

LEGISLATIVE ASSEMBLY OF ALBERTA

Wednesday, June 11, 1975

[The House met at 2:30 p.m.]

PRAYERS

[Mr. Speaker in the Chair]

READING AND RECEIVING PETITIONS

MR. HORSMAN: Mr. Speaker, I move that the following petitions be now read and received:

- J.R.W. Sykes, B. Sawyer, B. Scott, and A.F. Womack for an act to amend certain settlements resulting from the last will and testament of the Hon. Patrick Burns;
- The Alberta Wheat Pool for an act to amend The Alberta Wheat Pool Act, 1970;
- The Alberta Children's Hospital Foundation for an act respecting the Alberta Children's Hospital Foundation;
- John E. Logan for an act to incorporate The Institute of Accredited Public Accountants of Alberta;
- Hector Couture for an act to provide for the extension of time for filing a statement of claim by Hector Couture beyond the period allowed by The Limitation of Actions Act;
- The Canada West Insurance Company for an act to amend an act to incorporate The Canada West Insurance Company.

[The motion was carried.]

INTRODUCTION OF BILLS

Bill 213 The Highway Traffic Amendment Act, 1975 (No. 2)

MR. TAYLOR: Mr. Speaker, I beg leave to introduce a bill, The Highway Traffic Amendment Act, 1975 (No. 2). When a driver's licence is suspended, it causes inconvenience. To some it not only causes inconvenience, but it means a loss of livelihood which affects the entire family. This bill will endeavor to equalize the punishment when a licence is suspended for the first time under the Criminal Code or The Highway Traffic Act.

[Leave being granted, Bill 213 was introduced and read a first time.]

INTRODUCTION OF VISITORS

MR. PURDY: Mr. Speaker, it is my pleasure today to introduce a group of children from the Stony Plain Junior High School. Through the good graces of bargaining into the early hours of this morning, it was possible for these children to be in the Legislature today. They are accompanied by their teacher, Mrs. Paradis, and Mr. Dickau, the bus driver and teacher. They are seated in the members gallery, and I would ask them to rise and be recognized by the Assembly.

MR. HANSEN: Mr. Speaker, I would like to introduce to you, and through you, four people who have brought a birthday cake from Cold Lake for the Lieutenant-Governor, the Hon. Ralph Steinhauer, for his 70th birthday.

With your indulgence, I'd like to explain the program just a little so the people will understand. The birthday cake, which is out in front, was decorated and made through the Catharine Whyte Multi-Cultural Centre at Cold Lake. The centre started through the program IDEA, and teaches painting, pottery, woodwork, and other arts. It benefits the adults and young people of the area and brings together different ethnic groups.

About 175 students took part in making and decorating this cake for the Lieutenant-Governor. I would like to congratulate Mrs. Laurie Johnson and her staff for a successful program, and wish the Lieutenant-Governor many more happy birthdays.

Now I'd like to introduce to you Brian Gardner, Kevin Bushmore, Jim Drury, and Jim Singbeil. These were the four men who took time and worked so hard to bring this cake to Edmonton without mishap. Would they stand and be recognized by the Assembly.

DR. WEBBER: Mr. Speaker, on behalf of the hon. Member for Banff, I would like to introduce to you, and through you, 54 Grade 5 students from the Elbow Valley school, along with their teachers, Mrs. Switzer, Judy Humphries, Gordon Elson, Len Parkin, and Peter Loma. They are in the members gallery. I ask them to stand and be recognized by the Assembly.

MR. YOUNG: Mr. Speaker, it's a pleasure for me today to introduce to you, and through you to the members of the Assembly, a group of Grade 10 students from the Coral Wood Academy, a private school in my constituency. They are in the members gallery and are accompanied by their teacher, Mr. Larry Gascoyne. I ask them to stand and be recognized by the Members of the Assembly.

MINISTERIAL STATEMENT

Department of Solicitor General

MR. FARRAN: Mr. Speaker, I have a short statement on the subject of restitution.

The most advanced and comprehensive study of criminal restitution in North America was announced today by the Hon. Warren Allmand, federal Solicitor General, and is being announced simultaneously in this House. A three-year experimental project titled the Pilot Alberta Restitution Centre will commence in Calgary later this year and will be jointly funded by the two governments.

During the three-year study, certain offenders convicted of crimes involving no violence, such as robbery, breaking and entering, vandalism, theft, possession of stolen goods, fraud, and crimes where the value is less than \$500, will be offered the opportunity to make restitution to the victim. In this way the offender will be diverted from prison and will play a more positive role in correcting the wrong that has been committed.

The restitution principle will open a new practical alternative to judges at time of sentence. A practical agency will ensure that commitments are fulfilled. They can include a fine in addition to compensation and may be a condition of a suspended sentence or probation.

It's hoped that the pilot project will also develop further extensions of the principle of restitution to the community at large where a victim is not involved, and may be in the form of financial restitution or work contributions.

The concept of restitution was studied recently by the national Law Reform Commission, which opened its presentation on the subject with the following paragraph:

Doesn't it seem to be a rejection of common sense that a convicted offender is rarely made to pay for the damage he has done? Isn't it surprising that the victim generally gets nothing for his loss? Restitution making the offender pay or work to restore [the] damage would seem to be a natural thing for sentencing policy and practice. Yet, under present law they are more frequently than not, ignored.

The Alberta project, which will be headed by Professor Arnold J. Katz of the School of Social Welfare, University of Calgary, will carry out evaluations of different groups of offenders to assess the rehabilitative value of restitution.

Incarceration has not proved to be an effective means of rehabilitating certain kinds of offenders. It is felt that this kind of system will help develop a sense of responsibility and have a beneficial effect on recidivism. Furthermore, for the first time the victim will be considered and will play a significant role in the operation of the criminal justice system.

I'd like to stress again that the offender population in the project will be selected only from those where no violence has been used and where there is no history of violence. Social control and protection of the community is of paramount importance and will be kept in mind at all times. Those convicted and selected to participate in the restitution project will be subject to the same sanctions as normally applied to offenders receiving probation, day parole, or temporary absence.

The cost of the first year of the study and a preceding three-month prestudy and planning stage will be \$70,000, which will be divided equally between the two governments. [applause]

ORAL QUESTION PERIOD

Syncrude Agreement

MR. CLARK: Mr. Speaker, I'd like to direct the first question to the Premier and ask if he could report to the Assembly the stage of negotiations the government is now in with its partners in Syncrude regarding a finalized agreement.

MR. LOUGHEED: Mr. Speaker, I'd have to refer that to the Minister of Energy and Natural Resources.

MR. GETTY: Mr. Speaker, the government is well along. I'm not sure how best to describe the stage of negotiations. I guess I could say that if it were a four-quarter game, we would be in the last quarter.

Active negotiations are going on right now. Meetings were held in Calgary yesterday. Further meetings are being held today. I hope to have a report on those meetings and perhaps will have more advice. However, members will recognize the vagaries involved with legal assistance. Sometimes that tends to draw out things longer than one might hope.

MR. NOTLEY: The Land Titles Amendment Act.

MR. CLARK: Yes, The Land Titles Amendment Act.

Syncrude Costs -- Monitoring Procedures

MR. CLARK: Supplementary question, Mr. Speaker, to the minister. In recognizing his ability to recognize what can happen in the fourth quarter, might I ask the minister: during this period of finalizing negotiations, what kind of monitoring of incurred costs is being done by the Province of Alberta?

MR. GETTY: Mr. Speaker, we have set up a section in the Department of Energy and Natural Resources which is responsible for monitoring the government's interest in the Syncrude project. As we have already discussed in the House, the hon. Member for Edmonton Calder sits on the Syncrude board of directors as well.

MR. CLARK: Further supplementary to the minister, Mr. Speaker. Have any of the government individuals doing the monitoring made recommendations to the government that some expenditures being incurred on the Syncrude site are questionable in their eyes?

MR. GETTY: Mr. Speaker, judgments haven't come to me on whether something might have been done more cheaply. I should separate for the hon. member the responsibility the government has in assessing its costs and monitoring its interests as an equity holder from the government's role, through the Provincial Treasurer and the Provincial Auditor, in assessing that role as a royalty collector and in developing the accounting manual which will be used in that role.

MR. CLARK: Further supplementary to the minister. To whom in the government would representation be made, by the people responsible for monitoring, for expenditures those individuals did not feel were justified?

MR. GETTY: Mr. Speaker, I'd be glad to receive them myself.

MR. CLARK: Mr. Speaker, supplementary question. Is there no formalized approach? Does it go to the minister, the Treasurer, the Auditor, the Premier? Who has that responsibility?

MR. GETTY: Mr. Speaker, the hon. member would have to be much more specific as to who was talking and what message they were carrying. I assumed he had somebody who has some general dissatisfaction regarding costs in the Syncrude project, and suggested I'd be happy to meet with the person to determine how we might best follow up that inquiry and see whether the government should be doing something. Other than that, I'm not sure who the hon. member is representing.

MR. CLARK: I'd like to think I'm representing the people of the province.

A word of explanation, Mr. Speaker, in light of the minister's comment. I'm trying to establish the procedure the government has set up for the monitoring of costs being

incurred right now, and incurred since February of this year. To whom in the Executive Council do the individuals doing that monitoring report if they feel expenditures being made are not in the best interests of Albertans?

MR. GETTY: I understand the hon. member is asking me, to whom individuals presently working in the public service report if they are concerned.

MR. CLARK: Which minister?

MR. GETTY: Mr. Speaker, those having to do with monitoring of the government's equity interest are within the Department of Energy and Natural Resources and would be reporting to me, through the deputy minister. Those having to do with matters which relate more directly to royalty interests and the accounting manual would report to the Provincial Treasurer, presumably through the deputy minister of the Treasurer's department.

MR. CLARK: Further supplementary question to the minister, Mr. Speaker. Have any Alberta government officials doing the monitoring made representation to the Minister of Energy or the Provincial Treasurer regarding excessive expenditures on the Syncrude site?

MR. GETTY: Not that I have had drawn to my attention, Mr. Speaker.

MR. CLARK: One last supplementary question to the minister, Mr. Speaker. What incentive does Canadian Bechtel have to keep the costs on the Syncrude site to a minimum in light of the fact they are on a cost-plus project?

MR. GETTY: Mr. Speaker, members will recall that when the Premier announced the arrangement the government had entered into with two other governments and the companies involved in Syncrude, reference was made to the Bechtel contract and the fact we felt a greater incentive could be built into that contract to ensure costs were handled in the best possible manner, representing the interests of the people of Alberta. That contract is now being looked at with a view to having some additional cost control built into it.

MR. NOTLEY: Mr. Speaker, a supplementary question for clarification. Is the hon. minister in a position to describe to the House the nature of the monitoring mechanism with respect to the construction costs? I'm not referring now to the accounting manual, but just what is the nature of the mechanism?

MR. GETTY: Mr. Speaker, I think it might be wise to go into it in detail in an estimates discussion. It's not necessarily one the House would want to take up in detail in the question period.

MR. NOTLEY: A further supplementary question to the hon. minister. Is there a specific agency of the department you administer which has this responsibility?

MR. GETTY: I mentioned earlier, Mr. Speaker, that there is a section in the Department of Energy and Natural Resources which has that responsibility.

Foothills Hospital Labor Dispute

MR. CLARK: Mr. Speaker, I'd like to address the second question to the Minister of Labour, and ask if he has been in contact today with the 750 members of the support staff at the Foothills Hospital in Calgary?

MR. CRAWFORD: No, Mr. Speaker.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Does the minister plan any specific action in the strike of these workers with regard to what has been reported as "government inaction on sexual disparity in wages and other demands"?

MR. CRAWFORD: Mr. Speaker, I think the hon. member is really surveying in a very summary way some of the issues between the parties. Until recent days, the parties have been engaged in attempts to make some sort of settlement directly across the table. The good offices of the labor relations branch of the Department of Labour were offered some time ago. Following that, certain meetings took place as a result.

I would have to say to the hon. member now that no final settlement has been reached. Indeed, in my understanding of what is transpiring there, the negotiations are not free from difficulty. I think all I can add for the hon. member is that the good offices of the labor relations branch continue to be available to the parties.

Pumphouse Theatre -- Calgary

MR. GHITTER: Mr. Speaker, my question is to the hon. Minister of Culture. It relates to the creating of a heritage site at the Pumphouse Theatre in the City of Calgary. I'm wondering if it was the intention of the hon. minister to have all the land made a heritage site in that portion of the land is the location for the proposed Max Bell Athletic Foundation.

MR. SCHMID: Mr. Speaker, the declaration of a heritage site in this case only requests that any changes to the particular site would have to be reported to government 15 days prior to any alterations being made.

MR. GHITTER: A supplementary, Mr. Speaker, for clarification. Does that mean that if the foundation were to go ahead with their proposal, they would just come to the minister for approval of that use of the heritage site for the foundation?

MR. SCHMID: Mr. Speaker, I don't think it is so much an approval as a matter of notification. I think it requires the minister be notified of any changes to the present site.

Cancer Institute Labor Agreements

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Labour. Under The Cancer Treatment and Prevention Act, the commission from time to time establishes salaries for people at the W. W. Cross Cancer Institute. I understand the negotiations are with the board. I wonder if the minister could clarify the procedure involved there.

MR. CRAWFORD: Mr. Speaker, I think all I can do to clarify the matter for the hon. member and for the information of the House is to describe what has been the course over the years. According to my understanding of it, and I'm satisfied it's correct, the board itself has been either directly or indirectly conducting negotiations. I say that because "indirectly" may involve a group such as the Alberta Hospital Association as representatives.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. In the final analysis, though, the agreement is signed between the commission and the workers. Is that correct?

MR. CRAWFORD: Mr. Speaker, I can't answer that without seeing the document. I think the hon. member is referring to a matter which is a mixture of fact and law.

Foothills Hospital Labor Dispute (continued)

MR. KUSHNER: Mr. Speaker, I wish to direct this question to the Minister of Hospitals. I was phoned this morning by the president and executives of the Foothills association, saying the door has been closed as far as further negotiations are concerned, and it has been since February 23. From the point of view of public relations, communications have been very poor between employer and employee as to progress of the negotiations . . .

MR. SPEAKER: Is the hon. member about to ask a question?

MR. KUSHNER: Would the minister advise the House of progress as far as negotiations are concerned?

MR. MINIELY: Mr. Speaker, as my colleague, the Minister of Labour, has indicated, all matters of negotiation are between the board of the Calgary Foothills Hospital and the Civil Service Association. Matters even as to the timing of negotiations or the willingness to negotiate are within the jurisdiction of the hospital board.

If the hon. member so desires, I am in a position to report the latest situation at the Foothills Hospital, as it was reported to me yesterday by the chairman of the board.

SOME HON. MEMBERS: We do.

MR. MINIELY: Mr. Speaker, the chairman of the Foothills Hospital board contacted me yesterday afternoon to indicate there was job action. At that time, approximately 95 of the 600 employees of the Foothills Hospital had left. The chairman of the board indicated that they immediately filed and obtained an injunction, and that injunction was being served on the employees who had left their jobs. He further indicated that the majority of employees were from certain areas of the hospital, and he did not feel there was any disruption to its operation. But they had served injunctions on the employees who had walked off the [job].

MR. KUSHNER: A supplementary question, Mr. Speaker, to the minister. Can he advise this House if the management or employer is in fact refusing to meet with the employees as far as negotiations are concerned? Is the door really in fact closed? I understand it is.

MR. MINIELY: Mr. Speaker, I have to say that becomes a matter of one person's opinion or view of one particular side. Again I say that even the matter of the timing of negotiations is within the jurisdiction of both parties, the board on one hand and the CSA on the other.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister. Can he advise the Assembly whether the point made by the previous questioner is in fact true, that the board is refusing to meet the workers?

MR. MINIELY: Mr. Speaker, I have heard different sides from both parties. That is why I am not in a position to make a judgment on which is correct.

MR. NOTLEY: Mr. Speaker, a further supplementary question. Is it the minister's intention to use his good offices first of all to find out what is happening, and secondly, to see if negotiations can once again commence?

MR. MINIELY: Mr. Speaker, I think the hon. member knows that in matters of labor negotiation both parties have the right to request good offices if they so desire.

Suffield Block

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Premier. On May 6, Defence Minister Richardson told the Commons defence committee that the Alberta government has expressed interest in the Suffield Block, not only for gas but for other purposes.

Could the Premier tell us whether this is, in fact, the case? If so, could he tell us what some of the other purposes are?

MR. LOUGHEED: Mr. Speaker, I'll have to refer that question to the hon. Minister of Federal and Intergovernmental Affairs.

MR. HYNDMAN: Mr. Speaker, the Government of Alberta certainly does have an interest in the sense that the Crown owns the mineral rights underneath the Suffield reserve. Negotiations are now going on relating to access to the surface with regard to contemplated drilling operations.

MR. MANDEVILLE: Mr. Speaker, a supplementary question to the Minister of Federal and Intergovernmental Affairs. Has the Alberta government had any recent communication with the federal government concerning Ottawa's announcement of intention to phase out the defence research centre at Suffield?

MR. HYNDMAN: Not to my knowledge, Mr. Speaker. I'd be happy to follow up that point with the hon. member if he would like to provide me with details as to the understanding he has of any alleged communications.

MR. MANDEVILLE: Mr. Speaker, a further supplementary question. In view of the serious problem and delay with moving the defence facility to Winnipeg, is the Alberta government planning to make further representation to Ottawa to see if the DRES phase-out decision might be reversed and the DRES station kept in operation at Suffield?

MR. HYNDMAN: I think that's something we'd certainly consider, Mr. Speaker. I'll follow up that point in addition to the one to which I previously referred.

MR. SPEAKER: The hon. Member for Spirit River-Fairview followed by the hon. Member for Drumheller.

MR. NOTLEY: Mr. Speaker, I'd like to ask a supplementary question to the hon. Minister of Federal and Intergovernmental Affairs first, if I may. Has your department given any consideration to alternative uses for the Suffield experimental station?

MR. HYNDMAN: At the moment, Mr. Speaker, I think that would depend essentially on the posture of the federal government. As I said in my previous answer, we would certainly consider alternative uses in concert with other public departments and those of the private sector who might be interested or have initiatives to propose.

Brinco Limited

MR. NOTLEY: Mr. Speaker, I'd like to direct my question to the hon. Premier, and ask if he could advise the Assembly whether there have been any discussions recently with the Government of Newfoundland concerning the Brinco matter, to which he alluded last year.

MR. LOUGHEED: Mr. Speaker, no, there have not.

Heritage Trust Fund

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Premier. Has the government developed definitive guidelines yet with respect to the investment of heritage trust fund money in provinces outside Alberta?

MR. LOUGHEED: Mr. Speaker, not in addition to the statement I made on March 12, which is contained as an appendix to the budget speech.

Lieutenant-Governor's Birthday Cake

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister of Recreation, Parks and Wildlife. It may be a little on the light side, maybe just a little facetious. A very short explanation is necessary. There were 69 candles on the beautiful cake made for His Honor the Lieutenant-Governor. On invitation, I was invited to blow one out. I blew one out.

My question is: does that mean I get married in one year, or am I going to be lucky and wait another 68?

MR. ADAIP: The best answer is that it's your prerogative, and I hope you make the right decision.

MR. SPEAKER: The answer was probably appropriate for the hon. minister to address it personally.

Manpower Requirements

DR. BUCK: Mr. Speaker, I'd like to address a question to the hon. Minister of Labour. Can the minister indicate to the House if he or his department have engaged in any studies to ascertain what shortage of skilled labor we'll be experiencing in the province within a five-year period?

DR. HOHOL: Mr. Speaker, I missed the first part of the question, but I presume it had to do with the apparent or real shortage of labor in Alberta over the next five years. This is a detail I would have to get from files. Let me just say in a general way that if the hon. Member for Clover Bar is referring to the trades by using the terms "laborers" or "workers", over the next five years it appears there will be an aggregate supply of work force that will likely be sufficient.

But within the aggregate there will be dislocations in terms of certain trades being short. For example, in the carpentry trade, in general there may be sufficient carpenters, but in the particular skills, for example, millwork, the present indicators and predictors show there will certainly be a shortage. I would say in the building trades in general, there will be some shortfalls over 5 to 10 years. In general there will be enough people in that particular trade.

There will also be shortages in the service areas in terms of institutional, recreational, and others. In general, there will be enough labor supply. There will be dislocations within a particular trade or industry, and so on.

DR. BUCK: A supplementary, Mr. Speaker. Is the minister or his department looking at non-Canadians to fill some of our skilled positions? Will there be a need for non-Canadians?

DR. HOHOL: Mr. Speaker, the government's position with respect to the supply of labor for Alberta's needs in years to come remains unchanged from the several statements made by the hon. the Premier, other ministers, and myself over the last years. Very briefly it is that the generation of labor usually begins where the work site or workshop happens to be. The region increases in some direct proportion to the need at that particular site or shop and then extends to the province and the nation.

We hope circumstances in the economy and the labor situation will be such that Albertans working elsewhere, with certain skills and competence like design, management, the trades, and others, will return to Alberta. There will be no campaign for this, but it is likely that kind of circumstance will prevail. The Canadian labor force, too, is

fairly mobile. A certain number of people, particularly in the construction industry, follow the jobs.

Those are the four primary sources of labor we intend to pursue. Immigration would not be a priority.

I should like to make this point, Mr. Speaker. Surely the matter of immigration transcends the matching of a person with a particular job that is short at the moment. I think it has some other more noble -- if I can use that term -- dimensions than to fill a specific job, unless it be for a very short time and possibly under circumstances other than immigration.

Immigration Green Paper -- Hearings

DR. BUCK: A supplementary, Mr. Speaker. The special joint committee of Parliament on immigration policy is meeting here on June 18 and 19. I would like to know if the government is presenting an official position or an official paper to that committee.

DR. HOHOL: No, Mr. Speaker. It is not the intention of government to respond in an official way to the paper. It is under study by several departments of government, including the Department of Advanced Education and Manpower. We have a member sitting on a federal-provincial committee on immigration in terms of making certain the aspirations of Albertans are met to the best degree possible by the initiatives of the federal government on immigration.

DR. BUCK: Mr. Speaker, in that short answer, did the minister say . . .

MR. SPEAKER: Might this be the final supplementary on this point.

DR. BUCK: Did the hon. minister say no, the government is not presenting a brief or paper to the federal government on this?

DR. HOHOL: The hon. Member for Clover Bar is debating the point and expressing his point of view.

MR. CLARK: Yes or no?

DR. HOHOL: I should like to answer in this way, Mr. Speaker. The hon. Minister of Manpower and Immigration for the federal government, the Minister of [Federal and] Intergovernmental Affairs, and I have been in extensive discussions. We're in constant discussion with Mr. Andras and other members of government on the matter of immigration.

MR. CLARK: On a point of order, all we want to know is yes or no. [interjections]

MR. SPEAKER: It does appear the answer which was required by the question and the supplementaries goes considerably beyond the scope of what is ordinarily expected in the question period.

Perhaps we might go on to another topic.

MR. CLARK: Mr. Speaker, on a point of order. Is the Chair ruling that the minister is in no position to say whether the government is going to make a presentation to the House of Commons committee?

MR. SPEAKER: By no means. The minister isn't obliged to say anything.

MR. CLARK: He didn't.

Committee of International Agencies

MR. YOUNG: Mr. Speaker, my question is to the Provincial Treasurer, although I'm not certain of that. It has to do with the government contribution announced last year of matching grants, the first agreement by a provincial government to match grants to the Alberta Committee of International Agencies. The report of that committee expressed concern about the proportion of kind in relation to cash.

Has the government given any consideration to increasing the proportion of cash and decreasing the proportion of kind in the matching grant?

MR. SCHMID: Mr. Speaker, since I'm the chairman of this Cabinet Committee on International Aid, I would like to reply that we have given consideration to this request. Also I would have to state that the in-kind requirement is a matter of discussion since some of the products, of course, can be purchased in Alberta, and are sometimes more conveniently purchased probably in other provinces. However, if it's for the country specifically to which the aid goes, we usually had the application for in-cash and the in-cash grant was provided.

MR. YOUNG: Mr. Speaker, for clarification. Do I understand correctly then that the proportion is being changed, that more cash and less kind is being provided?

MR. SCHMID: Mr. Speaker, maybe I should put it into dollars. It's a 40/60 per cent proportion: 40 per cent in kind, 60 per cent in cash. We are considering whether this percentage should be changed.

Noise Pollution

MR. JAMISON: Mr. Speaker, I would like to direct a question to the Minister of Environment. In order to ensure Albertans are given protection from noise and traffic pollution, have you or your department an act under consideration for these two types of pollution?

MR. RUSSELL: Mr. Speaker, the surveys that would be the background of any legislation are under way. The department is now in the process of developing what it calls a working model for such studies. We're also consulting on this with some leading private consultants in the field.

School Programs -- Safety

MR. HANSEN: Mr. Speaker, this is a follow-up question to the hon. Minister of Education to ask if he has now obtained information on the safety of children who take classes on water, that is, water courses. What are the safety rules according to lifesaver, belts, and so on?

MR. KOZIAK: Mr. Speaker, yes, I asked the department to look into the matter raised by the hon. member a couple of days ago and to report. I haven't received the report yet as to the responsibility of the local school board and the superintendents of those school boards with respect to classes conducted outside regular school hours and school facilities.

I imagine some provincial regulations deal with water safety, but I'm sure those aren't the ones the hon. member is inquiring about. I'm particularly interested as well in regulations the Department of Education may have in this regard. As soon as I have that information I'll report to the hon. member.

Fuel Delivery -- Small Airports

MR. COOKSON: Mr. Speaker, I'd like to ask a question of the Minister of Transportation. Could the minister advise whether there has been any communication with regard to discontinuance of delivery of fuel to small airports?

DR. HORNER: Not that I'm aware of, Mr. Speaker, but we can follow up that question.

Petrochemical Development -- Raymond

MR. GOGO: Mr. Speaker, a question to the Minister of Environment. Due to the increased demand for public hearings on the proposed ammonia site at Raymond, has the minister altered his opinion on the feasibility of having formal public hearings into the plant?

MR. RUSSELL: Mr. Speaker, I think it's on record several times that the government is committed to holding such hearings with respect to that proposal in the event it looks like the project might proceed. I think the best way to describe it would be that the concurrence or agreement of the government for approval of the plant would be contingent upon satisfactory solutions being found to circumstances which might arise at some of those hearings.

MR. GOGO: Mr. Speaker, supplementary to the minister. Would the minister comment on charges made recently that the Energy Resources Conservation Board is not qualified to consider the social and environmental implications of the decision of the plant going in?

MR. SPEAKER: The hon. member is inviting the hon. minister to enter into a debate.

DR. BUCK: You can do that in caucus.

MR. CLARK: Caucus.

Environment -- Athabasca River

MR. RUSSELL: Mr. Speaker, I meant to say while I was on my feet, I'd like to give the hon. Member for Spirit River-Fairview the answer to a question posed in the House two days ago with respect to an industrial spill at the North Western Pulp & Power Ltd. plant at Hinton.

I've determined the facts to be these. As a result of monitoring carried on by the Department of Environment, the plant was asked to carry out some improvements and an emission control order was issued. In order to carry out those improvements, it was necessary to deepen two existing lagoons which collect industrial sludge. To do this the clean water, if I can call it that, at the bottom of the lagoon was directed into the Athabasca River, and a temporary lagoon was built for the sludge and dirty liquid on top. In transferring the sludge and dirty liquid to the temporary lagoon, some of the sludge was spilled into the river.

Department officials have been there and an on-site examination is under way, including lab analysis of the spilled material and an examination of the condition of the bottom of the river.

Pumphouse Theatre -- Calgary (continued)

MR. SCHMID: Mr. Speaker, to verify the situation of the Pumphouse Theatre in Calgary. This site has been recommended and not designated as a heritage site, which of course means the recommendation has to be signed by myself. This has not been done. So whatever the people would like to do until that point is, of course, up to the persons concerned.

MR. GHITTER: Mr. Speaker, a point of clarification on the matter just raised by the hon. minister. Has it not, then, been designated as a heritage site in accordance with the letter forwarded to Mayor Sykes setting that out?

MR. SCHMID: Mr. Speaker, the letter was sent to Mayor Sykes informing him the recommendation has been received in my office, giving the City of Calgary 30 days' time, I think, to reply to me. But this is all that has been done to date.

Historic Building

DR. PAPROSKI: To the Minister of Government Services and Culture, further to a question I asked a few days ago. What progress has been made regarding the purchase of Sir John A. Macdonald's home in eastern Canada?

MR. SCHMID: Mr. Speaker, outside of a number of phone calls from eastern Canadian television and radio stations, no further progress can be reported.

Immigration Green Paper

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to either the hon. Minister of Labour or the hon. Premier. It's a follow-up to the green paper question put by the hon. Member for Clover Bar.

My question is: in view of the green paper controversy concerning civil rights, has the government requested the Alberta civil rights commission to examine this document from a civil rights point of view?

MR. CRAWFORD: Mr. Speaker, I have not asked the Human Rights Commission to examine the document either for the purpose mentioned or for any other purpose. However, they may well have proceeded on their own initiative to give it some consideration. I could ascertain that from the chairman and inform the House.

Wood Buffalo National Park

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister of Federal and Intergovernmental Affairs. Are negotiations still going on regarding the transfer of Wood Buffalo Park to the province?

MR. HYNDMAN: Yes they are, Mr. Speaker. I met with the federal minister, the Hon. Judd Buchanan, some weeks ago. Matters are now progressing. The initiative is essentially almost entirely federal with regard to that situation. Negotiations are still going on.

MR. TAYLOR: Supplementary. Are the discussions centring on an outright transfer, or are we exchanging some other park for Wood Buffalo Park?

MR. HYNDMAN: Mr. Speaker, without going into a good deal of background, I think perhaps the estimates of the department might be a better place to explore all aspects of that situation, at which time I'd be happy to outline further information for the Assembly.

Suffield Block (continued)

MR. MANDEVILLE: Mr. Speaker, my question is also to the hon. Minister of Federal and Intergovernmental Affairs. What is the official position of the Alberta government with regard to the British army training program at Suffield? Does the Alberta government feel it should be continued?

MR. HYNDMAN: Mr. Speaker, under agreements which, I believe, originated in 1941, the surface land in that area is presently under the jurisdiction of the federal government. So the use of the surface is something within the purview of the federal government, and more particularly the federal department of national defense.

Crimes Compensation -- Medical Payments

MR. MINIELY: Mr. Speaker, earlier this week the hon. Member for Drumheller asked me whether there was any relationship between payments to medical doctors reported by the Crimes Compensation Board and the Alberta Health Care Insurance Commission.

Mr. Speaker, the answer is that payments are made directly by the Crimes Compensation Board to medical doctors in Alberta. A lot of the reason for this, of course, is that many of the individuals involved are not covered by the Alberta Health Care Insurance Commission.

Retail Milk Prices

DR. PAFROSKI: Mr. Speaker, a question to the hon. Attorney General. Has the PUB now allowed a differential between milk prices in retail stores and that delivered to the home? Is this now legal?

MR. FOSTER: I understand that is the consequence of a recent order of the board, Mr. Speaker.

Imperial Oil Refinery - Calgary

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Business Development and Tourism. Has he agreed to meet with representatives of the Alberta Federation of Labour concerning the closure of the Imperial Oil refinery in the City of Calgary?

MR. DOWLING: Yes, Mr. Speaker. Just so there are no wrong impressions, we agreed to that meeting the moment it was suggested. However, the suggestion was made that the principals of the AFL meet with officials of the Department of Business Development and Tourism in order to expedite a transmission of their views to me. That was apparently unacceptable. As a result we offered them the alternative of meeting with me as soon as time would permit.

They indicated, wrongly so, that I didn't intend to meet with them. That is entirely incorrect. We now have a meeting scheduled for 7:00 or 7:30 of the morning of the 19th.

MR. SPEAKER: May the hon. Member for Innisfail and the hon. Minister Without Portfolio and Member for Wetaskiwin-Leduc revert to Introduction of Visitors?

HON. MEMBERS: Agreed.

INTRODUCTION OF VISITORS (reversion)

MR. DCAN: Thank you, Mr. Speaker. On behalf of the Hon. Helen Hunley, who has other commitments today, I would like to introduce to you, and through you, 43 Grade 9 students from Caroline Junior High School. Caroline is in Helen's constituency, immediately west

of the Innisfail constituency. They are seated in the public gallery and are accompanied by Mr. Ken Maki and Mr. Greg Walton. I now ask them to stand and be recognized.

MR. SCHMIDT: Mr. Speaker, it's indeed my pleasure this afternoon to introduce to you, and through you to the members of this Assembly, a group of senior citizens from the City of Wetaskiwin in my constituency. Mr. Speaker, it's to this group and others like it that we in this province owe so much. I should like to ask them to stand and be recognized by this Assembly.

ORDERS OF THE DAY

MR. HYNDMAN: Mr. Speaker, His Honor the Honorable the Lieutenant-Governor will now attend upon the Assembly with regard to Royal Assent on Bill 3, The Appropriation (Interim Supply) Act, 1975.

ROYAL ASSENT

SERGEANT-AT-ARMS: His Honor the Lieutenant-Governor.

[His Honor the Lieutenant-Governor entered the Legislative Assembly and took his place upon the Throne.]

MR. SPEAKER: May it please Your Honor, the Legislative Assembly has, at its present sitting, passed a certain bill to which, and in the name of the Legislative Assembly, I respectfully request Your Honor's assent.

CLERK: Following is the bill to which Your Honor's Assent is prayed: Bill 3, The Appropriation (Interim Supply) Act, 1975.

[The Lieutenant-Governor indicated his assent.]

CLERK: In Her Majesty's name, the Honorable the Lieutenant-Governor doth assent to this bill.

SERGEANT-AT-ARMS: Order!

[The Lieutenant-Governor left the House.]

[Mr. Speaker left the Chair.]

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COMMITTEE OF SUPPLY

[Dr. McCrimmon in the Chair]

MR. CHAIRMAN: The Committee of Supply will come to order.

Department of Utilities and Telephones

DR. WARRACK: On second reading, May 28, and committee reading, May 30, of Bill 18, The Department of Telephones and Utilities Amendment Act, 1975, which reorganized the department into the Department of Utilities and Telephones rather than the opposite sequence, I made a number of remarks with respect to surveying some of the considerations that were intended in some of the activities of the Department of Utilities and Telephones. At the same time, I pointed out the emphasis on utilities now, and as we foresee it in the future, particularly in rural areas, and our vision of utility telephones as a component part of the utilities concept rather than something separate.

In light of the subsequent questions and opportunities I had to discuss with hon. members some of the considerations brought forward, I don't think I need to repeat those remarks at this time, Mr. Chairman. However, I thought it might be helpful if I just emphasized very briefly a few of the priorities we have in our minds now, and as we go forward with the help and direction of the members of the Legislative Assembly, what we intend within the responsibilities of the Department of Utilities and Telephones.

In enumerating these briefly, Mr. Chairman, first of all I would point with emphasis to the rural gas construction program now under way, having regard to the fact that a substantial portion of Albertans, particularly in rural Alberta, did not have the benefit of this service. The program is presently under way, as I outlined in some detail during readings of Bill 18, to establish an opportunity for people in rural areas, both farm and non-farm, to have natural gas provided to them. That certainly is a special priority of the Department of Utilities and Telephones through to the completion of the program. I would place it number one on that priority list.

Secondly, I would emphasize, with respect to the same commodity, natural gas -- recognizing the special position Albertans have as owners of a resource that is largely Crown-owned -- the natural gas price protection plan, to be specific, the natural gas rebate plan, which has been undertaken by the Government of Alberta to protect Alberta users from the full impact of price increases in the value of natural gas. These increases have been very substantial over the last year and a half or two years. We anticipate substantial increases in the future as well. So this priority, price protection for Alberta users of natural gas, is one I would like to emphasize in listing priorities for the Department of Utilities and Telephones.

As all members will have noticed, [these are] a substantial part of the budgetary commitment the provincial government is making in the estimates of the Department of Utilities and Telephones: first, the rural gas construction under way in Alberta; secondly, the natural gas price protection priority; thirdly, I would like to emphasize the priority we have for electric services in Alberta, again referring particularly to rural Alberta.

In years past, it was rather a difficult undertaking; in fairness, it was the initiative of the previous government as well as local people, through the Rural Electrification Association system. There are in the order of 375 REAs providing this service. In some instances, the systems are becoming depreciated and will, in the foreseeable future, need to be reconstituted and rebuilt. This is one of the priorities before us with respect to the responsibilities the Province of Alberta has through the Department of Utilities and Telephones. I would emphasize that third priority.

In addition, I would want to bring to the attention of hon. members the priority with respect to the future electrical power generation supply for the Province of Alberta. I did make some detailed remarks on this matter during readings of Bill 18, the bill which establishes the Department of Utilities and Telephones. Although all other matters might be taken care of, we might be thwarted in our aspirations for economic development and diversification, both by geography and sector of the economy, if we were in a position such that we did not have that electrical power supply in the future. This must be planned and properly developed with a view to the future. That is a major part of the responsibility I have in being the minister responsible for the Department of Utilities and Telephones. I emphasize that priority at this time.

In addition, with respect to the telephones component of the utilities concept I am responsible for, I would like to draw members' attention to the priorities within the provision of service by the telephone system of Alberta, the Alberta Government Telephones, particularly emphasizing two parts. First, the extended flat-rate call system under construction at this time will in large part be complete by the end of calendar year 1975. This is a further extension of the old extended area service concept, and a major and very well accepted extension of rural utility opportunity in the Province of Alberta. I emphasize that as a priority within the telephones component of the responsibility I have.

Secondly, and particularly in light of the annual report tabled some 10 days ago, I believe it's only fair to point, as has already been done by the hon. Member for Calgary McKnight during the question period one day, to the question of financial solidarity of Alberta Government Telephones, observing that revenues had gone up, but that costs had gone up more quickly. Moreover, the revenue growth experienced was primarily in the toll area rather than the more reliable flat rates received. From that point of view, the net revenue is down substantially. That is a matter we need to look at and watch carefully in the future, with respect to the financial solidarity of the telephone system in the Province of Alberta.

So, Mr. Chairman, unless asked by hon. members, I would not repeat in detail the remarks I made on second or third reading of Bill 18, but stop with the remarks I have made here. They are made with the purpose of setting forth the top priorities of the Department of Utilities and Telephones through the fiscal year we're dealing with in these estimates. I reiterate what those priorities are: the rural gas program construction in Alberta; the natural gas price protection undertaken and reflected in the budget; the rural electrification service that is such an important part of the province; fourthly, the provision and planning for future electrical power generation in the Province of Alberta; fifthly, the priority of telephones as an important service, breaking that down into an emphasis of the extended flat-rate call system and the question and maintenance of financial solidarity through the future.

Thank you.

MR. ZANDER: Mr. Chairman, I wonder if the minister could perhaps dwell on the method present power companies are using to take over and persuade the memberships to sell the REA lines to Calgary Power. We must recall the first contracts for these power lines were issued back in the '50s, and cost the membership anywhere between \$1,000 and \$1,500. They've built up a large reserve.

While attending one of the meetings, I could not help but believe the membership should be helpless in understanding the function of the takeover. It is a salesmanship job performed by the power companies. Sometimes the association cannot get members to act on the board or become the secretaries of the board. They're lucky to do so, because they're unable to pay these people any dignified remuneration. In the meeting I attended, if my memory serves me well, for the line which cost the customers over \$1,075, the power company offered \$114 per membership. Now remember this point, Mr. Minister, they also used the \$600 per membership reserve trust account. The total amount each member would get back was \$714. I believe we, as a government, have a responsibility to the REAs established at that time to give them the true facts as to what they're entering into before the membership is sold.

Some of the people who sold them a year ago now find that the service charge is \$4 more per month than it used to be under the old REA. I think the facts should be brought to the people before they sell. I think we have a duty to our people, to the REAs, to bring this message to them, to make it very plain what they're doing. Every member of the Legislature, wherever there is contemplation of an REA being taken over by a power company, should tell the people what the score will be down the line. I simply cannot believe that some of these customers who came on 5 or 6 years ago at a cost of \$1,500 are selling their contracts back to the company for \$120. This is just not reasonable. They are only using the reserve trust account to make that dollar figure a very large amount. Actually, the reserve trust account belongs to the membership in the first place and should not be considered in the selling of the line.

I think we have a responsibility we must exercise. These people are at the mercy of power companies doing a superb job of salesmanship. This, Mr. Minister, is what I believe should go out to every REA. Say to them, now, you can sell if you want, but here are the facts as to what is going to follow.

DR. WARRACK: Mr. Chairman, I am happy to comment on that matter since there is obviously considerable confusion. I suppose the first point, really, is that I wish my 1965 automobile was worth the same amount it was in 1965. On the other hand, I've used it for 75,000 miles, and there is depreciation.

It's quite right, as the hon. member points out, that there's a financial need in some of the considerable number of REAs to have the capacity to reconstruct. This needs to be financed in some manner. The basic concept of the deposit reserve was to set aside moneys for that eventual day, in recognition that the initial investments depreciate over time as they are used. Then they need to have reconstituted systems. A financial provision needs to be made for that. Some of the deposit reserve accounts are in good shape relative to that, some are fair, and quite a number are in pccr shape.

I would like to be clear with respect to what happens next. This is not a takeover in the sense of someone coming and trying to acquire some facilities and assets that belong to someone else. As a matter of fact, the purchase of a system is considered upon request from the REA. That is the fact. Whether an REA wishes to sell its asset to the power company involved -- either Calgary Power or Alberta Power, depending on the location -- is a matter of choice, because alternately they could raise the funds to pay for reconstituting the system themselves and continue as an REA if they wish. At the same time, some of the REAs have decided that it would be worth while to explore whether it would be in their interest to sell the value of the asset to the power company. As the hon. member quite rightly points out, from time to time there's an ebbing of the interest in running these co-operative associations. The power company has to be guided in the cost formula it looks at, in terms of what is an acceptable cost to the Public Utilities Board for rate applications. If it pays more than that, it is in a position where payments beyond that level are not considered by the Public Utilities Board in rate requests for the future.

I might give hon. members a summary of the matter. Of roughly 375 offers across Alberta, 8 have been made and accepted. Some are under consideration and pending, though not a large number. Only that number have been involved. In review, facing the need to reconstitute the physical capability of the electrification system in the REA, upon written request an offer can be made to the power company if the REA wishes. This is then considered by the company, [using] a formula triggered according to the costs for rate application purposes. The matter is then put forward as to a financial value that would be paid for the system. The REA can accept it. If it does not wish to accept it, it is then in a position to seek an alternate course to finance the cost of reconstituting the system.

MR. ZANDER: Mr. Minister, I attended that meeting, and I asked whether the REA had approached. I understood it was the other way around. I can go back and find this out. What I'm saying, Mr. Minister, is that for a person who has come onto the line as recently as 5 years ago, the line should be almost as good as new. The customer paid \$2,223 to be hooked on to this REA. Now he is entitled to receive only \$114, as any other member. Whether or not a power company does it in the way you have explained to us, I think it is our responsibility to point out to the REAs what their charges will be. The last takeover

I heard of was of one in existence some 14 or 15 years ago. The cost of that line was in the neighborhood of \$1,100. In 11 years, we are looking at half the price of the line.

At the existing cost of wire -- the wire is still the same and hasn't deteriorated, maybe the posts have to some extent. Surely, when we look at the labor costs to reconstruct that line, it may take 10 years from now and nobody, yourself nor myself, can see what the cost of reconstructing this line in 10 years is going to be. If that line has a life span of 20 to 25 years, as we're told, surely this line hasn't been utilized 50 per cent. Yet the estimated return to the membership is only \$120, when the original membership cost \$1,175. It just doesn't make sense. I think we have to go out to these meetings and explain to the people just what is happening, what the end results will be after the takeover.

DR. WARRACK: Well, certainly, I don't have knowledge of the individual situation the hon. member is referring to. I think all of us recognize at the same time that it isn't only use but also age. Whether it's an automobile or an electrical service system, it depreciates for reasons other than strictly use, even though it may have been used only to 50 per cent capacity.

If the information provided to the hon. member is in the order of the magnitude suggested, it may well be that it would be reasonable, sensible, and in the interests of that particular REA not to pursue the offer they had made. That may very well be the case.

With respect to the kinds of ongoing charges that would be involved, I certainly think that would be a very important consideration the members of an REA would want to pursue before they decide whether to proceed with the offer they would have extended on an exploratory basis.

MR. DOAN: Mr. Chairman, I would like to ask the minister what the variation is in the cost of natural gas in the rural areas compared to the urban centres, particularly the difference in cost to the rural areas. I would have thought that after the initial cost of installation, or possibly over the period of financing some of them have to go through, we could revert to a more or less uniform cost across the country. My honorable colleague from Vegreville told me the other day he's paying around 90 cents a thousand cubic feet for natural gas. That seems to be pretty high when I think of our Town of Innisfail where we're paying somewhere around 40 or 45 cents, the last I heard.

Would you explain this variation, Mr. Minister?

MR. BATHUK: Pardon me, Mr. Minister, I don't know whether the hon. member didn't understand me. I had not mentioned rural gas. It's in the Town of Mundare that they're paying 93 cents, not the rural [area].

DR. WARRACK: Normally, the differences that occur are attributable to one or both of two factors, but that doesn't rule out the possibility of one or two other unique factors that may be important in a specific case. The two factors that usually account for differences such as that are: first of all, the question of whether or not the system in its charges is amortizing a substantial amount of the capital that was necessary to construct the program in the first place. In other words, some of the systems have gone in the direction of making the capital investment and covering the bulk, if not all, of that at the outset, so the necessary gas rate need only cover operating costs. On the other hand, if they've gone the route of paying not nearly so much in capital costs at the initial installation time, but rather amortizing those capital costs, including interest, in the gas rate through the future, you can see that would make an enormous difference in rates.

The second consideration is that there's been substantial variation in the price levels and length of terms under which it's been possible for one system, one town for example, to contract gas as compared with another. There are some gas supply situations now that are still at a very reasonable rate compared with others, depending on when their price negotiation, with contract term renegotiation, comes about. Of course, the costs have been a dramatically changing factor, going up in the order of 300 per cent in the course of the last 18 to 20 months. Where you get caught in that time frame could make a substantial difference as well.

Normally, specific cases are explained by one or both those factors, but that doesn't exclude the possibility there might be some specific and unique other factor explaining the differences that doesn't come to mind at the moment.

Agreed to:

Appropriation 3201	\$62,045
Appropriation 3202	\$50,000
Appropriation 3204	\$3,130,600
Appropriation 3205	\$178,750
Appropriation 3206	\$70,000,000

MR. MANDEVILLE: Mr. Chairman, I realize we did go through quite a few issues on our natural gas program on second reading of Bill 18. As the minister has indicated, it's very much under way. However, we're certainly getting a lot of complaints from our gas co-ops. A lot of our co-ops throughout the province are complaining about the way these things are being handled, the way the gas co-ops are being treated.

The big concern is that they're not getting the answers, not getting the feedback to the co-ops. The indecision within our grant structures is giving them the most problems. For example, we have no commitment as far as our transmission grants are concerned on most of the co-ops. They realize there is a grant for transmission lines, but they just don't know how much it is. Also, the minister did say additional funds are going to be available for irrigation districts. These co-ops are indicating that they just don't know where they're going, how much money they're going to get, or where they can go from here.

There is a new scheme I think the minister has discussed, and that is in our transmission lines. I think it's good if the province does take over the transmission lines. However, I wouldn't like to see it happen with some of our co-ops that have already started construction, or have got their program under way. I think it would really hold them up, because it would take so much time for the government to get involved and take over the lines. However, I do think it would be a good scheme as far as our new projects are concerned. It would help solve some of the problems.

Another complaint our co-ops are making to us, and I'm sure other rural MLAs are getting the same complaint, is that the grants are so slow coming out. They get part of the work completed, they apply for the grant and don't get it, and they've got to get interim financing. With the escalating cost of these projects, most of the co-ops are having a problem with financing. They're having a really tough time at any rate to finance their programs. So could the minister or someone in the department get these grants out without the co-ops having to go through so much red tape?

Another area giving them concern is a rate increase in gas. I do realize that the rebate is going to be increased from 16.7 to 28 cents, and it's going to take care of the increase in Alberta gas, which I understand is going to be from 30 to 42 cents. But some of the concern they have is that they're going to make this retroactive to April 1. This is creating a problem, especially in some co-ops where they've got gas pricing tied into the capital cost. To make this retroactive to April 1 is going to create a problem in some of the co-ops already set up.

I realize this is a program which has problems in it. It's going to have to be handled. I do hope the minister will put first priority this summer on trying to solve the problems these co-ops are having. It's been very frustrating, and I realize a lot of these problems are hard to handle. But these co-ops are competent. They're working for the people, and I think if they were to be given more authority or more rope so that they could operate and handle their programs, this would solve some of the problems. After all, they're big investors in the co-ops; they've got a large amount of money invested. I think some of these little items are really disturbing them. If we can get around some of these small issues facing the co-ops, and they're just technicalities, I'm sure it will help solve a lot of the problems in our gas co-ops.

I would like to see someone in the department who's been right out in the field, who has some practical experience, who could work right there and know what the problems are. I've worked with several co-ops, and I see they do have real problems. It's really hard for them to come up to Edmonton and communicate the problems to some of the staff or the minister. If they had someone right down working with the problems, I certainly think it would help solve some of the problems. I would plead with the minister to give first priority this summer to the gas co-ops to try to solve some of the frustration and get some of these gas co-ops on the road.

DR. WARRACK: I certainly appreciate the remarks of the hon. member; they're constructive as always. I not only appreciate them, I share many of the concerns he mentions. In terms of my own responsibility and time allocations, I indeed intend to do just what the hon. member suggests at the end of his remarks. Were we not here day and night, week after week, I'd be doing that now.

This is not at all to dispute some of the comments and positive suggestions the hon. member makes, but I think it is at the same time worth while to recognize that this is a very large program and one that is going forward surprisingly quickly and well. While we all have our faults and make mistakes, and I guess anyone who tries anything is bound to, I certainly think there is a great deal of credit to all those who have been involved, from the minister through to the staff and, as the hon. member emphasizes, the local co-op people for the pretty terrific accomplishment already made with respect to the some 14,000 consumers or users of natural gas in rural Alberta who, not 5 years ago, were still being told this wasn't even possible. That has really been a major accomplishment.

I emphasize there's a good deal of recognition, essential and warranted, to the local people who have been involved, the staff who've been involved both in the field and, of course, here in Edmonton, and to my colleague, the now Solicitor General, for his leadership in this area. I think all members will recall that the basic undertaking as a concept was begun under our tragically deceased former colleague, the hon. Len Werry. My predecessor then took on a major task very quickly, and I think did just a fantastic job.

The other thing I would say about this, though, as a matter of perspective in comment, while recognizing fully the points and constructive suggestions of the hon. member, which I will certainly heed with great care, is that the problems being experienced, while frustrating from time to time, are at least happy problems in the sense they have come out of the mechanisms of the growth and progress pretty badly needed and now occurring in rural Alberta. This is the kind of problem I, for one, like to have and would like to have more of. It comes as a spinoff from doing some important jobs that will, in the immediate and long distance future of people living in rural Alberta, and particularly those who might otherwise not get an opportunity to live in rural Alberta if they wanted

to. From their point of view, real recognition should be given that these are happy problems in the sense they evolve out of progress. I don't deny at all that they are nonetheless complicated, difficult, frustrating, and will require the dedication, constructive approaches, comments, and suggestions of all of us to make them go forward.

MR. R. SPEAKER: Mr. Chairman, I'd like just to make a remark to the Deputy Premier with regard to these estimates.

My hon. colleague has outlined a number of grass-roots problems with regard to the rural gas program. The Deputy Premier was certainly the motivating force in the early stages of this program and got it off the ground. I think it's been well received by the people. With some of the kinks being cleared out at the present time, it's going to be a good program. I've heard nothing but good expectations.

But one of the things happening at the grass-roots level at the present time is the number of concerns my hon. colleague has raised, the flak that's coming back at government, the concerns . . . I'm urging the Deputy Premier to co-ordinate and make sure the Minister of Utilities and Telephones has adequate time to spend on this project in the next month, because the grant structure programs certainly need clarifying.

We find, in our discussions with the co-ops, that someone in the department will give the co-ops one answer, while we get a different impression from the minister's answers to the co-ops. There's confusion. I'm sure we have enough experience at this point in time to decide on such things as transmission grants, canal grants.

Let me just give you an example happening today on the Bow River project. The Bow River co-op has a contract at \$11 a foot for canal crossings. They've had it for some time. The department has monkeyed around, back and forth, and they're about to lose this contract. Most likely they will have to recontract it. Later on, it'll cost more. In the last week the irrigation water was down the canals and we've missed it by a month, two months, when all of this construction work could have been done.

So I'm urging the Deputy Premier to keep it on his priority list. As sort of the chief administrator of cabinet, we certainly would appreciate your assistance and help in that area, because the program is good. During this summer I think we can clear away these wrinkles and get the job done in a proper way.

DR. WARRACK: Mr. Chairman, I'd certainly like to assure the hon. member that I did, indeed, heed the remarks he made to me through the Deputy Premier. I also remind him, as I pointed out during readings of the bill, I did meet with the Bow River gas co-op in Lethbridge on April 28.

MR. BATHUK: Listening to the remarks of the hon. Member for Bow Valley, I can see that maybe the grants are a little slow in coming. But I observe that when this program came into being, the intention was to take 10 years to provide natural gas to the 80,000 rural Albertans not getting it.

I'm just wondering whether gas co-ops are not receiving approval faster than they should be. At the rate it is moving along, I wonder whether it won't be completed in about 4 years rather than 10, thereby maybe creating a shortage of piping, equipment, manpower, and so forth. I was just wondering whether one of the reasons for such a shortage is that everyone wants to form co-ops and have gas as soon as possible. If it was a 10-year program as intended, maybe we would not have these problems of shortages.

DR. WARRACK: The hon. Member for Vegreville certainly makes an excellent point. The fact is that if one were looking at this large program across the vast and varied geography of Alberta, one would be inclined to think in terms of a time frame in the order of what the hon. member suggests rather than of the major effort that is being made by a lot of people, not the least of whom are the staff involved on behalf of the Government of Alberta and the directors of the co-ops, to try to make it happen more quickly.

I suppose it's just human nature and certainly natural and appreciated by myself, as one rural MLA, that the people in my own constituency co-op areas don't want to be the ones to wait. The difficulty is that it's such a good thing. I think everyone has reflected that. And frankly, it's very much overdue in our province. That being the case, a lot of people feel they don't want to wait unduly. In deference to that, we've been pushing forward as rapidly as we can, with the resulting situation described by the hon. member.

But I think, in the perspective of the program itself, it's very important to take careful note of the comments the hon. member makes because they do fit in, establish a perspective, and explain some of the situations we've run into.

MR. ZANDER: Mr. Chairman, I wonder if I can ask the minister a question regarding the REAs? I wonder if there are regulations pertaining to REA operations. I know there certainly are guidelines which would permit the organizations still in effect to pay their directors and also the secretary at least for the time they serve, for what work they do in carrying out their duties as members of the boards. This would certainly stop the REAs throwing up their hands because they can't find any directors or secretaries to function in the associations.

I know when I was on the board in 1958 and '59 certain guidelines had to be laid down. All the work we did was free. I wonder if the situation is still the same, or whether they can pay themselves something so the board has something to deal with, so that we can get capable men to maintain the REAs. The problem is that people are not going to do work

for free any longer. They've done it for so many years and they'd like to get paid at least expenses for going back and forth to meetings. If there have to be changes in the regulations I wonder if the minister would consider making those changes?

DR. WARRACK: I'm happy to revert to that appropriation, Mr. Chairman. I understand that capacity is in the legislation and regulations as they stand now. That's a matter of law and public record. Precisely where they're located and explained, I'm not sure. It may very well be under the auspices of my colleague, the Hon. Graham Harle, Minister of Consumer and Corporate Affairs, in the co-operative activities area. But I understand there are.

The only other thing I feel compelled to say is that it is possible in any of these arrangements -- and I'm not suggesting it's the case in REAs, either locally or across-the-board -- that you have to watch out for a situation of financial rather than co-operative motivation that the public good be served, in the sense of not necessarily having an objective of providing jobs for people who might then not only want the pay but want it to be substantial. I just mention that because I know it is a possibility in any of these arrangements, no matter what co-operative or other organization might be involved. I'm not at all suggesting it might be the case with REAs.

MR. HANSEN: Mr. Chairman, I wonder if the minister could answer the question: where does the money the REA's have put into the revolving fund go, once they drop out of it? If enough drop out, you're going to have a [sizable] revolving fund left. Does part of this drop out with the REA that drops out?

DR. WARRACK: I guess the hon. member is referring to a situation where they might make an offer to a power company and have that offer accepted.

My understanding is that the deposit reserve account that is set up looks like a substantial amount of money until you compare it with the current costs of construction to reconstitute an electrical service system. In some instances it then doesn't look nearly so large. In any case, my understanding would be that if such an arrangement is struck by an REA on its offer to a power company, the value of the system itself is then appraised and the deposit reserve account taken into consideration in terms of the amount of money that would be due to the membership.

I can't really offer more detail than that because, as a matter of fact, this isn't under my department. It's under the co-operative activities branch. Therefore, I'm not in a position to go into more detail than that and feel confident of my accuracy. That's the basic concept involved.

Total Income Account agreed to:	\$73,421,395
Agreed to:	
Appropriation 3281	\$16,000,000
Total Capital Account agreed to:	\$16,000,000

DR. WARRACK: Mr. Chairman, I move the resolution be reported.

[The motion was carried.]

Department of Labour

MR. CRAWFORD: Mr. Chairman, at the outset I would like to follow the custom of previous years, and of the other ministers whose estimates have already been considered by the committee, and try to give a brief overview of the Department of Labour as I see it. I have a particular desire, of course, to do that, because of the fact that this is the first occasion upon which I've had the honour of presenting the estimates for this department.

Mr. Chairman, some important changes occurred to what was the Department of Manpower and Labour as a result of the government reorganization that removed from the department the division of Manpower, which my colleague, the Minister of Advanced Education and Manpower, is responsible for. This therefore, caused a focus or emphasis to be brought into play with regard to the Department of Labour, and I think enables it to become a more highly specialized department, or at least to engage in highly specialized work in certain areas.

By way of generalizing, I might say that what I meant by highly specialized approaches, and we're talking in terms of increased emphasis, is probably an even greater emphasis than has been the case on labor-management relations. I wanted to make that clear.

Basically there are five areas in which the department has some concerns or interests: the human rights area, labor-management relations, industrial health, workers' compensation, and the area of inspection and standards on quite a wide variety of subject matters.

Speaking first, if I might, to the interesting subject of human rights and the relationship of the Alberta Human Rights Commission to the provincial government, my interpretation of the statute is that the Human Rights Commission was, and is, intended to be a substantially independent agency. It's a public agency in that it is intended directly to serve individual members of the public and matters of concern to the public. It is not in the same sense that many other government organizations are, and is not an actual arm of government. I know it is the desire of the members of the commission to be as responsible for their own actions as they can, and to be regarded as an agency which reports to the Legislature through a minister, rather than one which is, in the usual sense, responsible to a minister.

Two other things I want to add about the Human Rights Commission in this quick overview are that starting off as they did in 1974 with the naming of a full-time chairman, it is recognized that there were a number of things the commission wanted to get off the ground over a period of time. The fact that the chairman was not able to assume his duties until 1974, I think was a bit of a disappointment in the sense that there were things they would have liked to get at, but couldn't. Therefore, their record of full operation is really only a little under one year at this point. That is not to say there wasn't much effective work done prior to the appointment of a full-time chairman, but, of course, it is important to the commission that the chairman should be in his job in order that certain things can be more aggressively looked at.

I'll just make a passing comment with respect to legislation. I think it is likely -- and this is a forecast more than a specific intention at the present time -- that the government will want to look at the legislation itself in the light of experience up to the present time. In saying that, I'll just mention the sort of thing which has occurred is that the government has recently received a brief on behalf of the handicapped association which has explained the reasons why they would like to see an amendment to The Human Rights Act in respect to handicapped people. Our response to them, of course, was that any representation of that type will be fully considered by our caucus, and that it is important enough to require some consideration over a period of time.

In the area of labor relations, I think the hopes of everyone would be that the labor-management relations functions of the department could be carried on in a way that was of genuine usefulness and value to both management and labor in the private sector in the working out of industrial or similar disputes. The department's record in that field is one which has been growing, although it has been there for a considerable number of years.

The philosophy of the labor relations branch is that they would like to be able to approach labor-management problems, in which government has a proper role, with as much flexibility as possible. Members of that branch, I think it is quite well known in a number of areas, work very, very hard, and indeed are very dedicated when it comes to the role of trying to assist parties in reaching an accommodation.

I think that with a little thought, most legislators would agree with the view you hear so often from representatives of the employers or of employees, that once you get into rigid rules and certain degrees of compulsion in the sense of arbitration, or other manners deemed to be appropriate for enforcing settlements which have not been agreed to, certain disadvantages begin to appear which may outweigh advantages in almost any given case.

Therefore, the interest of the labor relations branch will continue to be to assist in bringing parties to accommodations that are mutually satisfactory. I say again that on reflection, most legislators, I think, would agree there are many traps to fall into on the road towards excessive compulsion in regard to the settlement of labor-management disputes.

I recognize that's a very generalized statement of philosophy, one I think it is probably hard to disagree with. I know that there will be times when every member of this Assembly will be urged by one interest or another to adopt a different view, and to find ways through which it is imagined, I think, that legislation can resolve problems which are not primarily resolvable by legislation. So, the alternative is the effort of a credible and hard-working agency of government at the disposal of industry, and by that I mean both the labor and management sides. In that area, I think we can look for greater success than we could any other way.

Just a few words. The Chairman will note that my definition of a few words may be subject to interpretation by others at times.

AN HON. MEMBER: Agreed.

MR. CRAWFORD: I don't want to fail to mention the sense of real excitement and challenge I felt when the decision was taken to bring the industrial health and safety function of government directly into the Department of Labour. We've had the opportunity of discussing that concept at the reading of the bill in respect to the Department of Labour which has been before the Assembly this session. On individual matters in respect to it, I would be as responsive today as I can to hon. members who have questions about the growing role there will be for us to play in the field of industrial health and safety.

I don't feel there is anything more important we can do than to try to bring to a fairly quick operational stage a number of important decisions and procedures that we might be able to offer to both labor and management in industry, and the public, in respect to accident prevention, by vigorously following up accident-causing situations, and making the sorts of attempts which should be made to reduce the suffering and the terrible loss primarily to individuals, because that's where it's suffered.

We can talk about the economy, society, industry all we like, but the real suffering as a result of the lack of prevention, or of an unsafe device, or whatever it may be that brings about the personal catastrophe of an industrial accident, the real suffering, of course, comes home to the individual and his family. It is there we would like to see alleviation of that type of suffering.

The Workers' Compensation Board is an agency, of course, that reports to the Assembly through the Minister of Labour. Its role is well known. It is in the estimates. Again, in respect to this we've had the opportunity during the session of airing and hearing the views of a number of hon. members on the question of the Workers' Compensation Board -- its present level of activity, the work it's presently doing on behalf of the people of Alberta, its own interests, by the way, in the question of safety and accident prevention as well as in the vital area of compensation. Once again, I'll try to be as responsive as I can to hon. members' questions on the operations of the board at the present time.

That leaves only a few general remarks in regard to labor standards. There is a long list of statutes which relate to public safety more than employee safety which I've directed a few remarks toward. The administration of those is a matter of great historic importance, recently reorganized and made better by my predecessor, the former Minister of Manpower and Labour. It involves, of course, the setting of building standards, and the standards of all manner of components in buildings, in order that regard will be had to the safety of the public. Electrical protection; inspection of gas appliances and gas installations; approval of design, installation, and the inspection from time to time of boilers and other pressure vessels; all the very important follow-up there is to make sure these installations are safe, and that the standards they are related to are contemporary and proper in relation to building codes and the like. These are extremely important functions of the department.

I must say that the review I've been able to make since becoming minister has been that the new assistant deputy minister in charge of that has wasted no time in bringing what was previously a fragmented type of service into a wholesome condition. We look forward to improvements, of course, in that performance, and continuation of the labor standards and inspection services fulfilling their important work.

Mr. Chairman, those are the introductory remarks. I'll look forward to the questions.

MR. NOTLEY: Mr. Chairman, I'd like to address a few general comments to this particular departmental appropriation. I'd like to thank the minister for his comprehensive introduction.

In dealing with the points I would like to raise, it's my understanding that we now have a committee which has been given the assignment of looking at the various laws that relate to public employees in this province, The Crown Agencies Employee Relations Act, The Alberta Labour Act, and the civil service act. When the minister responds I would ask him to give us a progress report on the work of this committee. It is my understanding that in fact it may be a year until the report is completed. That being the case, the uncertainty that exists among public employees in this province will continue. I would like to know why it is that this sort of delay is envisaged and why it wouldn't be possible to have some sort of definitive statement sooner. I may be wrong in the information I have been given, but I'm told it may be a year before we have a report on this matter.

I appreciated the minister's comments about collective bargaining and the industrial relations section of the department. I thought it was certainly appropriate to use the term "pitfalls" along the road to legislative means to solve labor disputes. There are a lot of pitfalls which people really don't consider too carefully when we have calls to replace collective bargaining with a different approach, whether that be the labor court proposal or some form of compulsory arbitration, or what have you.

I always find it interesting to read editorials or listen to speeches which make the point that strikes are outdated or outmoded, we have to find a better way. That's where the speech or editorial stops: we have to find a better way. In this discussion among the proponents of changes in the collective bargaining system I have yet to see any positive, constructive, or workable alternative to collective bargaining. I think the statement Churchill once made about democracy, that democracy is absolutely the worst system of government known to man, that is except for every other system -- the same can be said about collective bargaining. It has its problems. Certainly there isn't a member in this House, especially among those representing rural constituencies, who would not testify to the frustration universal during the month of April over the tie-up at the terminal on the west coast. There is tendency for people to say, there has to be a better way. Yet when we look at the evidence of other alternatives being tried, it is pretty clear that we not only encounter pitfalls but, it seems to me, we exacerbate rather than remedy the situation. The evidence I have seen of compulsory arbitration or labor courts, certainly in Australia where labor courts have been tried, is that rather than reducing the time lost through strikes it just creates more problems, and you have wildcat strikes instead of legal strikes.

Now that doesn't mean we can't improve the conciliation process. It seems to me we can learn from the Scandinavian countries, which have probably developed the concept of conciliation beyond what we have considered in Canada. I think it's quite important that once the contract is signed negotiation begin immediately on the next contract.

Mr. Chairman, I want to say a word or two about the minimum wage. I realize that as of July 1 we are going to have another modest increase in the minimum wage. I emphasize the term "modest", because in this day and age we have to really review whether a

substantial increase in the minimum wage is, in fact, not warranted. As I look at some of the wages paid today in the construction trades for plumbers, electricians, or laborers, and contrast that with \$2.25 or \$2.50 an hour, the fact of the matter is that those people who are unfortunate enough to be working at the minimum wage level and are not members of an organized trade union are really in a desperately difficult situation.

The minimum wage today of approximately \$400 a month is just a totally inadequate income. I have said for a long time that it seems to me if there is an area where we have to legislate, it's to help those people who are not members of organized trade unions who can help themselves. We hardly need to worry these days, Mr. Chairman, about the people who belong to the construction trades. They are going to look after themselves, thank you. There is no question about that. They are going to have a reasonable income, and they are going to get it. It's the unorganized workers of this province -- the people who work in laundries, the people who work in industries where there is no history of organization or where it is very difficult to get a union established -- who have as their only protection the minimum wage.

I know a case in my own constituency of a man who has been working for a businessman in one of the towns. He has been working for 4 years. He works a 44-hour week and is making the grand total of \$425 a month. For that work, he has to get up every Saturday morning and go to work for half a day. It's work that involves a fair amount of physical labor. That is the sort of thing that is going to exist. In a sense I can appreciate the problem of the local businessman, but \$425 a month leaves that individual worker at the poverty level. We have just so many examples like this throughout the province. I know the argument is that we can't increase the minimum wage because of its impact on small business. I say quite sincerely that if the price of staying in business is to have an indirect subsidy from the people who work for you, then that is an unfair thing to ask of the employees.

Mr. Chairman, it's more difficult than people may imagine for low-income employees in some of the smaller towns and villages to move to areas where higher wages are available. One of the problems that immediately comes to mind is that if you are going to move from a small rural community to, let us say, Fort McMurray, right off the bat you hit the serious problem of housing. There are many people, in the smaller centres especially, who are not really that mobile, and are in need of assistance from the provincial government through higher minimum wage. I would urge the government at the very least to increase the minimum wage to \$3 an hour, which would keep the minimum wage at a rate at least commensurate with the updated poverty report.

The minister also mentioned the industrial health and safety report. I certainly appreciate that we are making some moves in that area. As he knows, of course, both the Federation of Labour and other groups were not entirely happy that the government chose to put this responsibility within the Department of Labour rather than set it up as a separate department of industrial health and safety or alternatively bring it under the responsibilities of the Workers' Compensation Board. There is a concern, Mr. Minister, which it seems to me you will have to address yourself to. The emphasis on health and safety will not be great enough if it is simply part of a larger department. I say that not in an accusatory way, but simply to observe that that is a feeling which it seems to me the government has to respond to.

Finally, with respect to the Human Rights Commission, I would simply like to reiterate the issue I raised in the question period earlier today. I would like to see the Alberta Human Rights Commission look into the green paper from a human rights standpoint. I realize this is federal jurisdiction. Notwithstanding that, it applies very definitely to the Province of Alberta, which has a labor shortage and where quite a number of immigrants can be expected to settle.

It seems to me we have to have a position on the green paper. It seems to me that in determining that position, a very large part of the determination should be based on a Human Rights Commission assessment of the civil liberties involved. At least, that is one of the issues raised with respect to the new green paper presently being discussed by the federal government.

In general, Mr. Chairman, I think the department can look forward to some progress, and I am confident the minister will do an excellent job. I would close by saying once again, notwithstanding the frustrations people feel about the collective bargaining process, if we hear calls for its replacement we should perhaps insist that people who make that kind of request offer workable alternatives. To date very few workable alternatives have been suggested to replace the free collective bargaining system.

Agreed to:

Appropriation 1701	\$111,800
Appropriation 1702	\$406,200
Appropriation 1704	\$45,262
Appropriation 1705	\$513,900
Appropriation 1706	\$308,850
Appropriation 1707	\$550,200
Appropriation 1708	\$1,200,000
Appropriation 1709	\$1,382,400
Appropriation 1710	\$929,000
Appropriation 1711	\$346,200
Appropriation 1712	\$170,738
Appropriation 1714	\$426,000

Appropriation 1720

MR. NOTLEY: Can the minister advise whether he's satisfied this appropriation will provide enough funds for proper inspection and assessment?

MR. CRAWFORD: Mr. Chairman, maybe I can take this opportunity to do two things. I want to respond to the question, but I also want to make a passing comment on one item the hon. member raised previously, which I believe I should respond to at this time.

The specific question about the progress of the task force established in regard to public service employee legislation -- I'll just recall that earlier this year the task force was set up with the support of both the government and the Civil Service Association. Having mentioned that, I would like to add that the terms of reference, to the best of my understanding, were agreed to by the parties. I don't have an answer today as to the timing of their report. I will commend his question, if I might, to my colleague, the Provincial Treasurer.

As minister responsible for personnel, he is working more closely in the area of the task force. I have no direct input. I'm not sure, for example, precisely which individuals are serving on the task force. I'm not sure whether or not that has been made the subject of information previously given in the House. In any event, the question was on timing. If the hon. member will raise that with the Provincial Treasurer on some appropriate occasion, I'm sure he would do his best to get an estimate of the time.

Coming back to the question of inspection services as related to industrial health, whether the capacity to do the inspection will be adequate, I'd like to put it on this basis, Mr. Chairman: we have recently appointed a new director; members of the committee will remember that last December the then director retired. At the time, the division was a responsibility of the Department of Health and Social Development. Following advertising for a suitable replacement, I was involved in discussions both immediately before and after the government reorganization which resulted in the appointment of Dr. Buchwald. His appointment as the new director was announced, I believe, last week.

I said to him at the time that I was most anxious that we not embark upon a hoped-for new concept or emphasis in the area of industrial health and safety, at a time when we're reviewing very actively the recommendations of the commission -- which is generally credited with having done such a good job in bringing in its report -- to have all of this happening as well as policies being outlined and steps being taken, without the direct involvement of the new director. In a lot of ways, it was the right time to have the position filled. It couldn't have been better from the point of view of the hopes I have for bringing it all together: the views of an experienced and, I think, very vigorous new director; the report of the commission at the same time; and the government's sense of urgency -- I think I can go so far as to say urgency -- in beginning to escalate work in this field.

That leaves me in the position where I really would like to hear from the director. When I do -- as he gets accustomed to our organization and sees areas where functions may change and other important considerations, as he looks it over, I think he will probably say to me he would like to have more manpower. That's one of the things he's going to say. He hasn't said it yet, but I think he will. At that point I am going to have to regard it very seriously. I do not know at the present time the precise response that would be given to a request for a specific number of people, for example. All of the right considerations would be taken into account at that time.

I don't suppose it helps the hon. member if I review it from this point of view. The 24 salaried man-years in the division now are no change from the previous year. However, the previous year was, percentagewise at least, a significant change from the year before as to salaried man-years. We went from, I think, 17 or 18 salaried man-years to 24. I know from the representations I received at that time from the Alberta Federation of Labour, and no doubt from some hon. members too, that whatever the increase, it was not adequate. So I am sure there are going to be more, but I can't say the extent of it just at the present time.

MR. TAYLOR: Mr. Chairman, there's just one point I don't think the hon. minister answered. As a matter of fact, it wasn't asked. I'm a little concerned with the possible duplication in the industrial health services, 1720, and the work presently being done by the Workers' Compensation Board. The Workers' Compensation Board appears to be doing everything that's mentioned here. Is there some reason for having a second vote in this regard?

MR. CRAWFORD: The function of both agencies has been there over the years. The Health department had the industrial health division, and the Workers' Compensation Board had its accident prevention and inspection services. I think the best answer to the hon. member is that, in the co-ordination I foresee Dr. Buchwald doing, we will maybe identify some duplication. If we do, it will be our expectation that we find a way of doing away with duplication.

The historical role of the industrial health services, though, has not really been the same as that of the Workers' Compensation Board. The question of industrial health includes, say, the environment within a plant, in the sense of whether you call it fall-out from certain types of operations that may be carried on in an industrial plant. The Workers' Compensation Board's interest in such areas has been a later, rather than a long-standing, thing. Another example might be things such as sound levels that are maybe not

causing compensatable injuries, but are nevertheless a problem of industrial health. Maybe they don't relate directly to safety, but they do to the health side. I think the streams being followed by the two agencies have some differences.

I hope that by the fall portion of this session I will have received a set of final recommendations that will include dealing with any apparent duplications. I have no commitment to make as to when that will be made public, if it is. I expect to have final work done by the fall for the important decisions within the department that have to be taken on such matters, based substantially on the report of the commission which reviewed both areas.

MR. TAYLOR: Mr. Chairman, I think that's quite reassuring. I think there's nothing more aggravating to people in industry, whether they're employees or employers, then to have an inspector come in one day from one department and another inspector come in the next day to do the same thing. With the same minister I think that can be avoided, good work can be done by both, and the work can be co-ordinated.

There's one other possibility of duplication in this that I think should be watched very carefully, along with the hon. Minister of Environment. That is in such things as the recording of sound and noise and, I would think, even the amount of asbestos in the air. We hear a lot now about asbestos in the air and the damage it's doing to ordinary housewives, people in the home, and so on. Whether it's being exaggerated I don't know. I realize that much of it is a federal responsibility. I was just wondering if the hon. minister could advise whether the industrial health services in his department have been measuring the amount of asbestos in the air in any part of Alberta.

MR. CRAWFORD: Mr. Chairman, on that specific, I would have to check with the division to see if it has been doing it. My expectation is that certainly some of it has been done. The sort of activity that had come to my attention before, to use a specific example, is that in the ceramics industry there's quite often a lot of inhalable dust in the air. That would, no doubt, be a problem quite similar to the problem of asbestos, which is something you try to protect against by, say, the use of a mask or having other systems to try to reduce the amount before it gets into the air. I found that they were, for example, doing tests and requiring changes, typically, in a plant that was in the ceramics area. This was part of the traditional work that the industrial health branch of the Department of Health and Social Development had been doing and had been doing quite well.

Now, I know the concern, and that hon. members will be concerned as I am. In part, maybe I have responded to this side of it already when we talked about the question of additional manpower -- that, however well they're doing it, maybe they're not doing it every place in the province that they should. I'm afraid that has probably been the case. That relates directly to the question of manpower and to the question of review of the budget on the next appropriate occasion.

On the question of industrial health, in the sense of inhalable residues in the air, just one more point. I think hon. members will be pleased to know that part of the scientific, professional, and indeed practical experience background of the new director has been in the area known as environmental health. It's a good sign that he will have a special interest in that.

MR. NCTLEY: Mr. Chairman, is the department of health services reviewing the STOP report, done in conjunction with the asbestos workers union? Have you had an opportunity yet to review that particular report?

MR. CRAWFORD: Mr. Chairman, I have not yet undertaken the review of that report. I expect that the industrial health division of the department is one of the agencies to which the STOP organization would want to present its report. I don't mind undertaking now to ask the division, if the report hasn't been made available to them, to seek it.

MR. NOTLEY: One further question. The minister responded to my initial question by saying he anticipated there would be a request for additional staff. Is the government looking at an expansion of this particular service during the year, which of course would require special warrants, or is this something which would not be considered until the next year?

MR. CRAWFORD: I think the answer to the question is, yes. The government is looking at either increasing it during the year or waiting until next year. To be more fair to the hon. member, I think I will put it in this perspective. I think it depends on the nature of the recommendations received from the new director, whether I ask my colleagues in the Executive Council for that very special consideration in regard to changes prior to the next fiscal year.

I think the point I wanted to outline, as an indicator to me, is that partly because of the fiscal year and the government reorganization both coming at approximately the same time, the reorganization was official as of some date in April. The fiscal year is April 1. My appointment was April 3. The appropriation as carried forward didn't show an increase where, quite frankly, one may well have been expected. It's on that basis -- I think the nature of the recommendations and the director satisfying the government that he would be in an organizational position to deploy into the right places the number of qualified people he might ask for. We won't, for example, create an organization he can't man. These are highly skilled people who do this work.

MR. NOTLEY: Mr. Chairman, has the minister any indication as to a timetable? For example, has there been a discussion between you, Mr. Minister, and the director as to when a request might be forthcoming? Are we looking at something in the immediate foreseeable future, or is it going to be six months? Has there been any discussion between the two of you as to a timetable for a request for additional staff?

MR. CRAWFORD: I haven't asked him to meet with me with respect to any anticipated request for additional staff. I told him we wanted him in the position he was in at the time he came, so he would be able to be instrumental in bringing all of the considerations together. My forecast is that his bringing together of those considerations will yield the sort of request we'd been discussing. But I have asked him to set aside time during the summer months for a couple of meetings with me. Our discussions will be quite broad at that time.

MR. NOTLEY: Just one final question. Will the director of this particular service, the industrial health service, be the person primarily responsible for co-ordination of industrial health services, including the Workers' Compensation Board? Will he be the person whom you will expect to take the initiative and do the co-ordinating?

MR. CRAWFORD: That gets me into the realm of prophecy, Mr. Chairman. Maybe I can just take a moment to put it this way. As I see the various agencies, and the hon. Member for Drumheller specifically mentioned the possibility of duplication already in two of them, we have the Workers' Compensation Board; we have the department's own division; we have the Energy Resources Conservation Board's unit which is interested in safety; we have, of course, the inspection services of the department which are also oriented toward safety. To be able to predict that one or the other of the agencies would be dismantled in the course of the co-ordination and bringing together that we hope to achieve, I think would be going too far for me. I really do want to have that additional period to know that the people who are advising me on it have given it every consideration.

MR. NOTLEY: Mr. Chairman [inaudible] matter, because really one of the principal recommendations in the commission report was the suggestion that we draw together in some sort of co-ordinated way the various functions the minister mentioned, the Workers' Compensation Board, the industrial health, the safety standards, and the ERCB.

My question, which I would like to have clarified, in my mind anyway, is: to what extent is the government committed to this co-ordinating role? Who, in fact, is going to take the initiative? If it isn't going to be the director, will it in fact be you, Mr. Minister? Is this going to be clearly your responsibility to take the initiative in the co-ordination of departments, several of which are not presently in your department? Who will be the person on the firing line, so to speak, to see that this is done, to be responsible and accountable for the co-ordination?

MR. CRAWFORD: Mr. Chairman, that certainly is a very fair question. I don't mind saying that the commission made the recommendation that what they referred to as a "one-window approach" be used to the question of safety. That fact looms very large in every discussion we have on the matter at the present time. I accept the responsibility for the final result.

I think the hon. member's question [referred] directly to the new director. I don't know that he has been invested with any greater authority in the review of matters than has, say, his counterpart who is still at one of the other agencies like the Workers' Compensation Board. But I consider him a principal advisor to me on this subject. Without having tried to say, at this point, that the recommendation on the one-window approach is a must for government, I still would expect that in the consideration being given and the advice that comes to me, the director would play a principal role, maybe the most principal role.

MR. NOTLEY: To further clarify that, I think Harry Truman once had a little sign on his desk saying, "The buck stops here". So in terms of drawing together all these agencies, some not in your department, then in actual fact, as far as we're concerned, the buck stops at your desk?

MR. CRAWFORD: Yes.

Appropriation 1720 agreed to:	\$391,060
Agreed to:	
Appropriation 1733	\$204,000
Appropriation 1734	\$1,012,000
Appropriation 1735	\$427,000
Appropriation 1736	\$362,609
Appropriation 1738	\$153,791

Appropriation 1748

MR. R. SPEAKER: There have been three new members appointed to the board, Mr. Jamha and two others. Is that correct at the present time?

MR. CRAWFORD: At the present time there are three members and my memory of it is that that leaves at least one vacancy. There is no immediate further appointment being considered.

Agreed to:
 Appropriation 1748 \$6,366,088
 Appropriation 1749 \$37,550

Total Income Account agreed to: \$15,344,648

MR. CRAWFORD: Mr. Chairman, I move the resolution be reported.

[The motion was carried.]

Department of the Solicitor General

MR. FARRAN: The hour is late, so I'll spare you the torture of having to listen to a speech. I'll just summarize what happens in my department. I'm in charge of law enforcement which, in effect, means indirect . . .

DR. BUCK: Speak into the microphone.

MR. FARRAN: What?

DR. BUCK: We can't hear you.

MR. FARRAN: Oh. Is that better?

MR. NOTLEY: That's worse. I liked not hearing him.

MR. FARRAN: Testing 1, 2, 3, 4.

[laughter]

Well, Mr. Chairman, the hon. member hasn't had to endure that short portion of my speech.

I'm in charge of law enforcement -- the police, the correctional institutions, the motor vehicles branch, the Liquor Control Board, and the Alberta Racing Commission. I am very grateful to the initiative shown by my predecessor, the Hon. Helen Hunley, which I am pursuing with all the vigor at my command. My policy is to try to broaden . . .

DR. BUCK: On a point of order. Is he pursuing the minister or pursuing her policies? I wasn't sure.

[laughter]

MR. FARRAN: Our policy objective is to try to broaden the range of alternatives open to judges at time of sentence, alternatives to the traditional route of fine and imprisonment, and as far as the correctional institutions are concerned, to do our best to further the long-term objectives, which are to support the rule of law, to protect people and property, and to reduce the incidence of antisocial behavior.

That, Mr. Chairman, is about as far as I have time in my preamble to go. We have 1,800 Mounted Police in the province and about 2,000 municipal policemen. Our principal correctional institutions are at Peace River, Fort Saskatchewan, two in Calgary -- at Spy Hill and the remand centre -- Lethbridge, and Nordegg.

MR. NOTLEY: Mr. Chairman, while we're dealing with the first estimate, I'd like the minister to be a little more specific than he could be in his ministerial announcement today on this new federal-provincial pilot project on restitution.

He indicated a cost of \$70,000, as I recall. How many people will be involved in the project? Will there be an ongoing monitoring and will there be interim reports which will be produced and tabled in the Legislature? Well, I'll start with those two questions.

MR. FARRAN: Mr. Chairman, no full-time civil servants are involved, apart from the overall supervision by Mr. Bricker, the Director of Community Corrections. There will be five people employed by the University of Calgary for the three-year term of the pilot project. It starts with a three-month prestudy, under the direction of Professor Katz of the School of Social Welfare at the University of Calgary, and his second-in-command will be Mr. Lawrence R. Pitman, a research associate.

The purpose of the study is to determine the efficiency of the diversion process in comparison to current practice, to establish if the victims of a crime are in agreement with the notion of restitution, to establish if offenders will carry out a contract of

restitution, to determine if a contract of restitution negotiated in a courtroom is as successful as one arranged from a penal institution, to determine if any reduction between periods of recidivism occurs with regard to second or subsequent convictions, to assess the contract of restitution as a rehabilitative instrument, and to provide a basis for further research.

The cost will be \$70,744 for the prestudy in the first year. The operating costs for the second and third years will be divided equally between the two governments.

MR. NOTLEY: Mr. Chairman, how many offenders will be participating in this pilot project?

MR. FARRAN: Mr. Chairman, that of course depends upon the degree of faith and trust we can inspire in the judges. The judges already have the legal right to use sentences other than the fine-imprisonment route, but they tend to lack faith in the possibility of follow-through.

However, it's pertinent to note that 79 per cent of Alberta's prison population is serving sentences of less than 6 months. All those not associated with violent crime would be eligible for some form of restitution. Since we have some 1,200 guests in our prisons at the moment, and 78 per cent are serving sentences of less than 6 months, I'd say in the Calgary area there is a prospect of dealing with perhaps 200-250 clients.

MR. NOTLEY: Mr. Speaker, to follow along, I might just say that I certainly applaud the government for participating in this pilot project and we will all be awaiting it with interest. Were there any studies done before the government concluded the agreement with Ottawa? Have there been examples of this in place in other jurisdictions in the world?

MR. FARRAN: Mr. Chairman, the concept has been successfully operated in Great Britain for the last year, particularly in the area of work contribution as opposed to financial restitution. The only other operating project in North America is in Minnesota. However, Saskatchewan in the last month or so has launched a program akin to this which is a work-for-fine project. This, of course, goes much further.

MR. TAYLOR: Mr. Chairman, I'd like to ask the hon. Solicitor General if he has had the opportunity yet to visit the provincial correctional institutions with a view to checking on security, particularly security for those who are considered dangerous? I'm sure we're all very concerned about what's happening in the federal penitentiary in British Columbia now.

It seems to me that for people who are dangerous and are supposed to be kept in tight security, to have an opportunity of getting together and forcing hostages into some particular room, smacks a little bit of carelessness. I say that without knowing the prison or the set-up and so on. But I think most people believe when a person is dangerous, he should be treated as such inside the prison walls. I'm hoping some type of investigation will be carried out in connection with the B.C. incident after it's over -- I certainly hope the hostages all come out alive -- to ascertain how such a thing could happen. I'm wondering if we shouldn't be checking our prisons, particularly with regard to prisoners who are dangerous -- who committed armed robbery or maybe worse -- to make sure that they aren't given the opportunity of getting hostages into some corner of a prison where practically nothing can be done and we almost have to march to their fiddling.

I'm just wondering if the hon. minister has had an opportunity of looking through the correctional institutions of this province with a view to making sure we do not provide an opportunity for such dangerous characters to take hostages.

MR. FARRAN: Mr. Chairman, I don't pretend that when one is operating any correctional institution for offenders one is not, so to speak, walking on eggs. However, I have visited all our correctional institutions except Peace River and Lethbridge. I can assure the hon. member they are as secure as they could be. That doesn't mean that they are foolproof or that incidents couldn't happen.

However, I can say, in a reassuring manner, that the provincial institutions only deal with sentences of less than two years. If a man is sentenced to two years plus a day or more, he goes to a federal penitentiary. However, we do have some clients who are liable to longer sentences, who are held on remand awaiting sentence or have come in from a federal penitentiary awaiting appeal. We do hold some prisoners in this category.

In Calgary we've built a remand centre which has separated this class of prisoner from the balance. In Edmonton we have not yet constructed a remand centre. We're still in the planning stage, just about to go to the architect stage for a new facility. In the meantime, people of all categories are largely housed at Fort Saskatchewan. The prison is overcrowded, and there is desperate need for this Edmonton remand centre. It's unlikely, however, that it can be put on stream for two to three years. These places take a long time to build, judging by the experience in Calgary.

However, as I say, 80 per cent of our prisoners are serving less than 6 months. Only 20 per cent will be serving between 6 months and 2 years. Just a handful of prisoners in a more dangerous category are on remand. At Fort Saskatchewan these are kept in a separate cell block.

MR. TAYLOR: Mr. Chairman, that is quite reassuring. Again, the B.C. situation, where apparently one guard is left in charge of more than two dangerous characters, makes me

think of our police forces. Our police forces today appear to have smartened up considerably. I notice when I see them in certain parts of Edmonton and Calgary they are in pairs. I've noticed the same thing in parts of Toronto and Vancouver. This is wise. There are other parts where they go singly. I think the same thing applies inside our correctional institutions, that extreme care should be taken at all times to make sure there's a sufficient number of guards to overpower any dangerous characters who happen to be there. I think that means essentially that there have to be more guards than dangerous characters in that particular area of the prison.

MR. FARRAN: That would be very difficult, Mr. Chairman, to have more guards than we have prisoners. We're doing our best on the establishment to have two guards per floor. Sometimes in some of the shifts we're down to one guard per floor. Security is achieved, of course, through the secured exits and doors of the cells. There's no way that you could have more guards than you have prisoners when, as I point out, you have some 1,100 to 1,200 prisoners housed at any one time in our correctional institutions.

MR. NOTLEY: Mr. Chairman, while we're on the minister's office, some years ago, I believe it was 1969, we had the Magrath report on penal reform in the Province of Alberta. It made a number of recommendations. He mentioned one of them, the remand centre, which is to go on stream in a couple of years. Is he in a position to give us an inventory of just where we sit now on that report? It was a rather far-reaching report, and made a number of -- it struck me, at any rate -- useful suggestions on how we could reform the penal system in the Province of Alberta.

MR. FARRAN: No, I'm not in a position to give you that information at the present time, Mr. Chairman, but if you would like such an inventory I would arrange for one to be sent to you as soon as possible.

MR. NOTLEY: Mr. Chairman, I would appreciate it if we did have an inventory. It seems to me that it is generally good practice, where public money has been spent on inquiries, royal commissions, or studies of one kind or another, for the Legislature at some point to request an inventory of the government's response and to have a progress report.

Mr. Chairman, I want to raise a question which I'm sure would have been raised had the former Member for Calgary McCall been around. He frequently, and I think quite legitimately, raised the concern of a number of people over organized crime moving into the Province of Alberta. It seems to me one of the problems we face in a booming economy is that the opportunities for organized crime also increase. I see time is running out. The minister won't be able to respond to a question of this general nature in the few seconds left, but perhaps when we resume the discussion of his estimates, he could give us his assessment of where this matter sits, what monitoring is going on, and whether we are in fact facing a serious problem in Alberta.

As a matter of fact, the Conservative government in Ontario is so concerned about this matter that they have recently drawn public attention to it and have warned Ontarians about the serious danger of the growth of organized crime in that province. It seems to me, Mr. Chairman, we should keep an eye on that in the Province of Alberta.

I see the time has elapsed. I want to make just a couple of other comments before asking the minister to respond, so I beg leave to adjourn debate.

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

HON. MEMBERS: Agreed.

[Dr. McCrimmon left the Chair.]

* * * * *

[Mr. Speaker in the Chair]

DR. MCCRIMMON: Mr. Speaker, the Committee of Supply has had under consideration the following resolutions, begs to report same, and asks leave to sit again:

Resolved that a sum not exceeding \$89,421,395 be granted to Her Majesty for the fiscal year ending March 31, 1976 for the Utilities and Telephones department.

Resolved that a sum not exceeding \$15,344,648 be granted to Her Majesty for the fiscal year ending March 31, 1976 for the Labour department.

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

HON. MEMBERS: Agreed.

MR. HYNDMAN: Mr. Speaker, by way of an outline of business: the House will not be sitting tomorrow night due to the annual Alberta Teachers' Association dinner.

On Friday we would proceed first on Orders of the Day to the estimates of the Executive Council. This will involve approximately six ministers. Following consideration of those estimates, the tentative plan would be of the following four

departments -- and I'm not sure which ones -- to proceed to continuation of Department of Solicitor General, Department of Government Services, Department of Energy and Natural Resources, and the Department of Federal and Intergovernmental Affairs.

MR. SPEAKER: The Assembly stands adjourned until tomorrow afternoon at 2:30 o'clock.

[The House rose at 5:30 p.m.]