

## LEGISLATIVE ASSEMBLY OF ALBERTA

Wednesday, June 5, 1974

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

## PRAYERS

[Mr. Speaker in the Chair]

## INTRODUCTION OF BILLS

Bill No. 246 An Act to amend The Individual's Rights Protection Act (No. 3)

MR. WILSON:

Mr. Speaker, I beg leave to introduce a bill, being Bill No. 246, An Act to amend The Individual's Rights Protection Act (No. 3). Mr. Speaker, the main purpose of this bill is to prohibit discrimination in the areas of accommodation, public facilities and employment against any person because of his or her physical disability.

[Leave being granted, Bill No. 246 was introduced and read a first time.]

Bill No. 239 The Educational Tax Arrears Repeal Act

MR. WILSON:

Mr. Speaker, I beg leave to introduce a bill, being Bill No. 239, The Educational Tax Arrears Repeal Act.

MR. SPEAKER:

Order please.

[Leave being granted, Bill No. 239 was introduced and read a first time.]

Bill No. 245 The Orders and Regulations Ratification Act

MR. WILSON:

Mr. Speaker, I beg leave to introduce a bill, being Bill No. 245, The Orders and Regulations Ratification Act.

[Leave being granted, Bill No. 245 was introduced and read a first time.]

## INTRODUCTION OF VISITORS

MR. DOWLING:

Mr. Speaker, on behalf of the hon. Minister of Culture, Youth and Recreation, Mr. Schmid, it gives me a great deal of pleasure to introduce 22 young ladies and gentlemen from the Avonmore Elementary School who are sitting in the members gallery with their

teacher, Mr. Wynnychuk, and one parent, Mr. Albert. I would ask them to rise and be appropriately welcomed.

DR. HOHOL:

Mr. Speaker, I would like to introduce to you and to the Legislature about 50 students from the Delwood Grade 6 class in my constituency. They are in the public gallery and are accompanied by their teacher Mr. M. Tymofichuk. I would ask them to rise and be recognized by this Assembly.

MR. COOKSON:

Mr. Speaker, it's a pleasure to introduce to you and to the members of the Assembly, a gentleman who just recently brought back to Alberta the world championship for gold panning. He not only brought it back to Alberta, but to the Lacombe constituency. He is seated in the Speaker's gallery. His name is Mr. Paul Ajis. I would ask Paul to rise and be recognized by the Assembly.

#### TABLING RETURNS AND REPORTS

DR. WARRACK:

Mr. Speaker, on this bright day in the Legislature ...

DR. BUCK:

Where was the sale?

DR. WARRACK:

I have the honour to submit for filing in the Legislature library copies of our most recent Wildlife Management Series: No. 6, Land Use Planning for Conservation; No. 7, Predators and Predator Control, and No. 8, Protection for Alberta's Endangered Wildlife.

The previous five in this series have been previously tabled.

DR. HOHOL:

Mr. Speaker, I should like to table three documents this day. The first one is a reply to questions asked by the hon. Member for Calgary Mountain View with respect to qualifications of licensed mechanics.

The second, sir, is a reply to Question 184 asked by the hon. Member for Spirit River-Fairview on May 23, 1974.

And third, a reply to Question 186 asked for by the hon. Member for Calgary Bow on May 23, 1974.

MR. DICKIE:

Mr. Speaker, I should also like to table a return and an answer to a question.

The return is the one requested yesterday on a motion by the hon. Member for Spirit River-Fairview, No. 196, and a question by the hon. Member for Spirit River-Fairview on May 7.

MR. MINIELY:

Mr. Speaker, I would like to table answer to notice of Motion for Return No. 188.

MR. YURKO:

Mr. Speaker, I would like to table Sessional Paper No. 175.

MISS HUNLEY:

Mr. Speaker, I wish to file a copy of the summary of public opinion survey that I referred to in my ministerial announcement of Wednesday, May 29, concerning Check Stop.

MR. HYNDMAN:

Mr. Speaker, as promised during consideration of Education estimates last evening, I would like to file a copy, available to all members, of alternatives available to school boards with respect to the use of vacant schools or when new school buildings or additions are being considered.

#### MINISTERIAL STATEMENT

#### Health Care Commission

MISS HUNLEY:

Mr. Speaker, I wish to announce that the government has made arrangements to simplify the provision of prescription drugs to the senior citizens of Alberta. Commencing July 1, 1974, residents aged 65 and over - their spouses and dependents - will be exempt from the annual \$15 deductible charge by the Alberta Blue Cross Plan. From that date, senior citizens will be able to obtain prescribed drugs by paying their pharmacists 20 per cent of the cost. The pharmacist will, in turn, bill Alberta Blue Cross directly for the remaining 80 per cent.

This arrangement was developed through the Alberta Health Care Insurance Commission with the cooperation of the Alberta Blue Cross and the Alberta Pharmaceutical Association. It will relieve Alberta senior citizens of certain out-of-pocket pressures and make it simpler for them to obtain the prescription drugs they need. It will also eliminate the tedious and often impossible task of filling out the application form in order to obtain the refund from Alberta Blue Cross.

And secondly, Mr. Speaker, I wish to advise that the Alberta Health Care Insurance Commission is now processing applications for subsidy whereby the working poor in Alberta who had no taxable income in 1973 will be eligible for premium-free coverage for basic health services from the first of July, 1974.

For those in need who would not qualify for this subsidy, commencing July 1, 1974, there will be a provision by which the Alberta Health Care Insurance Commission may waive health care premiums for residents who are unable to pay, due to current financial hardship. This measure is intended to help those who through financial misfortune have extreme difficulty in paying their health insurance premiums.

#### ORAL QUESTION PERIOD

#### Meat Industry - Labour Negotiations

MR. CLARK:

Mr. Speaker, I'd like to direct the first question to the Minister of Manpower and Labour and ask the minister if he has discussed with the major meat packing companies in the province their action of locking out their employees prior to the results of the vote on the offer?

DR. HOHOL:

Yes, I would have to say that I did, not with all the principals by any means, but I've been in touch with some of them in one way or another. At the time we discussed the matter yesterday, Mr. Speaker, the vote was already in progress, as I reported.

MR. CLARK:

Supplementary question to the minister, Mr. Speaker. Did the minister contact the principals prior to last evening with a view to trying to get them to hold off their lockout until the results of the vote were made known to the membership?

DR. HOHOL:

If I understand the question correctly, it is whether I personally have. I would have to respond no, I personally have not. But through the department and the mediation services the parties have had a great deal of contact.

I was completely aware, and participated in the discussions with our mediation staff, so there was a great deal of contact and work with the principals on both sides through our department and the mediator, Mr. Dickie.

Meat Industry - Price Monitoring

MR. CLARK:

A supplementary question, Mr. Speaker, to the Minister of Consumer Affairs. Is the Department of Consumer Affairs undertaking monitoring of both wholesale and retail prices, in light of the lockout and the impending shortage of meat in the province?

MR. DOWLING:

Mr. Speaker, as I indicated earlier in the House, we have undertaken a weekly monitoring of meat prices in conjunction with the Department of Agriculture. At the moment we are not contemplating extending that, but we are suggesting to consumers that perhaps during this period of shortage, if one every develops, they should perhaps use other substitutes during that very short period when there may be a short supply.

Meat Industry - Contingency Plan

MR. CLARK:

Supplementary question, Mr. Speaker, to the Minister of Agriculture. Earlier, on questioning on this particular matter, the minister indicated that the department had contingency plans as far as small slaughterhouse operators are concerned in the province. Is the minister in a position to indicate to the House today if that contingency plan has been implemented and if so, what it is.

DR. HORNER:

Those contingency plans have been implemented, Mr. Speaker. Essentially they consist of contact with the various small [slaughterhouses] - I should say smaller, because they are a variety of sizes - which are not affected by the strike anywhere from some of the other majors in the cities of Edmonton, Red Deer and Lethbridge are not affected by the strike and the other smaller plants.

We have let the trade generally, the wholesale and retail trade, know that if they are having difficulty in getting supplies they should contact the marketing division of our department and we will put them in touch with a supplier. Insofar as some of the plants are concerned, their major need is inventory financing to expand their capacity. This is going ahead and is being made available.

We've been in touch with a number of the larger ones that can really take up some of the slack, such as Lakeside Packers in southern Alberta, X-L Beef in Medicine Hat and Gainers in Edmonton who will make a major attempt to improve the situation. In conversations with Gainers this morning, they are quite willing to boost their hog kill by approximately 25 per cent by adding another shift on their plant. Provided that that can happen, I think that will substantially reduce the problem of supply in Alberta.

Again, I'd like to point out we don't expect any shortage of meat product in Alberta whatsoever.

Meat Industry - Labour Act

MR. NOTLEY:

I have a supplementary question, if I may, Mr. Speaker, to the hon. Minister of Manpower and Labour. In light of the packers' decision to lock out before the vote was taken, is the minister or the government giving any consideration to changes in The Alberta Labour Act?

DR. HOHOL:

Mr. Speaker, I'm certain that the evolution of industrial and labour relations is the kind that is affected and influenced by the events which take place in difficult circumstances with respect to collective bargaining, otherwise there would be no changes.

Legislation always looks safe and secure until it's tested and found to be either wanting or found to be appropriate and we thereafter confirm it. There is no question that we will be looking at the procedures, if nothing else, with respect to how this industry performs in the matter of collective bargaining. Should this examination reach the kind of conclusion that would lead us to look at legislation, we will certainly be prepared to do that.

Cabinet Tour - Northeastern Alberta

MR. CLARK:

Mr. Speaker, a second question, to the Acting Premier. Have plans been completed for the cabinet tour to northeastern Alberta?

DR. HOERNER:

Essentially those plans have been completed, Mr. Speaker. I'm sure a copy of the itinerary could be provided for the hon. leader.

MR. CLARK:

Supplementary question, Mr. Speaker. Having regard for the fact that this cabinet tour is going to northeastern Alberta, why is Fort McMurray not on the itinerary for the cabinet?

DR. HOERNER:

Well, I'm sure, Mr. Speaker, the hon. member must appreciate some of the physical limitations. We, as a cabinet, will be, and have been, very close to the Fort McMurray area and I would expect we will be in that area as a cabinet at some other time.

Essentially we are concentrating on this particular cabinet tour on the Vegreville to Lloydminster areas, including Vermilion, St. Paul and the entire area, if you like - in that particular.

Further north, I'm sure it will be in the plans of additional cabinet tours which we are attempting to make throughout the province.

MR. CLARK:

A further supplementary question to the Deputy Premier. In light of the Deputy Premier's comments, then can we take that as a commitment on behalf of the government that there will be a cabinet tour to Fort McMurray during the calendar year 1974?

DR. HOERNER:

Well, Mr. Speaker, no, the hon. leader can't, because there are commitments on behalf of the cabinet and we are trying very hard to meet all of them. For me to make a commitment that we're going to be in a particular area some time later this year would be indeed a little bit foolish.

MR. SPEAKER:

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

ALCB Employees Settlement

MR. NOTLEY:

Mr. Speaker, I'd like to direct this question to the hon. Solicitor General, and ask her whether she can advise the House what the terms and conditions were of the liquor board employees settlement between the Civil Service Association and the liquor board?

MISS HUNLEY:

No, Mr. Speaker, I'm not able to advise the House because I don't have that information.

Mr. Speaker, I have heard on the news that it was considered secret and I'm not sure whether these allegations are correct or not. Mr. Speaker, I might say this. If they were considered a secret, with all the men who know about it, without a doubt it will leak out anyway!

[Laughter]

MR. NOTLEY:

A valid point.

A supplementary question, Mr. Speaker, to the hon. minister. Can she assure the House that she will contact the liquor board to find out why a public announcement was not made about this settlement?

MISS HUNLEY:

If indeed a public announcement is not made before I have an opportunity to consult the chairman I will be pleased to do so.

MR. NOTLEY:

Further supplementary question, Mr. Speaker. Can the minister advise the House whether it's true that the new agreement and the new schedule of wages will go into effect, or have gone into effect as of June 2?

MISS HUNLEY:

No, Mr. Speaker, I don't have that information. I said that once.

MR. SPEAKER:

The hon. Member for Wetaskiwin-Leduc followed by the hon. Member for Clover Bar.

#### University Hospital - Renovations

MR. HENDERSON:

Mr. Speaker, I'd like to address a question to the Minister of Health and Social Development. I wonder if the minister advise the House as to what action might be forthcoming as a result of the most recent study into the need for rebuilding of the University Hospital?

MR. CRAWFORD:

Unfortunately I am not in a position to make a detailed statement on that at the present time. I would be glad to give the hon. member the very straightforward reason for that.

The report I asked for some time ago in regard to the need for medical manpower training facilities in Alberta, as they related to the physical plant at the University Hospital, has been done and submitted. But it has not yet been made the subject of analysis and recommendation by the Hospital Services Commission. That will have to come to me and then, in due course, an announcement will be made.

MR. HENDERSON:

A supplementary, Mr. Speaker. I wonder if the minister could advise the House if he has any idea when some sort of a decision will be forthcoming - two months, three months, six months?

MR. CRAWFORD:

Mr. Speaker, on occasion I have had reason to be aware of the difficulties in giving time estimates, but in fairness to the hon. member I do think it's most likely we can deal with the matter before the end of the summer.

MR. SPEAKER:

The hon. Member for Clover Bar followed by the hon. Member for Calgary Bow.

Redcap area - Minerals, Sheep

DR. BUCK:

Mr. Speaker, I would like to address my question to the hon. Minister of Lands and Forests or the Minister of Mines and Minerals. My question is, could either minister inform the House if a permit to explore for minerals has been given out in the Redcap range?

DR. WARRACK:

Mr. Speaker, that is a matter I would have to check. I don't know.

DR. BUCK:

A supplementary, Mr. Speaker. I would like to know if the minister can inform the House if a study of bighorn sheep has been going on in this area at present?

DR. WARRACK:

That's quite possibly true, Mr. Speaker. I suspect, without a doubt, the hon. member's question is based on some information he has; it's no doubt accurate, but I would be pleased to check that as well.

MR. SPEAKER:

The hon. Member for Calgary Bow followed by the hon. Member for Calgary Foothills.

AHC Contracts - Fort McMurray

MR. WILSON:

Mr. Speaker, I would like to direct a question to the hon. Minister of Municipal Affairs. Would the hon. minister advise if he has completed his answers to Motion for a Return No. 131?

MR. RUSSELL:

I have some hesitation in answering that question, Mr. Speaker, because immediately I wonder what the hon. member has in mind. I have discussed this Motion for a Return with him to try to find out what it is he wants.

As far as I know, we have given him all the information he is seeking. If he knows of something that has been left off, then I wish he would talk to me about it. The motion has been completed to the best of our ability on the understanding of what it is he is after.

MR. WILSON:

A supplementary, Mr. Speaker. Would the hon. minister advise if there is any particular reason for leaving out Alberta Housing Corporation mortgage contracts?

MR. RUSSELL:

No, there is no reason for that, Mr. Speaker.

MR. SPEAKER:

The hon. Member for Calgary Foothills followed by the hon. Member for Smoky River.

Calgary Schools - Building Projects

MR. MCCRAE:

Mr. Speaker, I have a question for the Minister of Education. Is the minister able to advise whether the School Buildings Board has approved any new school construction in the Silver Springs or Dalhousie areas of Calgary?

MR. HYNDMAN:

Mr. Speaker, the School Buildings Board met this morning to consider a number of revised proposals that were made to the province from the Calgary Public School Board and, in fact, has given approval, or approval in principle, to some seven school building projects in Calgary, one of which is approval in principle for a community-core school for a total capacity, when expanded, of some 325 spaces in the Silver Springs area.

In view of interest displayed by Calgary members on the subject over past months, I have some information. If they would like to drop me a note I can send it over as to the details of the seven projects involved.

MR. SPEAKER:

The hon. Member for Smoky River followed by the hon. Member for Calgary Mountain View.

Floods - Smoky and Peace Rivers

MR. MOORE:

My question, Mr. Speaker, of some urgency, is to the hon. Minister of the Environment. Does the minister have any very recent information regarding the possibility or the extent of flooding problems on the Smoky and Peace Rivers?

MR. YURKO:

Mr. Speaker, the latest projection in this area is that there is about 30 per cent more snow above the 5,000 foot elevation, but that nevertheless, with respect to the Smoky, the normal flows that are generated are not high enough to flood. In 1972 during the extensive floods the flows would have been around 60,000 cubic feet per second. We expect about 100,000 cubic feet per second maximum flows this year. In 1972 the floods occurred because we had very extensive rain, about six inches, at the same time as maximum run-off, and we have no way of predicting whether or not we will get rain this year during the course of the maximum run-off. However, it is hoped that we don't.

MR. SPEAKER:

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

Taxation

MR. LUDWIG:

Mr. Speaker, my question is to the hon. Provincial Treasurer and it's with reference to the statement by the government that the economy of Alberta and the financial position of the provincial government have never been stronger.

My question is, has the hon. Provincial Treasurer conducted any studies to determine whether there should not be an income tax reduction in this province at the present time?

MR. MINIELY:

Mr. Speaker, the hon. member's quotation at the beginning was certainly accurate. question - I think I've said several times in the House, and the hon. member seems to have difficulty hearing me, that review of taxation in Alberta, as far as I'm concerned, is an ongoing and continuous matter and one which will be given ongoing and continuous attention.



MR. LUDWIG:

Mr. Speaker, after that typical conservative answer of a definite 'maybe', I wonder if I could pose a further supplementary. Has a study been conducted to determine whether the province needs to continue the income tax at the present high level?

MR. MINIELY:

Mr. Speaker, we have ongoing and continuous studies that we hope to continue on an ongoing basis.

MR. LUDWIG:

Mr. Speaker, I think that in the relationship to brilliance I'll bow to the ... [Inaudible] ...

MR. SPEAKER:

Order please.

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

Public Transportation - Special Services

MR. SORENSON:

Thank you, Mr. Speaker. My question is to the hon. Minister of Highways and Transport. In light of the fact that little or no accessible public transportation is available to the handicapped or elderly in the province, is the government considering tying the provincial transportation grants to population usability, for example, as regarding the handicapped and the elderly?

MR. COPITHORNE:

Mr. Speaker, as we stated in the policy I announced two days ago, we hoped there would be a very definite move to use some of the moneys to [provide] facilities for the handicapped and disabled.

MR. SORENSON:

A supplementary to the minister. Has the hon. minister received any submissions from groups representing the handicapped and the elderly, requesting that funds be provided to assist in making public transportation accessible to them?

MR. COPITHORNE:

Yes, Mr. Speaker. I have received submissions.

MR. CRAWFORD:

Mr. Speaker, I wonder if I might just add to that and assure hon. members that the Minister of Highways and Transport and I have discussed this issue and that I have received presentations from time to time from people who are concerned about it. These presentations are certainly being given every consideration at the present time.

The nature of the discussions between my colleague and me have been that we hope that the municipalities also, with the new resources that are available to them financially as a result of the urban transportation policy, will pay special attention to what additional options there may be beyond the sort of support they are now giving - and they are giving some - whereby special benefits could come to handicapped or senior citizens.

MR. SPEAKER:

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

Mobil Oil - Employee Bonuses

MR. NOTLEY:

Mr. Speaker, I'd like to direct this question to either the hon. Minister of Manpower and Labour or the Minister of Mines and Minerals.

Can either minister advise the Assembly whether the government has received reports that Mobil Oil has given a bonus to its American employees in Canada and not to its Canadian employees?

DR. HOHOL:

I have not, Mr. Speaker, but I would be very concerned and very interested in getting that kind of information if the hon. Member for Spirit River-Fairview or anyone else has it. So I invite that kind of information to be presented to me as the responsible minister. I would take appropriate action.

Human Rights - Job Discrimination

DR. HOHOL:

While I'm on my feet, Mr. Speaker, would you permit me to give information to the hon. Leader of the Opposition with respect to Question No. 167 which we discussed yesterday during the examination of my estimates? This has to do with the human rights investigations of the total of 212 complaints investigated.

To complete the question, if you'll permit, I will run through the totals which didn't add up the same way for the hon. leader and for myself. There were 64 unsubstantiated; 7 terminated because of lack of response; 3 were withdrawn; 2 were outside the jurisdiction of the Human Rights Commission; 72 had positive results obtained. The 64 which the hon. Leader of the Opposition couldn't find and which were missing yesterday afternoon, have been found and are still under investigation. To conclude the question, attempts were made to explain those 64 in the last sentence of the return on page 2.

Thank you.

MR. NOTLEY:

Mr. Speaker, a supplementary question to the hon. minister. Can the minister tell the Assembly whether the government has reviewed or looked into the complaints expressed at a recent engineering conference that Canadian engineers earn less than non-Canadian engineers working for the same multinational corporations in the province of Alberta?

DR. HOHOL:

We have not investigated in the literal sense of the word. But it is my understanding, Mr. Speaker, with the principal company involved, that engineers, draftsmen, management or whatever service, will be paid on the basis of competence and job specification.

Again I would ask for information of the kind that would give me the onus and responsibility to check out the information and to discuss with the principal the payroll and job specifications to make certain beyond any question that the Canadian employees, at whatever level, get paid the same kind of wage for the service they offer as any person from outside Canada.

MR. NOTLEY:

Mr. Speaker, just one final supplementary question to the hon. minister. Can the minister tell the House whether there is any mechanism at the moment to ensure that this takes place, other than individual action with the minister contacting the companies concerned? And further, Mr. Speaker, if there isn't, is the government considering any changes in, possibly, Bill No. 2?

DR. HOHOL:

It is very likely that the accountability manual which is being worked up by my honourable colleague the Provincial Treasurer and his people, and the committee of cabinet ministers, will include this kind of thing.

In the meantime, by arrangement with the company concerned, they file with us or give us a list of employees, categories and numbers. This isn't only the case with respect to

this company, but all major companies that are in the process of planning or are on site developing a project.

MR. SPEAKER:

The hon. Member for Lethbridge West followed by the hon. Member for Calgary Mountain View.

Municipal School Boundaries Committee

MR. GRUENWALD:

Thank you, Mr. Speaker. My question is to the Minister of Municipal Affairs. It's regarding the Municipal School Boundaries Committee. Has Interim Report No. 1 which, according to the terms of reference, was supposed to be filed by December 31, 1973, been filed as yet, Mr. Minister?

MR. RUSSELL:

Mr. Speaker, I have had one report received from the committee which refers to that Interim Report No. 1. Essentially what the report said is that they wanted more time to expand the areas under review and do a more complete report. They dealt with a miscellaneous list of other items. But essentially, I believe, that's the main point to which the hon. member is referring.

MR. GRUENWALD:

A supplementary to the minister. Is the committee having regular meetings? And have they had any public hearings as yet?

MR. RUSSELL:

The answer to both questions is yes, Mr. Speaker.

MR. GRUENWALD:

A second supplementary. Have any additions been made to that committee since you formed it in April, 1973?

MR. RUSSELL:

I don't believe so, Mr. Speaker.

MR. SPEAKER:

The hon. Member for Calgary Mountain View followed by the hon. Member for Edmonton Kingsway.

Taxation (Cont.)

MR. LUDWIG:

My question is to the hon. Provincial Treasurer. Is it his intention to announce an income tax reduction this year?

AN HON. MEMBER:

Wait and see.

MR. MINIELY:

Mr. Speaker, I find the hon. Member for Calgary Mountain View's persistence on this question very ongoing. I think we'll be able to make a decision on that when the continuous study, which never is completed, is completed.

MR. LUDWIG:

Mr. Speaker, I also find the hon. minister's evasion very ongoing.

MR. SPEAKER:

The hon. member ...

MR. LUDWIG:

Mr. Speaker, one more question, supplementary question. Is the decision to retain the income tax at 36 points at this time, economic or political?

MR. SPEAKER:

The hon. Member for Edmonton Kingsway.

MR. LUDWIG:

Mr. Speaker, I thought the hon. Provincial Treasurer was going to give me another definite 'maybe' answer.

MR. SPEAKER:

Order please. The hon. Member for Edmonton Kingsway.

AHC Loans

DR. PAPROSKI:

Yes, Mr. Speaker, to the hon. Minister of Municipal Affairs. Is the hon. minister considering a change upwards in the total cost of built or bought homes under which an Alberta Housing loan can be obtained? I understand the total cost now is \$33,000, and a total cost for that type of home is difficult to find.

MR. RUSSELL:

Mr. Speaker, I presume the hon. member is referring to the ceilings for loans which are given directly by the Alberta Housing Corporation. That is something that is kept under continual review, watching the ceilings maintained by other lending institutions and current market conditions.

DR. PAPROSKI:

Mr. Speaker, one supplementary. It's not only the ceilings on the loans, but I'm concerned about the upward total cost of the home that is allowable to obtain a loan, because it is now \$33,000. Would that be considered also?

MR. RUSSELL:

Yes, Mr. Speaker.

MR. SPEAKER:

The hon. Member for Calgary Bow.

AHC Contracts - Fort McMurray (Cont.)

MR. WILSON:

Mr. Speaker, I rise on a question of privilege arising out of the failure of the government to answer Motion for a Return No. 131. Mr. Speaker, that Order of the Assembly states:

- (1) An itemized list of all contracts made between the Alberta Housing Corporation and others, relating to matters within the boundaries of the Town of Fort McMurray for the years 1972 and 1973.
- (2) An itemized list of all contracts made between the Department of Municipal Affairs and others, relating to matters within the boundaries of the Town of Fort McMurray for the years 1972 and 1973.

These lists to include the name of the "other" party to the contract, the date of the contract, a brief description of the contract, and, where applicable, the dollar value of the contract. "Contract" to include formal documents, purchase orders, letters of agreement or instruction and verbal orders for goods or services.

Mr. Speaker, on April 2, this motion for a return was amended by the hon. minister, Mr. Russell to propose that the motion be amended by striking out the words, "letters of

agreement or instruction and verbal orders for goods or services", and replacing them with "and letters of agreement". This amendment was carried. The motion for a return was accepted by the Legislature.

Then, Mr. Speaker, on Tuesday, May 7, tabled in the Legislature was some information relating to that motion for a return. I raised the point in the Legislature that the return was not complete. Then, Mr. Speaker, on Thursday, May 30, some supplementary information to this motion for a return was tabled in the Legislature - and it's still not complete. Then in today's question period the hon. Minister of Municipal Affairs advises that there was no reason why he did not table a complete return.

Mr. Speaker, I think this House is entitled to know why the government would trifle with a motion for a return from this Legislature, why they would try to get by with tabling incomplete returns.

Mr. Speaker, it has been a custom and tradition that when a motion for a return is accepted and the answer is tabled in this Legislature, all hon. members and the public alike have been able to rely on the fact that that reply or that return is complete, that there are no shenanigans or monkey business or anything else being carried on, and that there is no attempt to mislead or to lead someone to believe that something is being ...

AN HON. MEMBER:

Order, order.

MR. WILSON:

Well, Mr. Speaker, they can holler "order" all they like. I am using as a precedent for this question of privilege, the Hon. John Diefenbaker, in the House of Commons on April 26, 1972, who had a question of privilege under similar circumstances, Mr. Speaker.

MR. HYNDMAN:

On a point of order, I would first ask if the honourable gentleman has given an hour's notice to the Speaker pursuant to the new rules on this issue, and will discuss other points ...

AN HON. MEMBER:

He doesn't have to.

MR. WILSON:

Mr. Speaker, the time is very nearly one hour. I would leave it to you to judge whether I have made it 60 minutes or not.

MR. SPEAKER:

There might be some question as to whether the rule with regard to an hour's notice would apply, in view of the hon. member apparently basing his point of order, to some extent at least, on an answer given during the question period. Were it otherwise, it would not be allowable under the rules for the point of order to be raised during the question period. I think it would have to be raised on Orders of the Day.

I am sure that the hon. member would not expect the Chair to rule on the matter now, but I would be prepared to study the documents which the hon. member has, and anything else which is relevant to the point, and bring in an answer at the earliest opportunity.

Of course, if any hon. members would care to make some observations with regard to the matter now or privately by memorandum I would be very grateful to have their views.

MR. RUSSELL:

Mr. Speaker, I'd like to respond to the point of privilege raised by the hon. member - first of all, to submit to you that I don't believe it is a point of privilege.

I have explained to the House and also in discussions with the hon. member in private that we are attempting to get the information which he is seeking. He even said himself - it's in Hansard during the discussion on Bill No. 55 - that really all he wanted was a simple itemized list of these contracts.

Now, the first submission I tabled for the information of the House, Mr. Speaker, dealt with all contracts for goods and services that the department or Alberta Housing Corporation had purchased. That was my understanding of what the hon. member was seeking.

We went to a considerable work to find contracts for snow removal, for fixing refrigerators, for replacing light switches. [Much] time and expense was put in in preparing the answer to that motion. The hon. member, when I tabled it, brought to my attention that we hadn't listed things which were sold, such as land. And I said I would be glad to get that information for him. Again we went through the process and we have got, as far as I know, every available bit of information insofar as that kind of sale item is concerned.

A motion for a return does mention contracts for goods and services. Now, today, the hon. member tells me he wants a list of mortgages. If I had a clear understanding of what it is the hon. member wants, we will get it.

I submit, sir, that substantial time, effort and public funds have been spent in compiling very detailed information for the hon. member and there is no point of privilege. There is simply a misunderstanding of what on earth it is he wants.

MR. LUDWIG:

Mr. Speaker, I would like to speak to the point of privilege raised by the hon. Member for Calgary Bow. I think that Rule 14(3) states: "A member may always raise a question of privilege in the Assembly immediately after the words are uttered or the events occur that gave rise to the question." So I believe that in this case we should not insist on the rule of one hour's notice, because this thing arose as a result of the hon. minister's reply.

Secondly, with regard to whether a point of privilege has been made, I submit, Mr. Speaker, that it has. The hon. minister's remarks substantiate that. He replied that there was no reason he didn't include mortgages. If he had any doubt about what was intended, the time to raise it was when the motion was passed and not to try to sort of get under the excuse, well it wasn't clear. If he wasn't clear on the definition of contracts, then is a mortgage a contract?

The point of privilege is made in that the reply given by the hon. minister was intended to be complete. The minister kept adding supplementary replies. That isn't the way these matters are handled, Mr. Speaker. If we get into this sloppy manner of doing business, we will have this trouble with every motion for a return. We'll keep coming back for more and more, using the convenient dodge that it wasn't clear ...

MR. SPEAKER:

Order please. The hon. member is certainly entitled to debate the substance of the point of order, and although the Chair perhaps was not as prompt as might have been required when the hon. Member for Calgary Bow made similar remarks, I would respectfully suggest to both hon. members that in using the kind of imputation which they are using in connection with the matter, they are in fact prejudging.

MR. LUDWIG:

Mr. Speaker, I wish to continue my remarks under the same rule which permitted the hon. minister to comment on the allegations made, whichever rule that is, Mr. Speaker. It's my submission that the hon. Member for Calgary Bow made a clear-cut case of not deliberate misleading but, in fact, dereliction of responsibility by the hon. minister.

SOME HON. MEMBERS:

Order.

MR. HENDERSON:

Mr. Speaker, to speak very briefly to the question of privilege, I think, in keeping with the rules of the House, that the matter now should be taken under advisement by the Speaker. I really fail to see that further contributions from either side of the floor are going to significantly add to the information the Speaker should have before him to examine the matter.

I think the Speaker made an excellent point in suggesting that any representations individual members would like to make on the matter should be made in writing. I'm sure many members, Mr. Speaker, have not had an opportunity of examining the return and therefore it makes a debate on the issue somewhat irrelevant at this time.

MR. WILSON:

Mr. Speaker, in rising on the point of privilege to respond to the hon. minister's request for additional information about what the return means, we're asking for an itemized list of all contracts. I think that the list ...

MR. SPEAKER:

Order please. It should scarcely be necessary for the hon. member now to add an interpretation to the order for a return. I would respectfully suggest that it must stand on its own text.

MR. LUDWIG:

Mr. Speaker, the hon. minister indicated considerable confusion, and a bit of enlightenment might solve the problem.

MR. SPEAKER:

Order, please.

MR. GETTY:

Mr. Speaker, I thought the hon. Member for Wetaskiwin-Leduc made a pretty good point when he thought there wasn't going to be a great deal added to the debate by ...

MR. LUDWIG:

Well, sit down.

MR. GETTY:

... the hon. members participating, until two of them have since stood up.

I think we have spent, Mr. Speaker, a considerable amount of time in this Legislature trying to interpret motions for a return. It's certainly true that there have been ...

MR. HENDERSON:

On a point of order. I suggest, Mr. Speaker, that the member's remarks are not relevant to the task the Speaker faces in examining the information. Under the procedures of the House, the matter goes before the Speaker to examine the motion and the return.

MR. SPEAKER:

Order please. The rules clearly provide for this type of discussion. I would respectfully suggest that the hon. minister be permitted to continue and that it is too early to say whether or not his remarks may turn out to be irrelevant.

MR. GETTY:

Mr. Speaker, I only felt that my colleague, the Minister of Municipal Affairs, was being, in my mind, considerably gentler with the hon. member than he really deserved. As far as I am concerned, there have been a series of motions for a return when the government has been forced to ask for explanations, to make judgments, to guess at what they were after. In many cases they were sloppily prepared and it cost a great deal of money to the people of the province in trying to prepare them. We've done everything possible. It's been a tradition in the House to do so. It seems to me, if the hon. member is really trying to get information, that that is what he should do, instead of making an overblown, grandstand attempt to get a little bit of publicity in this Legislature.

SOME HON. MEMBERS:

Hear, hear.

MR. CLARK:

Mr. Speaker, in speaking to the matter before the House, let me simply say this, that if the government has difficulty understanding what is meant by a motion for a return, then every member in the front bench knows the time to raise that is before the Assembly approves it. Let's not come along with this lame-duck approach right now.

MR. KOZIAK:

Mr. Speaker, on the point under discussion, the hon. Member for Calgary Bow was quite specific in his motion for return as to the type of documents that he wished produced and recorded for the benefit of the House. I don't have the exact wording of the motion for a return before me, but he went to such pains as bills of lading, I believe, and a number of items which he specifically referred to.

Now I would think that the term "mortgage" is of sufficient distinction from the usual form of contract, mortgage being a specific charge against land or a specific charge against chattels, depending on the case. A mortgage can be a statutory charge, not necessarily one on which an agreement has been reached. It's of sufficient distinction, Mr. Speaker, that even if it can be included in the term "contract" on a legal interpretation, because of the covenants that are contained with it, it's of sufficient distinction from the normal interpretation of the word "contract" that if the hon. member had wished that to be included in the information that was going to be supplied with the motion for a return, he should have specifically set that out. He was specific in his other items. Surely he should have included that item.

When I voted on this return, I didn't at all come to the conclusion that the motion for a return asked for mortgages. I'm sure most members of this House, on both sides, didn't read the word "mortgage" into the term "contract" as it was defined in that motion for a return.

MR. WILSON:

Mr. Speaker, the hon. member ...

MR. SPEAKER:

There is some question whether the hon. member should be heard three times on the same matter, or even twice.

MR. CLARK:

Mr. Speaker, in speaking to your ruling, sir, on not one of the two previous occasions have you allowed him to finish his comments.

AN HON. MEMBER:

He was interrupted.

AN HON. MEMBER:

Albert interrupted him.

MR. SPEAKER:

I have an extremely short memory but I have no recollection of cutting off the hon. member at all except perhaps with regard to some innuendo which has now been balanced from the other side of the Assembly.

MR. LUDWIG:

You should close the debate on ... [Inaudible] ... .

[Interjections]

Redcap area - Minerals, Sheet (Cont.)

DR. WARRACK:

Mr. Speaker, before continuing to the next order I would like to take this opportunity to answer the question that was asked me by the hon. Member for Clover Bar. The answer to the question, have there been some applications for mineral development in the Redcap range area, is yes.

The other part of the question was whether a sheep study had been going on in the Redcap area. The answer is yes. It's a study on the movement of bighorn sheep, particularly in and out of Jasper National Park.

DR. BUCK:

Supplementary, Mr. Speaker, I would like to ask the minister, has there been a road permitted to be built in that area?

DR. WARRACK:

Not to my knowledge, Mr. Speaker.



DR. BUCK:

Does the hon. minister know if there will be a road built in this area, or will there be a road allowed to be built in this area?

DR. WAPRACK:

Mr. Speaker, I don't know. However, if the hon. Member for Calgary 'Blow' would continue his point of privilege I might have time to find out today.

#### Provincial Revenues

MR. MINIELY:

Mr. Speaker, this week the hon. Member for Drumheller asked me whether we had an estimate of the approximate amount of incremental revenue that had been received by the province as a result of the increase in the price of crude oil from about \$3.80 to \$6.50.

At that time I indicated that I could not give him an answer relative to the amount that might have accrued to a capital fund because, of course, the parameters of what would go into a capital fund had not yet been decided. But we estimate the total amount of incremental revenues received to the present time at \$59.6 million.

MR. SCHMID:

Mr. Speaker, I beg leave to revert to tabling returns and reports.

HON. MEMBERS:

Agreed.

MR. SPEAKER:

Perhaps we should first find whether there are any further questions. If there are no further questions we are on Orders of the Day and perhaps the hon. minister might revert.

HON. MEMBERS:

Agreed.

#### ORDERS OF THE DAY

#### TABLING RETURNS AND REPORTS (CONT.)

MR. SCHMID:

Mr. Speaker, I would like to table returns to Question No. 160, to Order No. 171, and to Question No. 187.

MR. SPEAKER:

Might the hon. Member for Ponoka have leave of the Assembly to revert to introduction of visitors?

HON. MEMBERS:

Agreed.

## INTRODUCTION OF VISITORS (CONT.)

DR. MCCRIMMON:

Thank you, Mr. Speaker, and members. It is with a great deal of pleasure, Mr. Speaker, that I introduce 30 high school students from the Ponoka Composite High School. They are accompanied by their teacher, Mr. Noele. They are seated in the members gallery. I would ask them now to stand and be recognized by the Assembly.

[Mr. Speaker left the Chair.]

\* \* \* \* \*

COMMITTEE OF SUPPLY

[Mr. Diachuk in the Chair]

MR. CHAIRMAN:

The Committee of Supply will come to order.

Page 18 on capital, and page 259 on estimates. Would the members of the committee agree to have the two sums put together for a resolution? That means totalling the capital and the estimates together? This is the way the resolution is worded. Would that be agreeable ...

HON. MEMBERS:

Agreed.

MR. CHAIRMAN:

... permitting discussion on either figure.

HON. MEMBERS:

Agreed.

MR. CHAIRMAN:

Very well.

Resolved, that a sum not exceeding \$12,113,822.75 be granted to Her Majesty for the fiscal year ending March 31, 1974, for the Agriculture Department.

[The motion was carried.]

Resolved, that a sum not exceeding \$203,605 be granted to Her Majesty for the fiscal year ending March 31, 1974, for the Executive Council.

[The motion was carried.]

Resolved, that a sum not exceeding \$5,280,000 be granted to Her Majesty for the fiscal year ending March 31, 1974, for the Highways and Transport Department.

[The motion was carried.]

Resolved, that a sum not exceeding \$264,600 be granted to Her Majesty for the fiscal year ending March 31, 1974, for the Industry and Commerce Department.

MR. STROM:

... [Inaudible] ... Highways.

MR. CHAIRMAN:

Highways is all under capital, Mr. Strom.

Very well, we are on Industry and Commerce now.

[The motion was carried.]

Resolved, that a sum not exceeding \$16,843,465 be granted to Her Majesty for the fiscal year ending March 31, 1974, for the Manpower and Labour Department.

[The motion was carried.]

Resolved, that a sum not exceeding \$2,412,309.14 be granted to Her Majesty for the fiscal year ending March 31, 1974, for the Lands and Forests Department.

MR. BENOIT:

I would like to ask what the Quality Fish Producers Ltd. is? Is it a fish ranch or farm, or what?

DR. WARRACK:

Do you want to take all the questions or ...?

I can answer that one very quickly and very directly, Mr. Chairman. Quality Fish Producers was a fish processing unit and company that was in operation at the time the Freshwater Fish Marketing Corporation was formed by federal legislation jointly with the provinces of Ontario, Manitoba, Quebec and Alberta, also including the Northwest Territories. What happened then was that the Freshwater Fish Marketing Corporation took over the assembly, processing and marketing of fresh-water fish in the areas I've described, with the exception of the Great Lakes of Ontario. In so doing, they rendered redundant a number of existing fish processing plants. One of these was Quality Fish Producers, which you referred to. The money involved there was payment because this action rendered the plant redundant.

MR. BENOIT:

I'll take mine and then I'll be finished. I just wondered what type of aircraft was purchased for \$316,000?

DR. WARRACK:

This is a Bell 206B helicopter. The reason we purchased it when we did was that we were able to beat the deadline for the price increase that would have come about, as I recall, on November 30, 1973. By entering the arrangement for this prior to that date, we were able to save, as I recall, something approaching \$20,000.

MR. BENOIT:

What is it used for?

DR. WARRACK:

It's one of the 206B helicopters we have that are used for a variety of purposes not only in forestry but in other work across the government; for Fish and Wildlife surveys, for example. But again, like all other aircraft capability that we have, its priority use is directed at fire-fighting, although that may [not be] and probably isn't, particularly in a wet summer like last year, the most hours at all.

At the same time it is used for such things as executive council travel, for example, when Dr. Horner, Mr. Leitch and myself went to Penhold as part of the Emergency Measures Organization set-up; also when the Premier and I went to Vegreville as a part of the flood survey work; and I know Dr. Horner went around some of the other areas of north-central Alberta. So it is used for that as well.

MR. LUDWIG:

Mr. Chairman, the wildlife damage compensation of over half a million dollars: I wonder whether there was any specific reason for this. Can the minister give us some rundown on why this was such a large sum and what happened to it?

DR. WARRACK:

Yes, Mr. Chairman, I'd be very pleased to do that. Members will recall that the Wildlife Damage Fund is a fund that comes from sportsmen's contributions, the \$3.00 wildlife certificates when they buy licences, and that that goes into the damage fund. The maximum payments to farmers who have crop damage due to migratory birds has been \$15 per acre. It was clear that that figure, which was established in the '60s, was out of line with costs of production and should be increased.

In October we made the decision to increase the maximum payment from \$15 to \$25 per acre, which is about a 40 per cent increase in cost. In addition, we felt we would have more claims as a result of the higher maximum. Putting the two together it works out roughly to be a dollar-matching from general revenues of the sportsmen's contributions. The figure the hon. member refers to at this time is the money from general revenues that matched the sportsmen's contributions and doubled the pooled amount of money available for crop damage payments this year.

MR. LUDWIG:

Mr. Chairman, in light of the fact that there has been a tremendous increase in the bodies of water in this province this year, sloughs, et cetera, and perhaps the belief that there may be a great increase in the duck population, is any consideration being given to permitting special hunting privileges to combat the apparent increase in the duck population this fall?

DR. WARRACK:

We have all the bird regulation matters before us, as a matter of fact, as well as all the other game regulations for 1974. There is a possibility that that might be one of the areas where seasons might be expanded, whereas most of the representations I have had have been for the contraction of seasons. I'm not sure how effective that might be. I had the suspicion that it's more a question of hunter success than the number of hunters or even the bag limit that make a difference. But I'd be happy to check that point out.

[The motion was carried.]

Resolved, that a sum not exceeding \$183,075 be granted to Her Majesty for the fiscal year ending March 31, 1974, for Legislation.

[The motion was carried.]

Resolved, that a sum not exceeding \$3,083,800 be granted to Her Majesty for the fiscal year ending March 31, 1974, for the Mines and Minerals Department.

[The motion was carried.]

Resolved, that a sum not exceeding \$19,955.57 be granted to Her Majesty for the fiscal year ending March 31, 1974, for the Municipal Affairs Department.

[The motion was carried.]

Resolved, that a sum not exceeding \$2,316,985 be granted to Her Majesty for the fiscal year ending March 31, 1974, for Health Commissions.

[The motion was carried.]

Resolved, that a sum not exceeding \$11,077,610 be granted to Her Majesty for the fiscal year ending March 31, 1974, for the Health and Social Development Department.

[The motion was carried.]

Resolved, that a sum not exceeding \$4,778,385.67 be granted to Her Majesty for the fiscal year ending March 31, 1974, for the Public Works Department.

MR. LUDWIG:

Just one question to the hon. minister. What are the accepted rental rates on new buildings, like Petroleum Plaza, and other new buildings in Edmonton at the present time?

DR. BACKUS:

At the present time, the rates are just under \$8 a square foot, usually somewhere in the region of about \$7.75 to \$7.80. Some of the most recent ones have been a little bit above \$8 and others a little bit below \$8. But it's around that mark for new buildings.

MR. BENOIT:

There is \$1 million for telephone rentals. Does this mean that we underestimated \$1 million of telephone rentals last year?

DR. BACKUS:

Well, this is partly because we instituted an additional type of telephone service last year which enables people in certain areas now, and it's being expanded, to call directly into government offices without going [through] long distance.

[The motion was carried.]

Resolved, that a sum not exceeding \$16,950,000 be granted to Her Majesty for the fiscal year ending March 31, 1974, for the Treasury Department.

[The motion was carried.]

Resolved, that a sum not exceeding \$5,538,762 be granted to Her Majesty for the fiscal year ending March 31, 1974, for the Culture, Youth and Recreation Department.

MR. HINMAN:

Mr. Chairman, the vote for that year was only \$5,140,281. I just wondered what happened to the recreation grant which would have added \$3 million, almost 60 per cent, to that particular vote.

MR. SCHMID:

Mr. Chairman, of course, what the government instituted was the project cooperation plan which added immensely to the availability of recreation facilities to all Albertans. In order to do that, it's about \$1.65 per capita per year, I think, we had to get a special warrant for over \$3 million to institute that plan to make it retroactive for payment for last year, not only for this year. It was retroactive payments to the different recreation boards in the province.

MR. HINMAN:

Was the minister saying that we were carrying over some bills from the year before?

MR. SCHMID:

No, Mr. Chairman. Actually what happened [was], in December the government announced there would be an average of \$1.65 per capita per year paid in Alberta for recreational facilities. As an example, the last government had 20 cents per capita per year. We upped it, of course, to \$1.65 per capita per year, if the population was over 20,000. That was made retroactive, therefore we needed a special warrant of 3 million and some odd thousand dollars to pay out all these amounts before the end of the fiscal year on March 31, 1974.

DR. BUCK:

And get your picture taken on all those textbooks.

MR. HINMAN:

Mr. Chairman, I don't like to belabour it at this point, but it seems to me when we have budgeted some \$5 million, then the government by order in council authorizes an expenditure of more than \$3 million more, maybe they are exceeding their authority under The Appropriations Act. My understanding has always been that when you have special warrants it has to be a distinct necessity. Some things you can't estimate, but this was a decision which was going to add \$3 million plus to a vote of only \$5 million. I think that's just a little bit out of order.

SOME HON. MEMBERS:

Agreed.

MR. SCHMID:

Let me just reply to that one, Mr. Chairman. First, of course, the last government had very grossly understated the total amount needed for the plan they had instituted. In fact, very few recreational facilities were built while they were in office. Most of them came in after we took office, because obviously we gave them better preparation [and] planning.

Also, if the hon. member across thinks it is not an urgency to help children in the cities especially of Calgary and Edmonton who now have to get up at 4:00 o'clock in the morning to go skating at all, to help build facilities so they can do so; if the hon. member also thinks it is not important to provide another swimming pool for the citizens of Edmonton and Calgary, then, Mr. Chairman, I would believe that may not be an emergency, not an urgency.

But I'm very sincere when I say that this was more than an urgency. In fact, if the hon. member insists, I can bring him a pile of letters that high, even from his constituency, from people who would like to have more facilities available to them. If he thinks that is not an urgency, I'm glad to have that said.

AN HON. MEMBER:

Bring them, bring them.

MR. HINMAN:

Mr. Chairman, in spite of all the ranting I could bring him piles that high every year, if I thought he would grant them. This is just foolishness. The Legislature does not approve of that kind of expenditure, and the government is exceeding its authority, I think, in passing orders in council requiring that much additional expenditure without any discussion in this House.

MR. SCHMID:

Mr. Chairman, I would like to have one thing repeated for the public: that the hon. member across said it is foolishness to spend money on recreational facilities in the province of Alberta. He said this is foolishness. I would like to have it repeated.

DR. BUCK:

He didn't say that.

MR. LUDWIG:

Mr. Chairman, it might not be entirely foolishness, but I think when we are dealing with a budget - why have budget discussions? If you have unlimited spending authority, why worry about the Legislature? I'm sure the Conservative MLAs would agree to that, and let the Legislature be damned.

There is pressure brought to bear on this Legislature to allow the cabinet to spend money. If it can spend, it can tax. The hon. Provincial Treasurer is reluctant to let loose with something he is sitting on very tight, and that is the income tax thing. He wants to do it himself. I say they haven't got that authority. They would like it. So when the hon. Minister of Culture, Youth and Recreation says, well, it's popular so who cares whether it's right or not, that's no way to approach his problem. But if they are saying we don't need to, that \$3 million, \$10 million, \$20 million is justifiable, I would like to ask the minister, is the CRAPF spending conducted under this one?

MR. SCHMID:

Mr. Chairman, of course, it really makes me think twice. The hon. members heard the member before asking about tax reduction. Now he suggests having [a] tax introduced to build recreational facilities. It is quite obvious, Mr. Chairman, what the hon. member is trying to do here. First he questions the Treasurer as to why we don't reduce taxes, and now he says why don't we increase taxes to build recreational facilities. This government does not believe in raising taxes. This government believes in helping the individual communities to build recreational facilities the best way possible, and this is what we have done.

MR. LUDWIG:

Mr. Chairman, it was not my intention to confuse the hon. minister, but apparently I succeeded in doing so.

MR. BENOIT:

I don't think the hon. Member for Cardston said anything about recreation being foolishness. He was talking about the pile of letters as an argument in favour of it. Mr. Chairman, this idea of the government or the cabinet being able to institute a new program that costs approximately \$3.5 million without coming back to the Legislature is the point at hand. If it was an emergency, that would be one thing. But there was no emergency. We only had another five months before we would be in session again. If we wanted to make it retroactive, we could have done it at that time.

There are some others in here that are the same way. If the cabinet can do it without the Legislature, what's the purpose of the Legislature? It only makes a mockery of the Legislature.

AN HON. MEMBER:

Right.

AN HON. MEMBER:

Agreed.

MR. SCHMID:

Mr. Chairman, of course, I'm very glad the hon. Member for High River got up ...

AN HON. MEMBER:

Highwood.

MR. LUDWIG:

Careful! Watch it!

MR. SCHMID:

Watch it. Only last week we had a delegation from his constituency and a submission for a recreational complex. I will gladly tell them in my reply, because I was hard put to what to reply to them that their own member thinks it's foolishness.

Thank you very much.

MR. BENOIT:

You'd be lying.

DR. BUCK:

What a pile of junk, Mr. Chairman. You know, really! We know when the hon. member stands up and raises his voice and screams at the top of his voice, that he's trying to cover something up. There wasn't one member on this side of the House who said recreational facilities are not required. All we're trying to say is, let's put it through the Legislature, or should we do as the hon. members on that side of the House and say, to hell with the Legislature. In essence that's what they are saying. That is what they are saying.

MR. HYNDMAN:

That's entirely false.

AN HON. MEMBER:

Now, Walter.

DR. BUCK:

It is not totally false, Mr. House Leader. It is a complete show of arrogance, which really means we're just making a mockery of this process of so-called democracy under the Lougheed government which is not democracy. I've never seen any more dictatorship in my life than what has been going on in this House in the last while, and I really feel quite upset about that because it ...

MR. GHITTER:

Sit down.

MR. KOZIAK:

Sit down.

DR. BUCK:

I'm not going to sit down, you bunch of puppets back there.

MR. CHAIRMAN:

Order, order.

MR. CRAWFORD:

What about you.

MR. CHAIRMAN:

Dr. Buck, please ...

DR. BUCK:

Mr. Chairman, when an hon. minister ...

MR. CHAIRMAN:

Order please.

MR. LUDWIG:

[Inaudible]

MR. CHAIRMAN:

Order, Mr. Ludwig.

Dr. Buck, please address the Chair.

DR. BUCK:

Well, Mr. Chairman, that's who I'm trying to speak to, if you can understand the Queen's English. I'm trying to speak to you.

When a minister of the Crown gets up here in this Legislature, in this committee and thinks he can shout us down when we ask perfectly legitimate questions on what the Sam scratch is happening with the taxpayer's dollar, and he's got the audacity to tell us it's none of our cotton-pickin' business, I think we should just close this place down and leave it to the cabinet to run this province.

AN HON. MEMBER:

A good idea.

MR. MINIELY:

Mr. Chairman, without getting into the harangue, because that's not my point, I thought that because it really borders on my responsibility, as far as budgets and the spending of public funds are concerned, I should make a very few brief comments.

I think in the year prior to the year when I introduced the first budget, the total special warrants were \$90 million, and those were special warrants in 1971. At that time I gave considerable thought to how special warrants should be utilized. I think I stated publicly that I thought the budgetary process was very important and that, basically speaking, once a budget had been granted to departments for existing policies and programs, high degrees of overspending for existing programs should not occur and would be one thing that we would watch very closely. Nevertheless, I also stated at that time that governments today, in certain instances, must respond to needs that might exist between budget periods.

Another example beyond my colleague the hon. Minister of Culture, Youth and Recreation was certainly the fact that of the total special warrants which the Legislature is being asked to approve today, \$22 million were provided last fall to, in effect, further reduce costs, pensions to senior citizens, as a special reaction to a concern that was developing, not just in Alberta but across the country in the area of cost of living. We felt it was important enough and urgent enough to help these senior citizens that we passed special warrants which could be considered new policy.

Now I have also discussed these in detail with the Provincial Auditor, who is a servant of the Legislature, and the Provincial Auditor believes that the manner in which these are being utilized is proper. I don't think there is any intent, certainly [by] myself as Provincial Treasurer, not to use them in a responsible manner. What's interesting is that the conclusion of the total supplementary estimates that the Legislature is being asked to approve today, the amount which could be considered overspending, one that I think all members would be concerned about, is .075 per cent, which is a remarkably low rate of overspending as far as the actual programs and policies that were presented in the budget originally.

I think I appreciate what the hon. Member for Cardston has said. But at the same time I don't think the hon. Member for Cardston would say that in some of these priority areas, where a need arises between budget periods, the government must have the flexibility to introduce new programs. A good example is the senior citizens \$10 to try to help them out in a relatively tough situation when the consumer price index really rose dramatically last fall.

Certainly, overall, I think it's my concern as well as a concern of all hon. members to see that they are handled in a responsible manner.



Of the total amount of special warrants, on the capital side I think of \$25 million, about \$16 million is acquisition of land of an investment nature. Again we are talking about ring roads during the course of The Government Land Purchases Act. As far as the total amount is concerned, it's approximately equal to the total amount of special warrants that were passed in 1971.

MR. TAYLOR:

Mr. Chairman, I would like to say a word or two in connection with special warrants.

During the election campaign a great deal was said about special warrants and a lot of condemnation and so on. I have always taken a different view of special warrants from many members, because a special warrant brings it out into the public. It means things are being done above the table and not below the table. In that respect I like special warrants, because the public knows what's going on. They have to be made public and they have to be approved by the Legislature.

The very basis, however, of our form of government is that the King or the Queen or the government which replaces them, would have to have the money voted by the Legislature before it was spent. That's really the fundamental basis upon which our parliamentary system is built. If we get away from that there is, of course, no need to call the Legislature, to call parliament.

In the story of the constitutional history of the mother parliament, it was one of the paramount features, as I recall it, that the members refused to vote money beyond one year, so that the King or the Queen would have to call the members back, in order to get further money voted, and [to state] the reasons for which that money would be voted. I think that is sound. That's the basis of our parliamentary system in Alberta, in Canada, in every province and throughout the British Empire. As matter of fact it has been adopted, I think, by many countries over the whole world.

By the same token, there is a necessity - and anyone who has been in government knows that emergencies arise where you have to have money for things that were unforeseen, unexpected. There has to be some way of dealing with that, and the device of using special warrants has been the method. The amount of a special warrant will vary from year to year. Some years it may be very low, some years it may be very high. But I think that as long as it's done on the basis of things that were unforeseen and unexpected, it's still staying within the parliamentary system.

If a government undertakes brand-new programs that have not yet been approved by the Legislature then, in my view, it is a contravention of parliamentary procedure and should not be authorized in a special warrant. In that case I expect the Provincial Auditor would say, we can't authorize this.

During my term in government there were a few times when the Provincial Auditor said, this can't be authorized, because it is not a program that has been advanced by the Legislature. It's a brand-new program. So it would have to be dropped until it was brought back to the Legislature.

So, Mr. Chairman, I don't view the matter of supplementary estimates in the amount that I see at the end, because every one of those has been made public. They have been done above the table. I look at it from a point of view of: have the programs for which this money has been advanced been approved by the Legislature and has something unforeseen, unexpected, come up for which money was not voted? Or was there a specific need that suddenly came into being or had to be met, where there would be suffering and perhaps turmoil if that money were not voted? I think as long as supplementary estimates are done in that way, irrespective of what the final amount is, we are still in keeping with our parliamentary procedure.

I would just say one word further in connection with my view of special warrants. I think they are good for the simple reason that they are done above the table, as I said before. I would hope, however, that new programs would not be included in supplementary estimates. If they are, I would be very, very critical of the Provincial Auditor, who is there looking after the interests of the Legislature, for ever having approved such a supplementary audit. I think the Provincial Treasurer has said that the Provincial Auditor has approved all of these. Consequently it allays my fears that they have all been done within programs that have been advanced by the Legislature.

SOME HON. MEMBERS:

Agreed.

MR. CLARK:

Mr. Chairman, there are just two or three comments I would like to make.

First of all, perhaps we should get this question of what we are looking at here, as far as supplementary estimates are concerned, rather in their proper light. We are being asked to approve special warrants this year, the largest amount ever, of \$96 million. Last year we approved an amount of \$30 million in special warrants. The year before we approved an amount of \$94 million. Now both the present government and the former government can take some of the credit for that.

I think it's interesting to go back, recognizing that in 1972 we had \$94 million in special warrants and that this year we have \$96 million in special warrants. It's rather interesting to go back. In 1970 we had \$39 million in special warrants; in 1971 we had \$50 million; in 1969, \$36 million; in 1968, \$27 million; in 1967, \$30 million; in 1966, \$21 million.

I recall, too, the comments made by the Provincial Treasurer soon after he took office in 1972 [when he was] lamenting the \$94 million supplementary estimates, or special warrants for the year. I also recall the Provincial Treasurer giving the impression that never would this government, the present Conservative government, be in a situation to once again bring special warrants of that magnitude to the Assembly.

Secondly, let me make one other comment. In the course of the estimates we have almost now concluded, we already have had three, four or five departments indicate that they are going to have to go for supplementary estimates. I think in light of that, a rather appropriate question to the Provincial Treasurer would be, what kind of amount do you anticipate looking at next year? Is it going to be in the ballpark of \$90 million again? Is that a reasonable figure for us to be looking at as far as supplementary estimates are concerned, or are we looking more at the \$30 million as it was the year previously, or the \$90 million the year before that?

MR. MINIFLY:

Mr. Chairman, for the record, I have to correct a statement the hon. leader made. I could refer to my public statements at that time and would be happy to do so at a future session of the Legislature. I was not critical of the total amount of the special warrants. I was critical of the nature of those special warrants in that they were largely a result of underbudgeting. The amounts were simply a result of the fact that actual expenditures far exceeded [the budget] without any programmed expansion and without any new policy changes. That's what I was critical of.

Certainly at that time, and I repeat my statement again, it's my view, relatively consistent with the hon. Member for Drumheller, that special warrants are used for unforeseen purposes and there shouldn't be too much of that. There should be very little underbudgeting. I think that's basic not just to the Legislature but to departmental responsibility in terms of carrying out their programs within the estimates they presented through their ministers to the Assembly.

But certainly for hon. members today to say that [with] something like the senior citizen need that existed last fall after a series of months of very high increases in the cost of living, the government should not be in a position to react very quickly, is an unreasonable position as far as I'm concerned. That is a proper use of special warrants between budgetary periods. I'll state it again.

With respect to the question of the total amount of special warrants, I think the use of those special warrants has a lot to do with what the amount would be. I think, again, depending on what needs might arise that were not seen at budget time, needs, you could say, of an urgent public nature for a segment of our citizens, the government should definitely respond between budget periods.

No more than I am prepared now to present next year's budget, am I prepared to tell you how much the special warrants might be, because they would arise out of factors that are unknown at the present time.

MR. RUSTE:

Mr. Chairman, another question to the minister.

MR. LUDWIG:

I was just going to finish off this one.

Mr. Chairman, I think that when an Opposition member gets up and objects to the fact that 50 per cent of a department's total spending has been added by way of special warrants, it's a legitimate concern. You can harangue and you can weave all you like. You could justify it, but it isn't sound budgeting. For instance, if the hon. Provincial Treasurer says this is strictly in keeping with good management, then if this year we got \$9 million in this department it is justifiable. We're not saying it was wrong or that it was not necessary. But we're saying it is a poor way to do budgeting not to do your

homework, not look into the future months and determine what might come up. After all, supplementary requisitions are wide open. The sky is the limit.

We should object. I don't think the Opposition should applaud and say, well, good show, \$3 million. We don't mind if you made it \$10 million. The real argument is that we are here for a purpose, to deal with taxation and deal with spending. That's our most important obligation. I know some of the Conservatives on the other side might laugh because they've never realized what their obligations are. They have given their proxies away and if they haven't they are acting like it.

It's all right for somebody to get riled and say, well, we had to do it and it is justifiable. It's good management. But budgeting in business would not be permitted in a manner such that all of a sudden you've doubled the budget of a department because something came up. Once the Provincial Treasurer starts saying well, it was the senior citizens - there is nothing easier to get a little emotion into an argument than harking back to the senior citizens. For at least 20 years the senior citizens were provided for and cared for in this province better than perhaps any province even attempted. The fact that we are now bragging that we are giving them twice as much money - we have to be realistic and find out that this money we are spreading around so loosely doesn't buy quite as much. So we have to be realistic. But for the hon. Minister of Culture, Youth and Recreation to get his slip tied in a knot and say, well, you're all wet, it's foolish for you to try to challenge us - well, we have a job to do in this Legislature and we're going to do it.

Intimidation - because you question something means you are against it, is foolish. The Premier started it and I'm amazed that the ministers didn't see the foolishness of that position. They try to emulate this kind of position. If you question something, you are against it. I questioned the cost of the park in Edmonton, so they said if you are against it, that's your problem. I questioned the price and wage controls issue and the hon. Premier got up and said you are anti-farmer. This is stretching things to about the breaking point.

Now we question the spending and the minister says, if you are against recreational spending, well, so what's new. We should get off that foolishness. We have a legitimate purpose here and we're questioning spending. Sometimes we might find out that that spending was entirely needed. But to harangue and jump up and down and say, well, you're foolish. If you are against it, that is par for the Opposition. I think we should avoid that. I think we should act as responsibly as possible and try not to budget via the supplementary allowances, Mr. Chairman.

MR. RUSTE:

Mr. Chairman, there is another point I'd like to raise on this too. Last year, in the interval that is arranged for in this budget, we had three sessions, if I'm not mistaken. Certainly there is nothing stopping the Provincial Treasurer from bringing in at any one of those sessions a supplemental budget. So I think that there is a proviso for that as well.

SOME HON. MEMBERS:

Question.

[The motion was carried.]

MR. CHAIRMAN:

Resolved, that a sum not exceeding \$12,023,875 be granted to Her Majesty for the fiscal year ending March 31, 1974, for the Environment Department.

[The motion was carried.]

MR. LUDWIG:

You're a good one.

MR. CHAIRMAN:

Resolved, that a sum not exceeding \$160,000 be granted to Her Majesty for the fiscal year ending March 31, 1974, for the Advanced Education Department.

[The motion was carried.]

Resolved, that a sum not exceeding \$122,498 be granted to Her Majesty for the fiscal year ending March 31, 1974, for the Federal and Intergovernmental Affairs Department.

[The motion was carried.]

Resolved, that a sum not exceeding \$3,265,800 be granted to Her Majesty for the fiscal year ending March 31, 1974, for the Telephones and Utilities Department.

[The motion was carried.]

Resolved, that a sum not exceeding \$798,579 be granted to Her Majesty for the fiscal year ending March 31, 1974, for the Consumer Affairs Department.

MR. LUDWIG:

Mr. Chairman, just one brief comment. I am not concerned about the almost \$800,000 in that supplementary vote, but the question is, what on earth has he done with it? There have been no results coming from that government to justify much spending, Mr. Chairman.

[The motion was carried.]

MR. MINIELY:

Mr. Chairman, I move that all supplementary resolutions be reported.

[The motion was carried.]

MR. MINIELY:

Mr. Chairman, I move the committee rise and report.

[The motion was carried.]

[Mr. Diachuk left the Chair.]

\* \* \* \* \*

[Mr. Speaker resumed the Chair.]

MR. DIACHUK:

Mr. Speaker, the Committee of Supply has had under consideration the supplementary estimates and if the Assembly would permit me, I would like to group these together rather than repeating every resolution.

SOME HON. MEMBERS:

Agreed.

MR. DIACHUK:

Resolved, that a sum not exceeding \$12,113,822.75 for the Agriculture Department.

Resolved, that a sum not exceeding \$203,605 for the Executive Council.

Resolved, that a sum not exceeding \$5,280,000 for the Highways and Transport Department.

Resolved, that a sum not exceeding \$264,600 for Industry and Commerce Department.

Resolved, that a sum not exceeding \$16,843,465 for Manpower and Labour Department.

Resolved, that a sum not exceeding \$2,412,309.14 for Lands and Forests Department.

Resolved, that a sum not exceeding \$183,075 for Legislation.

Resolved, that a sum not exceeding \$3,083,800 for Mines and Minerals Department.

Resolved, that a sum not exceeding \$19,955.57 for Municipal Affairs Department.

Resolved, that a sum not exceeding \$2,316,985 for Health Commissions.

Resolved, that a sum not exceeding \$11,077,610 for Health and Social Development Department.

Resolved, that a sum not exceeding \$4,778,385.67 for Public Works.

Resolved, that a sum not exceeding \$16,950,000 for Treasury Department.

Resolved, that a sum not exceeding \$5,538,762 for Culture, Youth and Recreation Department.

Resolved, that a sum not exceeding \$12,023,875 for Environment Department.

Resolved, that a sum not exceeding \$122,498 for Federal and Intergovernmental Affairs Department.

Resolved, that a sum not exceeding \$3,265,800 for Telephones and Utilities Department.

Resolved, that a sum not exceeding \$798,579 be granted to Her Majesty for the fiscal year ending March 31, 1974, for Consumer Affairs Department.

The Committee begs to report same and begs leave to sit again.

MR. MINIELY:

Mr. Speaker, if I could just make a correction. I believe in the verbal record, the Chairman did not read off the Department of Advanced Education. Perhaps your eyes just skipped over it.

MR. DIACHUK:

If I have overlooked it, Mr. Speaker, may I add the addendum:

Resolved, that a sum not exceeding \$160,000 be granted to Her Majesty for the fiscal year ending March 31, 1974 for the Advanced Education Department.

MR. SPEAKER:

I take it it is the understanding of the Assembly that all these supplementary estimates relate to the fiscal year ending March 31, 1974.

SOME HON. MEMBERS:

Agreed.

MR. SPEAKER:

Having heard the report, do you all agree?

SOME HON. MEMBERS:

Agreed.

MR. MINIELY:

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

[The motion was carried.]

GOVERNMENT BILLS AND ORDERS  
(Second Reading)

Bill No. 3 The Appropriation Act, 1974

MR. MINIELY:

Mr. Speaker, I move that Bill No. 3, The Appropriation Act, 1974, be now read a second time.

[The motion was carried. Bill No. 3 was read a second time.]

MR. HYNDMAN:

Mr. Speaker, I move you do now leave the Chair and the Assembly resolve itself into Committee of the Whole to consider certain 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]

MR. CHAIRMAN:

The Committee of the Whole Assembly will come to order.

Bill No. 13 The Assessment Appeal Board Amendment Act, 1974

MRS. CHICHAK:

Mr. Chairman, this Bill No. 13 was brought back into committee study because of a request which was made for an additional amendment with respect to Section 18 of the bill. Section 18(1) gives the Alberta Assessment Appeal Board the ability to - if I may just read it:

If, on hearing an appeal, the Board is of the opinion that any assessment entered in the rolls of the municipality which is not then under appeal is so inequitable and unfair that substantial justice cannot be done by adjusting the assessment that is then on appeal, the Board may quash the assessment and order a new assessment to be made in lieu thereof.

That section does not provide for notice to be given to a property owner so affected. This appeal which had been distributed, I believe, some time ago, on approximately May 10, requires the board then to give notice to such individuals affected.

SCME HCN. MEMBERS:

Agreed.

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

MRS. CHICHAK:

I move that the further amendment 18(1.1), as distributed on May 10, be included in the amendments and reported.

[The motion was carried.]

Bill No. 21 The Legislative Assembly Amendment Act, 1974

MR. RUSTE:

Mr. Chairman, in looking back at the second reading of this bill, it's pretty evident to me that the minister who introduced it didn't really know what he was talking about, or at least his words left me with that impression. I'm just going to quote here from Hansard, March 18, when the hon. minister, in closing debate on second reading of the bill, said as follows:

I want to remind the House, Mr. Speaker, that the function of legislative committees is to ensure that the issues and the problems of contemporary concern receive detailed study, and to ensure that Alberta citizens are provided an opportunity to make submission directly to the elected legislators. There is no doubt, Mr. Speaker, that there is great need for legislative committees. I appreciate, Mr. Speaker, the comments and clear explanation...

Then there was an interruption - I won't go into that - but he finally said:

I appreciate very much the comments and clear explanations made by the hon. members on this side of the House.

Now, Mr. Chairman, to me he's not talking about caucus committees as outlined in Bill No. 21. I take it as being legislative committees which are committees of members on both sides of the House. To infer that this bill covers that, to me, is unwarranted.

Certainly in the introduction of this bill, Mr. Chairman, there was no reference on first reading this part of the bill, so I think this is one of the slippery amendments which is becoming more common in this Legislature where the work of the total Legislature is being undermined by various committees.

Now we had the example yesterday of the Deputy Premier getting to his feet and saying that they couldn't produce the reports on these because, in fact, there were none. Yet we're being asked to vote moneys, we're being asked to set up political caucus committees to deal with things which shouldn't in any way be related to The Legislative Assembly Act.

Mr. Chairman, I think this is worth noting. The hon. Member for Edmonton Highlands, I believe, in second reading of the bill was misled a bit, too, in some of the statements he made. He corrected them and I appreciate that, but I think he did a bit of investigating himself and found out maybe there is more to this than [he] was led to believe on introduction of the bill.

MR. HENDERSON:

Mr. Chairman, I wonder if I might ask a question relative to Section 3 of the bill? The way I interpret it, the amendment really changes nothing from the way the Act now stands. It is simply taking the matter of appointment by committees out of the section as it is and setting it under a separate section. The wording is identical, at least on the basis of the quick examination I made.

What is the purpose of the amendment? It really doesn't change a thing. It's almost identical wording except that it separates the appointment of committees by Legislative Assembly and committees by Lieutenant Governor in Council, as opposed to having both covered by one section in the bill at the present time. Any debate is really a tempest in a teapot. It does nothing other than what is already being done. I am just wondering what is the reason for doing it?

MR. TOPOLINSKY:

Mr. Chairman, there is a change in the wording. One is "may" and one is "shall".

MR. F. SPEAKER:

Mr. Chairman, I would like to ask the minister some basic questions to get an understanding of his thoughts about the Act. What does he feel is the general purpose of The Legislative Assembly Act? Is it for the members of the Legislature basically? Maybe the minister could make a comment on that.

MR. TOPOLINSKY:

The Legislative Assembly Act is for the total Legislature.

MR. R. SPEAKER:

Why does the minister support giving the Lieutenant-Governor powers over the Legislature then? I wonder if the minister could explain that.

MR. TOPOLINSKY:

Mr. Chairman, there are many assignments, many jobs that have to be done from time to time. Much of this work has been made public. I just want to refer to a few of these that have been tabled.

There is the report of the task force on Manpower Training and Retraining. There is the report of the Beverage Alcohol Legislation Committee. There is the gasoline pricing and marketing task force in Alberta. There is the Farran task force and perhaps in the future, as reports are available they will also be made public.

MR. R. SPEAKER:

To the minister. How were the people on those task forces paid prior to the amendment in the 1972 session?

MRS. CHICHAK:

Mr. Chairman, perhaps if I may, before the minister gets up and answers that question.

[Interjections]

I have an opportunity to express my views with regard to this bill. You can heckle all you want over there, but I'm going to say my piece.

[Interjections]

Ckay?

MR. R. SPEAKER:

Mr. Chairman ...

MRS. CHICHAK:

So once you've decided on that, I think, Mr. Chairman ...

[Interjections]

MR. CHAIRMAN:

Order. Mrs. Chichak has the floor.

MR. R. SPEAKER:

I asked a question of the minister. I didn't ...[Inaudible] ... for a speech.

MR. CHAIRMAN:

Order.

MRS. CHICHAK:

The minister may very well answer the question of the hon. member when I have concluded my remarks.

[Interjections]

I would just like to say that with respect to this bill I have some concern about the innuendoes because certainly I have been a member on a task force. If we read the existing legislation, it is mandatory that the Lieutenant Governor in Council pay for such services.

I have served on a task force and I haven't been paid. Under the current legislation I can ask that the Lieutenant Governor in Council, according to The Legislative Assembly Act, pay me for the services and responsibilities I have been asked to expend as an MLA, in addition to my normal duties as an MLA. Well, that hasn't taken place. Nor do I suggest that it ought to take place.

The amendment in this case, as I see it, is to enable the Lieutenant Governor in Council to make a decision as to whether, in fact, they pay or do not pay. It makes it more on a voluntary kind of basis. I like this because then I feel that, as part of government, I can provide a certain service or contribute my abilities in certain areas which would be helpful in making decisions without it being mandatory that I be paid. I think there is enough income tax being paid now. I am not anxious that we be put in a position where it's mandatory. So this really just changes it.

I felt that I must express my views because there have been innuendoes that MLAs have simply been appointed to task forces in order that they can increase their honoraria. Well, that isn't the situation and that hasn't happened. I haven't even claimed or asked for any expenses, nor do I expect to get them. I am pleased that this amendment is being brought forward so the decision can remain as it has been, that we would not be paid in these particular areas.

MR. LUDWIG:

Mr. Chairman, that's the most honourable stand ...

MR. CHAIRMAN:

Mr. Speaker first. Order. Mr. Speaker.

MR. R. SPEAKER:

Mr. Chairman, a further question to the minister. I asked the minister about payments prior to the 1972 session and the minister hasn't answered that.

The other question I have is, in light of some of the comments, how does the minister, or the minister through the Premier, guarantee that any activities of the committees are not political activities? What assurance have we got in this Assembly?



MR. TOPCLNISKY:

Mr. Chairman, the first question: the payments to committees prior to 1972 are the same as after 1972. There is an answer to the question, 103. The amounts paid to each member - 15 members - the total is \$4,678. That is reasonable expenses.

There is another such question, 124. In 1974 the payments for '73. There again, some committees have been paid and some have not been paid. The amount is \$4,647.

MR. R. SPEAKER:

The next question is with regard to guaranteeing that the committees are not political.

MR. TOPCLNISKY:

The guarantees - I don't know what he means by political. It's his definition, but the payments are all recorded here in Public Accounts. The payments are also checked by the auditor and by the reporting minister.

MR. R. SPEAKER:

Mr. Chairman, to the minister. Is the number of task forces that a Conservative backbencher can be on limited in number?

MR. TOPCLNISKY:

As the need arises, Mr. Chairman.

MR. R. SPEAKER:

I'm sorry. I didn't hear the answer.

MR. TOPCLNISKY:

As the need arises. Some are disbanded as they complete their work.

MR. R. SPEAKER:

How many have been disbanded since they were initiated?

MR. TOPCLNISKY:

I can recall perhaps two offhand. The Farran task force has done a tremendous job. The Ghitter report is another one.

MR. R. SPEAKER:

To the minister. On what terms, relative to this amendment, does the Lieutenant Governor in Council decide whether a backbencher receives the \$40 a day, the travelling expenses, out-of-pocket expenses? Is that a complete judgment of a minister or a judgment by whom?

DR. HORNBER:

Mr. Chairman, in fairness ...

[Interjections]

MR. CHAIRMAN:

Order.

DR. HORNBER:

Certainly the responsibility is that of the Lieutenant Governor in Council. The terms are set by the Lieutenant Governor in Council.

MR. R. SPEAKER:

Mr. Chairman, a further question to the Deputy Premier in answering the number that I have. What is the reporting procedure then of the Conservative backbencher to the Lieutenant Governor in Council and then to the Legislature? What is the routine that is established?

DR. HORNBER:

As I said the other day, Mr. Chairman, in certain instances, depending upon the subject and guidelines given to the particular task force, there may or may not be a report as such. In a great many cases the ongoing task force report, in fact, comes up to the Legislature in the form of new programs and legislation. That's when it is reported to the Legislature.

MR. R. SPEAKER:

To the minister of rural development. In putting the bill before the House at an earlier date, why did only the backbenchers support your bill? Have you cabinet support for that bill?

MR. NOTLEY:

Mr. Chairman, I just wanted to pursue this question that Mr. Speaker was raising a moment ago about who is paid and who isn't and when.

Either to the Deputy Premier or to the minister piloting this bill through the House, has the government developed any criteria yet to establish whether or not the "may" will become "may" or "shall"?

DR. HORNBER:

Essentially, Mr. Chairman, unless there would be unusual circumstance the Lieutenant-Governor would take advantage of the amendment "may" and would not pay any per diem allowance.

MR. LUDWIG:

Mr. Chairman, I heard the comments of the hon. Member for Edmonton Norwood and it was very commendable to hear a Conservative speak that way. If every one else had that kind of attitude then the task forces, which are nothing more than political groups, would work as they see fit without drawing any expenses or salary.

This is the objection that we have. They are MLAs, they want to do a lot of work which entitles them to do political work. I feel that everyone here is entitled to do all the political work he wants to do. I believe they do, but it's the paying that concerns everybody. I'm also very interested in the comment that the hon. member felt that she is paying enough income tax now. I think that's an understatement. You are paying a lot more than this province needs ...

[Laughter]

... but that's another matter. I like to be relevant when I make remarks with regard to task forces.

Let's pursue that argument a little bit further. There isn't much money made by the task forces at all. I'm sure they don't keep much when they get it. The objection is the principle that here we have one group that has to be paid and because someone decides we don't need the legislative committee, we're going to cut the Opposition out. I can tell you that the money I got from being on legislative committee wasn't entirely appreciated. I didn't keep much of it. I spent it, and even the money I spent on expenses was also taxable. I don't envy anybody on that side getting rich on task forces. The principle is wrong.

I think if we are going to take time and we're going to hang tough and we're going to insist that we have all these rights, the principle not only is wrong but it lends itself to abuse. I'm not saying it was abused, but it lends itself to abuse. I think somebody on that side ought to get up and vote the whole thing out and say, from now on if we have enough faith in our principles and in the cause we are serving then we'll pay ourselves via the indemnity. That's the place to pay a person for what he is worth instead of getting in a little extra some place. It looks a lot worse than it is. I think I commend the hon. member, Mrs. Chichak, for having raised that point.

Thank you, Mr. Chairman.

MR. TAYLOR:

Mr. Chairman, I'd like to say a word or two about the bill because basically I oppose the payment of task forces as the hon. members know. I believe it is wrong for the payments to be made under The Legislative Assembly Act because in the first place it makes The Legislative Assembly Act applicable to only some members of the Legislature. A legislative committee is a little different. Every member in the House has an opportunity of being on a legislative committee if he is chosen, or if he is appointed by the

Legislature. When we take The Legislative Assembly Act, which should be applicable to all members of the Legislature, and make a portion of it applicable only to some members, then, in my view, it's basically wrong.

I have contended from the beginning that this should not have been done. The government thinks otherwise, but I certainly have heard no arguments that would persuade me that The Legislative Assembly Act should be applicable to only some members of the Legislature.

The original amendment was put in the act in order to appoint someone who happened to die or resign from a legislative committee. I think that part was quite satisfactory. It is simply putting somebody in because somebody else couldn't act. But then to make it applicable only to one side of the House, I think, was basically wrong. I believe also the money voted for payment of only some members of the Legislature is a misuse of public money. If this were applicable to all members then I'd say, fine. But in my view it's a misuse of public money.

I would like to see the government drop this idea of task forces. Every political party has to do research and there are other ways of paying members if you want to pay them. If the members are not able to look after their own expenses from their indemnity or other revenues, there are other ways of paying them, the party can pay them or people can divvy up and pay as they do the work for everybody, and so on.

As far as I've been able to find out, and I haven't made any extensive or exhaustive research, the Government of Alberta is the only government in Canada using this type of procedure. As a matter of fact, in speaking to some of the federal members, even of the Progressive Conservative party, they said that all hell would break loose if the Liberal government did that in Ottawa and they found out about it; and, I think, properly so.

Well, I guess all we can do with the minority in the House, is to emphasize our objections to it. In my view it is a misuse of public money, as I've said in this House before.

The other thing that I don't like about it, the only other point, is that it makes payment to members on the government side of the House decided by the Lieutenant Governor in Council. I believe that's a weakening or a possible erosion of the parliamentary system. Under our system the cabinet must be responsible to the Legislature and if certain members are dependent upon the good will of the cabinet even for a matter of subsistence, then it does have the possibility of eroding that responsibility that I think is so important in our parliamentary system.

Mr. Chairman, I'm not going to make any long address or any long speech on it, I just want to be on record that I believe it is a misuse of public money and I do oppose the payment of members on one side of the House for expenses that they incur doing research.

MR. HENDERSON:

Mr. Chairman, I just want to go on record as being in support of the bill because it makes the practice less objectionable than it has been in the past, just for that simple reason. While I endorse the arguments in principle, I think the main question in my mind and I've stated this before, is opposition to the use of The Legislative Assembly Act for the purpose it is being used. I think that's the thing. I would far prefer the government had other legislation other than The Legislative Assembly Act with which to do what they are doing.

The bill certainly is preferable to what the previous situation was. Therefore, I am going to vote for it. I'd like to suggest also that if anyone wants to cross-examine how the money is being spent or has been spent in this regard in the past, the Public Accounts Committee provides the obvious vehicle to cross-examine the government as to whether the money has been used effectively or politically or non-politically, and so forth. Hopefully, we will have the opportunity to do so. The bill makes the practice less objectionable than it was and therefore, I certainly am going to support it.

MR. TOPCLNISKY:

Mr. Chairman, in reply to the hon. Member for Drumheller, we preferred to carry out the work with elected representatives rather than with appointed, paid commissions ...

SOME HON. MEMBERS:

Oh, oh.

MR. TOPCLNISKY:

... and here is a classic example, Mr. Chairman, the Farran task force saved Albertans more than \$200,000 ...

SOME HON. MEMBERS:

Oh, oh.

MR. TOPCLINISKY:

... on a single assignment. As you know there was a three-man commission structured in July 1971 ...

AN HON. MEMBER:

You're using the wrong speech.

MR. TOPCLINISKY:

... known as the Alberta Provincial-Municipal Fiscal Commission and that was going to cost Albertans over a quarter million dollars.

[Interjections]

The Farran task force did the job for about \$35,000. Now, is that misuse of public funds?

[Interjections]

MR. TAYLOR:

Mr. Chairman, the hon. minister's argument reminds me of a married friend of mine who said that his wife came home and she said, I've saved you \$150 today. He said, how was that? Well, she bought a hat that was normally selling for \$25 and she got it for \$15. She bought a dress that was normally selling for \$200 and she got it for \$150. She bought a dresser that was normally selling for \$500 and she got it for \$350. The fellow said, you know, I'm going broke with what my wife is saving for me.

MR. R. SPEAKER:

I'd like to make one or two comments and then move an amendment that I feel is necessary at this time.

I'm very much concerned with the answers to my questions by the minister in indicating first of all that The Legislative Assembly Amendment Act, 1974 is for the whole Legislature. Then in his second answer he said, well, we have to meet special needs so we're going to do it our way - total contradiction in answer.

AN HON. MEMBER:

Pork barrel.

MR. R. SPEAKER:

The other thing that concerns me very much is with regard to the spending of funds and saving of money. I certainly support what my colleague from Drumheller said. But let's just examine what happens to the backbencher policy of task forces in Ontario. Here's an article from The Calgary Herald where it indicates that a backbencher is paid more than the premier, Premier Davis. It says:

... John Root earns more money than Ontario Premier William Davis as one of many government backbenchers who receive extra pay for special jobs.

... [the] member for Wellington-Dufferin, will draw \$54,442, plus expenses, in salary this year.

Mr. Davis earns \$38,000 as premier.

We can start arguing with figures and situations. We can say the Lieutenant-Governor is in control. That's most likely right. But certainly there is an example in Canada under a Conservative government where things are just a little bit different.

The Member for Wetaskiwin-Leduc indicated his acceptance of this modification that occurred. Certainly if we accept the principle of backbenchers being paid by the Lieutenant Governor in Council, this modification certainly has some merit. I wouldn't want to argue with that particular principle. But I think we argue with the basic direction in which the amendment, plus the amendment of 1972, has taken this Legislature and has taken the laws in Alberta.

I'd like to move on the basis that we feel there isn't any accountability being placed with the Legislature, that this Legislative Assembly Amendment Act is for all the members of the Legislative Assembly, not just a few and not for the use of the Lieutenant Governor in Council, and that we're not in favour of backbenchers being paid money, as they are at the present time, that we would like to move an amendment which reads as follows:

A. Section 3 of the Bill is struck out and the following is substituted therefor:

3. Section 59, subsection (1) is amended by adding after the words "by the Lieutenant Governor in Council" the words "pursuant to a resolution of the Assembly".

What this does, Mr. Chairman, is to place the responsibility for payment being made to legislative committees established by this Legislature, so that if a member has to be changed on that particular legislative committee it is done by the Lieutenant Governor in Council "pursuant to a resolution of the Assembly". It leaves the responsibility here in this Legislative Assembly and not in the hands of the Lieutenant Governor in Council. I so move that amendment at this time.

HON. MEMBERS:

Agreed.

MR. CHAIRMAN:

Are you ready for the question on the amendment?

MR. NOTLEY:

Mr. Chairman, I would certainly hope that one of the government members or, at the very least, the minister who is piloting this bill through the Legislature would speak on the amendment. It seems to me that we have a very significant amendment here to a bill which would, in my judgment anyway, make sure that the bill is in keeping with The Legislative Assembly Act. It's certainly not an unreasonable suggestion that has been made by the hon. Member for Little Bow, that before a task force is appointed, that appointment will still be done by the Lieutenant Governor in Council, there should be a resolution passed by this Assembly.

Mr. Chairman, I rather doubt that matters will be arising of such urgency that the Lieutenant Governor in Council will have to appoint a task force on a moment's notice. We meet in the spring now and we meet in the fall. Surely, if they are going to be timing their program to utilize the services of backbench MLAs, it's not too much to ask that they appoint the task forces after resolutions which have been debated in the Legislature, so that all the members of this House have an opportunity to pass judgment on whether or not a task force in a particular area should or should not be appointed.

Without going over all the arguments we heard in March of 1972, and later when we passed the amendment in 1972 - but we also discussed it during the Throne Speech debate - and the arguments we've heard on this particular bill, it seems to me that the amendment proposed is surely one which is in keeping with the philosophy of The Legislative Assembly Act. I would ask the minister who is piloting the bill through to respond on behalf of the government so at least we know, if they are not prepared to accept this amendment, what the reasons are for not accepting it. I would ask the minister in charge of rural development to make that response on behalf of the government.

As I see it, the whole thrust of task forces is very questionable. What you have in effect, Mr. Chairman, is a form of segregation. You might almost call task forces apartheid committees. In my view, Mr. Chairman, they are inconsistent with the parliamentary process of government. Nevertheless, at the very least, the amendment we have before us would make sure that before they are appointed, for whatever task, there is a resolution duly passed by this Legislature.

MR. DIXON:

Mr. Chairman, I'd like to support this motion because I have been definitely opposed to task forces made up only of government members. To me, it's really a violation of their own Bill of Rights.

AN HON. MEMBER:

Agreed.

MR. DIXON:

I'm glad the hon. Member for Calgary Buffalo, Mr. Chairman, is paying attention to this because he has been a man who I've had a lot of admiration for over the years when it

comes to his Bill of Rights. But his memory seems to slip a bit when it affects the Conservative party. This is definitely an abuse. If it isn't a violation, it's definitely an abuse of our parliamentary system. We should all be treated equally here. We are all voted into this office as members of the Legislature by our individual constituencies. Those who came up with an advantage or were there with most of the votes in that particular riding became members of this House, regardless of whether they're on that side or this side.

The thing that really gets me, Mr. Chairman, is the members opposite. They must be going to vote for this amendment if they really believe in what the Premier was saying in the election campaign that we don't want government by order in council, we don't want government by this or by that, we want to get back to the Legislature. But today we seem to be forgetting that, in particular the people on the other side.

There's no way you can justify in this Legislature or in any other democratic country where the members of the Legislature are treated differently. In my opinion, Mr. Chairman, as I mentioned earlier, it's a definite violation of this Legislature and of our own Bill of Rights. We are all equal here. If we want to put the cloak - well, I won't get into this because this wasn't in the main motion, but the Member for Wetaskiwin-Leduc has pointed out he was going to vote for the bill because it looks a little nicer. But to me, that doesn't change a thing at all. It's wrong.

AN HON. MEMBER:

Vote against it.

MR. DIXON:

That's entirely what I expect to do, hon. member, if you want to just disregard the parliamentary system and want it to go downhill. We must be accountable to the Legislature. We must all be treated alike. How can we expect anyone in our province to have any respect for any government that treats other people different than themselves? Why couldn't we, as the Opposition, set up a task force and investigate several things? You would say no to that. And yet we can come along and set up anything we want and put you on it. I think probably one of the reasons is that well, we can't put everybody in the cabinet so let's find a way of giving them a little extra money. To me, this is wrong.

Mr. Chairman, I object most strenuously to this type of legislation. If this bill passes, it's not going to quieten the members on this side of the House because we're going to let the people of Alberta know in no uncertain terms the unjust type of legislation of a matter of a few dollars. I'm not complaining about the amount of money. Nobody's going to get rich on it. But the principle is wrong. There's no way you can defend it. When the principle is wrong, your platform is very weak and you'll go down.

[Laughter]

Well, you can laugh. There have been people put out of office for a lot less than what the hon. members opposite are trying to do.

So I'm saying to you, Mr. Chairman, that I support this amendment. If we really believe in what the hon. Premier is talking about, that the Legislature is supreme, there is no alternative for the members opposite but to vote for this amendment so that the Legislature has the final authority on who is going to be paid on a task force. I hope the government sees the error of its ways and votes for this amendment.

MR. RUSTE:

Mr. Chairman, surely the minister is going to reply as to why they are supporting or not supporting the amendment, or has he already got the signal from the Deputy Premier?

MR. DIXON:

They can't defend it.

MR. RUSTE:

It seems to me that in the estimates just last night, we had a couple of cases where ministers didn't get up and answer questions put to them. I submit, Mr. Chairman, if this is the exercise we are going to go through, there is not much use of MLAs being in this Assembly. Let's just say the great white father is going to do it all and we all will take orders from him. As far as I'm concerned, I'm not prepared to do that.

[The amendment was lost.]

MR. R. SPEAKER:

Mr. Chairman, I am certainly disappointed in that particular attitude. I feel that if the government and the minister are not really prepared to come forward and be accountable, we must amend the act further and build some more accountability into this particular act.

SOME HCN. MEMBERS:

Agreed.

AN HCN. MEMBER:

Let's take a whack at it.

MR. R. SPEAKER:

I think where the government at this time could arrogantly say, well, we are going to be right and everything we do is accountable because they know about it themselves but nobody else does, that doesn't make it right or wrong.

I think, because this is The Legislative Assembly Act, that we must have some accountability to this Legislature. We must have a reporting system where we not only know who does certain things in the back benches, but what they do and what the results of that work are at a particular time. I think, as members of this Assembly representing the people of this province, that is one piece of information we should have.

On that basis I'd like to move a second amendment. As further evidence for moving that amendment, I'd like to move the amendment and then make another comment. My amendment is as follows, Mr. Chairman:

- A. Section 3 of the Bill is amended by adding the following subsection after the proposed subsection (1.1) of section 59 of the Act:

(1.2) The President of the Executive Council shall, after the end of each Government fiscal year, prepare a report showing the amounts paid pursuant to orders of the Lieutenant Governor in Council made under subsection (1.1) in that fiscal year and to whom and when those amounts were paid and shall

- (a) if the Legislative Assembly is sitting when the report is completed, lay the report before the Assembly, or
- (b) if the Legislative Assembly is not sitting when the report is completed, lay the report before the Assembly within 15 days after the commencement of the sitting next following the completion of the report.

Just two comments: number one, this government and the minister made such a big to-do about how they were going to report their activities to the Legislature, and that they were prepared to do so.

DR. HORNER:

Have you got a copy of the amendment?

MR. R. SPEAKER:

Yes, I sent one up there. Where did they go? I gave them to someone.

MR. CHAIRMAN:

The minister has one.

MR. LUDWIG:

The minister has one.

DR. HORNER:

Have you any extra copies?

MR. R. SPEAKER:

No, I only have one.

MR. CHAIRMAN:

There will be a few more.

MR. R. SPEAKER:

Do you want to take this over?

[Interjections]

Do you want the rest?

MR. HYNDMAN:

We can get some Xeroxed.

MR. R. SPEAKER:

That's worth a half hour.

AN HON. MEMBER:

Social Credit earmark.

MR. LUDWIG:

That's just like a task force report.

MR. R. SPEAKER:

Yes, that's a major task force report.

MR. GHITIER:

Yours isn't that big.

MR. R. SPEAKER:

My first point, Mr. Chairman, as my notes here indicate, is that the public accounts that are presented to the Legislature are not a complete accounting of the report to the Legislature.

Number two, public accounts usually come quite some time after the activities of a particular committee. Sometimes it's six to eight months or even a year I believe. The timing is very poor. So if we could see an amendment in The Legislative Assembly Act that sets up a routine procedure for reporting, I think that would assist us in understanding the actions just a little more and also having confidence that not only the minister, but the Deputy Premier and the Premier and the ministers of this government are willing to present their evidence and their actions in this Legislature for us to examine.

DR. HORNER:

Mr. Chairman, we're willing to accept that amendment.

SOME HON. MEMBERS:

Hear, hear.

AN HON. MEMBER:

Question.

MR. CLARK:

Quick, before they change their minds.

[The amendment was carried.]

MR. LUDWIG:

Mr. Chairman, as an observation on this procedure, it's interesting to note that when Horner says we vote for something, the Conservatives don't even know what the amendment is.



MR. CHAIRMAN:

Order, order.

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

MR. TOPOLNISKY:

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

MR. CLARK:

As amended.

MR. F. SPEAKER:

As amended.

MR. TOPCLNISKY:

As amended, Mr. Chairman.

[The motion was carried.]

Bill No. 24 The Social Development Amendment Act, 1974

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

MR. ASHTON:

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

[The motion was carried.]

Bill No. 46 The Alberta Gas Trunk Line Company Amendment Act, 1974

MR. HENDERSON:

Mr. Chairman, I'd just like to touch on the question of the apparent lack of concern on the part of the government with the amendments which extend the authority of the Alberta Gas Trunk Line to operate beyond the provincial boundaries, as I interpret the act; and inquire as to [whether] the government has any concern about bringing Alberta Gas Trunk Line thereby under federal jurisdiction by virtue of its having crossed provincial boundaries.

MR. DICKIE:

Well, Mr. Chairman, I would take issue with the statement of concern. I think we have had concern. We have discussed it with Alberta Gas Trunk Line. As the letter to the president and the chief executive officer of the company mentioned, they have had discussions with their legal counsel as well as ours. We are proceeding, having done that.

MR. HENDERSON:

Mr. Chairman, I'm not concerned whether they discussed it with Alberta Gas Trunk Line. I'm concerned whether they discussed it with members of this Assembly. Obviously Alberta Gas Trunk Line wants to build itself a sizable empire.

Quite frankly, I am concerned. Whether Alberta Gas Trunk Line thinks it adequate or not is somewhat academic from my standpoint. We've got a battle of major dimensions going on with the federal government. We're bound and determined at this point in time, for example, to use their taxing powers to circumvent the ENA Act on the control of our mineral resources, to use their spending power to circumvent the BNA Act in things like Medicare. It's completely irrelevant to me as to whether Alberta Gas Trunk Line is satisfied with it. Logically they want it. It's in their interest to move in that direction.

My concern is, they have a monopoly position that was granted to them for a specific purpose by the government in years gone by. The main reason for Alberta Gas Trunk Line was to keep the federal government out of the pipeline jurisdiction within the province relative to the development and utilization of the resources.

Now the government comes along and says, because Alberta Gas Trunk Line thinks it's a good deal we should go along with it. Of course, my concern is still the basic question of control over the resources within the province, including the transportation and movement.

I would just like to go on record by saying that in my view extending the powers of Alberta Gas Trunk Line to operate outside the province provides the possibility of another channel through which the federal government can use their powers to interfere internally in the resource development within the province of Alberta. Because once they make a connection across the provincial boundary they'll come under federal jurisdiction. The opportunity is there. I think the onus is on the government to thoroughly research the constitutional issues themselves. The onus isn't on, and I place no reliance on, the opinion of Alberta Gas Trunk Line in the matter. Obviously they think it's a good deal, but that doesn't in any way, shape or form relieve the members of the Legislature and the government from examining the basic question of the constitutional implications of it.

So I would like to know what research the government has done on its own, relative to satisfying itself through its own research facilities that the extension of AGTL jurisdiction beyond the province, or the authorization to do so, will in no way, shape or form weaken the position that Alberta Gas Trunk Line has relative to transportation of gas within the province.

AN HON. MEMBER:

Agreed.

MR. DICKIE:

Mr. Chairman, just a short answer. I'd say that we are well aware of the constitutional questions involved in this situation. As you know, over the last two and a half years we have been very well aware of the problems of the BNA Act, the problems it has presented to the government. We have assessed this, as we have the other constitutional problems, and we are prepared to recommend this to the members of the Legislature.

MR. HENDERSON:

Well, Mr. Chairman, the only thing the member says he has assessed is that he has checked with Alberta Gas Trunk Line. Are there any reference papers or recommendations forthcoming, for example through the Attorney General's department, that he has had carried out in this particular matter? All the minister has said thus far is he has asked Alberta Gas Trunk Line's opinion and they said it's a good deal.

I would like to ask the Attorney General whether he has commissioned an examination of this particular issue or received advice of a constitutional nature from sources within the government or from individuals who are directly commissioned by the government to examine the matter?

MR. DICKIE:

Mr. Chairman, I think the hon. member is again trying to distort what I was saying.

We, as a government, have made that assessment also. I don't think I could be any clearer than that. Now the hon. member knows that legal opinions aren't submitted to this Legislature. There's no right under the rules to have those legal opinions. I suggested to you in submitting this bill that we have made that assessment. I think that should be satisfactory.

MR. HENDERSON:

Mr. Chairman, I'd like the minister to stick to the facts. I didn't ask him to submit the bills to this Legislature. I asked the Attorney General if he had been requested, if there had been any request ... I didn't ask this, but I'll ask it now, whether he received requests from the Department of Mines and Minerals to have the constitutional implications of it assessed, and whether such assessment had been made by the Attorney General's department on specific request to people within the department or by experts outside the government? That's the question I asked. I didn't ask for the papers. I didn't expect them to be [tabled] and I don't necessarily suggest that it is in the best interests of the people of Alberta to have them tabled.

MR. DICKIE:

Mr. Chairman, I've tried to indicate that we've made that assessment. But in view of the hon. member's direct questions of the Attorney General, perhaps he would like to make an observation.

MR. LEITCH:

Mr. Chairman, I'm happy to make some comments on the hon. member's question.

I will put it as succinctly as possible and say this, Mr. Chairman, that in our view the fact that this company may carry on a form of business outside the province of Alberta does not render its business inside the province of Alberta any more susceptible to federal government control than it may now be, so long as the two are not connected by way, for example, of pipeline or something of that nature. If that occurred, of course, it might substantially alter the situation.

But apart from a connection of that nature, it's my view, Mr. Chairman, that the fact that they carry on business outside of the province won't alter the federal government's capacity to control the business that's carried on inside the province.

[Mr. Appleby in the Chair]

MR. HENDERSON:

Well, I think that's the basic point in question, Mr. Chairman, that the Attorney General has now stated.

I'm wondering what provision is in the act, or are there any provisions in the act, or in the amendments - I haven't come across any - under which there would be statutory assurance that that wouldn't happen; that an actual mechanical connection would not unwittingly be made which would create the possibility of federal government efforts to bring the whole operation, inside and outside the province, under federal jurisdiction?

MR. LEITCH:

There's nothing in the act, at the moment, that precludes that happening. I can't recall anything, Mr. Chairman, in the act that would preclude that happening, although I would think most activity, and again that would be something that I would have to check, which might lead to such a connection would involve government consent of one form or another by way of permits and things of that nature.

MR. STROM:

Mr. Chairman, on that point again, I have done some questioning outside the House because it's a matter of concern to me because of my previous involvement in it. I thought I got the information that the act specifically prevented a hookup that would join Alberta Gas Trunk Line to an interprovincial connection in which Alberta Gas Trunk Line was also an owner. Now did I misunderstand it, or is that the way that it is?

MR. LEITCH:

I'm not sure, Mr. Chairman, I caught all of the words of the hon. member's question.

MR. STROM:

Mr. Chairman, I'll try again. Maybe I wasn't making myself too clear.

In the matter of pipelines, we know that Alberta Gas Trunk Line is limited to a gathering system within Alberta. If for any reason they should have a connection that would connect that line to a line in which Alberta Gas Trunk Line was also an owner outside the province, the point that the Member for Wetaskiwin-Leduc is making, and one that has been a matter of concern for a long time, is that they would then be subject to federal jurisdiction.

My impression was that there was a specific section or subsection in the act that would prevent this from happening.

MR. LEITCH:

Mr. Chairman, there may be. And as I indicated in my earlier answer, there may be, but I don't recall any specific provision in the act that would cover that.

MR. STROM:

Mr. Chairman, I accept the answer that was given to the Member for Wetaskiwin-Leduc but there is no assurance to members of the Legislature that that protection is given other than the statement made by the minister, or possibly the Attorney General, I don't recall, that the government would not permit such a thing to take place. But nevertheless, the act as it now reads, and I have read it rather carefully, under Section 14 permits the Alberta Gas Trunk Line to get into any kind of operation including transmission lines and it does not say anything about connections.

MR. HENDERSON:

Well, Mr. Chairman, I think the matter is of some significance and I don't think it should be left at that. I think if it isn't clear in the act it should be clear in the act. And I'd like to sincerely ask that the minister - we can proceed with further discussion on it as I've got one or two other comments to make - but seriously consider holding the bill in committee - I don't think we're going to finish up today - to examine those implications, because I think it's significant enough that it should be abundantly clear that that possibility does not exist. I suggest it could have some pretty serious implications for the people of the province of Alberta should the company in its own wisdom, promoting what has become identified as its interest, decide to make such a connection. It could be done quite innocently without due examination of the implications or their authority to do it.

I wonder before I proceed, Mr. Chairman, if we could have some indication of the government's reaction to examining that before we let the bill go to committee?

MR. LEITCH:

Mr. Chairman, I wonder if we might proceed with the committee stage of the bill at the moment. It's pretty clear, I think, that we're going to be here tomorrow.

AN HON. MEMBER:

Yeah. Tomorrow - the weekend ...

MR. LEITCH:

We will take a look at it tonight and perhaps tomorrow I could give the hon. member an answer. And if we want to consider it further we could then bring it back from third reading to committee.

[Mr. Diachuk in the Chair]

MR. CHAIRMAN:

Is it agreed that Bill No. 46 be held and just report progress on it.

MR. HENDERSON:

Mr. Chairman, I don't think we should ... [Inaudible] ... on the bill at this time.

I'm satisfied the government would look into it and if it isn't clearly defined in the act - I think they appreciate the significance of it as much as we do, that if the bill isn't clear they will bring the bill back into committee. That satisfies me.

SOME HON. MEMBERS:

Agreed.

MR. HENDERSON:

I have one or two other comments I'd like to make with regard to the bill and they really don't relate to the constitutional aspects of the bill. I would have to say quite frankly, I cannot help but wonder if a company which operates under a charter such as this doesn't leave itself open to accusations and lawsuits over mismanagement, because it's quite obvious this company has spent a lot of money promoting this particular exercise and it has had no jurisdiction, no legal authority under which to do it. I'm wondering, therefore, whether the government is contemplating making the terms of the bill retroactive as far as extending the powers to the company, thereby legalizing the expenditure of funds which they have already undertaken.

I don't pretend to know the complexities of the legal manoeuvring of it, but they obviously have been spending a lot of money doing a lot of research work and promotion which they have no statutory authority to do. They were granted specific powers by the Legislature and they have exceeded those powers. I can only presume that the government, once again, has been a party to exceeding statutory powers. I'd suggest that if I were a stockholder and were upset about the matter, I would consider taking legal action to take the company to court for mismanagement and misappropriation of funds. Because they do not now have, and have not had, the money they had in the past to carry out some of the preliminary investigative work.

So I think in order to protect the company and probably the government itself, maybe the government should consider making some of the amendments in this bill retroactive, dating back several months, to make legal the operations of this company and expenditure of the funds - which belong to the shareholders - which they have spent in promoting

the expansion of the company into areas which go beyond the statutory limitations now spelled out in the bill.

MR. DICKIE:

Mr. Chairman, I think we would like to put it this way. There are perhaps two moot legal points that do arise. First, there is the question of whether a parent can invest in its subsidiary, depending on the objects of the parent company. The second question is whether a subsidiary can have its objects and in its activities go beyond the scope of the parent company. Those are moot legal points and the question that is submitted to the Legislature today is to make sure there is no doubt in anybody's mind on that. So I think if the hon. member is dealing with the question of mismanagement, I think he is carrying that too far, because it is certainly not a black and white question in the eyes of the members of the legal profession. From that point of view I think I've described it as a moot point.

MR. HENDERSON:

I accept the minister's suggestion that the word "mismanagement" is probably ill-advised in its application to the discussion, but legality or illegality is certainly a relative pertinent point and that's the point I'm making. The company very definitely has exceeded its statutory powers. Why have an act if they can do anything they want?

MR. DICKIE:

Mr. Chairman, I think the hon. Attorney General would like to make a comment.

MR. LEITCH:

Mr. Chairman, I would simply like to add this without professing any expertise in the area of corporate law. I would be most surprised if a company wasn't free to spend some of its funds in pursuit of an object that may be outside of its objects, if its intention is to pursue the feasibility of that object and then seek authority to carry it out.

I would literally be astonished if that was beyond their capacities. That is a much different thing from carrying out the object. As I say, that's an immediate reaction to the hon. member's comments and it's something I would like to take another look at.

MR. HENDERSON:

I can only say, Mr. Chairman, I hope the government is right in that matter. As I say, I'm not holding one share, so I'm not contemplating instigating anything.

It seems to me though that when the Legislature sets up a piece of legislation, it takes particular pains to set up a special company to carry out particular functions within the province, that it has some constitutional implications, that there is an onus on that company to be extremely cautious about what it starts doing in moving beyond the terms of reference established by the Legislature. The company has - I presume it's been done with the concurrence of the government - but I still bring up the question of the terms that are in the act itself. I will let the matter drop at that particular point.

MR. STROM:

Mr. Chairman, just two short points that I want to make. I think I mentioned one of them in discussing the bill on second reading and that is that I have a great appreciation for the work Alberta Gas Trunk has done for the people of Alberta. I think it is an outstanding job. I think many Albertans have been able to share in the good management that has been given by the company. I'm certainly prepared to state publicly that I think it is continuing under good management and it has a great potential.

I have one fear. I have expressed it privately before. I want to make a public statement. In my view the possibility of the company entering into a conflict of interest or unfair competition - and I'm not sure just which it should be called - but in permitting it to move into other areas of endeavour I believe it has an advantage over any other company under the present structure. I would like to think that this is one area which the government would review rather carefully as to those areas that it might get into and whether or not it can happen. All I want to suggest is that the potential is here. I think it is something we ought to consider very carefully.

The second point I would like to make - and I don't see anything that particularly covers it here - I'm wondering to what extent Albertans, that is, the average citizen, will be able to share in any further development taking place as far as Alberta Gas Trunk is concerned. I think it's something we ought to look at.

MR. DICKIE:

Mr. Chairman, I think the hon. member raises two points; first, perhaps the monopolistic aspect dealing with pipelines within Alberta. Of course, in any case where there is a situation that does develop, other companies can make the application. That has happened in the past and that application has been adjudicated on by our Energy Resources Conservation Board.

The second question the hon. member raises deals with public offerings. Those are now under consideration, as I understand it, by the board of directors.

MR. DIXON:

Mr. Chairman, to the minister. I wonder if the minister has had representation from other people. You did mention monopoly a moment ago - there are a number of companies in the business that feel the result will be direct and unfair competition to producers and consulting firms and could result in a monopoly or combine.

I was wondering, while I'm on my feet - and maybe to the Attorney General as well - what investigation has been made or what legal advice has been sought to set up a separate company for operations outside the province once this company moves from a provincial company to an interprovincial company? Has there been any legal advice obtained as to whether it would be advisable, in order to meet some of the fears the hon. members have expressed, that if this turns into an interprovincial company, we can invite greater interference as far as the federal government is concerned?

MR. DICKIE:

Mr. Chairman, dealing with the latter point, I think that was really covered by the president's chief executive officer's letter. When he talked about a declaration of policy they wished to confirm their present intentions are the development of industry and services within Alberta; that our interests in works in undertaking beyond the provincial boundaries intend to supplement and be supportive to the development within the province, and that we do not seek these amendments with any other intention. So that's the declaration of their intention.

Now it may be that through a subsidiary or so forth, say in the marketing of some aspects of petrochemicals, they will need offices outside the province of Alberta. That was the intention of the amendments; to make sure they had the kind of power to do that. It was not to engage in activities that wouldn't be outside the province of Alberta.

MR. LUDWIG:

Mr. Chairman, I have a question with reference to Section 5. The explanation to the amendment indicates that it is to facilitate the company to subdivide as Class A shares. The section reads, the way I see it, that the company would be able to traffic in its own shares. The section does not specify the limitation on the company buying its own shares and then reselling them. This is just my opinion. Perhaps there is a valid explanation for why it's that broad. But I felt that companies generally are not allowed to traffic in their own shares under The Companies Act.

I appreciate the specific purpose but the section does not limit the company to this specific purpose.

MR. HENDERSON:

Mr. Chairman, I have one other question relating to the bill which I would appreciate some comment on. The clause which brings it to mind is Section 2 of the bill, the clause which gives the government, by Lieutenant Governor in Council, the authority to change the name of the company.

We've heard statements in the past made by the Premier and other parties to the effect that the government is contemplating setting up some sort of Alberta resource development company or something like this, something other than just energy.

As I view the other amendments to the bill, broadening the powers of the company into areas in which it can extend its activities, and then I view the powers to change the name, I'd like to ask the question, is the government contemplating using this as a vehicle for providing broader public participation in development of resources in petrochemical industries and so on within the province? Because there has been nothing much said for some time now about this other company that's supposed to come into existence.

Once again, the thing which concerns me is the constitutionality of the question if the government is heading in that direction with Alberta Gas Trunk. Quite frankly, I have some strong reservations about the desirability of using Alberta Gas Trunk as a vehicle to

achieve those goals. Not that I disagree with the vehicle, but I come back to the concerns over the constitutional question. What does the government have in mind in broadening the powers of this act and what prerogative is contained in the bill to change the name of the company? I'd very much appreciate a general response on that, Mr. Chairman.

MR. DICKIE:

Mr. Chairman, that's a good question. We asked the directors of the company about the change of name. There had been some concern expressed about the length of the name. I think they were contemplating a change. As I understand it, they would like to do something that would be rather a shorter name which could be easily used and expressed.

I think the hon. member keeps talking about the government's intention with this company. I would say again, Mr. Chairman, that we want to be absolutely clear on this, that the shareholders elected the directors and the directors carry on the activities of the company. The government does appoint directors but, as we've mentioned before, they are independent citizens who participate with the directors in considering the activities of the company.

So in no way would I say - the hon. member is correct in talking about what the government intends to do with this company. I can assure the hon. member it has nothing to do with what has been announced as the Alberta resources growth company or the Alberta Energy Company in that sense. We're still looking at it as the board of directors of Alberta Gas Trunk Line directing the activities of the company.

MR. HENDERSON:

Is the minister saying the government was not privy to the thinking on the part of the company in getting into the petrochemical area and expressed no prior approvals and so on and so forth, notwithstanding the fact that they say the shareholders elect the board of directors? But the government appoints a significant number of [members of] the board of directors. Alberta Gas Trunk Line did not create the Legislature. The Legislature created Alberta Gas Trunk.

I come back to the constitutional responsibilities or concerns which relate to the establishment of the company. To say it's a private company and we don't need to be concerned about it doesn't wash, as far as I'm concerned. Is the minister saying then that they don't really know why Alberta Gas Trunk wants to consider changing its name? It's nothing to do with any government policy in any way, shape or form?

MR. DICKIE:

Mr. Chairman, I can say certainly that changing the name has nothing to do with any government policy. That's quite correct. But then I don't think the hon. member can jump to the conclusion that we don't have discussions with the principal and executive officers of the company, as well as the directors of the company. It's still the directors who are directing the activities of the company. It is not a private company, it's a public company and the activities are carried out by the directors of the company.

MR. HENDERSON:

The only reason I make the remarks, Mr. Chairman, is that the minister keeps coming back to thinking that whatever the company wants is a good deal. That's the main justification for doing what is being done. I'm not really satisfied, in view of the nature of the company, that that is in the best interests of the people of the province of Alberta. That's what I'm trying to satisfy myself as to.

I come back to the question that the government made statements earlier about the establishment of some sort of resource company that would be something like the Alberta Energy Company in which citizens of Alberta would have a chance of direct financial participation as shareholders. I would like to ask the question again. Is the government considering - and I don't want the issue evaded by saying they have a bunch of shareholders because that's of no concern to me. The company is a product of this Legislature. It was created by this Legislature and its operations are basically controlled by this Legislature. I am asking, therefore, does the government have any intentions or considerations that the powers of this company would be further broadened and its name changed to provide a vehicle for this opportunity for Albertans to invest further in the development of the resources in the province of Alberta?

MR. DICKIE:

Mr. Chairman, again I remind the hon. member that this Legislature gave the Class A shareholders the right to vote. They vote on the election of directors. The directors govern the activities of this company. For the hon. member to say that the Legislature or

the government is going to direct the activities of this company is just not correct. I think that is as far as I can go on this.

MR. HENDERSON:

Is the minister saying that the government has no intention of relating this company to any of its plans or announced plans in a general way of providing a broader opportunity for Albertans to invest in the development of the resources of the province?

MR. DICKIE:

Mr. Chairman, I'm not sure you can express it that way. I think the government would like to make sure it continues the cooperation and support in dealing with the chief executive officer and the directors of the company, and would certainly acquaint them with the other activities they have for an Alberta resource growth company or the Alberta Energy Company in their continued discussions and they may all participate. Again, the decision whether they do that or not, from the Alberta Gas Trunk Line, would be a decision of the board of directors which is elected by the Class A shareholders of the company.

MR. HENDERSON:

... [Inaudible] ... a little bit of nonsense, Mr. Chairman. The decision was made by this Legislature, because you are asking to give this company authority to do these things. So let's not get on this treadmill saying it's a question of what the company wants to do. It's a question of what this Legislature wants the company to do because the company cannot indulge in these activities without the concurrence of the Legislature. So obviously the government is having discussions with the company and is proposing to broaden the powers of the company.

I am asking the general question again as to where the future of this company fits in with the future plans for an Alberta resource company or growth company, or whatever the name is going to be.

MR. DICKIE:

Mr. Chairman, just so we are absolutely clear on that, the government would proceed with that company aside from the Alberta Gas Trunk Line Company. Does that clarify it?

MR. HENDERSON:

I think I finally got the question across to the minister. That's all I wanted to know. Thank you.

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

MR. DICKIE:

Mr. Chairman, on behalf of the hon. Member for Stettler, I move that the bill be reported as amended.

[The motion was carried.]

MR. HYNDMAN:

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

MR. CHAIRMAN:

Is it agreed?

HON. MEMBERS:

Agreed.

[Mr. Diachuk left the Chair.]

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[Mr. Speaker resumed the Chair.]

MR. DIACHUK:

Mr. Speaker, the Committee of the Whole Assembly has had under consideration the following bills: Bills Nos. 13, 21, 24 and 46, and begs to report same with some amendments, and begs leave to sit again.



MR. SPEAKER:

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

HON. MEMBERS:

Agreed.

MR. SPEAKER:

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

[The House rose at 5:30 o'clock.]

