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LEGISLATIVE ASSEMBLY OF ALBERTA

Wednesday, November 1st, 1972

[The House met at 2:30 pm.]

PRAYERS

[Mr. Speaker in the Chair.]

PRESENTING REPORTS BY STANDING AND SELECT COMMITTEES

Legislative Committee to Review the Election Act

MR. PURDY:

Mr. Speaker, I beg leave to table a report of the legislative committee to review The Election Act. Your Committee reports that the time and facilities at its disposal have not permitted it to properly complete its assignment and the Committee therefore seeks new direction from the Assembly.

MR. HYNDMAN:

Mr. Speaker, I will put a motion on the Order Paper to the effect that the assembly allow the committee to continue its deliberations and report next session.

FILING RETURNS AND TABLING REPORTS

The Beverages Containers Act

MR. YURKO:

Mr. Speaker, the government conducted a fairly extensive survey this summer in regard to the effectiveness of The Beverages Containers Act. I wish to table the results of that survey.

MR. GETTY:

Mr. Speaker, I beg leave to table a Motion for Return requested by the assembly.

ORAL QUESTION PERIOD

Pricing Oil and Natural Gas

MR. STROM:

Mr. Speaker, I would like to direct a question to the hon. Premier. I might say that I have some information that is of concern to me that I picked up in the Oil Week, and my questions relate thereto. Have there been any discussions between Alberta and Quebec at the premier or ministerial level with regard to the pricing of oil and natural gas or other petroleum products?

MR. LOUGHREED:

No, there have not been, Mr. Speaker.

MR. STROM:

Mr. Speaker, a supplementary question. I wonder if the hon. Premier is aware of the position of Quebec that, because it considers the importance of it as being a consumer province, it would like to be able to give some input into

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the control of the prices that they would have to pay for these products. I'm wondering if the hon. Premier is aware of it.

MR. LOUGHREED:

Yes, Mr. Speaker, we're fully aware, of course, of the consumer interest in the Province of Quebec. I think all Albertans recall the debates that have been raised over the years with regard to a Montreal pipeline and the implications that have been involved in that situation. Of course, that same attitude naturally would be a factor in terms of natural gas. I think it is fair to say that we should be alive to the fact that the Province of Ontario, because they are a consumer province, would have similar concerns. But the matter in terms of our policy, as I mentioned in my remarks a week ago in this assembly, being a response to the field pricing report on gas delivered by the Energy Resources Conservation Board of August 1972, will be put before the House, hopefully, within a matter of two weeks.

MR. STROM:

Is the hon. Premier then aware of the suggestion that Ontario and Quebec might band together in an association to try to protect themselves against increases in prices, and then what steps would the hon. Premier consider taking to ensure that Albertans are getting a fair deal in this area?

MR. SPEAKER:

The question of the hon. Leader of the Opposition is hypothetical.

MR. STROM:

I do not consider it a hypothetical question that they are going to get together. It has been reported in the Oil Week that this is what they are doing. I thought the hon. Premier indicated to me that he was aware of it. They are not getting together just to sit and discuss the weather. They are going to discuss the pricing of gas and how to hold it down. I'm wondering what the hon. Premier's reaction would be to this.

MR. LOUGHREED:

Mr. Speaker, I have no knowledge that the governments of the provinces of Ontario and Quebec are banding together, to use the hon. Leader's words, with regard to this issue. The point of view that I was expressing, and I hope all Albertans are aware of it, is that we in this province are the energy province; we are the producing province; we are the province that is providing today for Canada pretty well all of the gas and the oil that is being consumed in terms of gas generally, and in terms of oil by way of Canadian crude. We're very much aware of this. Without going into a very lengthy answer to the hon. Leader as to why we directed in the first place the report by the Energy Resources Conservation Board for a report on field pricing of gas, which was the very first time the Energy Resources Conservation Board, under the advisory provisions in the act, was asked to look into that particular sort of a matter -- it was, I think, one of the important initiatives by our government, and the result on the response done by the Energy Resources Conservation Board was excellent. They went into it very well and covered it thoroughly, and came out with a first-class report. The government is in the process - in the final stages, in fact - of assessing the implications of that report upon the people of Alberta. That report was directed at the Alberta public interest. We are very much aware of the concern that the people would have in the consuming areas of Canada with regard to the question of an increase in the cost of energy which faces people the world over. But there is no information of which I am possessed at the moment that there is any actual banding together by the provinces of Ontario and Quebec, although we are alive to the fact that they would have common views.

MR. STROM:

Mr. Speaker, may I ask a last supplementary question? Can the hon. Premier assure us then that the Ottawa office has the capabilities to keep on top of this kind of a situation and check it out for the government?

MR. LOUGHREED:

Mr. Speaker, with respect, we are not operating our administration on the basis of offices. These are direct contacts. We are in constant contact, through Mr. Getty's office, with the various provincial governments. We have met recently with the Premier of the Province of Ontario. We're aware of these

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matters and we are operating in terms of our intelligence system in many different ways, and not relying merely on the staffing of an office in Ottawa. Frankly, these matters are much broader than that, and I'm sure that the hon. Minister of Federal and Intergovernmental Affairs - if we have an opportunity in the course of this fall session to return to his adjourned debate under Motion No. 1 would welcome the opportunity of expanding on the matter at another time.

MR. SPEAKER:

The hon. Opposition House Leader, followed by the hon. Member for Sedgewick-Coronation.

Ugandan Asians in Alberta

MR. SORENSON:

Mr. Speaker, my question is directed to the Minister of Intergovernmental Affairs. Was this province consulted in the decision of the federal government to allow Ugandan Asians to emigrate to Alberta?

MR. GETTY:

No, Mr. Speaker.

MR. SORENSON:

Supplementary, Mr. Speaker, to the Minister of Manpower and Labour. What is the provincial government doing to ensure that these people receive adequate clothing, housing and jobs?

DR. HOHOL:

Mr. Speaker, a senior member of my department is on a provincial-federal liaison committee, and through this committee we are very close to the situation. When events are such that they need reporting in the House, I'd be happy to do that. I appreciate the question.

MR. SORENSON:

Supplementary question to the minister. What is being done to ensure that the new immigrants are not replacing Albertans already on the job?

DR. HOHOL:

They are not even here yet, Mr. Speaker. This is not a problem yet.

MR. SPEAKER:

The hon. Opposition House Leader, followed by the hon. Member for Calgary Bow.

Purple Gas Regulations

MR. TAYLOR:

Thank you, Mr. Speaker. May I address a question to the hon. the Premier? He may want to redirect it. At the present time, there are no restrictions as to who may or may not purchase purple gas at bulk stations. What safeguards are provided to make sure that only bonafide farmers are purchasing tax-free purple gas from bulk stations?

MR. LOUGHREED:

I would like to direct that question, Mr. Speaker, to the hon. Provincial Treasurer.

MR. MINIELY:

Mr. Speaker, in reply to the hon. Member for Drumheller's question, I think the point he raises is a matter of some validity; however, I don't think it is one that is clearcut as the hon. member, I am sure, realizes, having formerly been Minister of Highways. It is a matter which I have had under review for the past several months and one which we are taking into consideration. We do see, though, some real problems and prices and costs regarding the enforcement of a tougher policy on the use of purple gas.

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I might also say that relative to what is happening in Canada generally in this area, the Province of Alberta is really leading in the whole area of the administration of fuel oil tax, and, in fact, in the purple gas areas, so we are breaking new fields and new horizons in the administration of this. The point you raised, however, is valid; it's one that is under consideration, but I do see some problems both ways regarding it.

MR. TAYLOR:

Supplementary, Mr. Speaker. Is the government aware of the number of alleged abuses that other than bonafide farmers are now purchasing purple gas tax-free?

MR. MINIELY:

Mr. Speaker, the question may be out of order, but I would like to answer it anyway. We are aware of some abuses; I think the hon. member is also well aware in any enforcement system that there will be abuses. However, I think, as a matter of government policy, we don't want to over-enforce to catch perhaps a few abusers at the risk of the individual liberty and creating an over-enforcement situation. That would be one of our concerns.

MR. TAYLOR:

One further supplementary. Has the government given any concern to the recommendation contained in the McKenzie Report on gasoline marketing, at which time he recommended that a bonafide farmer be given a certificate which would entitle him to purchase bulk gas. Has this been considered by the government?

MR. MINIELY:

Mr. Speaker, as I was saying, we have some of these matters under review. There are pros and cons, and again that may border on the area of over-enforcement. That's our concern; what you raise is valid, it is one of the items that we have in our review, but frankly I don't want to overdo the enforcement and I don't want to overdo the red tape through a permit system, and so I am concerned about it. To answer your question, it is under consideration but I have a lot of misgivings regarding it.

MR. MOORE:

Supplementary, Mr. Speaker, to the hon. the Provincial Treasurer. Is the hon. the Provincial Treasurer aware that the person who purchases purple gas from a retail or wholesale bulk station is required to sign an affidavit stating that this is to be used only for agricultural purposes?

MR. MINIELY:

Certainly, Mr. Speaker, I am aware of this and I think in the spring session I also indicated that we are trying, in the administration of The Fuel Oil Tax Act, to reduce the burdens on the dealer as well as the burdens on the individual citizens and the farmers. It is not an area, frankly, which I want to move on too quickly at the expense of increasing government bureaucracy and increasing the red tape that people in our rural areas have to go through. I am very well aware of the situation.

MR. SPEAKER:

The hon. Member for Calgary Bow followed by the hon. Member for Edmonton Ottewell.

Archaeological Surveys

MR. WILSON:

Mr. Speaker, I would like to direct a question to the hon. Minister of the Environment. Is the government carrying out archaeological surveys prior to the construction of highways, dams and pipelines?

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MR. YURKO:

Yes, Mr. Speaker, where the government undertakes a project that may have major consequences on the environment, the government will generally issue an environment impact statement. In regard to archeological and historical sites which may have to be investigated, I might say two things. The Environment Conservation Authority has had extensive hearings in this regard. It has as yet not placed its recommendations before government, but we generally know what the tone of the hearings indicated. That is that there was a pretty strong desire for legislation in this area, and this legislation is being contemplated and worked on, and the Minister of Youth, Culture and Recreation might wish to report in this regard. I do want to suggest, for example, in regard to the Kananaskas highway, a study of this sort was done. I would also like to suggest that the government has a basic policy, the view that all men competent in these fields don't have to reside within government. It favours the view that it goes out and hires consultants to do this type of work, and in fact it will, in every possible case, engage consultants to do this type of study. I believe that was the case in regard to the Kananaskis study.

MR. SPEAKER:

The hon. Member for Edmonton Ottewell --

MR. WILSON:

. . . Culture Youth and Recreation further elaborate on this question?

MR. SCHMID:

Mr. Speaker, I would just like to add in answer to the question of the hon. member, that the Department of Culture, Youth and Recreation has magnificent liaison with the Department of the Environment, and at all times our Provincial Museum and Archives is working closely with the department to make sure that if there are any findings of archaeological value that they are being investigated.

MR. WILSON:

Supplementary, Mr. Speaker, to the hon. Minister for Culture, Youth and Recreation. Does your department also use private sector talents and expertise in addition to your own government personnel for your research?

MR. SCHMID:

Mr. Speaker, we very strongly believe in private enterprise, and whenever possible we use outside sources on a contract or commission basis to do work for our Provincial Museum and Archives.

MR. SPEAKER:

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

AGT Service in Sherwood Park

MR. ASHTON:

Mr. Speaker, I have a question for the hon. Minister of Telephones and Utilities. The question is, Mr. Minister, have you received any complaints with respect to the Alberta Government Telephones service in Sherwood Park, and if so, have you done anything about it, or are planning to do anything?

MR. WERRY:

Yes, Mr. Speaker, AGT has had a large number of complaints from Sherwood Park residents in the last year, and the situation is as follows. Sherwood Park is one of the most rapidly expanding areas in Alberta, and the main problem with serving the residents of Sherwood Park is that all of the calls go through the Bonnie Doon exchange which is in the Edmonton Telephone area in southeast Edmonton. AGT has underway and planned and engineered a electronic exchange that will be brought on into service sometime in early '73 at a cost of some \$4 million which will have in excess of 10,000 lines which will allow that exchange to originate and terminate calls anywhere within the city system.

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MR. SPEAKER:

The hon. Member for Spirit River-Fairview followed by the hon. Member for Pincher Creek-Crowsnest.

MR. NOTLEY:

Mr. Speaker, I would like to direct this question to the hon. Minister of Public Works. Is it true, Mr. Minister, that employees of the Department of Public Works with first-class tradesman tickets, such as electricians, carpenters, etc. have been notified that they have been reclassified to maintenance tradesmen? Is it also true that these notifications stated that their salaries will be frozen?

DR. BACKUS:

Mr. Speaker, it is true that there has been a reclassification of all the tradesmen, not just in the Department of Public Works, but in other departments having trades. This has been a general program reclassification to classify tradesmen by their function rather than by the papers they carry. This in no way interferes with the quality of the papers they hold. Once they have first-class papers, they continue to have first-class papers, but as there is this tendency within government, to utilize these tradesmen more in a maintenance role, and to use the private sector more in the construction role, it was felt that a much clearer classification of function was to call them maintenance electricians or maintenance plumbers. This would entail a downgrading of salaries in certain instances. However, it is the policy of the government that people who are already working for the government will not have their salaries down graded; consequently there will be some delay before they get their annual increments in their salary scale until the new salary scale on which they are being paid as maintenance workers comes up to the level of their present salary. This, however, in no way freezes their salaries. Many of their salaries are up for negotiation at the end of this year. It is perfectly possible that they may negotiate just as they would be entitled to, under the previous classification.

MR. NOTLEY:

A supplementary question, Mr. Speaker, to the hon. minister. Can the hon. minister advise the House how many of the tradesmen working for the Department of Public Works will be in a position where their salary will be kept at a frozen level until such time as that category catches up?

DR. BACKUS:

No, Mr. Speaker, I cannot give this figure right off the cuff, but I would be quite happy to find it out and let the hon. Member for Spirit River-Fairview have it.

MR. SPEAKER:

The hon. Member for Calgary North Hill with a supplementary.

MR. FARRAN:

Mr. Speaker, I have a question for the hon. Minister of Public Works. Is it true that some of these tradesmen have been reclassified, perhaps surplus to establishment, and are presently getting over \$5.65 an hour compared with other civil servants? Is it true that they are the most highly paid of all civil servants?

DR. BACKUS:

Yes, I think this is true in part. Certainly one of the reasons for our reclassification of some of these tradesmen was that although, in their maintenance role they were being paid on a basis of a percentage of the outside trades union figure, some of them were, in fact, being paid a higher rate of salary than their supervisors.

MR. NOTLEY:

I have a supplementary question, Mr. Speaker, to the hon. minister. In the light of your reclassification, does the government favour continuing the agreement negotiated between the CSA and the government, that tradesmen's rate represents 93 per cent of income of tradesmen outside the civil service? Is the government going to continue with that, or do you propose to abandon that proposition?

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DR. HOHOL:

Mr. Speaker, if I could answer that question and one or two others for the information of the House and the hon. member. No, it is not the intention of the government to meet its collective bargaining obligations by negotiating only the proportion or the percentage of our trades people with respect to the pay of trades people in the private sector. We have now agreed with the Civil Service Association of Alberta that we will negotiate, in fact, the absolute dollars; we will no longer maintain the relationship of tradesmen in government to trades people in the private sector. We feel, very strongly that an obligation of government is full collective bargaining. I should like to recall to the House, Mr. Speaker, that we have increased the collective bargaining process by including the procedure called arbitration. In this manner a third party can be assigned to look at differences in wages. Conceivably, the Civil Service Association, which is an effective negotiator, as I feel government is, could negotiate an agreement in excess of 93 per cent of the going rates in the private sector.

While I am on my feet, Mr. Speaker, I would like to inform the hon. member and the House that approximately 600 people were involved in the reclassification, 200 of whom received upward revisions of their pay; none of whom received any reduction.

MR. SPEAKER:

We have a fairly long list of questioners, and I think perhaps there should be some reasonable time limit to supplementaries. Perhaps if there is time at the end of the question period we could revert to the subject which the hon. member is interested in. The hon. Member for Pincher Creek-Crowsnest.

Taxation Senior Citizen Homes

MR. DRAIN:

Mr. Speaker, my question is to the hon. Minister of Municipal Affairs and I was wondering if the government is intending to bring in any legislation, at this session, of the fall session of the legislature, that would protect senior citizens homes and nursing homes from the loopholes that presently exist in The Municipal Act, whereby these facilities can presently be taxed by municipal government?

MR. RUSSELL:

Mr. Speaker, that item is part of a broader subject matter, the one dealing with exemption, in total or in part, from municipal property taxes. It is one of the items that the task force on provincial-municipal financing will be looking at or recommending further action on and no action other than what is on the books already is contemplated for this fall session.

MR. DRAIN:

Mr. Speaker, a supplementary. Well then, can I construe that there shall be some legislation clarifying this matter in the spring session?

MR. RUSSELL: Mr. Speaker, I do not think that it would be safe for the hon. member to construe anything. I think we have been fairly straightforward in making statements with respect to the urgency with which we regard the plight of senior citizens and we did take some measures to try and give them relief before the work of the task force was done. Obviously, there are further improvements that will have to be made, not only for senior citizens but in a number of other contentious areas. As you know we have announced our intention for the hon. member to bring in pretty substantial amendments to existing provincial-municipal taxation arrangements during the 1973 session and perhaps following that time we will be able to deal with some of these details that are of concern to us.

MR. SPEAKER:

The hon. Member for -- Is this a supplementary?

MR. ZANDER:

Mr. Speaker, to the hon. Minister of Municipal Affairs. Is it not true that the act states that the municipality may assess? It is permissive? It is not compulsory?

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MR. RUSSELL:

Yes Mr. Speaker, this is a problem. The act contains a number of permissive classifications of properties and a number which are mandatory insofar as tax exemption is concerned. Quite frankly, I do not think there is very much logic to the existing situation. We are trying to deal with the broader picture first and zero in on the details later. We did, I think, react very quickly to the senior citizens with respect to Medicare and education tax. I think that the members can be assured that we will continue to take steps that will help those urgent cases.

MR. KOZIAK:

Just a supplementary, Mr. Speaker. Does the assessment which has been imposed by the City of Edmonton Council by-law, include also the 30 mills, the Foundation Plan or does it just refer to the city's requirements?

MR. SPEAKER:

Order please. It is my understanding that the practice is that questions concerning the contents or interpretation of legislation are not in order during the question period. This applies to this question, in my view, and also to the previous one, with regard to which I did not intervene.

The hon. Member for Camrose followed by the hon. Member for Calgary-Mountain View.

Alberta Treasury Branches

MR. STROMBERG:

Mr. Speaker a question to the Provincial Treasurer. Is it correct that over many years the federal government has not treated the Alberta Treasury Branches similarly to the chartered banks in respect to farm improvement loans and eligible investments to qualify for low corporates tax rate? Can you indicate the present position?

MR. MINIELY:

What the hon. member for Camrose says has been true for some years, but, my discussions with treasury branches indicate that they feel that with the new agricultural development policy, by my colleague, that the specific farm-improvement loan program is not as serious an exclusion to the treasury branches as what it was earlier. With respect to the federal tax revisions, Mr. Speaker, the federal government had excluded the treasury branches as eligible investments. But we were able to, in a very short order, to have them correct the situation. We are pleased to have it now corrected.

MR. SPEAKER:

The hon. Member for Calgary Mountain View followed by the hon. Member for Medicine Hat Redcliffe.

Government Cafeteria Facilities

MR. LUDWIG:

Mr. Speaker, I have a question for the hon. Minister of Public Works. Has the hon. minister instructed the Deputy Minister of Public Works to compile a report on the cafeteria facilities in the government?

MR. SPEAKER:

The hon. member's question is definitely in regard to an internal departmental matter, and is not in order.

MR. LUDWIG:

Mr. Squeaker -- Mr. Speaker -- then . . . With humble apology, Mr. Speaker. Mr. Speaker, has the hon. minister investigated the complaints emanating from the Court House with regard to the civil servants being forbidden the right to bring their lunches into the Court House cafeteria?

DR. BACKUS:

Mr. Speaker, the matter is under investigation. I have had some preliminary reports, but a fuller report will be coming, and certainly the

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matter is being investigated. I will be very happy to give the hon. Member for Calgary Mountain View the answers when I have a full statement.

MR. LUDWIG:

Mr. Speaker, a supplementary. Has the hon. minister looked into the matter of whether the caterer, Mrs. Lappa, has, in fact, authority to prohibit civil servants from bringing lunches into the cafeteria?

DR. BACKUS:

Naturally, Mr. Speaker, this is part of the investigation, and I can assure the hon. member that this is being considered. For his information, the report in the Civil Service News was in some respects erroneous. Very careful checking has at no time shown overcrowding in the lounges which are available for the people, but all these other matters are being checked.

MR. FARRAN:

Supplementary, Mr. Speaker. Are the judges allowed to fetch their lunch pails into the cafeteria?

MR. SPEAKER:

Is the hon. member inquiring as to a point of law?

The hon. Member for Medicine Hat-Redcliffe followed by the hon. Member for Bow Valley.

Municipal Assistance Grants

MR. WYSE:

Mr. Speaker, I would like to direct a question to the hon. Minister of Municipal Affairs. In the light of the additional revenue the government will be receiving from our oil resources, will the government be reconsidering its fixed grants to municipalities in order that they may share in this increased revenue?

MR. RUSSELL:

Well, Mr. Speaker, there are two important parts to the hon. member's question. First of all, I think the government early, made it very clear that municipal assistance grants would no longer be tied to any specific source of revenue. So it is important that we should all put that idea out of our minds, that they are somehow related to resource revenues, or any other source.

Secondly, I tried to indicate at the meeting of the Alberta Urban Municipalities Convention last week the concept of unconditional universal municipal assistance grants would probably come to an end this year if we proceed with some of the more important recommendations alluded to in the interim report of the task force. We're still asking for response to that interim report and are giving extremely careful consideration to the points that the municipalities are making. We expect, before the next budget is announced, to be able to release some further details.

MR. LOUGHEED:

I wonder if I might supplement the remarks made by the hon. minister because of the question from the hon. Member for Medicine Hat. I thought that our administration had made it clear in the House last March that one of the basic concepts of our administration is that we, in no way, (unless there are some very compelling exceptional circumstances) favour the tying of a revenue source to an expenditure requirement. We think that is bad public policy.

MR. SPEAKER:

The hon. Member for Bow Valley followed by the hon. Member for Highwood.

Agricultural Development Fund Committee

MR. MANDEVILLE:

Mr. Speaker, I would like to direct a question to the hon. Minister of Agriculture. I see that you have announced that committee members for the local

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committees for the Agriculture Development Fund -- the question I would like to direct to you is: would you consider amending the committee members to allow a member from the Irrigation District Board to sit on this local committee in areas that have irrigation districts?

DR. HORNER:

Mr. Speaker, the suggestion from the hon. member is a good one. We would be quite willing to give it consideration. As a matter of fact we are working on some rationalization of the present concept of irrigation districts in southern Alberta. This might tie in with representation on the agricultural development committees.

MR. SPEAKER:

The hon. Member for Highwood followed by the hon. Member for Calgary McKnight.

Bureau of Public Affairs Advertisements

MR. BENOIT:

My question, Mr. Speaker, pertains to the Department of Publicity Bureau. I'm not sure what department it is attached to so I will address it to the hon. Premier or the Deputy Premier, whoever wants to take it. When government advertisements are sent out to the newspapers, are they sent out to all the weekly newspapers, or just to some?

MR. LOUGHEED:

Mr. Speaker, I will refer the question to the hon. minister, Mr. Getty, who is responsible for the operations of the Bureau of Public Affairs.

MR. GETTY:

Mr. Speaker, it has been the policy of the Bureau of Public Affairs to have the government advertisements go to those newspapers, weekly or daily, that will give the most effective distribution of the information.

MR. BENOIT:

A supplementary question. What happens to that large area of the province that is left uncovered in situations like that, where, as in one instance, all the papers under a thousand circulation did not receive certain ads?

MR. GETTY:

Mr. Speaker, if there is a circumstance where there has been an area of the province not covered, I would certainly be interested in it. I would ask the hon. member to acquaint me with those facts, even now or at another time, and we will certainly look into it. As I say, it is the policy to get the maximum possible coverage of any advertisement handled by the Bureau of Public Affairs.

MR. SPEAKER:

The hon. Member for Calgary McKnight followed by the hon. Member for Little Bow.

Beverages Containers Act

MR. LEE:

I have a question for the hon. Minister of the Environment. What is the present situation in the implementation of The Beverages Containers Act, and specifically, are manufacturers required now to accept containers at places other than retail outlets?

MR. SPEAKER:

The hon. member is asking for a legal interpretation as to the requirement on manufacturers and legislation, if I understand the question correctly. Unless it can be rephrased, it would appear to be out of order.

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MR. LEE:

I might rephrase this then. In the implementation of the act, are manufacturers now being required to accept containers at places other than retail outlets?

MR. YURKO:

Mr. Speaker, the situation, as of last January 1, very quickly and simply was as follows. A retailer was required to accept for a refund all containers he or she sold, unless they made provision with a depot of some type, the depot accepting it on behalf of the retailer. The retailer only had to accept 24 bottles or 24 containers per person per day. There were a number of depots established throughout the province - approximately 150 - through an organization called 'Containaway.' Containaway set up depots which accepted basically cans of all manufacturers except Pepsi and Coke, so that Pepsi and Coke cans had to be returned to the retailer where they were purchased. This has caused no end of confusion. The situation will change fairly drastically as of January 1st of this coming year.

MR. WYSE:

Supplementary, Mr. Speaker. The minister is saying then that all soft drink manufacturers are forced to join Containaway?

MR. YURKO:

Mr. Speaker, I said no such thing.

MR. SPEAKER:

The hon. Member for Little Bow, followed by the hon. Member for Calgary McCall.

DREE

MR. R. SPEAKER:

Mr. Speaker, my question to the hon. Minister of Federal and Intergovernmental Affairs relates to some of the questions earlier in the session. Has the 1972 agreement for the Slave Lake designated area been signed and completed with the DREE Department?

MR. GETTY:

It has been negotiated, Mr. Speaker. As far as whether the federal government has executed it or not, I'm not sure. I will check and advise the member.

MR. R. SPEAKER:

Mr. Speaker, a supplementary. In light of his answer, is the minister aware that certain costs, including costs to municipalities, have been incurred, and if so, what will be the government's position if the agreement is not completed when these various costs have to be met by the local municipalities?

MR. SPEAKER:

The hon. member's question is clearly hypothetical. The hon. Member for Calgary McCall, followed by the hon. Member for Taber-Warner.

Welfare and UIC Costs

MR. HO LEM:

Mr. Speaker, I have a question for the Minister of Health and Social Development. Has the government of Alberta conducted any studies to determine the relationship between the increase or decrease in the per capita welfare costs, compared to the rate of unemployment, and the cost to the public of unemployment insurance?

MR. CRAWFORD:

Mr. Speaker, the federal changes in unemployment insurance haven't been in effect long enough to accurately reflect the changes there yet. What has been found, of course, is that in the cities where the responsibility is basically

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for the unemployed employable as opposed to the long-term recipient, that because these people were in the category, mostly, of people who could be employed, that with the good economic condition and the changes in the legislation with regard to unemployment insurance, the first relief was shown at the municipal level. Now on the provincial level where over 80 per cent of the cases relate to people who have no prospect of employment, no substantial reflection has appeared to my knowledge.

The hon. member's question related particularly to whether or not studies have been undertaken. I have asked the department people to keep in close touch with me so that we would know the changes that take place as they happen.

MR. HO LEM:

Supplementary, Mr. Speaker. Would the minister also indicate to the House, that since they raised the rates of welfare, are Alberta rates among the most generous in Canada? In other words, are welfare recipients enjoying a higher standard of living in Alberta than others in Canada?

MR. SPEAKER:

This is a comparison that the hon. member is equally qualified with the minister to make. The hon. Member for Taber-Warner, followed by the hon. Member for Calgary Buffalo.

AGT Tolls -- Taber Area

MR. D. MILLER:

I have a question for the hon. Minister of Telephones. Has the hon. minister made a decision in response to a petition that was presented to him from the Grassy Lake-Purple Springs area for free tolls to Taber, their major shopping area?

MR. WERRY:

Mr. Speaker, since assuming office a year ago last September, I think I have received over 200 of these and I cannot readily recall the disposition of that particular one. I would like to inform the House, though, that it is my intention to make an announcement next week or the week after, with regard to extended areas of service as it is commonly referred to, I would ask that the hon. members hold their questions until that time.

MR. SPEAKER:

The hon. Member for Calgary Buffalo followed by the hon. Member for Calgary Millican.

Applications under The Surface Rights Act

MR. GHITTER:

Mr. Speaker, I have a question I wish to ask of the Minister of Agriculture. Is the government taking any steps whereby applications and proceedings under the Surface Rights Act and Expropriation Procedures Act may be made elsewhere than in Edmonton, and more particularly at some location in southern Alberta?

DR. HORNER:

Yes, Mr. Speaker, as of November 15, applications under the Surface Rights Act and the Expropriation Procedures Act for the southern land district will be taken in the new office of the Surface Rights Board which will be opening in Calgary as of November 15th.

MR. SPEAKER:

The hon. Member for Calgary Millican followed by the hon. Member for Wetaskiwin-Leduc.

Tax Notices -- Calgary

MR. DIXON:

Mr. Speaker, I would like to direct my question to the hon. Minister of Municipal Affairs. He is aware, I am sure, that the City of Calgary is sending

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out dual tax notices this year, and I wonder if he has officially notified the city that they may expect no further help and they might as well send out the second tax notice?

MR. RUSSELL:

Mr. Speaker, I think we first officially notified them in March or April of this year and subsequently on several other occasions. The decision to send out two tax notices was taken by the Calgary City Council. I think they were fully aware that there was no further financial assistance coming by way of provincial financial assistance this year. They decided to proceed on that basis and I don't think it is necessary for me to tell them again.

MR. DIXON:

Supplementary, Mr. Speaker. I wonder if the government then is going to give consideration to banning dual tax notices going out, if this is the case?

MR. RUSSELL:

Mr. Speaker, the step that the City of Calgary took this year was very carefully considered by the legal department of the city and by solicitors in the Department of Municipal Affairs and in government. They decided on advice they got to proceed with that method, and I saw no reason for us to interfere, but I think they did it with the full knowledge that all the other municipalities have.

MR. SPEAKER:

The hon. Member for Wetaskiwin-Leduc followed by the hon. Member for Olds-Didsbury.

MR. HENDERSON:

Mr. Speaker, I would like to direct a question to the Minister of Agriculture. During the last session the minister advised the House that he had a rather extensive study into the matter of gas distribution co-ops throughout the rural parts of the province. I was wondering if the minister could advise the House what the outcome of that study was, what the government's policy now is, if it has been changed?

DR. HORNER:

Mr. Speaker, it is true I announced in the House in the spring session that we were doing a feasibility. Feasibility means a number of things. First of all, it means a physical feasibility and that of course is the survey that was done. The second feasibility, of course, is the question of availability, and the third is the question of price. I would like to suggest to the hon. member and to the House that the rural and natural gas policy can only come after the government has established its general policy with regard to natural gas. As the hon. Premier has announced in his opening address, this will be done at this session of the legislature.

MR. SPEAKER:

The time for the question period is over; has the hon. Member for Olds-Didsbury the leave of the House to put his question?

School for the Deaf

HON. MEMBERS:

Agreed.

MR. CLARK:

Thank you, Mr. Speaker. I would like to direct my question to the Minister of Education and ask him if the Advisory Committee on the operations on the School for the Deaf have met this year, and secondly, if the Minister plans any changes in the operations of the School for the Deaf in the near future?

MR. HYNDMAN:

Mr. Speaker, in respect to the first question, I am not sure of that. I don't know exactly, but I will find out for the hon. gentlemen, and at the moment we don't plan any major policy changes in respect to the operation of the

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school in the foreseeable future. If he has any interest in some specific aspect of the operation, I would be happy to provide the information.

ORDERS OF THE DAY

MINISTERIAL ANNOUNCEMENTS

Alberta Resources Railway

MR. PEACOCK:

I would like to table the following interim report regarding the Alberta Resources Railroad Corporation, together with certain important correspondence related thereto. But before tabling, I would like to give a verbal report to the members of this House. The hon. members have expressed understandable concern over the flood damage to the railway which occurred during June of 1972. The government shares the concern of this House for the current mess of the Alberta Resources Railway. However, prior to deciding what ought to be done, because of the damage and dislocation of the line, we considered that it was imperative to examine all documents and agreements signed by the Alberta government and the Canadian National Railway prior to the year 1965, and after.

Over and above the actual physical damage to the railroad, we also reviewed certain financial implications, and the general economics of the Alberta Resources Railway. In an effort to bring these problems into perspective, and to promote a clearer understanding, it might be worthwhile to provide the House with a brief history and to advise you of the problems the government has encountered regarding the agreement between the ARR and the CNR. In this case, the interests of the government and the ARR are synonymous. Now the magnitude of the financial problems confronting the government in regard to the ARR are briefly summed up as follows.

We are looking at \$126 million of capital debt. We are looking at \$7 million per year interest charge. We are looking at an earned income of only \$690,000. We are looking at a \$4 to \$5 million annual projected deficit in the foreseeable future. We may also examine the agreement between the ARR and the CNR because the agreement presented the following problems to this government. The CNR would pay the ARR a definite rate per ton on commodities carried, based on the distance carried on the CNR. This was the beginning of a problem because the reduction of coal rate from McIntyre Porcupine to the main line was reduced from \$1.40 to 50¢ per ton. This was agreed to in a letter from Mr. Aalborg dated March 4, 1966 but not covered by an Order in Council.

Another area of great concern to us has been the capital cost or the accounting procedures in regard to the railroad -- the CNR -- covering the capital cost and maintenance charges. The railroad was certified as being completed on January 1, 1970. Since that time, the CNR has purported to charge to the account of the Alberta Resources Railway sums of money expended on the railroad, which in view of the ARR board, are not properly chargeable to the railroad.

We are presently engaged in trying to resolve the aspects of this problem. In addition to this, the CNR has claimed, in 1971, further sums of money which, in the view of the board, are certainly not the responsibility of the ARR.

And finally, there is a major dispute between the ARR and the CNR with regard to the responsibility for the repair of the substantial damage which occurred by flooding in the year 1972.

The government's position is that the agreement provides that this is the responsibility of the CNR. The CNR's position is exactly contrary. The railroad was washed out between Grande Cache and Grande Prairie for some 37 miles in 1972. It must be remembered it was also washed out for a six-week period in the summer of 1971, but less severely. This, then, immediately raises the question as to whether or not this stretch of railway between Grande Cache and Grande Prairie can be maintained in economic operating condition in future years. Keeping in mind the floods and other difficulties, such as land slides, which occur annually over this very stretch of line, the hon. members will appreciate the government's difficulty in determining our position with the Canadian National Railway. I have attached an exchange of letters between the hon. A.O. Aalborg, former Provincial Treasurer, and then Chairman of the ARR, and Mr. N.J. MacMillan, Q.C., President of the CNR, dated February 22, 1971, and March 19, 1971 respectively.

You will note from this correspondence that Mr. Aalborg and Mr. MacMillan placed widely different interpretations on matters of considerable importance on

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the inter-relationship between government and the Canadian National with respect to the line.

May I just quote a few of the following excerpts from these letters. First the letter from Mr. Aalborg to Mr. MacMillan dated February 22, 1971. This was after a meeting that was attended by Mr. Aalborg and other members of the board in Montreal; he has arrived home and is writing to Mr. MacMillan. I quote:

During the course of these initial top level policy discussions, Canadian National advised Mr. Manning that based on the cost of building the Great Slave Lake Railway, a railway line commencing at Solomon on the Canadian National mainline and terminating at Grande Prairie, could be constructed for about \$33 million. But it was established that because economic feasibility could not be demonstrated the Parliament and Government of Canada would not be prepared to allocate funds to construct such a line.

In early 1965 Canadian National revised the total estimated cost upward to \$40 million. Following these discussions the government of Alberta decided then to ask the 1965 session of that legislature to enact legislation to establish a Crown corporation which would have the power to build and own a railway, with the province providing the capital and with Canadian National operating and maintaining the line under a lease purchase agreement with the corporation.

Now that is where we start to get the idea that the railroad line was going to cost us \$33 million. Another paragraph, I quote:

The total amount advanced to the Canadian National by the Alberta Resources Railway Corporation to December 31, 1970 to meet the capital cost of construction stood at \$96,991,703. The corporation obtained these funds by advances from the Provincial Treasurer and by borrowings. To date the corporation has borrowed \$95 million and the total interest charges on these borrowings for the current fiscal year ending March 31st, 1971 will be some \$6,290,500. Payment on the interest charges on these borrowings must be met from tonnage rentals paid by Canadian National and any deficit from year to year must be met by further advances from the Provincial Treasurer or by further borrowings by the corporation.

The estimated total amount of tonnage rentals from Canadian National during the current fiscal year is only \$712,500. During the next fiscal year ending March 31st, 1972 total interest charges payable by the corporation are estimated at not less than \$7,137,500, while total tonnage rentals from the Canadian National are estimated at only approximately \$1,600,000. These figures indicate an estimated deficit of more than \$12 million in meeting only the interest charges payable by the corporation during the two year period of April 1st, 1970 to March 31, 1972, with no prospect of repaying any portion of the principal amount borrowed by that corporation. This situation is most difficult for us to justify and we seek the full co-operation and the best efforts of the Canadian National to assist us in reducing and eventually eliminating this estimated deficiency, which is already far greater than either party had originally anticipated.

Finally in Mr. Aalborg's letter to Mr. MacMillan he states:

The proposal to build this railway link was originally conceived and promoted by Canadian National as a means to augment and improve its own system in Alberta. Canadian National did not build the line for the Province of Alberta; rather, the Province of Alberta financed the capital cost of the line for Canadian National.

I now quote the reply to Mr. Aalborg's letter to Mr. MacMillan of February 22 to March 19, 1971 in order to give this House an idea of the far apart position that these two respective people find themselves in. In this letter I quote from Mr. MacMillan:

I refer to our meeting in Montreal on February 27, and your subsequent letter of February 22, in which you review at some considerable length considerable circumstances concerning the construction of the Alberta Resources Railway. I have given your letter a great deal of thought and I am disturbed at what I consider to be two fundamental departures from historical fact and well-established practice. I should like to deal with these at the outset, for the purposes of the record, because it is important that they be clarified and understood in order to explain the relationship between the Government of the Province of Alberta and the Canadian National Railways.

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I would refer, first, to the sentence in your letter which reads as follows: "Canadian National did not build the line for the Province of Alberta; rather the Province of Alberta financed the capital cost of the line for Canadian National". I cannot accept this statement as reflecting in any manner the relationship between the government and the railway company. Indeed, if it were valid, the agreement between us would have so stated, and the actual arrangement would have been cast in quite a different way.

I further go on to quote from his letter:

Now I should like to deal in a more specific way with some of the matters which arise from your letter:

1. It is a fact that the cost of the railway was under-estimated in the early stage of discussions. But it has to be acknowledged that it was a preliminary estimate only. No ground location survey had been made.
2. The estimate I referred to in 1. was in 1965. However, on July 28, 1966, before any appreciable proportion of the final cost has been spent, Mr. Graham advised you quite accurately by letter of the probable completed cost of Phases 1 and 2, based upon the surveys and experience to that date. The estimates given were \$41 million for Phase 1 from Solomon to Smoky River and \$54 million for Phase 2 from the Smoky River to Grande Prairie, making a total of \$95 million.
3. Subsequent to Mr. Graham's advice to you, CN Chairman and President, Donald Gordon and Vice-President of Traffic, Mr. A.H. Hart, went to Edmonton on November 6, 1966 and met with Premier Manning to discuss specifically the cost factors. Mr. Gordon reminded Premier Manning at that meeting that the original estimates for construction costs had been developed quickly, and he confirmed that the latest estimate for total construction costs would be \$95 million.
4. As of that date, November 4, 1966, some three months after submission of the revised estimates had been made by Mr. Graham, the audited accounting record of funds dispersed for the line totalled only \$12,925,598. In addition, there were outstanding commitments and accounts payable of perhaps a further \$4 million.
5. The upshot of the Edmonton meeting of Messrs. Manning, Gordon and Hart, was that the government would not consider terminating the line at Smoky River nor postponing the extension northwards. Premier Manning advised that the province was committed to build the line to within approximately six miles of Grande Prairie, and requested that Canadian National proceed with the work as quickly as possible.
6. The record is also clear that Canadian National did not recommend proceeding with Phase 2 in the absence of adequate traffic, and Mr. Gordon cautioned Premier Manning of the hazard of commencing construction of Phase 1 before a traffic guarantee had been signed.

I read those to this House for the benefit and information of same. These, then, are some of the difficult problems faced by the ARR. We, the government, then took the following steps: We appointed a board of directors comprised of Mr. Charles Anderson, a qualified railroad accountant, retired; Mr. H. Roblin, a qualified railroad engineer, retired; Mr. R. McParlane, my deputy minister with a long history of negotiation and contractual experience with the Federal Department of Highways; Mr. A. F. Collins, Deputy Provincial Treasurer with construction and railroad experience. This board then took the action of engaging the following professional services: Price Waterhouse, as you are probably aware, do the auditing for the Canadian Pacific in Montreal, so they have a background of railroad accounting experience; Grimble & Jackson, railroad and transportation engineering experts. Mr. Jackson was past CNR engineer, western region, and is now in a private consulting business, the same with Mr. Grimble. We employed outside legal counsel in the name of Milner & Steer, Cam Steer. We, of course, included our own Attorney General's department for legal counsel. We employed the Research Council of Alberta for geological consultation, agronomy, etc. And we used our own department of Commerce and Industry for the economic development research. We immediately assembled and utilized the collective talents of the aforementioned and commenced negotiations with the CNR. Our first preliminary meeting in August was with Mr. MacMillan, President of the CNR; and Mr. Spicer, Vice-President of Mountain Region, and other CNR officials. We have had interim meetings with the CNR, and we will have further meetings with Mr. MacMillan later in this month, and I will report back to the House.

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Now, for the further information of this House, allow me to comment on some of the following concerns that have been expressed:

1. That deferment of the repair of the railroad will not in any way affect our revenues, indeed they won't. But by delaying, it would be advantageous from a construction point of view, insofar as waiting until the spring run-off is concerned. This is on the advice of our engineers, Messrs. Grimble & Jackson, and also of Mr. Spicer of the CNR. However, the CNR has by this time, at their expense, reclaimed all salvageable material.
2. That the farmers who would normally ship their grain by the ARR will be allowed the same shipping rates via the NAR. And that is good until next fall.
3. That Procter and Gamble will not go into production until the fall of 1973, and therefore, there will be little or no loss of traffic, other than grain along the ARR. And as the ARR receives no revenue from the grain, but there is a direct benefit to the farmers in that area that amounts to approximately \$212,000 total.

I would like to remind the House that the ARR is:

- (1) Owned by the Province of Alberta, but is leased and operated by the CNR.
- (2) That the accrued capital cost to date for building this railroad is approximately \$126 million.
- (3) The annual debt charge to service this capital is approximately \$7 million.
- (4) The earned revenue per annum was \$690,000 in 1971 and is projected at approximately \$800,000 in 1972.
- (5) For the five-year projection the deficit, after deducting income, will be between \$4 million and \$5 million annually.

Finally, we will be ready to report back to this House after our meeting with Mr. MacMillan later this month.

GOVERNMENT BILLS AND ORDERS
(Second Reading)

Bill No. 117 The Municipal Government Amendment Act, 1972

MR. PURDY:

Mr. Speaker, I move, seconded by the hon. Member for Athabasca, Mr. Appleby, that The Municipal Government Amendment Act be read a second time.

The licensing of mobile homes was commenced during the early 1950's in order that the occupants would contribute, to some degree, towards the cost of municipal services made available to them by the municipality in which the mobile unit was located. Originally, the maximum amount of a license was \$90 and was later raised to \$120. With the substantial increase in school costs, hospital and municipal services costs, elected representatives from both the urban and rural municipalities approved regulations resolutions in 1971 requesting the government to study and, if necessary, amend legislation approving licensing of mobile homes. The objective was to make licensing schedules more in line with taxes levied on conventional homes. The license fee on mobile homes, or the tax on a conventional home, represents the owner's contribution towards the cost of those municipal services which is reflected in the mill rate of the municipality. This type of service would extend to fire protection, police protection, garbage collection, snow removal, etc. Other types of services, such as sidewalks, streets, curbs, gutters, and street lights, are generally paid for by the way of special fundage tax, which is a separate charge and apart from the property tax.

In any instance where the owner of a mobile home is not receiving this type of service, it is likely that he is not paying the fundage tax. As a result of the municipalities' requests, the Legislative Assembly, during the 1971 session, approved amendments to a number of municipal acts, under the terms of which, effective January 1st 1971, affected mobile homes as follows:

(1) In an instance where the owner of a mobile unit held title to the land on which the mobile home is situated, the unit will be assessed as an improvement to the land in the same manner as a conventional home.

(2) In an instance where a mobile home is located on land not owned by the owner of the unit, the mobile home would be licensed in accordance with the schedule prescribed by the hon. Minister of Municipal Affairs.

(3) The Municipal Election Act was amended on the terms of which a person who held a mobile home license would be entitled to vote as a proprietary elector.

(4) The Homeowners Tax Discount Act was amended with the result that the owner or purchaser of a mobile unit who has occupied such a unit as his normal place of residence for 120 days in any year, and who has paid the mobile license fee, would be entitled to make application for the homeowners discount grant to a maximum of \$75, or in the case of a recipient of a guaranteed income supplement, to receive the Old Age Security Pension to a maximum of \$150.

At the time the act was changed in 1971, it was not written into the act that people going on this prescribed fee would be able to appeal their assessment on these mobile units. The amendment which I am now introducing to this act does, in fact, allow a person to go through a Court of Revision and may apply, within 30 days of notice being mailed or delivered to him, a complaint to the Court of Revision in respect to evaluation of his mobile home unit. If he does not get satisfaction from the Court of Appeal, he may appeal to the Alberta Appeal Board against the Court of Revision. This is laid down in The Municipal Taxation Act, I believe it is Section 43 to Section 61.

In the Stony Plain constituency, which I represent, I have had representation made to me by a number of people from the Spruce Grove Mobile Homeowners' Association. The president of this association did bring this problem to light last March when I met with their committee. When the act was passed, the appeal right was omitted. This is one of the main features of the amendment at the present time.

Another feature of the act is that the onus will be placed upon the owner of the mobile home to apply to the municipal office and see that a licence officer will, in fact, register his home with the municipality in which he resides. The act goes on further to state that where a mobile home is situated in a municipality occupied at the commencement of a licence year, the licence shall be issued to the owner of a mobile home upon the prescribed fee for the entire year, and or after the commencement of the licence year. A licence for the balance of the year shall be issued to the owner of the municipality upon a fee equal to the amount of the prescribed fee for the entire year, multiplied by the number of days remaining in the licence year, and divided by the number of days in the entire licence year.

Many municipalities have asked mobile home-owner people to pay, forthwith, the licence fee at the beginning of the year. Many of these people may be living on small incomes, and paying substantially high rents on lots where they are sitting, paying high payments on their mobile homes - some of them are paying as high as \$200 a month - and it is all figured out between licence payment, rent, and so on, that a figure of \$350 can be attained.

The act also states that a municipality may allow the owner to pay a licence fee by prepaid installments. Upon the payment of an installment, a licence will be issued to the owner, which will be valid for the period of time set forth in the regulation or the licence. This is significant in an area where a person may be coming to work in an oil field or any other type of job which is the reason he has a mobile home. Before, many towns were picking up the complete licence fee of anywhere from \$250 to \$300, under the prescribed regulations, and the person was having trouble getting his money back.

Another feature of the act is that every person occupying a mobile unit, upon request of the licensing officer, shall give the licensing officer all information necessary to enable him to carry out his duties. Before -- and I have gone into this many times -- people west of Edmonton were very reluctant to allow people to inspect their homes. But since I have explained to them that under this new licence fee you can pick up your homeowner's grant, the problem has somewhat eased. But I have also run into the problem where the licence officer has assessed mobile homes for a total of 68 feet, when in fact they were only 64 feet. The person would then have anywhere from 48 to 64 square feet assessed to the value of their mobile home.

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To conclude, Mr. Speaker, the amendment to this bill is another step forward to benefit the people of Alberta. People living in mobile homes have picked their accommodation for many reasons; some are young couples; some are retired couples; there are a multitude of construction workers. They all benefit by the mobile home philosophy. I must thank the minister for allowing me to carry this bill through the legislature. It is one way our government has made me more responsible to the people of Alberta. Thank you.

MR. APPLEBY:

Mr. Speaker, the hon. Member for Stony Plain has made an excellent presentation of the many technical details of this bill, and the ways in which it will benefit the mobile homeowner, and in which it will increase the manner in which the mobile homeowner will be given the rights that are given to homeowners of other types. I do not wish to elaborate any further on the value of the bill. I think the things that we do have to consider here are the facts that mobile homes now -- and he has mentioned that in his constituency this is a fact, I know that in the constituency of Athabasca it is a fact -- that mobile homes in the Province of Alberta are now a certain way of life. Many people live in mobile homes and this is the only type of home in which they will look forward to living, perhaps for the rest of their lives. I think it is very necessary that they be given the rights that are outlined in this bill, in order that they can have an equal type of consideration from other homeowners. Thank you.

MR. SPEAKER:

Are you ready for the question?

[The motion was carried without dissent, Bill No. 117 was read a second time.]

Bill No 118, The Legislative Assembly Act 1972 (No. 2)

DR. HORNER:

Mr. Speaker, I move second reading of Bill 118, The Legislative Assembly Act 1972.

As I said on the introduction of the bill at first reading, this implements the reasoned and measured conclusions of the O'Byrne Committee. It was set up by this legislature to inquire into the status of the pay and allowances to M.L.A.s and the Executive Council. I think and I advise all hon. members and indeed, the public of Alberta generally, to read with some care Mr. Justice O'Byrne's report. As I said earlier, I think it is a very reasoned document and I would like to just quote from it very briefly, because I think it states better than I can, the situation.

First of all in the first paragraph: "It is clear that good government can be achieved only if society is successful in attracting from its membership people of ability and integrity to administer its business. The undertaking is complex; it is also onerous; it will become more so." He goes on to suggest that members not only make sacrifices of their time and their privacy and their families, and should not be expected to make correspondingly financial sacrifices as well. And he makes the point very clearly that on top of all of these other sacrifices, the level of pay should be reasonable and it would not take an inordinate private sacrifice.

I think he also brings into focus a very important matter which sometimes certain people, in talking about the salaries of M.L.A.s or members of government generally, fail to appreciate, and that is the situation where people give up their optimum earning years to public service and sometimes their families suffer because of that. I think that this is of some concern to us as a government, as legislators, we ask people to sacrifice. We sometimes also ask families to sacrifice and to do without some things that they might otherwise have had.

I think also Mr. Justice O'Byrne puts it very clearly that the function of a member of the Legislative Assembly, or indeed of a parliament of any kind, as indications had become more dramatic, as activities of government have become more complex, the work of that MLA has indeed become much more difficult, much more involved, and much longer in character. ... The addition of the fall sessions, the increased committee work, these are all of the things that go towards the very reasoned approach that Mr. Justice O'Byrne has made.

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I want to make only one further point, Mr. Speaker. That has to do with things that occur periodically to people who are in public life and which has, over the years, contributed sometimes to the lack of public acceptance of the role as a politician as an honourable profession. In my view it has always been an honourable profession, but it brings up the problem of conflict of interest, undue influence, and I commend to all members and to the people generally, the paragraph that Mr. Justice O'Bryne has written in that regard, because it is so important to modern government. Again, Mr. Speaker, I suggest to people who might want to criticize the very uneasy thing of having to establish their own rates of pay, that they should give some study and some thought to government as we know it, to the type of government we want. That relates to the kind of people who should be elected or should stand for office to be elected in the Province of Alberta.

MR. HINMAN:

Mr. Speaker, I would like to make a few comments in relation to this bill. I think the government's approach was a very proper one in selecting a committee of learned people with some background to study this whole matter. I think I would have preferred to see a couple of ordinary 'joes' on that committee, but I am not complaining. Mr. Justice O'Bryne's approach was as logical as you would expect it to be, and I have some respect for the reasons that he gave for his recommendations.

However, I doubt very much that increasing the indemnities and the expense accounts is going to attract to this House better people than we have had in relation to the people of the province at any time. I think you have just to surmise what will happen there.

As to members in their optimum earning years, I have to say that people choose to come into this House for many reasons, but I hope largely because they feel a civic responsibility, they feel some appreciation for our democratic system, and they want to serve. I don't think that pay ought to be too much of a consideration in that regard.

I point out too, that it is an honour and a privilege to serve in this House; there are many gratifications, and when MLAs or anybody else, cease to do things for personal gratification other than money, it is going to be a sad day for Alberta. The remarks that I am going to make, I hope nobody will take as a reflection on their attitudes, because I know that each member of this House has some reason for his own approach to it. I am going to do a little bit of dealing with the historical aspect of it.

When parliaments first evolved largely it was the clergy and the wealthy land owners, the soldiers who could support the king, who were invited there. They were wine and dined, but they were not paid. But as the concept grew, that the ordinary citizen ought to have some say there also came the idea that most of these people could not afford to be away from their ordinary occupations or their businesses without any remuneration at all. And so the practice grew up of a sessional indemnity; it was not a salary but was in no way related to how much they made at home, it was in no way related to their professional qualifications, their age or their degree of sophistication. The basis was that for the ordinary fellow, whose income is limited, we shall provide an indemnity so that he will in no way lose at home while he is serving the people. And perhaps, that was good enough. It was a reasonable compensation.

Now over the years people have always served at considerable sacrifice. If the time ever comes when you serve only because you think you are being competently paid, I submit that that will be a sad day. There have always been people elected to this House whose losses, because they were here, were considerable. Usually those people who were fortunate enough to have large incomes or fortunes or estates, or whatever you want to call it, and who chose to be elected did it with their eyes open. They were quite anxious to serve and in no way considered that they ought to be compensated for what they might have lost. Some people, of course, have always sought positions just for the honour. I think we would be less than frank if we say that sometimes men have sought these positions as a means of grinding an axe for themselves or for the people who sponsored them. This will probably go on and on. Now I don't know that you can change human nature. However, over the years, there has been a change in attitude. I can remember when I was first interested in local politics, nobody expected to be paid for being on a town council or a school board, or any other board. Nobody thought that you should be paid. This was a civic responsibility, and some pretty good men accepted those responsibilities, and out of them has grown the Alberta that we have today. There has also been a change otherwise, a change in the attitude that we have to charity. No longer are we very concerned with the sufferings of the people except to our MLA, or if

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you are an MLA, get up in the House and point out the terrible conditions, and say we ought to do something about it at taxpayers' expense.

Now with these changes, of course, the people have taken it for granted that maybe we ought to pay the mayor; maybe we can't expect anybody to give gratuitous service because we don't do it anywhere else (except maybe on the committee that runs the curling rink or something like that.) That being the case we have seen indemnities grow up. When I first came into this House we got \$2,400, we did not get any expense allowance for the time we were here, I did not hear much complaining -- when I say I did not hear much I have to say also that I always heard some. There were always some people who said; "Well, we are just not being paid for what we are doing." My rejoinder always was; "Well if you expected to be paid, perhaps you shouldn't have run."

However, I am willing to accept the change of attitude. At this point I am going to say that if anybody challenges me after this bill is passed, if it is passed, maybe I shouldn't accept it I am going to say that I'm a little bit like the Scotsman who can drink any given amount and I can use any given amount. If I were to do otherwise I don't think I would really be helping the people of Alberta even though I have sympathy for them.

So I am going to say that perhaps an increase in indemnities and some increase in expense allowance is in order. In regard to the expense account, the people back home are of various groups and perhaps we are getting a middle class of people who occasionally go to the city and spend \$30 a day for a hotel and meals, but it is not very common. I doubt that we require \$30 a day. Again like the Scotsman I could spend any amount on expenses, I can entertain, I can stay at the best hotels; I can get a suite. Is this what the people expect or is it what we ought to expect?

Now with regard to the other figures, I think they are pretty generous. I see some dangers. One is quiet resentment on the part of the public and with it a suspicion of the politician. The hon. member who introduced the bill conscientiously said, I think, that it should do the reverse, that being a politician is respectable and consequently a politician ought to be paid. But I suggest that if the man who elects us begins to feel that we are more interested in the money, and invariably we turn down some requests for some help, somewhere, to people who feel that they are more justified in their claims than we are.

Secondly, I think that remuneration can well become a chief reason for seeking election. When these people become professional politicians in the sense that they use every means which a little money and influence can buy to impress the people.

This brings me to my third objection. That is that personality replaces policies in the people's decision. It is one of the sad things about T.V. politics, that if you could have Governor Regan stand in your place you would have a much better chance perhaps among those who don't know you personally.

I am not anxious for there to be career politicians. We want to be elected time after time because they want to be politicians.

Now salary increases that are mentioned in this bill to the ministers, to the Speaker, the Deputy Speaker, and the Leader of the Opposition are in addition to the pay we all get. I just wonder if these pays are salaries or indemnities. If they are, I suggest that the ministers and the other officials are moonlighting. If it requires your full time and salary to serve as an M.L.A., I don't know whether you ought to be doing both jobs or not. I am not objecting -- I think our ministers work, and I think you have to have been a minister to know how much they do work; how much their time is not their own and the sacrifices they ask their families to make, which they have to make to serve us well. I am happy with the quality of people we are getting.

I am just going to conclude by saying that we have to consider if we are going to be salaried people. If we are, are we going to anticipate that someone will give us duties? That someone will say to us that we must have an office where we will be available x hours a day? People then would be less inclined to do this job because then they cannot carry out their responsibilities. I am of the opinion that we have been over generous. I would suggest that in spite of the very good arguments of the O'Bryne committee that the government reconsider this a little and perhaps come in with some amendments a little less generous, but which I think would be very adequate. Thank you.

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MR. NOTLEY:

Mr. Speaker, I rise to take part in this debate not with any great enthusiasm. I rather suspect that most of the members in the Chamber today, would prefer that somebody else spoke on this particular issue. But first of all, may I say that I think that the government took a proper approach by appointing the O'Byrne Commission. I read the commission report carefully, and while I do not agree with every aspect of it, I do agree with most of the major arguments presented in favour of increased indemnities, an increased total amount for members of the Legislature. Quite obviously, the situation that applied before, of \$4,800 and \$2,400 was inadequate. It is a little amusing, in a way, that we stood second only to Prince Edward Island, a province which has a very small population and a Legislature that need meet for only a few weeks a year. We are at the position now, where we going to have to take an increasingly larger amount of time - it seems to me -- every year to deal properly with the public responsibilities that we face. As a consequence, some form of increase was clearly necessary.

I also believe that it is important that serving the public because of their interests in public affairs, should always be the primary motivation for people seeking public office. Nevertheless, we must make sure that politics do not become preserve of the wealthy and the comfortable. One of the reasons the hon. Member from Cardston pointed out, and one I think has evolved through the years is that it is just not possible for all members, or for all people, to seek public life unless you have a reasonable remuneration.

I, personally, believe that we have come to a stage, in the history of this province, where we should be looking at members of the Legislature as persons who spend most of their time doing the job of being an M.L.A.. I can see from my own experience - this is being elected fourteen months ago - that I am just amazed at the vast numbers of calls you get and the demands on your time, as a member of the Legislature. For example, on Labour Day weekend I ended up going to eight different places, dealing with constituency problems ranging all the way from one man who had a problem with grazing leaves, to a couple of welfare cases to several other points that were raised by constituents. This is the kind of thing that I am sure all members of the Legislature face. I do not raise these things simply to cry the blues and say we need higher pay. But I am saying that to be a member of the Legislature, and to do the job of representing the people back home, requires a lot of time. It is also my view that especially in rural ridings you can't properly represent them, unless you get around your constituency. I just do not believe that, in a riding like mine for example, if I go back to Fairview where I live, and never get out of Fairview, I can stand in this Legislature and say "I represent all of the people in my constituency". This is just too large a constituency. It is too large an area. It demands a good part of a member's time to get around and find out what people in the different districts are thinking. So quite obviously, I think all members agree basically, that there has to be some reassessment of their remuneration.

Now, there is one point I want to make that I subscribed to, before stating the portion of the report that I differ with. I want to say that I subscribe to the point that the Leader of the Opposition should receive a salary similar to a cabinet minister. I happen to believe that in our parliamentary system, the Leader of the Opposition is a very very important person, and that individual who has the responsibility of being the countercheck, of leading the people in this legislature who have a watchdog on government, that is a very important and onerous responsibility. And I don't think we should look upon it simply as just a partisan political position. It is a position which has grown up through our parliamentary tradition, and it is basic to the proper function of our parliamentary system in this province and elsewhere in Canada. I have absolutely no hesitation in supporting that part of the recommendation, namely that the Leader of the Opposition receive the same salary as a cabinet minister.

The one area of the report that I quarrel with, and I say this quite bluntly, is the tax-free expense allowance. I don't believe that that is the proper approach to deal with the question of providing expenses for members of the legislature. I submit, in the first place that we should be accountable for the expenses we accrue doing our job as M.L.A.s. I see no reason why members of the legislature should not be able to make out regular expense accounts in precisely the same way as we do when we have a legislative committee meeting. To me that is a better approach than a tax-free expense allowance.

With greatest respect to the urban members from the City of Edmonton, let's take the case of a rural riding the size of my hon. friend to the left here -- and I say that in a totally non-partisan sense -- compare the problems that the hon. Member for Lac La Biche-McMurray has in getting around his constituency

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with the problems that an urban member in Edmonton has. There is just no comparison. Dr. Bouvier has a plane so he can do his own flying, but suppose Joe Smith were the member who can't fly, who has to charter an aircraft to get into one of the remote native settlements in that area? Now, good heavens, you just can't compare -- you see -- the expenses of some of the members who have to do a great deal of travelling, with urban members where the costs, if they are going to be substantial, are just not in the same league at all. And I suggest, Mr. Speaker, that one of the things we should consider as we throw this back and forth, is whether it might not be a better approach to discontinue the tax-free expense allowance system as such -- a set amount -- and have instead, a system where the reasonable expenses of a member of the legislature are covered by the government, the expenses of travel in a constituency, hotel expenses, perhaps even the expense of a constituency office, or at least a telephone. This sort of thing which . . . I should mention over and above the telephone credit card system which we already have. But it seems to me that this is the kind of thing we should be looking at because it would make the members accountable, and not be for some members an inadequate amount, and for other members a tax-free income supplement.

I submit this is a proposal which would put us clearly in the lead of other provinces. I am going to be completely non-partisan and say that my friends across the way in Saskatchewan raised their salaries and a good portion of that was the tax free supplement. I disagree with that in principle and I say so here, that Saskatchewan took the wrong approach, in my view. I don't think that we should follow a bad example from our eastern provinces.

It appears to me that we should set a new course and say that the indemnity is going to be so much, whatever it is, and that over and above that the expenses of being a member will be on the basis of the actual costs based on an accounting. That, Mr. Speaker, to me seems to be a far better approach and one which would earn the respect of the people of Alberta.

Let me just say one final thing in conclusion. I know that there are many people who are troubled about the proposal to increase the indemnities for M.L.A.s. But one of the things I found rather amusing was talking to people and just asking the man on the street, "What does an M.L.A. make?" More often than not I get the figure like \$12,000, \$15,000, \$18,000. When they find out that an M.L.A. makes a salary of \$4,800 and \$2,400 in expenses, they look upon you as rather a sad case. You are better off on welfare than being a Member of the Legislature. But the fact of the matter is that most people do feel that the members receive a higher amount.

I don't believe that any of us are in this business for the money, because we could all make a great deal more money doing something else. But what I think is important, Mr. Speaker, is that salaries or indemnities for people in public life be reasonable, not that you can make a million dollars being in public life, but that they be reasonable. I think it is important for us, on the other hand, to balance that with a commitment that we're not going to take advantage of tax-free expense provisions, but rather that the expenses of doing the job should be fully accountable.

MR. WILSON:

Mr. Speaker, I would like to make a few comments on this bill. It would be easy to make cheap political points, I suppose, and oppose it. For that sake alone, I don't want to assume that position and I hope that my comments will be taken as constructive.

I wonder what the rights of the voter and the taxpayer are in knowing what the remuneration for their elected provincial members is or will be. Frankly, Mr. Speaker, I think this bill should contain a formula, of some kind or other, which would let the public know how the remuneration, and what it will be, is established and will be established, so that they would know what their elected members are going to receive in the forthcoming term after any given election.

So, Mr. Speaker, I feel that this bill, in that respect, does not have a credibility factor. I would like to see us devise a system to incur voter confidence and put a credibility factor in the situation of compensation or remuneration to the elected members. Ideally, the question of remuneration should be known for the forthcoming term on the day of the election. For example, if this bill came into force after the next election, the voters would have confidence and then they wouldn't feel, as some do, that they are being used.

Another point, Mr. Speaker. Under the Lougheed government, I sense a changing role of the elected members. We have indemnity increases, we have two

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sessions a year, we have a larger cabinet, and we have full-time ministers without portfolio, to say nothing of task forces. I wonder about this changing role of the M.L.A.s. Should we not bring it out in the open and debate whether or not it is desirable that we have full-time representatives? It seems to me that we may be working in the back door to the full-time M.L.A.s and I'm sure that there is some merit for and against that issue. But I think that this matter should be debated, or at least a policy position statement should be issued from the government.

The O'Byrne Report skipped over this point. They did not talk about the responsibilities or functions of an elected member, and I think that before this bill comes to vote, it is important that we get a few opinions as to where we are going and what the government's intentions are. I would like to see it aired, and would invite the Premier's response.

MR. SORENSON:

Mr. Speaker, I wish to make my stand clear on this bill. My stand is clear in my constituency. I have been confronted on many occasions by my constituents as to the recommendations in this O'Byrne Report, and I have said that I feel it is too generous. At the time of the campaign I knew exactly what I would be getting, however I did not, at that time, realize there would be a spring session and a fall session, and the time that would be spent. The travel is great in a rural constituency, and it takes a lot of time to explain government policies that they aren't very clear on themselves. So I suppose some increase is justified. However, I think you can appreciate my embarrassment to the recommendations in this O'Byrne Report.

In my constituency we stand to lose elevators in many centres - Hardisty, Loughheed, Sedgewick, Alliance, Galahad, Consort, Veteran and other places. How do we face these people? Railway service perhaps will be discontinued in the near future in the Galahad-Alliance area. Hundreds of people in the eastern portion of my constituency are anxious that construction will go ahead on Highway 41. The former government was plugging away at this gap between Czar and New Bridon, but in 1972 it ground to a halt. It's embarrassing to face these people. Hundreds are waiting for a rural gas policy. Hundreds are waiting for policies on extended area services, and our municipalities are hard-hit.

A constituent came to see me not long ago, and he left some information with me. I do not have it at this time, but as I remember the last part of his letter, he summed it up like this:

Legislators of this land,
When counting up this extra grand,
When at night you kneel in prayer,
Please, please, remember the poor taxpayer.

Now there has been some significant legislation from this government, and I think perhaps the reverse could be true in some areas. They said that they would take the fat out of government. This just makes me wonder. The cry went forward many years ago, "Give me freedom or give me death", and then a few years ago it was, "Give me freedom." In many areas, and perhaps across the way today it is just plain, "Gimme". Well, that's not my cry. All that I am anxious for at this time is to get results for my constituency - roads, rural gas, and extended area services. Thank you.

MRS. CHICHAK:

Mr. Speaker, I feel that I must rise and join in this debate for various reasons, some perhaps already expressed, others not; and some perhaps in a different manner and giving a different meaning.

I'd like to revert back to the original statement of the hon. minister, Dr. Horner, wherein he referred to the O'Byrne Report and the statement that, "Good government is achieved only if people of ability and integrity are attracted to administer." That has more of a meaning than just what is said. Ordinarily, when we consider that, we have to look at the kinds of people who have the ability to run for office. With that ability has to be coupled the financial ability, in order to be able to make one's self available for the candidacy. And so to that statement I would like to add that good financial status does not have a monopoly on ability and integrity. When we look at the kind of remuneration that is presently extant, \$4800, we have to consider those individuals who do not have the kind of financial status that would permit them to leave their jobs even though they may wish to serve the public fully and completely in the capacity in which they have offered their services. So we

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have to consider whether this remuneration, should it be the sole income of an individual, allows that individual to live in the kind of manner that governments and the people as a whole have come to expect of his position in society. That is one of the very prime concerns, that not only we as legislators but also the citizens as a whole should have, whether they approve or disapprove of this step that may possibly be taken today.

We also have to be watchful that whatever remuneration may be considered, should not be such that would attract people who do not have the public interest at heart, but who are attracted simply because the remuneration affords a financial status greater than the average earning.

I think that the kind of recommendation that the O'Byrne Report has brought forward eliminates this possibility. It makes it possible for those who do not have an extensive financial backing to go into a career where they have the true interest of the public at heart, and part of that public interest has to be self interest, because we are part of that society. It is not so high as to bring in people who don't have the public's interest at heart. I cannot agree with the comments that this Report is being over generous. We have to look at the changing role of the M.L.A., on both the opposition and government benches.

During a campaign we certainly campaign on policy formulation, on policies that we each, if our party was to get into power, would try to put through, to live by in the kind of legislation that would be passed and the kinds of programs that would be developed. The responsibility of each M.L.A. on the government side is to be totally involved in helping to carry out that policy. This can be achieved through involvement only throughout the entire year. The role of M.L.A. is becoming more and more involved. There is a greater responsibility placed on us, not simply by the party that is in power, but also by the citizens at large because they now expect each and every one of us to work towards carrying out that policy which they endorsed. The cabinet or the Executive Council alone may be the key instrument in seeing it is carried out, but we must contribute in the overall application for development of the program. And the M.L.A.s in the opposition have as great a role to play because in the interests of the citizens that supported them, and in the interests of all of the citizens of the province, regardless of what direction the vote was made, they have the responsibility to see that those who are governing, who are in power, are, in fact, going to bring forward the kind of program and the kind of legislation that is in the best interest of the citizens at large.

In doing this generally, they are fewer in number, not always, but generally. And so their role is even greater because they have a broader area to cover in seeing that the role of government is in the interests of the people. I am pleased that there is no differentiation in the kind of remuneration that would be considered for members of any side of the House.

In considering the comments that have been made with respect to tax-free expenses and the suggestions that each member should be required to submit an expense sheet and be remunerated only for that which has been expended, for which he is out of pocket. We have to take into consideration what kinds of problems would arise in controlling, in seeing that in some areas these expenses are not created without legitimacy, and then are we going to start questioning the integrity of those members? The costs involved in the accounting procedure and the necessity to prove that, in fact, these expenses were all valid can become so insurmountable and I would say, in many areas, unfair and uneven. I think it is far better to have a standard base as we now have, and as is continued to be suggested. The requirement on us to appear at public functions, to meet with the people and talk with the people, wherever they are, not only with our own constituents is increasing. We are expected, time and time again, to take almost any and every free moment we have away from the legislature to attend functions, to talk with people. Now these aren't all free. Are we going to be asking each and every group to sign a bill for us, that we had this kind of expenditure? I think that would be a laugh. And so I think we need to follow the kind of basic structure we have with respect to expense accounts.

In the comments that were made by the hon. Member for Calgary, he indicated that the Loughheed government -- we are very proud that the leader of our party is Mr. Loughheed. But it is the Progressive Conservative party that is in power, and we are all a team. And I will give the hon. member on the other side the opportunity to speak when I have finished. The hon. member from across the way indicated that we should have waited until after the next election when we would have proven ourselves. Well, I think that we need to review a little bit the records and procedures from the past, and the change that has been taking place over the years.

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The record shows that in each year following an election, at least in the previous four elections, with the exception of between 1960 and 1968, immediately following the re-election of the party then in power, there was an increase considered in the first session following the election. And during these years I find no record of independent studies and reviews. I am not being critical that is the road they chose to take. But I only wish to bring to attention that in 1949 following an election, in the first session there was an increase; in 1954, in the first session following the election, there was an increase; in 1960 following the election there was an increase; in 1968 -- now this will be five years back if the present bill is passed -- there was a review and an increase.

I anticipate that should this act be passed this afternoon, or today or in this current sitting, probably this will be the only consideration or review of remuneration for M.L.A.s for more than perhaps five years. So if we say that the kind of increase that is being considered now is extremely high, I think we have to look henceforth to the number of years that we will have to be happy with this kind of consideration. I think if we take into account the change in the cost of living, in the expanding role of the M.L.A., in the increased costs with which we are faced, coupled with the expanding role, and, in order to give good government to the people of Alberta, to have an additional sitting, or each session expanded, not only to sit in the spring, but in the spring and in the fall, and all the many, many other responsibilities that are being added and some that we perhaps today do not foresee, I do not think that it is illogical or unfair or selfish that we are saying to ourselves that we should line our pockets; I do not feel we are.

I have to agree with the O'Byrne Report, in the study that has been carried out across this nation. And although comment was made that we will now put ourselves into the third highest bracket, I understand that this falls the Ontario and Newfoundland governments are reviewing their salaries. I do not have a record of dates as to when the last increases were made in the other provinces. Within a year we might find ourselves -- not that this is really relevant -- that in other provinces their salaries they may be increased and we may drop down very quickly to be second from the bottom again. If we take into consideration the average annual income in Alberta, it is third highest in Canada. But we are second lowest on the payscale of M.L.A.s, but not in service. I am not trying to say that we should be paid for everything that we do, because by no means would this recommendation cover the kind of time, the kind of demand, and the kind of sacrifice that currently is and what is coming forward.

These are just a few of the comments that I wish to make as to why I feel that the O'Byrne Report is very justified. I do not think we should deviate from it, and I feel that we should pass it.

MR. SPEAKER:

The hon. Member for Highwood, followed by the hon. Member for Edmonton Kingsway.

MR. BENOIT:

Mr. Speaker, I wish to make only a few remarks. I begin by saying that I am glad I am making these comments at this time instead of in the spring portion of the session. If this bill had been presented for second reading in the spring portion of the session it would have taken me a couple of hours to make my comments. Time and circumstances have tempered my views, and I want to express what I say are only my views. I do not purport to speak for or against anyone else.

As I see, in looking at this situation, there must be 75 different circumstances that have to be met with this indemnity increase. For everyone looking at his own circumstances can only speak for himself, because everyone has a different situation. It is in that light that I want to make some of the comments that I make this afternoon.

I want to commend the hon. Deputy Premier for his remarks and his brief introduction of the second reading of the bill. I, myself, would have preferred, as the hon. Member for Cardston expressed, a wider more representative representation on the O'Byrne Committee. I believe it would have been a benefit to have tempered the thinking of the committee with some who were in a much lower income bracket than those who were on the O'Byrne Committee. I am not speaking disparagingly at all of the report that was made by the Committee, in this respect. I am only suggesting that it would have given possibly a wider viewpoint with regard to what the M.L.A. should have received.

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I cannot, personally, and I say personally, agree that such a large increase is justified so far as my own personal circumstances are concerned. When I consider the number of capable people who work in the area that I live in, for much less than we are receiving even now, I can not feel justified in having this much of an increase. In the light of the fact that we have tried to tell others that they should keep their increases down to six percent, it would hardly be justified for us to make as large an increase as this is. Granted, if it were spread over a period of years, at the rate of six percent, based on our income now it would eventually amount to this amount. But, to have it all at one time, and have it now instead of over a period of years, does not seem exactly fair, in my way of thinking. Right or wrong, is up to those who judge me in the matter.

I feel very much the need for considering those that I have to work with and, those whom I represent. I know that they live, the bulk of the them, the majority of them, on less than I do. Because the onerous years of our family life have passed, we have been able, as the hon. Member for Cardston stated, to live fairly reasonably and comfortably on the indemnity which we now receive. Like he said, we can use any amount. All of us can use much more than we are getting. But the question is whether it is necessary and whether it is justifiable under the circumstances.

Leaving that and going to another point which is mentioned by at least two members -- the comparison with other provinces -- I feel it is not a way to approach this subject, because, as the hon. Member for Edmonton Norwood very plainly pointed out, while we may be second from the bottom now, we may be second from the top, the first of January, and the others, seeing the situation will all say: "We are at the bottom now; we have to go up." If you are going to use that as a standard, there is no limit to how high we will go. There must be some other way of measuring the comparison between the indemnity, because it is just one of those things, I think they call it Parkinson's Law in one area, and some other law in another area.

So, I feel we ought to probably avoid that, as a standard, by which we set the income.

I think, so far as the quality of a person is concerned, the amount of money is not going to make that much difference one way or another, either to appeal to some who are of a high quality, or to appeal to some who are of a low quality, who come in just for the sake of the money. I don't think that that will have any bearing. I think it will be up to the voter to nominate and elect the kind of people they want, without regard to what the remuneration is going to be so far as the finance is concerned.

Finally, there is a matter that has been brought out as to what the public should know about the indemnity and the expense accounts. We are living in a day and an age when everybody knows everything about everybody else's business, and it seems that the banker and the doctor, and the preacher, lawyer, know more about me than I know about myself. I don't think there is any secret, and yet, in spite of the fact that it is public knowledge, what the indemnity has been for the past four years, as the hon. Member for Spirit River-Pairview said, here is a situation where the people don't really know. They hear what everybody else is getting and they attach that to what we are getting. So it is then assumed by a lot of people that we are getting the \$18,000 that M.P.s get, or, were getting I should say, for a long time. And they refer to me as their M.P. and suppose that I am getting the \$18,000. I don't know whether they do that unintentionally or on purpose. They might think it is a soft touch. But whether the public should know or not is a matter of opinion.

I think they should know, what we are getting by way of indemnity and expense accounts is not all the benefits that accrue. For those who come from outside the city and have to take up residence, there is a subsistence allowance, and there is the long-distance tolls, and there are free transportation on buses for those who will use that type of transportation, and things of this nature which all add up to a considerable amount as does the situation at the federal level where air transportation is provided to a limited extent, and this kind of thing.

I don't think the public knows how much they are paying for most of the civil servants, they don't know how much the salaries of the civil servants are, generally speaking, even though that is also public knowledge. And so it makes really no difference whether the public knows or not. I suppose that I have to answer to my own conscience in that regard and so this is the position that I take in this area. That I have to answer to my own conscience. I personally feel that I am more than amply rewarded in comparison to those whom I represent, and with whom I rub elbows from day to day. I am not saying that these

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extenuating circumstances that we are developing do not require that we have an increase in indemnity because of the tremendous expenses involved. But I am not convinced that it needs to be as large as that represented in the bill for which we are considering second reading at this time.

MR. SPEAKER:

When I mentioned the hon. Member for Edmonton Kingsway, I was intending to mention the hon. Member for Edmonton Highlands. He has indicated however, that he does not wish to speak at this time. The hon. Member for Little Bow followed by the hon. Opposition House Leader.

MR. R. SPEAKER:

I'd like to put one or two of my views on record; a number of the things that I was going to say have been said so I'll keep it very brief. There are two things that I think are concerns to me with regard to this bill. However, I would like to say first of all that I am certainly in favour of an increase, I think it is timely, and certainly it is something that is necessary at this time.

The first item is related to my own constituents and I think that when we examine the gross income of our farmers we notice that the remuneration that we will receive is certainly greater than the amount that an average farmer does receive. I can only say there that we will have to maintain confidence in the Minister of Agriculture, that he will take care of that problem and increase the gross income of my farmers.

A second area, though, that is equal in concern and even greater, the implications of the cost of this particular item. I believe that the direct cost to government for the increases is one thing. However, the implications that this has with regard to raises and negotiations with the Civil Service Association will certainly have its effect. When we were government we established a guideline of six per cent and attempted to hold to that guideline. I think that the increases that we are looking at for ourselves at this time certainly will have some effect on that negotiation. I can only say to the government that that is one of the problems and difficulties that will be faced ahead. But all in all the government of the day certainly has the responsibility to bring this type of bill forward, a responsibility I'd say which is very difficult at times because of its personal nature. But, as we concluded yesterday in discussion of The Mental Health Act, the government must take the responsibility for the definition of 'therapist'. Again, with this bill I feel it is the government's responsibility to deal with it and bring forward recommendations, and at this time we can only say that we have to be confident that they are right.

MR. TAYLOR:

Mr. Speaker, I want to make a few comments in connection with the proposed bill and before doing so I want to say definitely that I am speaking as the M.L.A. for Drumheller and not as the House Leader of Her Majesty's Loyal Opposition.

In any democracy we try to find out what the people want and act as their spokesmen in the legislature. We do this in every bill possible, legislation, and so on. And this is sound. I'm not sent here to tell the people what is good for them, I am sent here to be a voice or a spokesman for the people who sent me here, the people of the Drumheller constituency formerly the Drumheller-Gleichen constituency. And so I see no difference in this particular bill than from any other bill before the legislature in this regard. I consequently endeavour to find out how the people of my constituency felt in connection with the increase in pay. I believe I am voicing the views of the people who sent me here, and that of course is my duty.

In the first place I would like to add a point that's maybe something that isn't too sound or otherwise, but I question whether it's right for legislatures to be setting their own salaries and so far there has been no logical method of doing it any other way. We saw the other day where an hon. member's conscience of this legislature was so keen that he left the house because he felt that he was going to vote on an item that would lose him money. I respect him for that. That's fine. If we were going to look at this in the same light from a pecuniary interest, every hon. member of the House will have to leave when the vote comes up, because we are all affected by this vote.

The other point that was mentioned by two of the hon. members about province pitting themselves against province, I think is a pretty valid one.

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When I first came to the legislature, the indemnity was \$1,800 a year. I didn't get anything at all until more than 12 months after I was elected. That election was in April. But since that time I have seen the salaries increase and increase, but every time the argument is advanced that the province is not in the right place, compared with other provinces. So there is a tendency to pit one province against the other, and obviously the province at the top today will likely be down the line tomorrow, as each province tries to establish something that is reasonable in relation to other provinces.

Mr. Speaker, I would like to see the House of Commons set the salaries for all provincial legislators in Canada. I don't know of anything in the constitution against that. Whether it would be higher or lower, I don't know. Maybe it would be higher, but at least it would be people who were setting the salaries who knew what the job was, because members of parliament are in much the same category, and we would then have across Canada an M.L.A. of P.E.I. getting paid the same as an M.L.A. of B.C. or Quebec or Ontario or Alberta. I think there is some sense in that type of an arrangement. I'm not sure that any hon. M.L.A. in this House is more valuable to his constituency than is an M.L.A. in Nova Scotia or Quebec or B.C. Consequently, I think there are some pretty sound arguments that could be advanced for the payment of M.L.A.s right across Canada being in the same category. Apparently that can't be done at the present time, but I certainly think it's something that should be looked into and discussed with other provinces, and possibly with the Prime Minister of Canada, whoever he happens to be in the next few days.

The next point I would like to mention is that one of the items during the last few years that we have tried to deal with effectively as governments, as M.L.A.s, as municipal governments, and as industrialists, is the matter of inflation. There was a plea from the present Prime Minister of Canada, the Right Honourable Mr. Trudeau, about two years ago, asking labour not to ask for more wages, and asking industry not to pay more wages except when absolutely essential, and keeping it down to a low guideline, because of the inflationary effect. This was followed, generally, across Canada to a considerable degree, as we all know the undesirable effects of inflation. Well, inflation is still with us.

In the federal campaign every party advanced the item of inflation as one with which the people of Canada are concerned, and properly so. If it was inflationary to go above six per cent for the civil servants, or for the teachers, or for the labourers, surely it's just as inflationary to go above that six per cent for M.L.A.s. That is one of the points advanced by a number of people in my own constituency, and that is that M.L.A.s should practise what they preach, and keep their salaries within the range of the increases advanced to other people. I think I can understand the merits of that. I have sat in the homes of people who are living on far less than \$5,000 a year, who are worried about tomorrow, and who look upon \$7,000 or \$10,000 as being Utopian. Possibly every hon. M.L.A. has had the same experience, and when we are setting our own wages, I think it wise to consider that inflationary effect and keep the increase within the bounds that we expect others to keep their increase.

Now when we look at that and wonder the value of an M.L.A. or cabinet minister, or maybe the opposition or minister without portfolio, I think we have to be realistic. They are not exactly the same as a civil servant or even a workman because there is no assurance that any M.L.A. will be here after the next election. We may think we will be, but none of us have any definite assurance; we don't know what the issues will be; we don't know what the people will do. And so there is certainly that aspect that doesn't haunt the -- if it haunts us, it doesn't haunt me -- but if it does haunt us, it certainly doesn't haunt the workman of the province. I say it doesn't haunt me not because I'm not honoured to be a representative but because I believe in democracy, as every hon. member does, and if they choose somebody else who can do the job better, well and good. The main objective is to have good government in the country.

Well, the physician isn't the same, yet I think there is some relationship, because when we start analyzing the O'Bryne Report, we find that cabinet ministers will be getting under the increase, plus the expenses and the M.L.A. part, about \$97.00 per day every day of every year. Well, \$97.00 a day, seven days a week, 31 days a month, 365 days a year is pretty good pay. At the present time it's about \$60.00. I know the duties and the frustrations and the agonies and the joys and the triumphs of cabinet ministers. I was a cabinet minister for 21 years and five months -- and ten days if you want the exact time -- and I think I know the feelings of backbenchers; I was a backbencher for ten years, as a government backbencher. I know the frustrations and the triumphs and the happiness and the sadness and the tears of a backbencher too. And now I have had the experience of knowing how it feels to be on this side of the House.

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I think democracy has made it important that M.L.A.'s do be the spokesman of a vast number of people, and the point I am trying to make is that when we start analyzing the actual increases, it amounts to pretty high sums of money and I, from a working family and one who has always lived reasonably moderately -- I have never had a wife and seven kids to look after and I sympathize with those who have a wife and seven kids to look after, but I don't think that can be the criteria, much as it maybe should be, in connection with setting M.L.A. salaries. I think it's the same as when you are setting a salary for people in the civil service. You don't decide how many dependants a man or woman has in the position; you set out the position and then the person gets a salary for that position. I think that could be done; I think that is the approach that has to be taken.

An M.L.A. under the present \$7,200 plus expenses is about \$19 a day every day of the year, and about \$36 a day every day of the year under the new arrangement. This, I think, is high and my people think it's high, and I am going respectfully to suggest to the hon. Premier, the hon. Deputy Premier, and the hon. ministers of the cabinet, that something less than this would certainly be far more acceptable to the taxpayers of this province, and I think more reasonable, and still pay a pretty reasonable sum to those who are doing the job.

I would like to say a word or two in connection with expenses. Now the raise from \$15 to \$30; I am not involved in that so I can certainly speak very freely on it. I never received any of that when I was a backbencher during the ten years -- there was no such thing. We got our indemnity and we found our own expenses. It was later that this idea of expenses came up while a person is attending a session and I think properly so. So I would agree with the increase from \$15 to \$30 for members who have to come and establish residence in Edmonton. I say I am not involved because my home is in Edmonton, but to those who have to come and live here in hotels and so on, I don't think this is out of the way. I think it's a pretty reasonable sum. I think it is high enough, but I think it is reasonable.

Now when it comes to the expenses for an MLA, the \$4,500 that is recommended -- I have mixed feelings. I think over the years, that I have been in the legislature, including the years I was a cabinet minister, I spent more than \$4,500 and more than the expense free part, in trying to service my constituency. When you start paying for halls, and have constituency meetings, or pre-sessional meetings once a year (sometimes halls cost \$25 for the night) when you start paying advertising, you start paying your travelling expenses along with all the other donations -- I don't think I ever made any money out of the expense part of the indemnity.

When I look at the situation across the province, if it is that way with me with just 180 miles to any point in my constituency, or 210 miles to the furthest point, I have to wonder about the members who live in the extreme south or the extreme north of the province, who have very large ridings. Now I would frankly like to see a difference, through the expense account, and I rather lean towards that, as mentioned by the hon. Member for Spirit River-Fairview, with a maximum. Whether everybody would reach the maximum or not, I don't know, but I think a set maximum would be a fairer way than simply providing \$4,500.

Now again, some people say the expenses of an MLA in the City of Edmonton are less than the expenses of an MLA for the City of Calgary or Lethbridge or Spirit River. I don't know whether it is or not. I have never been an MLA in a city, but I do know that living in the city, and travelling to my constituency, rather than living in my constituency and coming to the session, does involve considerable expenditure. And I think that city members have a number of expenditures that we in the rural areas don't have, because I get some of that when living in the city. I am not sure that there should be a difference, but I do think that an expense sheet would be more acceptable to the people generally.

Now the other point that I would like to make before sitting down is that the taxpayer is the person to whom we have to give some consideration. He is the man who is going to pay this. The rich, the poor, all of those who pay taxes in this province. It is their money that we are using, and on account of that, I think the government would be well advised to bring in some amendment of a lesser amount that would be more acceptable to the taxpayers of this province.

MR. SPEAKER:

The hon. Member for Clover Bar followed by the hon. Member for Edmonton Beverly.

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DR. BUCK:

Mr. Speaker, I would just like to take about five minutes of the time of the House to bring up one or two points that I feel have been missed. Number one is, I think the reason that the O'Byrne Commission was set up was to give us an independent appraisal of what they thought the members of the legislature and the cabinet should be paid. I think this is why it was set up, and I just can't buy the argument that it should be set by the members of the House of Commons. I think that they would be partisan in their thinking. The purpose of this committee was to be non-partisan, and this is why I have to support nearly all of its recommendations. As a member, I know that the role of the MLA has increased, I would say, two-fold since I was first elected '67. There should be some retroactive feature in this bill. I say by retroactive maybe a period of four months or so, to cover the session that we are in now, and to help defray the expenses of some of the members who have been preparing for the session and who, I feel, have been working twice as hard as I personally did when I came here in 1967. I really think that this should be seriously considered, but that will be entirely up to the members of the House.

I think we must ask ourselves if, under the present setup, there are members of the general public who are being discriminated against insofar as they cannot sit in this House because of the economic setup the way it is now. I think there are such people. I think the self-employed man does not fit into the scheme of things here under the present indemnity system. There is absolutely no room for him; there is room only for the man who finds that \$7,200 is a high salary, or else the man who is independently wealthy and doing this for a hobby. I don't think that is right. I feel that the indemnity is realistic. I think the O'Byrne was realistic, that they tried to look at all aspects. I venture to say if there were three or four other people on this commission that the report would be almost identical to what it is right now. I really feel that.

Mr. Speaker, in dentistry we have a means of setting up a fee schedule. I think you would probably be interested to know how this is arrived at. You take the time, times the 'r' or responsibility factor and you arrive at a fee. In arriving at an indemnity I think you take the time, times an 'r' or responsibility factor and you arrive at an indemnity. Ladies and gentlemen of this House, when we are responsible for \$1.3 billion of the taxpayer's money, I think they are getting a bargain if we take these recommendations.

MR. SPEAKER:

The hon. Member for Edmonton Beverly, followed by the hon. Member for Wetaskiwin Leduc.

MR. DIACHUK:

Mr. Speaker, just briefly a couple of comments as an M.L.A. for a constituency that has a lot of blue collar workers and people working for a regular salary, I feel that I should make a few comments, and as an ex-civil servant I feel I should react to one or two comments.

I am pleased that up to this time most of the speakers have agreed to some extent with the O'Byrne recommendation, some to a greater extent than others. Some, I gather, agree with it to the fullest extent, as I have and as I will.

I am in agreement with it because I look back 20 years ago when I started as a civil servant at a salary of \$2,100; at that time the honorarium of an M.L.A. was \$2,000. I did check that same position, now a person, a young married man who starts working for the civil service, the salary would be close to \$6,000. We can compare that with the M.L.A.'s honorarium is now.

It is interesting to note how easy it is to try to relinquish our responsibility about making a decision such as this. In my experience as a trustee on the Edmonton Catholic School Board, and as a member of the Alberta School Trustees' Association Executive, we were always prepared and pleased to make our own decisions and recommendations rather than pass them on to others. If we were elected to those positions, I thought and I agreed with everyone on those boards and executives, we were prepared to make those recommendations.

Briefly, I concur with the O'Byrne Report and do not hesitate facing civil servants or constituents because, as the hon. Member for Spirit River-Fairview indicated, many of them think we are getting \$15,000 and \$18,000 a year now.

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MR. SPEAKER:

The hon. Member for Wetaskiwin Leduc, followed by the hon. Member for Lethbridge West.

MR. HENDERSON:

Mr. Speaker, my comments on this subject will be very brief. This undoubtedly is one of the touchiest issues that every member of this assembly has to deal with, yet I think it is one that has to be faced up to.

In listening to the debate I think a few things should be said about factors which really cannot be used as a guideline for determining a fair and reasonable remuneration for a member of this assembly. Certainly arguments pertaining to equitability from a standpoint of the financial circumstances of all 75 hon. members cannot be taken into account as the basis for making a decision. I do not think any member suggests that it is. Because there are members here, I believe, who are retired and this is a full time occupation to them; they are making a valuable contribution to society. So, remuneration of each and every one of us is different.

Secondly, Mr. Speaker, I do not believe, at least not in my experience to this point in this legislature, that I cannot honestly say that I am aware of a single person who has sat in this House, who sought a seat in here as a means to personal financial gain. That is not a factor that is to be taken into account in this discussion, nor do I believe, Mr. Speaker, that the public, while we hear varied shades of individual opinion, I do not believe the public, collectively, have any such conclusions that anybody seeks membership in this office or in this assembly as a means to personal financial gain.

I rather concluded, Mr. Speaker, that, on the whole, the majority of individuals that take a seat in this assembly, make some degree of financial sacrifice, no matter what their circumstances are. Therefore, certainly in the past, I do not think there can be any arguments about being over-paid.

One thing, Mr. Speaker, I also do not believe that equitability can be a factor that takes into account and determines the expense allowance. The arguments concerning an accountability in the form of a piece of paper to justify the expenditure to the public of an individual member in this assembly, really are somewhat meaningless. Because in my view, regardless of whether an individual commutes around his constituency in a private plane, or when he can walk around in the city, this is somewhat incidental to the fact that there would have to be a ceiling on expenses. I think that the majority of members would probably agree on this.

It is my experience, in dealing with the problem of expense accounts, outside of government, that where ceiling are spent, it almost becomes axiomatic. There will be exceptions, but it is almost axiomatic if the ceiling is reasonable, the level of expenditures will rise in the accounting, on the piece of paper up to the ceiling. So we go through a great big exercise to get accountability, to get a piece of paper, to stand up and wave to the public "This says I am justified where I spent my expense money", and I say, in a lot of cases, Mr. Speaker, it would be an exercise in sheer political and individual hypocrisy. Because it would be absolutely meaningless, in terms of what is a reasonable amount of expense moneys that a member of the legislature should be entitled to in carrying out his responsibility to his constituents and to the people of Alberta.

I would like to say, on a positive note, Mr. Speaker, that I certainly, as a member on this side of the House do not begrudge the recommendations in the report as they relate to the members of the Executive Council.

Once again, the question of equitability within Executive Council cannot be taken into account. There are ministers who have extremely heavy responsibilities, and I think, from my own experience they may carry the load in terms of workload and responsibility, that is equivalent to their counterparts. But once again, how does one judge this question? I can see no method by which equitability can be taken into account in that argument. In my experience, one year, sitting as a member of the Executive Council, at least in this province, where ministers, I think, in the past administration did, and I am certainly of the opinion that ministers of the present administration do devote their fulltime and attention -- not 12 hours a day, but it goes beyond that, most of their waking hours -- to the concerns of the wellbeing of the people of the province, one year in that particular office, in my mind, from my experience over 20 years in working in one of the largest corporations in Canada, suggests to me that returns of personal demand, one year in that job on the front bench

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on either side is worth two years in most corporate jobs. And so, I say, Mr. Speaker, I do not begrudge the recommendations made regarding the remuneration to be paid to Executive Council.

I don't think it matters whether we voted to take a reduction in indemnity, we would still hear complaints that we were being overpaid from some segments of society.

And so the argument boils down to what is reasonable? I really don't know, Mr. Speaker. I have to suggest that the ground rules that have been suggested are as reasonable as any that have been put forth inside or outside this House. I am quite frankly prepared to go along with whatever the recommendation was, personally, whether it is to stay where it is at or whether it went up or not, because I can't judge it on the basis of my own personal financial position. And so, I would have to say, Mr. Speaker, in total, that there are a lot of things that can't be taken into account as to the basis of what constitutes satisfactory remuneration to members of this legislature. On the whole, and I look at the question of 'reasonable' in general terms, I think that the propositions that are contained in the bill are reasonable. Thank you.

MR. SPEAKER:

The hon. Member for Lethbridge West.

MR. GRUENWALD:

Mr. Speaker, I promise to be very brief. As a matter of fact I would be glad to close the debate if you would like me to.

MR. HENDERSON:

Ask the minister.

MR. GRUENWALD:

Okay. I just want to, as a matter of being consistent state my position. I stated it very clearly in this session. I have not retrenched from that position. I stated it because I, first of all realized that the expense account was totally inadequate, it was just not satisfactory, and I think I said it was immoral and I believe it. I believe Mr. Justice O'Byrne used that phrase in his report as a matter of fact. So, as I say, I haven't retrenched from that position.

My constituents know how I feel. They know it through two radio stations, through a television station, through the Lethbridge Herald, through every media available to them, plus the coffee role. So I don't feel that this is anything that is being sprung on them. All I want to say, Mr. Speaker, is that there is a disappointment that I have. It has been mentioned by some. There should have been a variable in there I think, to compensate for the disadvantage for rural constituencies, but heaven forbid, let's not get into issuing expense accounts and expense sheets. That's the last thing I want -- and the next thing I want to do is, to sit down and let's vote on this.

MR. SPEAKER:

May the hon. Deputy Premier close the debate?

HON. MEMBERS:

Agreed.

DR. HORNER:

Mr. Speaker, very briefly. I am afraid first of all I couldn't swallow the suggestion from the hon. Member for Drumheller. My two kid brothers are down there now and I wouldn't want them . . . I appreciate very much the contribution that the various members have made to a very difficult proposition of setting ones own salaries. I do think that I would have to agree with the representations made by the hon. Member for Wetaskiwin-Leduc. We don't always agree, but today we can when he said this was as reasonable a report as he had seen. We wrestled with the problem of trying to get some sort of formula that would be available and that would give an automatic type of increase as other people in other types of society have, and as my humble friends know that is very difficult to do. We are still open to suggestions on how that might be done in the future.

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Insofar as the expense is considered and the inequities there might be between constituencies of varying sizes, I think that, too, should be given some further consideration as to how it might be handled. It may well be that a transportation allowance under a budgetary appropriation might be the best way to do it, rather than to do anything that is going to make some inequities in your general scheme of things. So I have to reject most of the statements made by the hon. Member for Drumheller, and the hon. Member for Highwood, and my friend from Cardston. I think this is a reasonable document. I think that the people of Alberta will find it reasonable and I therefore recommend it to the House.

[The motion was carried, and Bill No. 118 was read a second time.]

MR. WYNDMAN:

Mr. Speaker, I move we call it 5:30 p.m.

MR. SPEAKER:

Does the House agree to the hon. Government House Leader's suggestion?

HON. MEMBERS:

Agreed.

MR. SPEAKER:

It now being 5:30 p.m., the House stands adjourned until tomorrow afternoon at 2:30 o'clock.

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