Committee of the Whole Assembly has had under consideration the following bills: Bills No. 51, 26, and begs to report same with some amendments.

MR. SPEAKER:

Does the House agree that the reports as submitted by the Chairman be received?

HON. MEMBERS:

Agreed.

MR. HYNDMAN:

I move that the House do now adjourn until tomorrow afternoon at 2:30 o'clock.

MR. SPEAKER:

The hon. Government House Leader moved that the House do now adjourn until tomorrow afternoon at 2:30 o'clock. Do you all agree?

HON. MEMBERS:

Agreed.

MR. SPEAKER:

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

[The House rose at 10:58 p.m.]

