

LEGISLATIVE ASSEMBLY OF ALBERTA

Monday, May 7, 1973

[The House met at 2:30 o'clock.]

PRAYERS

[Mr. Speaker in the Chair]

NOTICES OF MOTION

MR. PEACOCK:

Mr. Speaker, I wish to give notice that tomorrow, May 8, I will introduce The ARR Amendment Act No. 2.

INTRODUCTION OF BILLS

MR. RUSSELL:

Mr. Speaker, under this item I would like to move, seconded by the hon. Minister of Telephones and Utilities that Bill No. 207, An Act to amend The Municipal Government Act, be placed on the Order Paper under Government Bills and Orders.

[The motion was carried.]

INTRODUCTION OF VISITORS

MR. KOZIAK:

Mr. Speaker, I have been given the distinct honour of introducing on your behalf to the members of this Assembly 70 students from Grades 5 and 6 in the Rio Terrace School in your constituency of Edmonton Meadowlark.

They are seated both in the members and public gallery and are accompanied by Mrs. Bradbury, Mrs. Keeler, and Mr. Bubenko. I would ask that they rise and receive the recognition of the House.

MR. DIACHUK:

Mr. Speaker, I wish at this time to introduce to you and through you to the members of this Assembly some 33 Grade 6 students from the constituency of Edmonton Beverly from St. Clare School. They are accompanied by their teacher, Miss Worobek and two charming mothers, Mrs. Wachowich and Mrs. Bowman. I would ask that they rise and be recognized by this Assembly.

FILING RETURNS AND TABLING REPORTS

DR. HORNER:

Mr. Speaker, I would like to table a Return to Motion No. 236.

DR. WARRACK:

Mr. Speaker, I would like to table the Return to Motion No. 211.

ORAL QUESTION PERIOD

MR. SPEAKER:

The hon. Member for Olds-Didsbury, followed by the hon. Member for Calgary Bow.

Belinda Manybears

MR. CLARK:

Mr. Speaker, I'd like to direct a question to the Minister of Health and Social Development.

Mr. Speaker, I'd like to ask the minister if he is prepared to launch an immediate investigation into the circumstances surrounding the return of the body of Belinda Manybears in a cardboard box to her mother at Slave Lake, Alberta?

MR. CRAWFORD:

Mr. Speaker, this matter came to my attention late last week and I asked for inquiries to be made at the time through the Hospital Services Commission. I have not yet, Mr. Speaker, concluded that the recommendation I should make in this case, or the course I should follow would be for the appointment of an investigator. But that is one of the considerations that we are having regard to at the present time.

I might add that the sense of anguish and sorrow that comes in a situation like this, I think, is the same for all hon. members. What I would want to summarize for hon. members at the moment would be that having regard to the shared responsibility that is by and large -- and I'm not passing it off in this way -- that of the hospital board involved, I would want to go into it just a little bit further before deciding on the matter of an investigation. It does seem to me that this is a case where it might be justified.

MR. CLARK:

Supplementary question, Mr. Speaker. Could the minister explain to the House why an autopsy was performed on the child without the permission of the child's parents?

MR. CRAWFORD:

No, certainly I cannot explain that, Mr. Speaker. I can't imagine circumstances in which I would have an explanation for that. I think it is quite apparent that these things are done in the various institutions in the province from time to time with no knowledge or control on the part of the government when they are performed.

But I don't think that changes the fact that if such practices are being conducted in hospitals which, as hon. members would know, are not directly under the control of the province but are related in the sense of being part of the overall hospital system of the province, if there are changes in requirements and regulations which should be placed upon those institutions, that is the sort of step we could take. It is that sort of thing we would want to give consideration to, particularly if an investigation follows and if that shows that some procedures followed were wrong. It seems to me when an autopsy is performed without the consent of the necessary parties to consent that's quite a serious matter.

MR. CLARK:

Supplementary question, Mr. Speaker, to the minister. Mr. Speaker, on March 20, 1972, the minister assured the House that this kind of practice would not be repeated. Will the minister, after investigating the matter, report back to the House at the earliest possible time?

MR. CRAWFORD:

Mr. Speaker, I will report further to the House in regard to this matter.

I might mention the only other case I can recall where this occurred was in what I would call an out-post community in the far north. The situation is different this time in that it involves a major metropolitan hospital. There are a few other differences. I gave, I think, the assurance at the time of the

Fort Vermilion one and the necessary follow-up instructions that steps be taken to provide the necessary coffins because it was a remote area in that case. One of the problems in that case was that there were no coffins available. But that couldn't be the case in a city. So although the cases are different in some respects, they are similar in some respects, too, and I will report further.

MR. DIXON:

A supplementary question to the hon. minister, Mr. Speaker. Hon. minister, on November 20 I asked in the House regarding the same kind of disgraceful situation that was going on, and at that time you indicated that --

MR. SPEAKER:

Order, please. Order please. The preceding question was, in itself, out of order because of its preamble. It was definitely in the nature of debate inasmuch as it said to the minister, you previously gave assurances this wouldn't happen again and it has. That certainly is debate. We don't want to go along that path any further. I would ask the hon. member to come directly to the question.

MR. DIXON:

My direct question, then, Mr. Speaker, to the minister, were the instructions sent out from your department to all the hospitals that coffins would be available in hospitals where no undertaking service was available?

MR. CRAWFORD:

Mr. Speaker, that couldn't be the case in this present instance where the incident involves a major metropolitan hospital.

The directions that I have were where, in fact, we through the department, I believe, had discussions with the Alberta undertakers' association with respect to service in the far north. The sort of understanding and direction went forward from the Department of Health and Social Development at that time was one that through the necessary agencies of the federal government -- in that case the Indian Affairs Department was involved -- and through the services of the various hospitals in what we refer to as out-post regions, where the difficulty was that coffins were not available, that that difficulty could be resolved. I do not know the precise way they have dealt with that in the meantime. It does not form part of the present situation.

MR. DIXON:

One final supplementary question then to the hon. minister, Mr. Speaker. Has the present investigation that has been carried on at the Fort Vermilion hospital, which was involved in the case last fall -- was this investigation primarily brought about because of the situation that happened last fall with the youngster being sent home in a cardboard box?

MR. CRAWFORD:

No, Mr. Speaker, in substance there is no relationship between the incidents.

MR. SPEAKER:

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

Employment Advertising Practices

MR. WILSON:

Mr. Speaker, I would like to direct a question to the hon. Minister of Consumer Affairs. Can the minister advise the results to date on his department's investigation of the Calgary firm advertising guaranteed employment?

MR. DOWLING:

Yes, Mr. Speaker, we have had a communication from the firm. First of all I should point out that the delay in answering was perhaps due more to the fact that we were investigating within the department, within the City of Edmonton, rather than directing letters to the firm.

We have had an answer from them and they did at that time claim to be the distributors or representatives of the Earl Nightingale Communications organization. However we contacted the Earl Nightingale Communications organization in Chicago and found that this was not the case.

We found also that the organization was unlicensed and we have taken the proper steps to guarantee that it is. We have had one of the people from the department visit the school, inspect it and sit in on the classes to ascertain that the classes are, in fact, more or less what they claim to be. We have indicated to them that we do not think it is an ethical practice to advertise guaranteed employment, and they have indicated they will cease advertising and soliciting for applications for their school.

MR. WILSON:

A supplementary, Mr. Speaker. Has any of the students of this organization made application to the government regarding the guaranteed employment aspects of it?

MR. DOWLING:

No, Mr. Speaker, the arrangement was through this firm. The arrangements that were made were made primarily with real estate firms which sold real estate in the City of Calgary. The real estate firms indicated that they would employ the graduates of this school.

MR. SPEAKER:

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

Peace River Oil

MR. NOTLEY:

Mr. Speaker, I would like to direct this question to either the acting Minister of Mines and Minerals, or the hon. Minister Without Portfolio in charge of Northern Development. Can the minister advise the Assembly what the status is of Shell Oil's exploration in the Peace River tar sands area?

MR. ADAIR:

Mr. Speaker, that, of course, would have to be answered by the Minister of Mines and Minerals. As an interested party to that particular project, I am aware that they have had some workings in the area and I think I would leave it to the minister to respond.

MR. SPEAKER:

The hon. Member for Drumheller, followed by the hon. Member for Calgary Mountain View.

Aboriginal Rights of Indians

MR. TAYLOR:

Thank you, Mr. Speaker. My question is to the hon. Minister Without Portfolio in charge of Northern Affairs. What is the position of the government on aboriginal rights of Indians?

MR. ADAIR:

Mr. Speaker, you are relating to what is our position on aboriginal rights? I would --

MR. SPEAKER:

Order, please. I regret interrupting the hon. minister but this is obviously a question which deals with such a broad field of policy that it is not suitable for the question period.

The hon. Member for Calgary Mountain View, followed by the hon. Member for Olds-Didsbury.

Calgary Student Placement

MR. LUDWIG:

Mr. Speaker, my question is to the Minister of Education. Does he intend to announce a change in the policy of bussing of students and the funding of the bussing of students in Calgary?

MR. HYNDMAN:

Mr. Speaker, I feel it would be premature to make any announcement such as is contemplated. However, this morning I had a very useful meeting with some representatives of the Calgary Public School Board administration and the trustees, and in addition a number of parents from the northwest area of Calgary, at which time we explored the various problems which they are facing and I learned a good deal from them. As I said to them we will be looking on a priority basis at the matters which they brought up and hopefully getting back to them within ten days.

MR. LUDWIG:

Mr. Speaker, supplementary to the hon. minister. Is the minister intending to give audiences to other concerned people on this particular issue?

MR. HYNDMAN:

Well, Mr. Speaker, we never give audiences. I think we will have a visit or a chat over coffee but that word would be misplaced. However, certainly my door is open as it always has been to meeting with groups of people who wish to come in, usually with their school board if it involves a local autonomy situation as well, to discuss matters relating to school financing and school housing.

MR. DIXON:

Supplementary question, Mr. Speaker, to the hon. minister. Would I be fair in suggesting that the government is giving serious consideration to doing away with the freeze on new school construction in areas already developed such as Dalhousie in Calgary?

MR. HYNDMAN:

I would like to make it clear, Mr. Speaker, that there is not a freeze in any way, shape or form. In last year, 1972, there was school construction totalling some \$18 million and this year there may be school construction totalling some \$16 million.

Last November the Calgary school boards were authorized to go ahead on the construction of, I believe it was six schools; they themselves were given the option of deciding where they wanted them and in which areas.

So certainly there is not a freeze. There is certainly a holding pattern from what was the case prior to 1971, but that policy is one in the light of falling birth rates, and in the light of massive \$42 million of mortgage expenditures which we have to keep very constantly under review.

MR. DIXON:

Mr. Speaker, my final supplementary question. There seems to be a problem in Calgary, the school trustees --

MR. SPEAKER:

Is the hon. member asking a question?

MR. DIXON:

Yes, I am, Mr. Speaker. My question is, has the Calgary School Board taken issue with the fact that there is a freeze on school construction in areas such as Oakridge and Dalhousie?

MR. HYNDMAN:

The Calgary Public School Board's essential concern, I think, is with the housing of students in the newer areas of Calgary, and as I pointed out to them, some very serious looks at the alternatives of having students in maybe a school

in the next-door neighbourhood where there are ample spaces. As I pointed out to them, there are a number of schools near the Dalhousie area where there are 100 and 200 spaces. In the Sir Winston Churchill High School, not too far away, there are 800 extra spaces. The school was built for 1,800 students and there are roughly 1,000 there.

So as I suggested to them, there has to be a look at a number of alternatives. That is their job, not mine, but within the parameters of the provincial guideline I think we have to constantly keep them under review.

MR. SPEAKER:

The hon. Member for Olds-Didsbury, followed by the hon. Member for Calgary Bow.

Hospital Wage Settlements

MR. CLARK:

Mr. Speaker, I would like to ask a question of the Minister of Health and Social Development. I would like to ask the minister if other hospital boards in the province will be eligible for additional financial support from the Hospitals Commission for wage settlements in light of what has happened in the Royal Alexandra Hospital settlement?

MR. CRAWFORD:

Mr. Speaker, I indicated previously that whenever a board of a hospital has a budgetary matter that they would like re-examined by the commission, there is an appeal procedure which they would have to follow. Now whether or not the result of the appeal is that more funds are made available, is not a certainty. I would think that where the wage settlement is a major factor and has a major impact upon the budget which had been arrived at prior to that change in circumstances, then some upward adjustment would be made. But it is certainly possible that in some hospitals the amount of the adjustment based on wages would not be so significant that any change would be necessary.

MR. CLARK:

Supplementary question, Mr. Speaker, to the minister. Mr. Minister, then the Alberta Hospitals Commission would be prepared to accept appeals if the appeal is based on a wage settlement above and beyond the rather generally agreed upon guideline of six per cent?

MR. CRAWFORD:

I don't think the individual appeals relate to the question of any guideline, Mr. Speaker. I say again that I think the important part of it is to see what impact any unusual expenditure has upon a budget which had once been set. Then the unusual impact follows the settlement of the budget in the first instance for the year. It's the fact that things like wage settlements come on after the budget has been set for the year which cause the necessity for review. So that would be done in each case where an appeal was made and the appeal procedure, up to this point, has proven adequate.

MR. SPEAKER:

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

Western Canada Lottery

MR. WILSON:

Mr. Speaker, I would like to direct a question to the hon. Minister of Culture, Youth and Recreation. When can this Assembly expect an announcement of a cabinet decision regarding possible Alberta participation in the proposed western Canada lottery?

MR. SCHMID:

Mr. Speaker, as soon as the Assembly adjourns and the cabinet has time to consider the proposals.

MR. WILSON:

A supplementary, Mr. Speaker. Can the minister indicate what the projected revenue to the province might be?

MR. SCHMID:

Mr. Speaker, this is a subject of discussion of cabinet and as soon as it is available it shall be made public.

MR. WILSON:

A supplementary, Mr. Speaker. Would the minister consider recommending a Calgary Stampede event as one of the lottery --

MR. SCHMID:

Mr. Speaker, all lotteries that are presently in existence in the province will continue under the new program if they so desire.

MR. DIXON:

A supplementary question, Mr. Speaker, to the hon. minister. Has your department or the government investigated the idea of Alberta going it alone with its own lottery rather than getting involved with the other provinces?

MR. SCHMID:

Mr. Speaker, part of the proposal to cabinet, of course, will include a projected cost of administration if the Province of Alberta entered the same program on its own.

MR. SPEAKER:

The hon. Member for Drumheller.

Aboriginal Rights of Indians (Cont.)

MR. TAYLOR:

Mr. Speaker, may I reduce the scope of the previous question to the hon. Minister in charge of Northern Affairs? Has the government taken a position in regard to the aboriginal rights of Indians in regard to the ownership of land?

MR. ADAIR:

Not a firm position at this time, Mr. Speaker.

MR. TAYLOR:

A supplementary. Is the matter under discussion at the present time?

MR. ADAIR:

Yes it is, Mr. Speaker.

MR. SPEAKER:

The hon. Member for Spirit River-Fairview.

Rail Freight Rates

MR. NOTLEY:

Mr. Speaker, I would like to direct a question to the hon. Minister of Industry and Commerce. Can the minister advise the Assembly whether or not he has been successful in getting the railroads to disclose all the necessary information on freight rate data in order to be able to evaluate this before the Western Economic Conference?

MR. PEACOCK:

Mr. Speaker, we haven't as yet prevailed upon the railroads to expose the information to the provinces. The Premier today is speaking on that subject in the East. He will be -- and we have committed the provinces -- to the railroads

asking for that information and we trust we will have some information to report to the House later on.

ORDERS OF THE DAY

DR. HORNER:

Mr. Speaker, under Orders of the Day I would like to table the address the hon. Premier gave today in Toronto and I recommend it to the House. It's an exceptionally good speech.

MR. CLARK:

Mr. Speaker, we reserve judgment until we have read it.

MR. HYNDMAN:

Mr. Speaker, I move you do now leave the Chair and the Assembly resolve itself into Committee of the Whole to consider Bill No. 48, The Alberta Property Tax Reduction Act, and other bills on the Order Paper.

[The motion was carried.]

[Mr. Speaker left the Chair.]

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COMMITTEE OF THE WHOLE

[Mr. Diachuk in the Chair]

Bill No. 48 The Alberta Property Tax Reduction Act

MR. CHAIRMAN:

The Committee of the Whole Assembly will come to order. Bill No. 48, The Alberta Property Tax Reduction Act.

Any discussion? Mr. Benoit.

MR. BENOIT:

I would like to ask a couple of questions of the minister, and then make a comment or two with regard to Section 30. This is the section which deals with the same principle, presumably, as is covered by the incentive grants this year where the 7.5 per cent guideline is involved. Is this correct, Mr. Minister?

Has the minister prepared any regulations or is he able to give us any idea of the regulations that might come under that section?

MR. RUSSELL:

Mr. Chairman, that is the easier of the two grants to deal with because that is the one that is related directly to the school board supplementary requisition. I think the members received in their reports the basis on which that is computed, on the sliding scale from 0 to 15 mills.

MR. BENOIT:

The point I am making, Mr. Minister, is that the minister can make regulations. I suppose those regulations will be changed from year to year probably as circumstances dictate. Is that the idea?

MR. RUSSELL:

Mr. Chairman, I indicated the authority to make regulations in this new act is fairly extensive because we are dealing with comprehensive changes. I think I was as straightforward as I could be, when I said we think we have most situations covered. In case there is some situation we need to react to, we would like to have the authority under regulation to do that whether it is giving a homeowner assistance grant to a deserving homeowner who by some fluke missed the legislative requirements. But it is certainly intended to go ahead this first year, in fact it is budgeted for, on the basis of the guidelines which we have given you in the report.

MR. BENOIT:

Mr. Chairman, with all due respect to that and even in consideration of Section 31 I still would like to put forth and associate myself with the thought that this type of restraining situation where the incentive grant depends upon the municipality coming to certain limitations is injurious to the principle of local autonomy. Hitherto, any grants that were made were made without any strings attached to them. In this particular instance, this year the incentive grant comes out and it says it is unconditional in the way it is spent, but there is a condition upon which the municipality can get the grants. This takes away from local autonomy, as I understand it, in a good many ways.

First of all the provincial government will give money to those who can qualify for it. If some municipality has done very well in the past and has been very frugal and then finds itself in a bind, now it may not be able to qualify for the incentive grant. However, the minister and the department in their discretion have in some instances relaxed the regulations. If the regulation is there and it can be relaxed for any of many reasons, then the question that I raise is why is it there in the first place? Why not give the grant totally unconditionally, without putting this on?

Now I know that some taxpayers like the idea of putting some kind of limit on how much money a municipality can spend. But I personally am of the opinion that when it comes to municipal expenditures, that responsibility is upon the taxpayer and the municipality, and not necessarily upon the provincial government which is giving out the grant. If the grant is going to be given, let it be given without any condition either as to the way it is going to be given or on the expenditure of it after it has been received.

So I would like to suggest, Mr. Speaker, that until we have had further consideration and opportunity to qualify this, I would like to move, seconded by Mr. Dixon that this Section 30 of Bill No. 48, The Alberta Property Tax Reduction Act be struck out.

MR. CHAIRMAN:

Mr. Benoit, do you have that motion?

MR. DIXON:

Mr. Chairman, in seconding the motion, one of the questions that has a bearing on this which I'd like to ask the minister, is the case where a municipality may be involved in an expenditure that may be what we would consider a one-shot expenditure in that particular year; something they'd planned on. I could think, in rural municipalities say, of a payment as far as a seed plant is concerned -- just using that as an example.

What provisions does your department anticipate to take care of that type of situation? Because it is something where a municipality may have tried to hold the mill rate down and been doing a good job, but in this particular three-year period, these payments already were committed, which may have been a good investment as far as the municipalities were concerned.

Is there any way whereby you could take a situation like that and correct it? Otherwise they would be automatically over and yet it had been a good piece of business as far as that particular municipality was concerned, to build the facility at this particular time, or to already have it built but be making payments on it of substantial amounts.

MR. RUSSELL:

That's a good point, Mr. Chairman. In the amended guidelines that went out to all municipalities March 26, we said that if it was felt by the municipal council that they had some sort of unusual circumstance or unique situation, that in their judgment made their municipality eligible for special consideration, then by all means to get it in.

So far I think we've only heard from two municipalities. The one case was not valid but the second one appears to be.

MR. STROM:

Mr. Chairman, I would like to say a few words on the motion that has been placed before the Legislature at this point in time.

Before dealing directly with it, I would like to say, Mr. Chairman, that I think I have some appreciation for the intent of the government's incentive grant and I think I can appreciate that there is a need for looking at the ever rapidly escalating costs that we are facing.

It is with the approach we are using that I am concerned. I think, Mr. Chairman, it is fair to say that in a sense what we seem to be doing is singling out the municipal people, the school authorities and suggesting that they are a little less responsible than other elected officials.

I think there are those within the Legislature, Mr. Chairman, who can recall the problems we faced when we were setting up the county system of government. At that time I can recall there were a number of people who were suggesting that school boards were irresponsible, they had no sense of value as to the expenditure of a dollar, and that they were spending it willy-nilly. I happened to be sitting both on a school board and a municipal council at that point in time.

I can recall a number of people, including municipal councillors, who suggested that school boards were irresponsible, they didn't know how to control costs and that if only they could get the control within the hands of the municipal council things would be different. Mr. Chairman, I think it is fair to say that they were different. After we saw a centralization of power within the municipal council through the county system, in my own particular area they spent money much more readily than school boards had ever thought of doing.

Now let me make it very clear, Mr. Chairman, that there was a transition of time. Attitudes were changing. I would have to say that over the years I have seen considerable change in attitudes take place to where, today, I don't think it matters whether it's provincial level, federal level, municipal level or whatever level you care to discuss it on. There is a marked change in the attitudes of individuals toward the expenditure of a dollar.

What I sense here, Mr. Chairman, is that the provincial government is suggesting there is a need for having a measure of control on municipal bodies. All I am saying is that the approach used in this act, and in the placing of the 7.5 per cent guidelines, is wrong in principle. I do not think it will work.

As a matter of fact, I think there are a number of members within the House at the present time who will well recall a number of years ago when we used this very approach. All it accomplished was that it created some real problems for those areas that had exercised restraint, that had been responsible, or maybe more responsible if I could use that term. Because certainly, Mr. Chairman, to the hon. minister, I am not going to leave the impression that anybody is totally irresponsible. I think it is a matter of approach and it is relative to some other matter with which we can compare it.

But those who have been more careful and have kept their cost down, they are the ones, in fact, who are going to be placed in the difficult position. The attitude that will develop is one of saying to themselves, you know, really why did we do it? We are now going to be placed against a further problem, that of trying to maintain the excellent position in which we started. And it's going to be very difficult.

It seems to me that we ought to be giving much more attention to the matter of the distribution of moneys because as far as the return on the minerals of this province is concerned it belongs to all of the people. Whether or not it is being spent at the provincial level or the municipal level really doesn't matter as long as each level of government will know what their portion is going to be and will know in advance. Then I say it becomes their responsibility to make sure that they are living within the revenues available to them.

That isn't the principle, Mr. Minister through you, Mr. Chairman, that I see being applied here. The principle being applied here is one of the provincial government determining what the level of spending by the municipality is going to be. I think it is the responsibility of the provincial government to tell the municipal people, the hospital people, the school authorities well in advance what their expected revenue will be. Then it's up to them to live within it.

As I said earlier, I think every one of us would have to agree that there is a change of attitude. Money is being spent much more easily today than it was a few years ago. It seems to me that governments at the senior levels, federal government and provincial governments, are maybe not providing as good an example as they ought to in the way they are handling money.

But let's set that aside and let's look again at the matter of principle as to how it should be handled. It is my view that we ought to look to a fair distribution of revenue. Let the local authorities determine how they want to spend it, and let's place the responsibility right where it belongs.

It is my view that this will not work. I suggest that the provincial government has made it palatable simply by providing enough funds for this year [so] that they are not going to be in any difficulty. But that does not solve the problem. It merely delays the day of reckoning. I say the sooner we get to the place where we make each level responsible for its actions, knowing what its revenue is going to be, the better off we are going to be.

For that reason, Mr. Chairman, I am supporting the amendment to the motion put forward by the hon. Member for Highwood, not because I think there is a serious problem today, but simply because I think it is wrong in principle and we ought to put that forward as clearly as we can.

MR. NOTLEY:

Mr. Chairman, I rise to support the amendment, although I feel in a sense that simply striking out all of Section 30 is perhaps not the most constructive thing that could have been done. Perhaps an alternative amendment or proposal could have been made in its stead. But I think the points of argument for the amendment can be well restated. There is really no doubt that the 7.5 per cent proposition is going to restrict local autonomy.

The second observation I would make is that it's going to place a good deal of power in the hands of the minister. Section 30(2) gives the minister rather substantial power. He has the opportunity to review the cases where local councils are requesting special consideration. While, as he has mentioned, he's only had several cases to date, nevertheless, it virtually gives him the power to play God. I think that sort of power is basically unwise.

The other feature of this particular section which concerns me is the impact this is going to have on the various local levels of government. It seems to me, Mr. Minister, that not too far down the road with this kind of scheme, you are going to have the various levels of local government competing with one another to try to advance special circumstances. If, in the case of one community, they are able to go above their 7.5 per cent ceiling and still obtain their incentive grant, next year the town 10 or 15 miles down the road is going to find rather ingenious ways to advance an argument why they should be given the same consideration.

It seems to me you are going to have a tendency for communities to compete among themselves in order to try to wiggle out of the 7.5 per cent ceiling. Frankly, I think the same comments that some of us in the opposition made with respect to the Minister of Advanced Education now having to deal with universities directly might also apply in the case of your department -- that you are going to find yourself in a rather difficult position, especially when down the road you begin to say no to some of the communities.

The final observation I would make is just to restate something I said during the principle of the bill, Mr. Chairman. That is, it seems to me we do have to work out some method of tax-sharing. Coming down from Fairview today I was listening to Mayor Sykes on the radio and he was making it quite clear that he felt there had to be a definite method of tax-sharing over and above the property tax. He suggested, or certainly implied, in his interview that perhaps a corporation tax or a share of personal income tax might well be rebated to the municipal level of government.

I'm not certain what the option should be for Alberta. It might well be that a better approach would be so many percentage points of our natural resource royalties, which after all belong to everybody. But I think the principle of pinpointing a certain portion of flexible revenues which are going up and which are certainly related to the ability-to-pay concept, rebating that back to the municipal levels of government on some kind of per capita basis would certainly be a step in the right direction.

That wouldn't get away from the other part of the grants. It seems to me that the municipal assistance grants the minister talked about before, where you build into your grant system some allowance for the different circumstances of your communities or your local levels of government is a step that I can personally support. I think it may well make a good deal of sense that in a town like High River, for example, you may not need as big a grant as you do in a new developing town like Grande Cache. So obviously your municipal assistance

grant structure should take cognizance of the differences in the communities' respective ability to pay.

I don't know if the example of High River meets with my friend here from Highwood, but I just cite that as a case in point.

But when we go beyond that and talk about additional moneys, the incentive portion that we are talking about now, it seems to me that here would be a better place just to impose a revenue-sharing scheme which would be tied to some flexible or elastic tax source so that as the province prospers the municipalities will know that they receive on a fair basis an increase annually: not tied to any 7.5 per cent formula, not tied to the proposition of having to go in and plead a special case to the minister if they have to build a skating rink this year, or if some new development is coming along that is going to boost them over the 7.5 per cent ceiling or over the 22.5 per cent in three years, but rather a source of revenue they have a right to expect because they are doing a pretty important job in this province.

I just want to close, Mr. Chairman, by saying that any move, however well-intentioned, to restrain local expenditures and subsequently undercut local autonomy is bound to cause problems in the long run and boomerang on us, because in my view it is vital that we encourage the best possible people to seek office at the local level. People just aren't going to be induced to run for local council or school boards or what have you, if they feel their power to make decisions is being subtly or obviously or whatever the case may be, undercut in any way.

It seems to me the more that we can nail down autonomy the more we can say to people, "Here are the funds; they are being set out on an equitable basis. Do what you choose with them; you're responsible to the rate payers."

I know the proposition behind this particular section is to try to restrain ever -- increasing mill rates and deal with rapidly escalating costs of local government. But again, Mr. Chairman, it seems to me that is something that has to be determined between the council members on one hand and their local constituency on the other, in the same way as the record of all the members of this Legislature really rests with our respective constituents. When another level of government attempts to intervene in that process it seems to me, in a very significant way, you undercut the principle of local autonomy.

MR. LUDWIG:

Mr. Chairman, this is an interesting situation we find ourselves in. We used to hear so much discussion and debate about local autonomy and how the municipalities fought for local autonomy for a great number of years and achieved throughout the years a reasonable level of local responsibility through legislation.

I believe every hon. member knows, every municipal councillor or alderman or mayor knows, this was not easy to come by. They fought for this for many years. Now we have an interesting situation where they are going to be bought off. The minister has already indicated the price isn't quite right to keep everybody quiet. He will keep adding to the ante until he picks them off one by one. That appears to be the procedure because had they had the courage to stand behind their decision and say, well, we know we have made the right decision. After all we had a committee, even though it was a political committee, study this issue; we made the right decision. We are prepared to live with it, let's have these people in, let them hear each other and we will stand by our decision.

But they hedged on it a bit immediately which indicated the minister was not too sure of his ground but he thinks if the price is right, anything goes.

This kind of section, Section 30, is really badly timed because of the fact that we have galloping inflation in this country, particularly in Alberta, and much of the provincial budgeting indicates that this is a serious problem. So then we turn around and tell the municipalities we will allow what we consider an inflationary type of increase, an increase to take care of inflation alone. Anything else you might want to do, we will put a lid on. If you squawk, if you complain and if you go a bit over that, we have an inducement here. We will cut your water off, as it were, if you don't play ball, if you don't knock it down below a certain level. After having demonstrated very clearly this government can't bring its own spending below a certain level --

So the inflationary action of this government is not to be perpetrated elsewhere even though we are imposing conditions. We have by our legislation, increased standards, we demand high standards...

DR. HORNER:

I wonder if the hon. member would allow me to revert to Introduction of Visitors?

MR. CHAIRMAN:

Is this agreed by the members?

HON. MEMBERS:

Agreed.

INTRODUCTION OF VISITORS (CONT.)

DR. HORNER:

It is a particular pleasure for me to introduce to you, Mr. Chairman, to members of the Legislature, a very distinguished guest to Alberta today, in the Speaker's Gallery, His Excellency Sir Peter Hayman, the High Commissioner for Britain to Canada who is visiting Alberta. We welcome him to Alberta and to the Legislature.

COMMITTEE OF THE WHOLE (CONT.)

MR. CHAIRMAN:

Mr. Ludwig, please continue.

MR. LUDWIG:

Yes, Mr. Chairman. I was just suggesting that this is rather a badly timed proposal to make to the municipalities, after we shown that we can't cope with inflation but we are telling them that they must. If they don't -- and under Section 30 it says "the Minister may pay to a local authority in any year a municipal incentive grant in any case where the Minister is satisfied that ..." and then it attaches conditions.

Well, I don't know why this particular minister needs conditions. He has been known to waive legislation before and get away with it. He could just suspend anything he likes. This is where the danger of this type of thinking comes in. We don't particularly trust a minister who can stand up here and say that the legislation is suspended. They used to hang people for less than that. But this government seems to be proud of this kind of thing and they have gotten away with it; and it is still on the record and was supported by the whole government. The minister suspends legislation so he shouldn't worry that we are going to strike out a section here for him. He can operate with or without. I think if this section were struck out it would be proper for the minister to come back and bring in a section taking the conditions off. Certainly we have heard all the speeches and all the debates in this province for many years, but when the public elects local authorities, school boards or municipalities, they place a great deal of faith in their judgment of these people to administer their affairs locally. This system appeared to work a lot better than anything the provincial government has been able to set up for authorities that do not have local elections for local authorities.

So on that one score alone I believe the minister ought to take this thing back. We should knock this section out and he should come back with a better proposal -- he has time to do it -- and perhaps do the right thing by the people.

As I stated, it's rather a slick kind of operation on these municipalities. Many of them have now been silent because they are getting some money and money is a factor. The price is a factor. They have kept quiet and have not protested because they want that money. So we are picking them off one by one. We're buying their local autonomy away from them one by one because we didn't want them here all together. Some of them might have been encouraged by the stand taken by their neighbours to protest meaningfully for the rights they want for their people. We are not really conning the municipalities out of anything.

We are, in fact, pulling a fast one on the public. We are taking something away from what the people have won for the people of municipalities and now we are buying them off. I suppose the minister can say if the price is right what's the difference? That is, in fact, what the principle means.

It's interesting to note, and I agree with the remarks of the hon. Member for Cypress, that the main problem here is the distribution of wealth back to the municipalities and therefore to the people. This is a well-established Social Credit principle that has been followed by other provinces. This government comes up and merely enlarges upon it but they are really not giving the municipalities anything they did not have coming before. I believe the formula before of giving them one-third of all net royalties would have kept the municipalities happy. But we are here selling them something. We are horsetrading them out of certain rights, certain local responsibilities they have had, and therefore we are not really quite as magnanimous as we might wish it to appear.

I believe some of the municipalities which have a little more political power -- and I'm thinking of Edmonton and Calgary -- that between the two of them they can certainly make this government sit up and take notice, if the Conservative MLAs have the gumption they declared they had when they were campaigning, and stood up and fought for these cities and local autonomy. But I'm sure this government would move -- that they will capitulate rather easily because their decisions are based to a large extent on which way the political winds are blowing.

So now they have the message from Mayor Dent. They have the message from Mayor Sykes, and I believe that if they did bring this whole issue before the Public Affairs Committee perhaps they would see it isn't only the opposition MLAs who are fighting for the people. They would have had the council members and the mayors and would have listened first hand. So the slogan of the Department of Municipal Affairs is that we can win this exercise if we divide the municipalities so they can't come here and be heard together. If we silence the Conservative MLAs who represent quite a number of municipalities, as long as they say nothing then we can be sure that we are not too far wrong.

But I think the responsibility does not end there. The hon. members on this side are obliged to fight this proposal. They are obliged to make their views known and urge the minister to get rid of this section and come in with something a little more acceptable and not the kind of section that you have to horsetrade within the municipalities for their autonomy and keep the raising the ante, as you have recently hedged a bit, Mr. Minister, on the amount you are paying in order to keep them quiet. Certainly money is vital to these people. They want to pay less and no one with any responsibility in local government would hesitate to accept more, especially when the municipalities need more, and especially when, as has been indicated in Edmonton by the hospital strike, they are going to need more. They are going to need a lot more next year because inflation does hit them just as hard as it does the provincial government.

So, Mr. Chairman, about the only thing I could say in favour of this section is that by trial and error the minister will soon learn he has to get rid of it. Then he will have more sense next year, come in and bring in an amendment and say, well we have seen that we can improve on this. But it isn't much use talking to him because as I have stated, the hon. minister is known to suspend legislation when it suits his purpose and I feel he will be making himself magnanimous with the municipalities individually by kicking in a bit more as he sees fit. This is not a sound way of doing business and I believe that whatever happens, the shotgun marriage should not be proceeded with.

We should do something a little better. We should have respect for the things we have said in the past, particularly those ex-council members who are sitting in this House, ought to have a little bit of respect for what they stood for, what they fought for through the years. Stand up and let's admit that we can do better than this. In fact, the minister sort of relenting the other day and throwing more into the pot to sort of keep the municipalities happier is an indication that if he isn't entirely wrong, he at least is partly wrong.

This is the way to deal with this problem. I strongly support the striking out of this section on the understanding that if we succeed in doing it, the minister would be obliged to come in with a section that would allow for the incentive grant without any strings attached.

MR. TAYLOR:

Mr. Chairman, there are three points I would like to bring to the attention of the hon. minister. I would hope the minister will be able to deal with

these three items during this debate. The three items that I think have to be answered satisfactorily are as follows:

Number one, the municipalities that have been economizing over the last three, four or five years now find themselves in rather an awkward position. Had they not economized they would have been able to stand one or two years of not raising the mill rate and consequently qualifying for the incentive grant. But since they have economized, some to the bone, during the last two, three or four years they now find they are in a position where they really have no alternative but to go beyond the mill rate that will qualify them for the incentive grant. That point, I think, does deserve some question because I am sure none of us, including the hon. minister, wants to discourage municipalities from economizing to the greatest degree, this year or any other year.

The second point with which I would like the hon. minister to deal is the means that some municipalities and counties are using this year in order to qualify. Some who have a surplus are able to dig into that surplus. I don't think that is too annoying or too worrying, except that it is nice to have a little bit behind you in case of emergencies and in case of tougher times ahead. Most municipalities do like to have a little bit behind them in case they do meet some emergency or something that requires unforeseen expenditures.

However, even in using the surplus it is a little worrying because a surplus will only last so long, maybe one year, or two years, and in some municipalities they may be able to dig into it for the third year. But the municipalities about which I speak will have no surplus after this year if they use it now to qualify for the incentive grant.

That brings the question before us: what will happen next year, the next year and so on? I think that is an important item about which the hon. minister is concerned as are all municipal councillors and legislators.

The other means that municipalities are using -- at least one other means is to make use of the act in adding 10 per cent for the non-collection of taxes. This is rather a devious means because it hurts the people who are unable to pay and simply adds on the penalties. When a person is unable to pay the original, then has 10 per cent added on, it may be fine on books but it simply aggravates the problem of the person who is having the difficulty. It hits those who don't have the money to pay rather than those who have the ability to pay.

I think we should all be concerned about those who do not have the ability to pay because taxation should be based on ability to pay. I don't have any particular qualms about increased taxation on those who are well able to pay it. I have a lot of concern about increased taxation where people are not able to meet the present level of taxation let alone an increased level of taxation. Consequently municipalities that are using this means or similar means are hurting those who are the ones who should be helped, those who are unable to pay, those who are having difficulty in paying. They are simply aggravating the problem and it may well increase the number of tax recovery cases in the future if it is continued by municipalities in order to make their books look a little better on the amounts that are payable.

The third item that bothers me in connection with this particular grant is the fact that the people of a municipality or county where the municipality does not qualify for the incentive grant, I believe, are in an unfair position.

In the first place they've had to pay an additional amount of money in order to meet the demands of the municipality to carry out the services that the council felt were consistent with the requests and services demanded by their ratepayers. Then secondly they lose some of the money to which they as Alberta citizens should have a proper claim, the incentive grant.

So actually the municipalities that do not qualify, the ratepayers in municipalities who don't qualify are hurt in two ways, one by paying more than that permitted by the incentive grant; secondly by not receiving their share of provincial money.

Now with those three points in mind, I think unless there are satisfactory answers to them that Section 30 will eventually bring very troubled if not chaotic times to municipalities.

Municipal councillors may be able to tide the thing over for a year or two years, but eventually it will catch up because you can add on 10 per cent only so long and then tax recovery takes over. You can draw on surpluses only so far and then you have no surplus left.

You can deny services only so long. They may be able to cut down on roads this year, and with the reduced road grant in our municipalities and counties many municipalities and counties feel they must pay more out of their own money this year in order to meet the demands of their people for the necessary roads. These aren't extravagances. These are requirements, in order for their people to carry out their farming and business operations. So eventually it will mean somewhat troubled times or chaotic times for municipalities.

Rather than this particular type of section, I would again urge the hon. minister to take another look at providing so much money out of provincial revenue for municipalities and preparing some kind of charter that would set out the responsibilities that municipalities have and then provide them with the money, plus their taxation, that will enable them to carry out those responsibilities, enable the council to discharge its responsibilities.

I think we are going to come to this sooner or later. Maybe it is premature. No provincial government has yet done it, although at least one province doesn't have municipalities. They operate everything from their Department of Municipal Affairs, from their Department of Education and so on. Most provinces that have municipalities feel there is some definite advantage in having local authorities look after local problems. I can't see any great difficulty in setting out the responsibilities which should be sole responsibilities of municipalities, setting them down -- by agreement, of course, between the provincial government concerned and the municipal council -- and then saying this would be done entirely out of their own taxation. They would know that. They would then gear themselves up for that.

A second category could be those that are partly provincial and partly municipal where they would be assured of a share, a percentage of the provincial revenue. While we can say the previous government or no other provincial government has yet established such a system, nevertheless I think we're moving ahead all the time. Before long we are going to have some province, and I'd like it to be Alberta, that would give a municipality an opportunity to conduct its own affairs under a definite section of the constitution, where it is provided the share of provincial moneys to discharge these responsibilities.

There would be a third category that might even be federal, provincial and municipal, where the federal would put some money into it as well.

Now it may seem like a dream, but many things start from dreams. The fact that it hasn't been done yet, I don't think is any reason to discard it. I do think it would preserve local autonomy. It would put all governments in a category where they could properly and rightfully say they are entitled to so much of the revenue this country produces in order to discharge the responsibilities as laid out in the constitution. If something like that was done, then we would not have this continual wrangle of how much the provincial government is going to give, or municipalities having to go hat in hand to the provincial government. Until that is done, there is no alternative for municipalities except to go hat in hand to the provincial government, whether it is a Tory government, an NDP government, a Social Credit government or a Liberal government. That same thing will be the status as long as we operate under the present system.

So I'm suggesting that the incentive grant as set out, the conditional grant, is hardly an inducement to municipalities not able to meet those requirements. It becomes almost a compulsory item there, denying such municipalities their fair share of the provincial revenue.

MR. RUSSELL:

Mr. Chairman, I would like to speak against the amendment for two reasons. One reason, I think, is debatable; both sides can put forth arguments. But certainly the second reason, I think, is rather shocking and undebatable and I'll get to that in a moment.

Dealing with the first reason, that is the arguments that have been put forth during this session about the loss of autonomy or the unfairness or hardships that this can work on municipal governments, I recognize the debates will probably rage long and strong concerning that. I think the way this has finally evolved, the incentive grants, is reasonable and fair to the municipalities. After all, this year it's been a major change in areas of responsibility. It's seen a major shift in the objective of paying provincial funds to those municipalities on a need of relativity rather than universal grants.

I certainly concur with the remarks of the hon. Member for Cypress wherein he said that it is going to be necessary, in the next few years, to find some sort of tax-sharing agreement that is equitable and that does give our municipalities a guaranteed source of income. I have great sympathy for the municipalities in attempting to carry out the responsibilities that have been delegated to them via our particular legislation with respect to municipal government in Alberta.

Certainly, I'd welcome a move wherein the province joins hands with our municipal governments and makes a concerted and coordinated approach to the federal government to take a new look at the entire tax-sharing situation as it now exists, with the objective that there should be a redistribution which recognizes the facts of life in the 1970's in Canada, and that one of the recognitions would certainly be a guaranteed source of income from the income tax field for our municipal governments. I don't think there is any argument whatsoever between ourselves or municipal governments with respect to that basis. Hopefully, we'll do this on a coordinated and agreed upon approach, and thus each be stronger by doing that.

In the meantime, until such a change is made, we are faced with the situation we have in 1973, and that is trying to give increased assistance, a total package of new assistance, to our municipal governments on a new basis which tries to recognize relative need rather than the universal approach and at the same time distributes substantially, very substantially increased assistance to the individual residential property tax payer. In doing that, I think everybody recognizes that if the residential property tax payer is being relieved of a substantial burden of taxes by one level of government, there is a natural temptation by another level of government to immediately move into the vacated field. We have no argument with that. Certainly they should move into that vacated field. Our only concern is that it should be done at a reasonable rate.

Now, if hon. members go back and do some individual arithmetic with respect to how the percentages work with the options that are open, in actuality what the increase in expenditures amounts to as a result of the option they may take as a result of increased assessment and any other number of factors, they will find that the 7.5 per cent factor, in fact, rose to something substantially greater, anywhere from 10 to 13 per cent.

We've had indications from one of the major metropolitan centres that their rate of increased expenditure under the guidelines that are proper, that the entire tax relief the residential property tax payer is being given by way of these provincial funds this year, will be entirely used up in just a few months over three years. That's not a very welcome prospect, but I suppose it's a fact of life that we have to deal with in a reasonable manner.

Reference was made to the fact that as recently as last week we were trying to, I think the term used was, "buy off" the municipalities by putting in additional funds. Ordinarily I'd ignore a remark like that, but I think it should be pointed out that on January 16 when the announcement of the Alberta Property Tax Reduction Plan was made, our Premier gave the commitment during his television broadcast to the citizens of Alberta that as far as we could tell, under the provisions of the plan and the way they were laid out, no municipality would be at least worse off this year than it was last year. It seemed very reasonable to say that, because after all in a philosophical sense, there is no point in going through a long program of revision if the net result is that somebody is worse off. Also, there are substantial extra funds going into the program this year over last year. Again it is not reasonable that some municipality should be worse off than it was in the previous year.

So those that stand to break even are presumably those municipalities that were in a pretty good position on a relative basis. I go back to the figures that were used [for] the program. Dealing with a number of unknowns and estimates, a program of relief totalling \$48 million was arrived at. Now that the figures are in from the municipal governments it looks as though we are going to need about another half million to bring everybody up to the level I mentioned.

That is about a 1.5 per cent error, Mr. Chairman, which I think is a pretty fantastic record of achievement carried out by the task force when they had to try to estimate what hospital requisitions would be, what health unit requisitions would be, what municipal social assistance would be, for in excess of 300 municipalities throughout the province. So the records have proven they came within \$.5 million of doing that and that, I think, is excellent.

The announcement on Friday simply confirmed what had been said earlier, that our objective was that at least no municipality should be worse off than it was last year and we agreed to this when we met with the AUMA. I think that was a reasonable thing to do.

Just a couple of comments on the remarks that were made by the Member for Drumheller about certain things that might happen. I can respond to all three of them simply by saying you have to recognize a flexibility that is written into the whole program before you can just carte blanche say that a municipality that was thrifty last year tends to be in a 'worse-off' position this year or statements like that, because that just isn't so. First of all, they have the option of going either way in computing expenditure increases, either on total dollars or on mill rates. As far as I know, all the municipalities will take whichever way is most advantageous to them.

They have the option of taking a big jump this year if they feel constrained by last year's spending in order to provide a bigger base to work on next year. Because of the fact that the 7.5 per cent is compounded and is not really a straight simple 7.5 per cent each year, they have that option. They also have to take into consideration what is happening to their own municipality by way of assessment growth. There are any number of unknown factors that make it difficult to say in a blanket sense this program hurts the municipalities that have been thrifty.

Certainly the provisions are there whereby a municipality that feels it has been hurt by some unusual local circumstance has an option of having its budgetary situation reviewed. So I think we have to go back to the original objectives of the plan. That is it's a year of substantial change insofar as responsibilities are concerned in this shift of what the municipal tax dollar should support. Again, the municipalities are moving into that field, that is, social services, collecting those mills and using them now for municipal purposes. That's another variable factor that must be considered. It is also a year of substantial change because the grants are being given on relative need.

So those are the comments I make on the first reason for voting against the amendment, that is on the basis of the autonomy, local control issue. I recognize it is debatable and the debate could rage long. Our government doesn't believe that it does those things and that the section should stay.

However, the second reason for voting against the amendment, I think, is a bit more obvious.

As I understand it, by this amendment, the opposition has moved to decrease municipal assistance by \$19.5 million this year for municipal governments throughout the province.

Mr. Chairman, certainly our government would never support a move like that. When you read Section 26 as to how assistance to municipalities shall be paid and read that in conjunction with Section 30 and look at the budgetary provisions in our budget, certainly if we cut out the section dealing with incentive grants, we have cut out \$19.5 million worth of assistance, and on this side of the House we don't want to do that. Apparently they do on the other side. The Member for Spirit River-Fairview was quick to jump up and support the motion, so apparently he believes the same thing.

I must be fair and say I think what actually happened was that perhaps the mover of the motion was a little bit hasty or careless in drafting it. Rather than reword the section he said, well, it is easier just to cut it out. But we wouldn't support the amendment for the first reasons I mentioned, that is relating to autonomy. We certainly couldn't support it by way of cutting out \$19.5 million worth of assistance to our governments, and therefore the amendment should be voted down.

MR. CLARK:

Mr. Chairman, just three or four comments that I would like to make with regard to the points that have been raised, and then the minister's most recent comment. I think the minister's last proposition is something like the bachelor who proposed to the girl and she said, "Thanks, but no thanks" or "Nice try." Very obviously by striking out Section 30, the minister is well aware that that \$19 million can simply be transferred into the unconditional grants where we on this side think it should be in the first place. So I say, nice try, but let's not be too serious about that kind of proposition.

Now going on to some of the other points that have been raised, I think it is rather significant that today we are discussing this particular bill, No. 48,

in committee when at the same time, just over the last weekend, a number of the mayors of the largest and perhaps most progressive cities in Canada got together in Toronto to look at this question of cost-sharing between the municipalities and between the provincial government and the federal government.

I welcome the minister's comments here today on this question of the municipalities getting a portion of some kind of guaranteed income from the province and the federal government. But I was disappointed that the minister stopped there because he went on to say that there would be a need for a lot of negotiation between the provinces and between the federal government and the municipalities.

I would point out to the minister, and I don't think I need to do this, that there is nothing stopping the Province of Alberta right at this time saying to the municipalities, we are prepared to enter an agreement with you whereby a certain percentage of the personal income tax points or corporate income tax points, or a combination of the two, could be allocated from the province to the municipalities in this province. There is nothing stopping the provincial government in Alberta from doing this right now. So if the minister wants to do that, don't wait until you are going to get all ten provinces to agree because as the minister knows and all members of the Assembly know, it would likely be a long time before the ten provinces in Canada could all agree on a matter as important as that.

So in that particular area, Mr. Minister, if you are serious about what you said, you have an opportunity to show some real leadership and really put Alberta on the map as it were, if that is the direction in which you want to move.

Perhaps just two other comments. One deals with the matter of the amount of money that is available this year. I think we have seen additional coats of sugar being put on the pill, the pill really being this particular section. We welcomed the additional sugar on Friday, but I think we are concerned about what the pill is going to be like next year and the following year because the coating of sugar may not be as great at that particular time. As the minister rightfully said in his comments when he dealt with the first matter, the question of local autonomy, the future of it and the importance of this section dealing with local autonomy, the battle of the arguments can rage on for a long period of time.

The last point that I want to make is that let no one mistake the moving of Section 30 for anything more or less than an attempt to have all the municipal assistance included in the budget found in the area of unconditional municipal grants.

MR. CHAIRMAN:

Ready for the question? A motion moved by Mr. Benoit, seconded by Mr. Dixon, that Section 30 of Bill No. 48, The Alberta Property Tax Reduction Act be struck out.

[The motion was defeated.]

MR. NOTLEY:

Mr. Chairman, I wonder if I could raise several questions about two or three issues which came up during second reading. The minister will recall that there were questions put to him about the extent to which the province would pay the education section of the property tax for senior citizens.

Now in going over the bill in a little more detail I would refer the minister to page 6, Section 5(3) and I would ask him what the situation would be if a private company was formed including a senior citizen. Let us say, for the sake of argument, a private company of 10 people, one of whom was a senior citizen, built a million dollar apartment block and the senior citizen lived in the penthouse suite. It would seem to me, following through on what you told us last time, that under Section 9(2) that private company would be entitled to receive that portion of its tax, which would be very substantial, and all of it would be paid by the government. If that is the situation, we are looking at what I would think to be a totally unjustifiable concession. So before I go any further, I wonder if perhaps the hon. minister would like to respond?

MR. RUSSELL:

Yes, Mr. Chairman. I refer the members to the xeroxed sheets which came around during today's committee study. There are three amendments. Amendment C

strikes out subsection 2 in Section 9 because of the very points that were brought up relating to that possible situation during second reading of the bill.

Originally, of course, the intent had been to provide the benefits which had been provided in past years under the old Homeowners Tax Discount Act to family corporations that were holding farms. But I took note of the comments of the hon. member and I think one or two others commented on it, and it is for that reason we are deleting that section.

MR. BENOIT:

Mr. Minister, on page 8 in the latter portion of Section 7(2) it says that the taxes will be, or at least the rebate will be available on taxes. And right at the bottom of subsection (2) pertaining to "assessment of the land, the eligible residence and ancillary residential improvements," what is included in ancillary residential improvements?

MR. RUSSELL:

This is simply to clear up the fact that a person's residential assessment on property includes other buildings on the lot, like a detached garage for instance.

MR. BENOIT:

But it doesn't include frontage tax or anything of that nature?

MR. RUSSELL:

No, it just refers to improvements.

MR. FRENCH:

Mr. Chairman, over the weekend I have been studying the statement made by the minister on Friday and I must ask a few questions.

In the first place, as a result of the mill rate being reduced from 30 to 28 mills this is roughly a reduction of about 6 per cent, give or take. I'm wondering why the \$216 wasn't increased by the equivalent of the same reduction as it would be from 30 to 28, in other words, roughly speaking an increase of about 6 per cent?

If I remember correctly when I read the task force report it seemed to me that the recommendation of \$216 was based on the fact of an average assessment of \$7,200 at 30 mills which, if I remember correctly, seemed to be the average type of home in the province valued at \$21,000 or \$21,600 or whatever the figure was. I haven't the report with me.

This makes me wonder. When we go back to the actual task force, they spent a lot of time and came up with these figures of \$7,200 and so on and so forth. It looks to me as if the government has more or less thrown that old report out. They have taken a new approach. They have now come along and said they are going to change the school foundation program from 30 to 28. I thought it might have been a lot easier and would have been consistent with the recommendations of the task force if they had just increased the \$216 by 6 per cent or whatever the equivalent is. I am sure there must be a reason for it and I would like an explanation.

Before I sit down, Mr. Chairman, I have another concern. I think we realize that in some of the cities today they have a discount if taxes are paid in January, February, March or some particular month; there is a discount for the year. Now I would like to know the machinery as to just how this is going to work. Just to take an actual case, say a man goes down in the City of Edmonton and pays his taxes on, say, January 2 or 3 and it is calculated according to the best information at that time. Now with respect to the homeowner's tax discount, if I can use that term, is he going to make application to the city for his property tax reduction or the homeowner's tax discount? Is he going to make application to the province for it? If he makes application to the city, how do we know that the city is going to mail him the cheque? In other words, what type of bookkeeping is there between the municipality and the province and how is this working out?

I could visualize that a person could go down and pay the taxes in January and it could well be that if he didn't follow it through he might be denied the discount that you are trying to provide in this whole section.

These are two of the concerns I have. One other concern I have is that -- I am wondering what is the position of the Hutterite colony? Are they going to be eligible for the property tax reduction plan. The fact is they have a number of residences on a colony, although I don't think, technically speaking, they own these. They are owned by the colony. Are they going to be excluded from this reduction in the property plan?

MR. RUSSELL:

Dealing with the last question first because it is an interesting one, it is my understanding now that one colony would be eligible for one grant if they chose to go after it. However, I have been told that colonies have not in the past applied for the homeowner tax discounts for which they could prove eligibility. They haven't applied for these.

My understanding is that they would be entitled to one on the basis of the property which they own. That was another reason for the restrictions with respect to the corporations being members of one family and the further change we made today about taking out the senior citizen member of that family. You can imagine what might have happened with respect to colonies if that had actually been allowed to happen.

With respect to the type of bookkeeping that you mentioned, Section 11 in the act deals with that. You will find out that it is essentially the same as the old homeowner's tax discount. A person will find that he has with his tax bill an application form to the government. He can fill it out, sign it and use it to pay his municipal taxes short or if he wants, pay his taxes in full and get the cash later on. The procedure for the clerk or the appropriate official of the municipality to ascertain if they have an eligible application is laid out there. I think you will find it's really not much different from the old system that everybody is familiar with.

Now the first point, and that's the most important one, why was the mill rate changed from 30 to 28 rather than extend the benefit upwards? There are two reasons.

One reason is because this was a year, a major year with respect to changes by way of reassessment, and reassessment, of course, affects all kinds of property, not just residential. All kinds of properties contribute to the school foundation fund program. In the past, and the records show this, when there has been a dramatic increase in assessment there has been correspondingly a drop in the mill rate. That mill rate for the school foundation fund, I think in one year dropped from 32 to 26, back in about 1963. Those are the reasons for that, but the two things should be kept absolutely separate.

On the one hand you are dealing with the issue of funding the school foundation fund program on an equitable basis, bearing in mind assessment.

On the other hand you are dealing with the principles of this bill which are to give direct relief to the residential owner, only, up to a maximum ceiling. Now the two are interconnected because in both cases you are dealing with the matter of assessment.

By doing this this way, what we did was really give the benefit of the drop in mill rate to all property tax payers, industrial, commercial and residential throughout the province. So we are not dealing with that principle in this bill which deals only with residential property tax relief.

At the same time, however, by doing that you are building into the program a relief of two mills for every residential property taxpayer. So the old system up to a ceiling of \$216, 30 times \$7,200 now becomes 28 times \$7,200, what's that -- \$196 or whatever. So anyway he gets less back but it evens out because he pays less in.

What does happen, however, is that by way of the fact that the \$216 ceiling is built in here, that the \$7,200 ceiling moves up -- I haven't done the exact arithmetic, I think it's now somewhere around \$7,700 -- then you get variations of that, very dramatic variations across the province because of the relationship between live assessment and equalized assessment.

So in the case of Edmonton, the one that has had all the publicity recently, you find that ceiling in fact in Edmonton becomes about \$9,600. But because of what reassessment has done to their land values, that's fair and equitable when it's compared to the live assessment of a comparable residence in one of the other cities in Alberta. So the thing does have a tendency to a degree to make itself equitable.

But there is that very important differential in that dropping the mill rate from 30 to 28 gives relief to all classes of property. In the residential class it is somewhere between 30 and 35 per cent, so it is the other 65 per cent that get relief.

MR. FRENCH:

Mr. Chairman, I appreciate the remarks of the minister although with respect to the reassessment of municipalities, this has been taken care of by Section 3 of your announcement on Friday where they have a three-year phasing-in period to bring the assessment up.

Coming back to the other matter, I should say that as far as the City of Edmonton is concerned this might be to some advantage. But looking at some of the rural areas and taking a town in, say a rural area that was on 30 mills last year and is now going to be on 28 mills this year -- when the property owner comes in to pay his taxes, say the homeowner tax discount last year was \$150 -- just for a figure -- maybe we can't use a definite figure, maybe "X" dollars -- when he comes in this year, because the mill rate has been reduced from 30 to 28, it is going to be "X" dollars less 6 per cent. And he is going to feel that he had a smaller rebate this year than what he had last year because his actual live assessment is going to be the same from one year to the next, unless the whole municipality has been reassessed. Presuming the municipality has the same mill rate they had last year, or have this year as they had last year, then they are going to come to the MLA and say well, here our homeowner tax discount is somewhat less. You can see the problem.

We are getting into an area of equalized assessment, into an area of live assessment on all these things. To me, I think, it would have been much simpler to have taken the \$216, add the equivalent of 6 per cent or whatever you feel you are able to put into it, and as far as the people in the city of Edmonton are concerned, I fully realize that the people now -- taking your figure of \$7,700, and I think it is about that -- the people between \$7,200 and \$7,700 are going to be able to come under the umbrella by reducing the mill rate from 30 to 28.

But I submit, wouldn't it have been possible to do the same thing by increasing the \$216 by the same figure? Now, I don't know, maybe we're just getting into a matter of mathematics, but myself, I just don't see too much difference between the two.

I do realize out in the rural areas where they haven't had a reassessment, it's going to take a great deal of explanation to these people to tell them why they are getting less money than they did last year.

MR. RUSSELL:

It's only partially true. I guess we could again debate this whether or not it was better to give it across the board or add 6 per cent to residential only. The reason he is getting less back, if some case should happen wherein a guy should get less back, is because he is being asked to pay more in. So I think that's a fair argument.

The other thing, of course, is there will be a significant number of homeowners who will come within the umbrella of the ceiling before they have to start paying the thing themselves.

Then of course added to that is the bonus that what they do have to pay themselves above the \$216 ceiling is at the rate of 2 mills less. So I think overall it's a fair system.

MR. FRENCH:

I just have one more comment to make, Mr. Chairman, and that is in the reduction from 30 to 28, it is quite evident that this reduction in mill rate will apply to all property. So now we are going to have an added reduction in commercial property, industrial property and property which otherwise wasn't covered under the act. So now we have another departure from the homeowner's tax discount. In other words, the emphasis was on the homeowner getting maximum property tax reduction. Now we have expanded that into probably a more general area and looked after the industrial property. I should also point out that most industrial property is well able to look after its taxes a lot better than the homeowner.

In this ministerial announcement on Friday, Mr. Chairman, you have recognized the person with guaranteed income supplement is now going to go to

\$200 from \$150 which, I am sure, we all approve. It is a step in the right direction, because it is going to the relief of the property tax on a home owned by a person on a fixed income. I maintain the emphasis should be on the home, rather than industrial property and some of this other property but then, I mean this is a matter of judgment. But I think this is just a result of the announcement on Friday.

MR. CHAIRMAN:

Any other questions?

MR. TAYLOR:

Mr. Chairman, I'd like to deal briefly with this Section No. 33 in the act dealing with health units. Health units came into being primarily, I believe, to try to prevent disease and sickness. Consequently their work is very closely connected with that of the Department of the Environment. The question arises, does the amendment change the principles upon which a health unit is operating seriously enough to be worried about, and if so, in what way? The section primarily relieves the municipalities of the burden of contributing to the budgets of local health units. It now places the health unit in a position where it will administer the moneys provided to it by the province.

Now the way it is at present under the present Act, the province contributes to the general health unit services for dental services with an additional grant based on the density of population in the health unit. Under this formula, a health unit could pretty well determine the amount it would secure from the provincial government, subtract that from the total amount it feels it requires to operate the services of prevention and charge the difference to the contributing councils.

Under this system, while there was some dependence on the provincial government, the responsibility was really of the health unit to the various contributing councils. I think that was the way it was intended. Each council would have somebody on that health unit who would look after its interests and keep its contribution as low as possible.

I wouldn't want to say a body that simply administers or spends the money of another body could become irresponsible, because that wouldn't be right. We've had school boards in the province for a number of years who have had nothing to do with the raising of their money but have done a good job in spending that money in the interests of the people and in the interests of education. Some councillors may disagree but generally speaking, I think they have done a responsible job in looking after the interests of education.

So the mere fact a body is not going to raise its own money doesn't necessarily say it's not going to do a responsible job. I think we have to recognize that point in the changes being made.

One point I would like to emphasize in regard to the present Act without the change is that the health unit is primarily responsible to the councils who are responsible to the people of each municipality. That is the one point that I think is rather significant in connection with the change.

Under the change that is suggested or that will occur under the act in Section 33, there will no longer be any need for a contributing council, so that section is being wiped out. Second, Section 16, where it says the minister approves the budget -- the "t" is left out of the "budget" -- of the board for a fiscal year, then that amount of money is provided by the province to that health unit. The health unit board spends that money, none of which, of course, comes from the municipalities, in accordance with its own good judgment.

The point that I want to emphasize from all this -- it appears that the responsibility of the health unit will now switch from the present municipal councils to the provincial government and the health unit will become responsible to the provincial government because the provincial government is providing, out of provincial revenues, the total cost of that operation. Now whether this switch of responsibilities is good or bad, I suppose, is a matter of judgment. The government apparently feels that this switch will be good, and I have no hesitation in saying that the increased amount of money taken off the shoulders of the municipality is good.

I think there are other ways of doing this, however, whereby that could be done without switching that sense of responsibility from the health unit to the councils, each of which has a member on the health unit board to look after its interests. There will not be a watchdog, as I read the act, there on behalf of

the provincial government. The stipulation will be that they must spend only the amount of money that is provided by the provincial government and if that doesn't do the job, then they can finance any balance out of the next years' revenues, which of course may well be bad if it is carried on for a series of years.

So I am suggesting that the principle of switching the responsibility of the health unit from the municipal councils to the provincial government is not particularly good. While it may not bring chaos or anything like that, it does place the health units in a position where there isn't a watchdog watching expenditures. They are simply able to spend only the amount that is provided, and if it is not spent, the surplus, of course, goes back to the provincial government from whence it came, which I think would be proper.

I would not want to see the benefits of this program denied the municipalities. But I would like the minister to consider keeping the responsibility the way it is today, namely the health unit to the contributing councils, by providing the difference from what was being supplied and what the present government plans to provide to the various contributing councils so that it would strengthen the local autonomy rather than weaken it. I think the same overall good effects could be secured in that way and it would, as I said before, strengthen local autonomy insofar as the health unit is concerned.

I don't think the section will affect the work of the health unit, unless the health unit must go beyond the budget approved by the provincial government. There, of course, is a danger of some of the prevention work not being done, and prevention work is hard to discern, whether or not it brings about diseases. I think some of the work done by the Drumheller health unit has prevented an outbreak of epidemics in areas where there are sand point wells and outside toilets. The careful check kept on that water, I think, has been very, very beneficial through the years. So if there is any tendency for health units to cut back on their prevention work, it may well have a very serious effect on the purpose and the objective for which the health units came into being.

So there is an alternative that would provide the same good to the municipalities, would not interfere in any way with the health unit, would still provide the health unit with that option of raising additional money -- if the people, the watchdogs approve of that -- for necessary remedial work to prevent disease.

For those two reasons I would move that Section 33 be struck out and that the present section, if this carries, could then be amended to do the other thing so as not to deny the benefits to the municipalities. This motion is seconded by the hon. Member for Olds-Didsbury.

MR. RUSSELL:

Well, speaking against the amendment, Mr. Chairman, of course we have to go back to that point at which any government in time makes a judgment decision which is debated and debatable by government and opposition and interested groups. We have taken the attitude here, and it has a long history going back to the urban crisis report, that the municipal property tax should not be called upon in these current times to pay for these very expensive and rapidly escalating social services costs. So in this first year of this Property Tax Reduction Act, we have tried to take over to last dollar support as a provincial responsibility, the costs of hospitals and health units. I don't believe there will be a loss of autonomy. I think there are good cases in point where this has, in fact, been happening for several years, and the institution or the organization in question.

The hon. members referred to many school boards and have felt that they would be able to function. I recognize their reasons for perhaps there being some nervousness. But I don't foresee that happening. In my own home town, the Foothills Provincial Hospital has operated for many years under last dollar support from the province with a board, with closed meetings. Really nobody knew what was going on in there and yet it did run as an autonomous institution.

But certainly when it comes down to it, it is a matter of government policy and judgment that we think the matters of local autonomy or local desires which might have been affected by this move for the province to take over responsibility will not be harmed, and therefore we would vote against the amendment.

HON. MEMBERS:

Question.

MR. CHAIRMAN:

Moved by Mr. Taylor, seconded by Mr. Clark, that Section 33 be struck out of Bill No. 48.

[The motion was defeated.]

MR. FRENCH:

Mr. Chairman, now that we have gone through a new procedure here, what happens when we find mistakes in spelling in the act? We don't read section to section any more. Do we just bring them to the attention of the Chair or do we just let them go the way they are?

MR. RUSSELL:

Mr. Chairman, I asked Legislative Council to prepare this xeroxed amendment to place before the committee today and I was aware of that error. The additional amendment correcting that error is in the stage of preparation now and will be here in a few minutes.

MR. FRENCH:

Mr. Chairman, is that with respect to Section 16 of the act on page 22?

MR. RUSSELL:

Yes, the "t" was left off the word "budget" in paragraph 1, Section 16.

MR. CHAIRMAN:

Any other discussion?

MR. HYNDMAN:

Mr. Chairman, I move, seconded by the hon. Deputy Premier, that on page 22, regarding Section 16 in the first line, the word "budge" be struck out and replaced by the word "budget".

[The motion was carried.]

MR. CHAIRMAN:

Any other discussion before we go into title and preamble?

MR. LUDWIG:

Mr. Chairman, if the minister says he is prepared to budge it will be something new in this House. Why don't they replace the word "minister" with "government" and "board" with "minister"? It might have a little more sense in this regard.

MR. CLARK:

Mr. Chairman, I wonder if the minister would explain the intent of Section 34, please?

MR. RUSSELL:

Well, the intent of Section 34, when all the subclauses are put together, is to provide last dollar support for hospitals and to remove the power or the authority for a hospital to requisition a municipal government to make up an operating deficit.

MR. CLARK:

Mr. Chairman, it seems to me that as the minister has indicated, really what we are being asked to approve here is, to use his term, last dollar support as far as hospitals are concerned. But at the same time when we were going through the estimates earlier this session it was pointed out, both in the committee and I believe here in the Assembly, that in fact it really isn't last dollar support. There still are some things that local hospital boards would be asked to do, for example, the supplying of certain site improvements and things such as that. I think one can make the case here for either going all the way or not moving in this direction at all. Rather than being consistent with the

two amendments which have been moved earlier, I think it is reasonable to expect that we would move that Section 34 be deleted from the bill.

In speaking on that there are just two additional points I would like to make. One, as a result of this Section 34, this really removed any right that a local hospital board has to have the final determining factor in the level of service. This may have worked all right in the General Hospital in Calgary in the procedure the minister has outlined. But certainly as far as the number of rural hospital boards are concerned the option of going to their local people for some additional financial support enables the local board to have the final decision on the level of service in the hospital. That's really what we are losing by leaving Section 34 in this particular act, especially in light of some of the comments made by the hospitals commission on the future of rural hospitals in the province. This seems to me as a vital principle and a point we shouldn't be losing.

I would like to ask the minister a question on local equipment. For example, local hospital boards in the past, if they haven't been able to get the approval from the commission for some equipment, have been able to get the right to requisition their own local people for an additional one or two mills or more than that, if they got the approval. Does the intent of Section 34 prohibit the old hospital board from acquiring additional X-ray facilities if it is turned down by the hospital commission? Because up until now they have been able to do that kind of thing if they were turned down by the hospitals commission. Then they were able to levy two, three or four mills in order to get that additional equipment. I would be interested in the minister responding to that particular point.

Mr. Chairman, I move, seconded by Mr. Ludwig, the deletion of Section 34 of the bill.

MR. RUSSELL:

If you go to subclause (2.1) under Clause (3) of Section 34 you will see it refers to "other than those kinds prescribed by the regulations notwithstanding anything in an order." As I understand it a bulletin has gone out to the hospital boards since the announcement of the revised guidelines by the Hospital Services Commission and it specifically mentions those three things: the shared equipment, which covers the point you were talking about; the provision of a site and improvements. I believe the last item that's included in that is if a hospital board wishes to run and operate an ambulance service it is also excluded. But I don't believe there is any board that is affected by the provision at the present time. The Minister of Health and Social Development could answer that in detail when he comes back. I don't believe any board is affected by that provision. So there are just those three items.

MR. LUDWIG:

Mr. Chairman, I would just like to make a brief comment in regard to this section and the motion to strike out Section 34. I support that motion on the principle this government advocates and preaches throughout the province that it is in favour of decentralization, and on certain matters, which perhaps aren't as important as this one, is pointing that way. An indication that in a very minor matter, practically an insignificant matter, they have attempted to decentralize some government services -- practically of no consequence and no impact on any particular area.

They seem to want to pick up the credit for the fact that we are in favour of decentralization. They have been saying this so often they believe that they are, in fact, decentralizing. But in a very important issue such as this the public has for years subscribed to the fact that the local authority in hospital matters is very good, works very well and certainly they should be able to make decisions locally. But their hands are going to be tied in such a manner that their local authority will be very insignificant. This could work to the detriment of the people.

I'm sure that some might feel perhaps money is more important than the well-being of the people. Perhaps money is a factor. It is a factor and it is important. The government can give them all the money it is giving them without tying their hands. But the tendency, whether it stems from the bureaucrats in the department, or whether it is a general lack of knowledge, lack of wisdom on the part of the government or perhaps lack of being able to see what they are doing is toward centralization on a most important issue. I'll be surprised if they do not find themselves in serious trouble in some instances before the year is over and if not then certainly within a short period of time. We really could not let this thing go on again on a vital principle -- where they are

buying back those rights and that authority the boards and people, through the municipalities, have won for themselves through many, many years.

We feel that the minister, once again, has just raised the ante to where he can buy all this back. He will be the boss. When he feels like being magnanimous he will be. When he [doesn't] he won't. But perhaps the attitude now is that what is best for the minister is best for the people and as long as the public is aware of this and we have made our stand clear so we don't get blamed next year, well the opposition didn't say anything about it. We are saying something about it in the most strenuous, the most determined way we can. I believe the minister is remiss but you can't blame him entirely for what is happening when he has so many silent partners who have given him a blank cheque in this regard on that side, when they say, whatever you do, Mr. Minister, it is all right by us; we'll hang together. As Diefenbaker said, "If we don't hang together, we'll hang separately." That stands for the Conservatives right now. If they don't stick with what they have decided, then it doesn't matter because they will hang separately later on anyway.

So, Mr. Chairman, we have voiced our regret. We have voiced our disappointment. In fact, we have done everything we could on this side to indicate to the government that they preach local autonomy and don't believe in it. They preach decentralization and actually practise centralization. Once more we have to question whether they don't know any better, whether they think the public doesn't know any better or whether their word doesn't mean a darn thing in this House. I think on any one of the three counts the minister ought to reconsider what he is doing and do the right thing by the people of this province.

MR. BENOIT:

Mr. Chairman, I am really concerned about this because we are passing bills in the Legislature. A number of years ago the previous government was criticized for running the country by Orders-in-Council and by regulations and things of this nature. Now we come up with legislation of this nature where it gives the government, the Executive Council, the prerogative of making all kinds of regulations. And after they have made the regulations, if the people who are to be regulated by the regulations don't qualify or are not satisfied with the regulations and the guidelines, then the minister has the authority to vary the regulations. So actually the legislation itself really has no binding authority and no effectiveness. This is the thing we are deeply concerned about in this situation. That is why we are complaining about the way this bill is being put through.

I only want to explain that to the Chairman and hon. members. There is no government by Legislature if it is going to be done by regulations, Orders-in-Council and by the whim of the government at the request of municipalities. What is more, municipalities, hospital boards and health units won't know where they stand. If they make the right appeal they can get additional help. If they don't make the right appeal they will be cut off. There seems to be no continuity or consistency about it all. What we would like is to have some legislation that is at least binding and gives us an idea of where we are going and how we are going to get there.

MR. DIXON:

Mr. Chairman, I would like just to touch on this subject because it is a very, very serious subject, as the minister will realize. We have a hospital in Lethbridge facing a \$100,000 deficit which couldn't be covered under this program. We have hospitals that are losing money consistently. We have one in Alberta that is losing \$10,000 a month. Now are we going to look seriously at this situation and say, if you are going to continue to lose money we are going to have to close you down. This would be a vital service that would go by the boards.

I'm just wondering, how are we going to meet these situations where certain hospitals, because of their size, have a deficit and continue to have a deficit? It doesn't matter how often the government says, well you should meet your guidelines or we're not going to help you, and yet you can't go and requisition further to your local taxpayer.

I just wonder, in those types of cases, what is the government's project or what do you have in mind to correct that type of situation?

I'm not thinking of the hospital that just overspends [during] one particular year, but what we are concerned with is a lot of hospitals, and the one or two that I've mentioned, which are consistently coming up when they feel

they need extra requisition because of their unique situation as far as operating within that community is concerned.

MR. RUSSELL:

Mr. Chairman, just to respond to some of the points that have been brought up, and I know they are points of major concern throughout the province; first of all the matter of requisitions that are necessary.

The amount that is provided in the budget that goes along with this act is based on what the accumulated deficits have been in 1972 and projected ahead to 1973.

One has to presume that there is a pattern of spending that had been built up until then through the years when the four-mill Hospital Foundation levy was removed and then local hospitals got in the habit of assessing supplementary requisitions, and so the pattern has been established. So I have to say, I think the dollars that are provided to support this part of the act are there to at least support contemporary levels of spending.

The other thing that is important is the move to global budgeting as opposed to the stricter line or project kind of budgeting because I think that will offer the boards a great degree of flexibility.

The hon. Member for Highwood is concerned about regulations in the act. Yet we've said time and time again from the day the act was introduced that the regulations are there so that government can react to the local situation because I recognize -- I'd be the first one to admit that in a complex program of assistance like this, where you are giving assistance grants and incentive grants and we're locked into a system of equalized assessment that doesn't really work perfectly, that we have just about as many different kinds of municipalities in the province as there are people.

Somebody said it's like trying to cut a suit from one pattern and make it fit every man in the province. It's a very difficult thing to achieve in one year. But notwithstanding that, governments -- not just the Alberta government, but many governments -- have recognized the desirability of removing this financial burden from the property tax. And that is what we are trying to do. Let the municipality move into the field of two or three mills that will be vacated by this move and we'll take it over as a financial responsibility.

I'd be the first one again to agree and state very emphatically that I believe the local board, the guy on Main Street in any municipality, is far better able to make decisions as to what is needed and to react to the needs of the hospital in his own community. But notwithstanding all that, the last dollar support is contained for him to make that kind of decision in this bill.

Now we get to the local situation that the hon. Member for Olds-Didsbury referred to, or the Member for Highwood. You know, what if despite all of this, somebody wants to buy an exotic X-ray machine or do something and the townspeople are in favour of it and you get the citizen delegation in; how can we accommodate a move like that if they really want to do it?

The quickest way to respond to something like that is by regulation. We've had some experience in being able to extend applications for homeowner discounts, for example, by regulation. That was in the old Act and it's in the new one, and I see nothing wrong with that. I see nothing wrong with the provision of regulation in this section. But again, you go to your budget document and the dollars are there based on the best estimates we have available.

Now I'm as concerned as anybody about the horrendous history of deficits some of our hospitals have. I don't know the reasons for it but they are there. They are built in and they are going to be supported.

I can recall when I served as Chairman of the Board of the Calgary General, getting a request from the Royal Alex -- which is the other hospital most comparable to the General -- saying why is your deficit around \$150,000 this year and ours is a \$1 million? We are both providing presumably comparable health services to citizens in comparable cities. There was a great deal of concern shown by the Hospital Services Commission -- it wasn't called that at that time -- but by the Department of Health, and we ended up sending business personnel from the Calgary General to the Royal Alex. That was eight years ago. What is the result today? The deficit of the Royal Alex is still way up there.

Anyway, this act recognizes that it's going to be supported. Notwithstanding that, that debt which has up until this year fallen on the shoulders of the property tax payer in Edmonton will be assumed. If there is concern about the possible loss of autonomy in there, I recognize that and I can see how certain members could build a debate on that. But notwithstanding it, I still think it is a good move and therefore the amendment should be defeated.

MR. STROM:

Mr. Chairman, I would like to ask the minister a question. First, may I say before I ask the question, that I appreciate that he at least has made the admission that this creates a real problem so far as local autonomy is concerned, because I think basically that is the principle we are discussing.

Now my question to the minister is this. Is this the only year that you intend to operate in this manner? In other words, will the hospital boards be totally limited to provide any extra funds through a supplementary requisition? If it isn't the only year, how long is it going to operate in this way?

MR. RUSSELL:

Well, I don't pretend to be able to see that far into the future. I think I should correct one thing which was said. I admitted that a good debate could be built up on the matter of local autonomy. But I don't think that means that I say there is a real problem with respect to local autonomy. I agree with the hon. Member for Drumheller that many bodies, elected groups, in the province have been functioning -- he used the example of school boards -- for many years with almost total dollar support without loss of autonomy. Again I use the example of the Foothills Hospital in Calgary. So I don't agree about that part of it. But I agree that you could get a good debate going on it.

Whether or not it will have to be changed next year, I don't know. I would hope not. It's an important move for the province, to take over last dollar support of hospitals throughout the province. I would hope -- I know the old government was concerned and the previous minister worked very hard at trying to control this rapidly escalating factor with respect to hospital costs -- and hopefully we will be able to continue that trend to try to maintain reasonable control in the growth rate. But in the meantime, at least, that social service cost is removed from the municipal government.

MR. STROM:

Mr. Chairman, all I want to say is I am a little surprised that a man could say he felt a good case or a good debate could be made and then turn around and say he didn't mean that to suggest that he didn't think there was a good case for it. I have difficulty in following it.

But let me just say this in all sincerity to the hon. minister, Mr. Chairman; as far as the previous operation was concerned, I recognize the attempt that was made to hold costs down was to place a limit on the amount of money made available to them in the initial budget. Then at the end of the budget year, the minister and his department would review the expenditures that had taken place in the past year and then make an additional payment. Now I say that, too, is really a very bad way to handle it. Now I say that, with hindsight we can say it did not accomplish what we wanted it to, which was to give the responsibility to the local board to provide savings wherever they could. In fact, the approach they would then take -- I'm not sure that the minister is following me on this, Mr. Chairman.

Maybe what I'm saying isn't that important, but I'm reviewing part of the problem we faced previously.

It seems to me it does have a bearing on the situation we face now, in that we are neglecting to come to grips with the principle of establishing responsibility at the board level. What I was saying was, previous boards were placed in the position where they would attempt to prejudge what the deficit might be at the end of the year, recognizing the minister would make up to them certain parts of that deficit depending on how other hospital boards had fared. It wasn't a good arrangement. Now under this arrangement, it seems to me we are destroying any vestige of local autonomy in that they will simply become the administrators of whatever dollar amount is made available to them.

I hope you are getting good advice from the minister seated behind you. I hope it is. If he wants to speak on it, I wish he'd get up because I'd like to hear what he has to say, too. Mr. Chairman, with all these diversions, I question whether the minister is interested in listening to what we have to say.

We hope we are providing the benefit of our experience, providing him with some benefit from our thinking on this matter. I would hope that he would at least give some consideration to it, because I'm convinced, Mr. Chairman, that the proposal, as outlined here, will not work. It does not come to the root of the problem, which is establishing responsibility at the local level and providing some incentive for them to make saving. Under the old system there was no incentive. I admit that and I think that was bad. But somehow or other we have to establish as much responsibility at the local level as it is possible to do. I don't see it happening here and I therefore support the amendment that has been proposed, simply to register my disapproval of the proposition.

MR. RUSSELL:

Mr. Chairman, I'm sorry for the interruptions during the last speaker's remarks because I didn't mean to show any discourtesy.

But I can only repeat once more that the dollar support is there that has been based on several years' experience of accumulated or progressive supplementary requisitions; that we've gone to global budgeting; that we're trying to get as much information out to local boards as possible; and that the history in Alberta is there for boards which have been totally supported by way of finances to maintain a good degree of responsibility. I don't know what I can say further.

The example of the Province of New Brunswick was mentioned earlier, where we have the one extreme on the very end where there is no local autonomy left and everything is run by the province. I don't know what the other extreme would be.

I think the situation in Alberta is pretty good. The level of property taxation and the level of municipal assistance, the degree of participation by local boards and local citizens is good. I couldn't help but think when the Member for Cypress was speaking, how strongly we opposed the bill when they brought in the Alberta Hospital Services Commission, and really argued against it then, predicting on arguments similar to those the member used today, that it would never work, that it had to be composed of elected people, that it took away direct responsibility. We inherited that as a fairly new institution when we assumed office and it's still there because it is working, and I have to say that the predictions and the concerns I had at the time that bill was debated were wrong, but nonetheless my arguments were sincere at the time.

I have to apply the same philosophy here, that some members make a good debate because they sincerely believe that local autonomy will be affected. We believe just as strongly that it won't be. The dollars are there, the system, the provision to react by regulation to a local, unique situation and we think that the ultimate objective, that of relieving the municipal property tax from this financial burden is a good one.

DR. PAPROSKI:

Mr. Chairman, just to clarify one point for the record. Is it not true that if the 100 per cent that is provided for general hospitals, the 100 per cent that is provided for the health units at the municipal level, and the extra 10 per cent up to 90 per cent of the social services municipally, will in fact relieve an added tax burden on the resident at the community level because he will take advantage of federal-provincial cost-sharing?

MR. RUSSELL:

Yes, out of this I think I see what the hon. member is getting at. We do expect to retrieve close to 50 per cent of this cost from the federal government by way of cost-sharing arrangements.

DR. PAPROSKI:

Then in that case, Mr. Minister, if you would just clarify one more point, that means that the taxpayer then will not be taxed twice for that special municipal requisition, but only once which is the way it should be.

MR. HINMAN:

Mr. Chairman, I would like to point out that whether it comes from federal or provincial we pay, and as far as Alberta is concerned, because of our fortunate position we pay more than our share. So let's not use that as an argument.

MR. RUSSELL:

I think the point that the hon. member was trying to make was that before we were paying twice, once through federal income tax and at the municipal property tax level. By the province entering into this field of responsibility and going for agreed upon cost-shared items from the federal government, at least that portion of municipal tax is removed. I don't think we will get the full 50 per cent back but hopefully a good part of that.

DR. PAPROSKI:

Mr. Chairman, if I may. As I remember from my calculations which were just cursory, this represented over a period of five to ten years some \$70 million that the citizens of Alberta lost, in fact.

MR. STROM:

Mr. Chairman, I just want to make one point that as Albertans I think we have to ask ourselves what the principle is that we are standing on. As a government we very clearly accepted our responsibility and tried to demonstrate to the federal government that they were wrong. We stood on principle and it did cost us money, I admit that. I have heard hon. ministers on that side of the House stand and argue that's what we ought to be doing now and I say maybe you are right. But let's not get carried away as to what happened. I think it was a matter of principle that we looked at pretty clearly and we finally saw we were fighting a losing battle and had to change. But I should say that we want to keep the record clear.

MR. CLARK:

With regard to the point raised by the hon. member, Dr. Paproski, I can recall members sitting on both sides of the House when the situation was considerably reversed and there being considerable agreement in this House that we shouldn't be entering into any more cost-shared programs with the federal government. Now we are having the proposition put to us, well if we are prepared to change this principle which has been rather long-standing, we can collect this much more money from Ottawa.

I suppose if the hon. member wants to go a step or two further, with regard to a number of the programs the government is getting involved in in the field of early childhood education, if you put them under the Department of Health and Social Development you may be able to claim for some of those. But that wouldn't change the basic question of where the work can best be done and what department has the responsibility. It's nice to be concerned about dollars and cents but it seems to me that at the same time you had better put a greater value on the basic principles involved, and that is what we are trying to do here this afternoon.

DR. PAPROSKI:

Mr. Chairman, if I may just make a remark regarding those other items. I think it is quite clear, and I don't pretend to speak for everybody on this side of the House, that we have taken the position up to this point that we maximize cost-sharing, but the principle is still the desirability of getting those as extra tax points as the principle. But until that happens and the federal government agrees, we must and are following the course, as I understand it, of maximizing the tax points and maximizing the cost-sharing until we do get that new formula. Having said that, I cannot ever accept in this House that the hon. Member for Cypress could say we lost money on a principle. When a taxpayer has to pay twice for the same goods and services, then I think it is a logical reason why that 'then' government is on the other side.

MR. CLARK:

Mr. Chairman, perhaps one last point. It would be interesting to have the hon. member go down to Ottawa with the Provincial Treasurer and try to deal with the question of federal-provincial cost-sharing and have the federal government point out this debate in the Legislature and say, well, the hon. Member for Edmonton Kingsway has suggested that if you do this you can get more money from Ottawa and that is more important than the principle of really changing the whole federal-provincial cost-sharing thing.

MR. CHAIRMAN:

The motion was moved by Mr. Clark and seconded by Mr. Ludwig, that section 34 of Bill No. 48 be deleted.

[The motion was defeated.]

MR. FRENCH:

Mr. Chairman, now that we have been dealing with local autonomy this afternoon and the government appreciates the fact that they are interested in providing as much local autonomy as possible to health units, I am wondering if they are prepared to delete Section 16 (3). It is on page 22 of the bill, and also on page 23, Section 20 (3). This is the section, Mr. Chairman, that deals with the board: "... at the end of the fiscal year refund to the Minister the unexpended balance of the grants which are shown to be surplus by the auditor's report."

One deals with the smaller health units and one deals with the larger health units. I think when the health unit is proven, that that's a good word. It is cautious with its spending and at the end of the year finds it has a small surplus. Under the present Act, if I remember correctly, the health unit was able to retain a certain portion of the unexpended balance at the end of the year. I think they had to refund something in the neighbourhood of anything over the ten per cent.

But surely when we are looking at local autonomy in health units, we should provide as much flexibility as possible to the health unit. If they have a small surplus at the end of the year surely they would be able to keep that and provide for something that may come along the following year. At the present time they are not able to go to the contributing municipalities for a requisition. They depend on government grants and I don't know what advantage it is to have it come back to the department. I presume under special circumstances the health unit might be able to approach the minister and get a special grant for a special case, but it seems to me that we could provide this extra local autonomy to the health unit by letting them retain any portion that they have at the end of the year with respect to their unexpended balance.

I could possibly move, Mr. Chairman, that we delete this section, but if we follow the example of what we have been doing this afternoon, it would just be outvoted. I would just ask the minister to give sincere consideration to providing this autonomy to our local health units by removing clause 3 in Section 16.

MR. RUSSELL:

Well, Mr. Chairman, I did discuss this with the hon. Minister of Health and Social Development after second reading of the bill because it had been referred to then, and the points for and against were discussed. But we would like to leave that clause in this year at least to see how it works.

Again it is one of those things that can be debated both ways. But the strong point in favour of leaving it in relates to a general principle which goes far beyond the terms of reference of this bill and that is how desirable it is today, in the 1970s, to be budgeting or operating for substantial surpluses. We know that many businesses and organizations are trying to get away from that situation insofar as possible. This doesn't mean that the level of services or supplies is restricted in any way or that long-term planning can't be carried out. But it is simply an attempt to use good financial management, not to leave funds sitting on the books at the end of year but to get them back into circulation. I think you can see how, if that is carried on from year to year, the health units should not have any cause for concern.

MR. FRENCH:

Mr. Chairman, this is the point I am trying to make. I think we would have better financial responsibility in the hands of a local health unit if we provide the flexibility and let it keep these unexpended portions. If they know at the end of a year they have a few dollars left that are going to be returning to the department, I am sure somebody on that hospital board or health unit is going to come up with some real reason that they can spend this money rather than send it back to Edmonton.

I say that when we put the health unit in that position we are not going to get the responsibility that we should be getting from the health unit if it is more flexible and manages its own business. I'm sure that if some of these people who sit on health units know that money has to come back into Edmonton they are going to find a real need to spend something say in the month of December rather than have it come back into Edmonton. I think you are only defeating the purpose of having sound financial responsibility in a health unit by leaving clause 3 in Section 16 in the act.

MR. CHAIRMAN:

Question has been called for the title and preamble.

MR. RUSSELL:

Mr. Chairman, if you're going through the whole bill now, the title and preamble, is it correct that the three amendments should be read to the committee and concurred in at this stage?

I should explain the three amendments.

MR. CHAIRMAN:

Please.

MR. RUSSELL:

The first one is a direct response to the City of Red Deer which felt that the term "city clerk" used on page 1 of the bill might restrict it in some way in the definition in the act of what clerk means. So it's been expanded at its request. I don't think that's a serious one.

Amendment B of course deals with the announcement that was made in this House on Friday, bringing the minimum benefit from the \$150 to the \$200 level with respect to taxes paid by senior citizens on the guaranteed income supplement.

Item C strikes out that section that had been brought to our attention dealing with corporations, one of whose family members was a senior citizen.

MR. TAYLOR:

Perhaps the hon. Government House Leader would enlighten us. Since there were objections raised to certain parts of the bill, do we not now take it section by section?

MR. HYNDMAN:

Mr. Chairman, if there are certain sections of the bill which the hon. member wishes to speak to then he would stand up, designate the section and speak to it. Otherwise it's deemed to go through.

MR. CHAIRMAN:

This is what the Chair wanted to follow from the example set on Friday, but I would be prepared to take these amendments on. Mr. Strom.

MR. STROM:

I was going to make that point. Inasmuch as amendments come and lie on our desks and we may get them and we may miss them, couldn't we take it as precedent that all amendments will be brought to the attention of the members and we will go through them clause by clause? I think that way we would avoid any danger of later coming back and saying that we didn't know there was an amendment brought in.

MR. HYNDMAN:

I think that is a satisfactory solution, Mr. Chairman. Just to further cover the question of the amendments I would move, seconded by the hon. Attorney General, that these amendments be implemented in the act.

MR. CHAIRMAN:

Any further discussion on the amendments?

MR. TAYLOR:

Mr. Chairman, I would suggest that we take each amendment because they are amending different sections. I think we might run into difficulty --

[Section 1 of the amendment was agreed to without debate.]

MR. CHAIRMAN:

Section 8.

MR. DIXON:

I wonder, Mr. Chairman, if I could raise a point for clarification here. Mr. Minister, how many people do you think would qualify under this social -- if they are getting supplementary a great many of these people aren't properly -- can you give the House any idea as to how many would qualify? Maybe the hon. Minister of Telephones and Utilities may know that from his research. I would like to know how many would qualify for this. The reason I ask the question is I think there may be some other ways of assisting people who need help other than this. If there is a small group of them it might be better if we are really trying to accomplish what we have in mind to look at some of the rental people who probably need this assistance more than these type of people.

MR. RUSSELL:

The amendment is there for three reasons. Number one, the numbers of persons you mention -- it is a very difficult thing to tell, but we think there are in the neighbourhood of 27,000 homeowner applications that would be affected by persons on the guaranteed income supplement, so it is a fairly substantial group of citizens.

Item number 2 is, as many people pointed out, that the old two-to-one ratio between the standard payment of \$75 and the payment for senior citizens on the guaranteed income supplement had \$150; one was double the other one. When we raised the one to \$100 to keep the proportion correct, the other one should have been raised and it hadn't been.

The third reason for the amendment is fairly substantial evidence that senior citizens on the guaranteed income supplement owning very old property had been very adversely affected, particularly in the case of Edmonton, as a result of increased land values on these old, very humble houses. This would help a substantial number of those persons.

[The bill as amended, the title and preamble were agreed to without debate.]

MR. RUSSELL:

Mr. Chairman, I move the bill be reported as amended.

[The motion was carried.]

Bill No. 6
The Agricultural Service Board Amendment Act, 1973

MR. CHAIRMAN:

Bill No. 6, The Agricultural Service Board Amendment Act, 1973. Any questions?

MR. ZANDER:

Mr. Chairman, I just wonder in that bill, what is meant by the deletion of the word "farm".

MR. BATHUK:

Mr. Chairman, previously or presently the Act states that all farmland -- and we are aware that there are more and more subdivisions, particularly near the cities; the Agricultural Service Board must watch the people with half a section of land or a section of land. Yet these small subdivisions may have a lot of noxious weeds and there are enough of them to pollute the whole province in a short while.

Furthermore, I recall about four or five years ago when I was on the Agricultural Service Board and I was the reeve of the county, here again we used to put pressure on the farmers to have their weeds controlled and also on the road allowances along their land. Yet the railway right-of-ways were polluted with weeds, along with Highway No. 15. At that time I was delegated to go to Edmonton to see the Minister of Highways so that some attention should be put on this particular highway.

When I did come, the receptionist asked me what I wanted. I identified myself and why I came. She took down the information and said, "Just go into the next door." I figured the minister would be there. However, there was another gentleman there and he again asked me what I came for, and I made my explanation. He wrote down everything and said, "Go into that door." So I went and there was another fellow sitting there, and he said, "What can I do for you?" So I told him I was the reeve of the county and I was delegated to come and see the minister about the weeds along Highway No. 15. He wrote down the information and he said, "Well, you go there." I went there and that was the last place. I landed on the sidewalk.

[Laughter]

Now, Mr. Chairman, with this section, if the agricultural fieldman or the weed inspector saw weeds along the railway right-of-way or along the highway, he wouldn't have to delegate anybody to go and see the minister. He could just as well come and see the district engineer in the Edmonton area and order that the weeds be cleared off. This is one thing why the word "farm" is taken away from "land" because not all land is farmland.

MR. CHAIRMAN:

Thank you for the explanation, Mr. Batiuk. I trust that should never happen to someone from Vegreville.

MR. STROM:

I hadn't noticed it before but where the word "farm" is taken out, it then refers to land in a municipality included in the area with respect to which the board has been appointed. In other words it is not interfering or getting involved in any land -- you could take Calgary for example -- whose boundaries have stretched way out into the municipality. They are still not under this regulation.

MR. BATIUK:

The Agricultural Service Board is liable for the operation inside the boundaries of that particular county and that is where they'd be responsible. Whether it's a road allowance, an acreage or anything, it would be just in the boundaries of that particular agricultural service board.

MR. CHAIRMAN:

No further questions?

[All sections of the bill, the title and preamble were agreed to.]

MR. BATIUK:

Mr. Chairman, I move that Bill No. 6 The Agricultural Service Board Amendment Act, 1973 be reported.

MR. CHAIRMAN:

Is that agreed by hon. members?

HON. MEMBERS:

Agreed.

MR. HYNDMAN:

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

MR. CHAIRMAN:

Is that agreed?

[The motion was carried.]

[Mr. Diachuk left the Chair.]

* * * * *

[Mr. Speaker resumed the Chair.]

MR. DIACHUK:

Mr. Speaker, the Committee of the Whole Assembly has had under consideration the following bills: Bill No. 48 and begs to report same with some amendments, and also Bill No. 6 and begs to report same and asks leave to sit again.

MR. SPEAKER:

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

HON. MEMBERS:

Agreed.

MR. HYNDMAN:

Mr. Speaker, I move the amendments be read a second time.

[The motion was carried.]

MR. HYNDMAN:

Mr. Speaker, before moving that we call it 5:30 -- concerning the business of the House this evening, we would contemplate moving into second readings at 8:00 o'clock of virtually all the bills on page one and two of today's Order Paper excepting some which may not be able to be handled for reason of temporary absence of ministers; then again to Committee of the Whole excluding Bills No. 35 and 47, that is The Alberta Labour Act and The Land Surface Conservation Act which would not be started until tomorrow night at the earliest.

I would like to ask now the hon. Member, Mr. Adair to make an important announcement about a major sporting event over the dinner hour.

MR. ADAIR:

Mr. Speaker, I would like to remind the fellows of the ball game tonight and the unbeaten record that we have. It's down at Renfrew Park; the cooperation is requested of all the fellows who have indicated they would be playing and we'd like the rest of the fellows to come down and cheer the fellows on. We also have some very attractive cheer leaders who will be on display this evening.

MR. SPEAKER:

Did the hon. minister happen to mention the time when the game starts?

MR. ADAIR:

I was holding up the announcement, Mr. Speaker. I was sure the other fellows had it right in front of them. It's 6:00 o'clock tonight and please be on time.

MR. HYNDMAN:

Mr. Speaker, I move that the report of the hon. minister be received and concurred in and that we call it 5:30.

MR. SPEAKER:

The hon. Government House Leader's motion is beyond debate.

The House stands adjourned until this evening at 8:00 o'clock.

[Mr. Speaker left the Chair at 5:27 o'clock.]