

LEGISLATIVE ASSEMBLY OF ALBERTA

Monday, June 23, 1975

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

PRAYERS

[Mr. Speaker in the Chair]

INTRODUCTION OF VISITORS

MR. TAYLOR: Mr. Speaker, I have great pleasure in introducing a very distinguished group to the Legislature. We have with us today in the Speaker's gallery Mr. Francis Porter, Mayor of the City of Drumheller, and Alderman Bert Leigh of the City Council of Drumheller. We also have three people connected with the Pioneer Trail Centre: Mr. Harry Bryant, the president, who will be there shortly; Mr. William Shadlock; Mr. Albert Poirier; and Mr. Bill Tapuska, who is an engineer for the city. They are being escorted by Mr. Joe Williams, the research person in my office.

I am sure the hon. members will welcome this group to the Legislature.

MR. SPEAKER: This afternoon in the Speaker's gallery we have a distinguished visitor from India in the person of His Excellency Ramkishore Vyas, the Speaker of the Rajasthan State Assembly. As hon. members know, Rajasthan, with a population of 25 million, is one of the 23 states of India, and the capital city, Jaipur, is twinned with the City of Calgary. His Excellency is here in Alberta with a delegation from Rajasthan, returning a visit the City of Calgary paid to Jaipur some time ago.

His Excellency is accompanied by Mr. Alan James, the president of the Calgary World City Society, and hon. members will recognize the Law Clerk of the Assembly, Mr. Michael Clegg. I would ask our visitors to stand and be welcomed by the Assembly.

TABLING RETURNS AND REPORTS

MR. DOWLING: Mr. Speaker, I would like to table the committee report of the Alberta-RCMP Century Celebrations Committee, and the first annual review of Travel Alberta.

MR. MOORE: Mr. Speaker, I would like to table the answer to Motion for a Return No. 159.

MR. LEITCH: Mr. Speaker, I wish to table a response to Question No. 149; also, financial statements with respect to The Co-operative Marketing Associations Guarantee Act; and reports and financial statements with respect to the Alberta Municipal Financing Corporation.

MINISTERIAL STATEMENT

Department of Transportation

DP. HORNER: Mr. Speaker, I would like to make a short ministerial statement with regard to the question of a mechanism for examining urban transportation policy.

In June 1974 my predecessor, the Minister of Highways and Transport, Mr. Copithorne, announced a new policy direction for provincial assistance to urban transportation in Alberta. The policy introduced an innovative \$220 million funding program to assist Alberta cities in bringing their citizens into the 1980s with improved, more efficient, public transportation systems. That was the beginning. That policy recognized the significant responsibilities of the cities for providing public transportation services and assured input from the urban areas into the determination of overall provincial urban transportation objectives and policies. It was indicated at that time that co-operative planning groups and systems would be organized. This will now be implemented.

To provide for civic and public input, I'm proposing the establishment of an urban transportation communication mechanism to meet on a regular basis to assure that civic governments and the public are part of the policy-making process. The first step will be a task force composed of up to five senior management staff from Alberta Transportation and other provincial departments involved in aspects of urban transportation policy development. Included will be: one assistant deputy minister; the divisional branch heads responsible for planning and engineering; and one observer who may be from either within my department or another involved department or agency, according to the specific requirements of each meeting. There will be an equal number of representatives from each city. We would propose that all be equally senior management personnel with one or two city commissioners present, specifically including the planning and engineering departments, with a fifth person in attendance as an observer to be selected by the city according to that city's requirements. This group will be chaired by the assistant deputy minister for urban transportation.

The process resulting in the development of co-ordinated, well-informed urban transportation policy input will follow six basic steps:

- (1) The task force for each Alberta city will gather, define, and examine all alternative urban transportation policies. The group will present their analysis of all alternatives, plus recommendations on practical and feasible alternatives, to the responsible elected officials from the city and the province.
- (2) The recommended alternatives will be considered by my department and taken into account in the formulation of draft urban transportation policies.
- (3) In order to obtain optimal regional input into the proposed policies, I will discuss my department's policy recommendations for a specific urban area with the MLAs from that area for their input, guidance, and recommendations.
- (4) A committee of MLAs appointed by me will discuss the proposed policy recommendations with the mayor and council of each involved or affected urban community.
- (5) On the basis of these consultative steps, the revised policy recommendations will be formulated to take into account the input from the elected officials of each community.
- (6) The last step, of course, includes the final evaluation of this input. The final policy recommendations and responsibility, of course, will be that of the minister and the cabinet.

We would hope that the co-ordination of this input to policy development will be a step forward in allowing our civic governments in the various cities throughout the province to have a major input into urban transportation policies as we develop them, and to allow the members of the Legislative Assembly, who are responsible in a major way for the spending of these very large sums, to have a vital and real input into those policy developments.

ORAL QUESTION PERIOD

Oil and Gas Pricing

MR. CLARK: Mr. Speaker, I'd like to direct the first question to the Premier and ask if he's in a position to indicate whether the federal government and the Province of Alberta, along with the rest of the provinces in Canada, have agreed on a price for crude oil and natural gas.

MR. LUGHEED: Mr. Speaker, with regard to that question, hon. members are aware that the Alberta government has taken the view that the integral part of any pricing accord between

producing provinces, or Alberta, and the federal government, which is reflected in the Petroleum Administration Act, would be subject to the Alberta response to adjustments, if any, which might occur within the federal budget taxation provisions, specifically as they may affect the question of deductibility of royalties. I am sure hon. members are equally aware of the difficulties the federal government find themselves in, in that position, in the sense that they obviously, by their parliamentary responsibility of secrecy relative to a federal budget, are not in a position to describe to us in advance of the statement regarding federal taxation policies what their final position would be. Therefore, it has been agreed between the Prime Minister and myself on behalf of the Government of Canada and the Government of Alberta, as the principal producing province, that the discussions and negotiations we have had relative to the pricing of crude oil and natural gas will be reflected in the federal budget tonight, to reflect a possible accord with the Alberta government. The degree to which such accord in fact occurs and becomes a reality will depend upon the Alberta government assessment and response to the terms of the federal budget, both generally and specifically regarding the question of taxation of royalties, but other matters as well.

With this in mind, the Prime Minister and I have agreed we will therefore have an opportunity to peruse the terms of the federal budget this evening, make an evaluation, and decide whether the Government of Alberta feels the way is open to finalize an accord regarding pricing of oil and natural gas, as contemplated by part 2 of the Petroleum Administration Act, between a producer province and the federal government, recognizing our joint jurisdiction, that is, the provincial government's jurisdiction over the ownership of its resources and the federal government's jurisdiction over interprovincial trade.

MR. CLARK: Mr. Speaker, a supplementary question to the Premier. Mr. Speaker, a word of explanation. Might I say the question may be somewhat hypothetical but, given the nature of the circumstances, perhaps you may permit me to ask the question anyway.

Is the Premier in a position to indicate to the Assembly any sort of time line the Alberta government hopes to be able to live with in terms of the time you would be assessing the federal budget? Has the Premier given the Prime Minister some indication as to when Alberta will either agree or not agree with the arrangements that will be included in the budget tonight?

MR. LOUGHEED: Mr. Speaker, I would suggest that's a valid question [put] by the hon. leader. I find some difficulty in answering it simply because, in dealing with the federal budget, taxation, and the provisions of taxation, sometimes one can respond by a quick reading of the budget and know within a few minutes with certainty and clarity the position of the federal government with regard to, particularly, this question of deductibility of royalties and taxation. On the other hand, my experience, and I'm sure that of the hon. leader and all members, has been to have read budgets and felt the need for a considerable degree of clarification as to the true intent.

So I feel the only answer to that -- in fact, the way I left it with the Prime Minister in our final phone conversation on Friday was that we would read the budget and make an assessment. If we felt it was clear, we would make a fairly early response. If we felt it was not clear, we would await further analysis by our officials and, perhaps, further inquiry of federal officials, to determine the intent and clarification involved.

MR. TAYLOR: Supplementary to the hon. Premier. Assuming the price increase is agreed to by both governments, who will set the time schedule for the increase to consumers in eastern Canada?

MR. LOUGHEED: Mr. Speaker, as the hon. member is aware, somewhat over 85 per cent of the production from Alberta wells leaves the province and is consumed elsewhere. Because the total situation of consumption is essentially within federal jurisdiction, we, for our part, look on that question as a federal responsibility with regard to product prices at the pump and any approach they may have in terms of a time frame between the time crude oil prices increase and are reflected at the pump. Information we've received and evaluated has some difference of opinion as to the time frame required to move through the inventories for any price increases reflected at the pump. In our view, that is essentially a matter of federal jurisdiction.

MR. NOTLEY: Mr. Speaker, a supplementary question for clarification. Did I understand you to say, Mr. Premier, that a tentative accord has been reached subject to the budget tonight; that there now is, in fact, an understanding between the two levels of government on the price of both oil and natural gas?

MR. LOUGHEED: Mr. Speaker, the answer to that is, yes, subject to the terms of the federal budget meeting the desires and evaluation of the Alberta government.

MR. NOTLEY: Mr. Speaker, a supplementary question. Will the announcement of that tentative accord be made by the federal Minister of Finance in his budget speech tonight, or will there be a prior announcement both here and in the Parliament of Canada?

MR. LOUGHEED: Mr. Speaker, I attempted to answer that in the first [answer] to the hon. leader, by saying that because the Alberta government had taken the position that any

accord on our part arising out of an agreement as contemplated by the federal Petroleum Administration Act would require an adjustment in federal taxation as it now exists, the arrangement we have made is that the contemplated possible accord with regard to oil and gas pricing would be reflected in the federal budget as the federal position. The Alberta concurrence would depend on the Alberta evaluation and assessment of the federal tax provisions and any other provisions that might be contained within the federal budget.

MR. TAYLOR: Supplementary to the hon. Premier. Was he advised by the Prime Minister whether the other nine provinces have given tentative agreement to the increases?

MR. LOUGHEED: Mr. Speaker, with regret, I have to decline to answer that question because, once it is beyond a possible accord between Alberta and the federal government, it really involves the privy of discussion between the Prime Minister and myself. As I mentioned, we were discussing an accord in relationship, and as contemplated by the Petroleum Administration Act, between Alberta and the federal government.

Petrochemical Hearings -- Red Deer

MR. CLARK: Mr. Speaker, I'd like to direct my second question to the Minister of Energy and Natural Resources and ask if he has received any indication from the Energy Resources Conservation Board as to when it will report to the government on the Alberta Gas Ethylene hearings in Red Deer, which I believe concluded Friday.

MR. GETTY: Mr. Speaker, I haven't discussed that matter with the chairman of the board since Friday. However, I understand he has said publicly that the board will consider the information presented to it in the hearings and attempt to come down with a recommendation some time this fall. Subject to discussing it with them in more detail, I think the House could take that as a fair indication of timing.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Is he in a position to indicate to the House whether the government anticipates any further public hearings on the Red Deer application, prior to the cabinet dealing with the recommendations of the board?

MR. GETTY: As of right now, Mr. Speaker, I don't know whether any would be necessary. I suppose the government would say we've had a hearing, and we don't want to anticipate what the board might recommend.

Egg Marketing Meetings

MR. STROMBERG: Mr. Speaker, I was wondering if the Minister of Agriculture could inform the Assembly why Alberta was not represented at the federal conference on egg marketing, held Monday, June 9, 1975.

MR. MOORE: Mr. Speaker, there have been a number of conferences on egg marketing. I attended one in early April. At my suggestion at that time, the chairman of the agricultural products marketing board entered into negotiations across the country with the provinces and the egg producer marketing boards in each province. Alberta's position prior to June 9 was well known with regard to the Canadian Egg Marketing Agency.

The meeting was called on short notice. I was not personally able to attend, and I felt there would not be any significant benefit in sending anyone else to that particular meeting, because our position was well known. The events since then have shown that, in fact, the meeting did not accomplish anything by way of solving the problems which seem to face us.

Hog Industry

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Agriculture. Does the minister have the same optimism as that of one of his department officials, Mr. Jim Dawson, with regard to record pork prices this fall?

MR. MCORE: Mr. Speaker, I believe the headlines may have misconstrued to some extent what Mr. Dawson said. He was talking about hog prices in the neighborhood of \$70 this fall. Hon. members would know they are presently in the neighborhood of \$67 to \$68. That isn't a very large increase.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Is there any indication of a shortage of pork, to meet Alberta or Canadian needs this fall?

MR. MOORE: Yes, Mr. Speaker, there certainly is. Hon. members would be aware that because of the up and down cycle with respect to hog prices, producers have responded by cutting back on farrowings. Certainly the indications we receive are that toward the latter part of this year there will be a shortage in terms of total Canadian production as opposed to the current demand for pork. Hon. members should also be aware that will not necessarily result in increased imports from other countries, but may in fact result in increased consumption of some of our other red meat products, in particular, beef.

Trans-Canada Pipeline

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister of Energy. Have any negotiations been carried out by the Government of Alberta with TransCanada Pipelines regarding making the pipeline across Canada a common carrier?

MR. GETTY: Mr. Speaker, I wouldn't consider the discussions we have had on that matter with TransCanada Pipelines a point of negotiation. However, the matter is certainly being discussed with TransCanada Pipelines, and I know they have discussed it with the federal and Ontario governments as well, inasmuch as they have a federal charter.

Driver Prosecutions

MR. LITTLE: Mr. Speaker, I would address this question to the hon. Attorney General. Would the hon. minister inform the House whether the prosecutors in the provincial courts in Calgary are experiencing certain difficulties in proceedings against persons charged [with] driving while suspended?

MR. FOSTER: Mr. Speaker, I'm not personally aware whether we're experiencing such difficulties. I realize the member is concerned about a recent case: 1968 in the Alberta court of appeal, R. v. Shields. However, I'll inquire as to the difficulty, if any, we may be experiencing on that point.

Industrial Relations Complaint

MR. YOUNG: Mr. Speaker, my question is to the hon. Minister of Labour. It concerns a matter I raised several times previously. Inasmuch as the Board of Industrial Relations' decision concerning Ralph Eerkes company and the painters' union has not yet been released -- I realize this is not what the minister anticipated some weeks ago -- I'm wondering whether we can expect it within the next two weeks.

MR. CRAWFORD: Mr. Speaker, I have no objection to guessing again for the hon. Member for Edmonton Jasper Place that it would be well within two weeks. The last discussion I had with the chairman of the board was that he hoped it would be sooner than that.

MR. YOUNG: Mr. Speaker, to the minister again. I wonder if the minister would undertake to remove some of the guessing, Mr. Speaker, and check again please?

MR. CRAWFORD: Mr. Speaker, it's really not necessary for me to check again. The chairman of the board volunteered the other day that this case was very much on his mind because of the hon. member's questions on a number of occasions. It was his hope to deliver the decision almost within a matter of days.

Flooding -- Southern Alberta

MR. HORSMAN: Mr. Speaker, my question is for the Deputy Premier, [who is] responsible for disaster services. Could the minister report to the Assembly on the flooding situation in southern Alberta? Has any review been undertaken as to the damages which are a result of the recent floods?

DR. HERNER: Yes, Mr. Speaker. As noted in the press this morning, the level of the water is receding substantially. Fortunately, the level and the damage have not been as great as originally anticipated. I believe part of that lies in the ability of the local and city governments, particularly in Lethbridge and Medicine Hat, to work together with provincial people in doing an effective, excellent job in the prevention of damage in both cities. I would ask that be noted particularly.

We do have a team of people assessing the damage in the area now, Mr. Speaker. I would just remind hon. members that the context has to be that we wouldn't be looking at damage which could be insurable ordinarily.

Summer Employment Program

DR. PAPROSKI: Mr. Speaker, a question to the Minister of Recreation, Parks and Wildlife. Would the minister confirm that his department has direct responsibility for the small business student opportunity program? Approximately what numbers have been processed through this program in 1975?

MR. ADAIR: Mr. Speaker, if I might take a moment to try to answer that question. I think we received between 800 and 1,000 applications at the outset of the program. We have processed most of them to this particular point in time. Some 530 to 550 have been approved for the summer program at this stage.

DR. PAPROSKI: A supplementary, Mr. Speaker. Would the minister indicate how many applied but, unfortunately, could not get into the program due to lack of funds?

MR. ADAIR: Mr. Speaker, first of all the program itself has some guidelines set out by the original STEP program. A number of applications were not acceptable because the applicant was applying to hire a relative. That was not applicable. They were, in fact, turned down. With the balance of applications received -- I believe some 175 to 200 had multiple applications; in other words, they wanted more than one -- we attempted to try to balance them throughout the province by having one per business. The other ones were turned down on the other basis.

DR. PAPROSKI: A further supplementary, Mr. Speaker. Is the minister considering the continuation and expansion of the program for next year?

MR. ADAIR: Mr. Speaker, at this particular point in time we are reviewing what the program is doing this summer and what it did last summer. I would like to reserve judgment on that until it's completed.

DR. PAPROSKI: A final supplementary, Mr. Speaker. Has the minister considered modifying the program by giving less than 50 per cent, or lowering the amount of subsidy, so more students and businesses could be involved in the program?

MR. ADAIR: Mr. Speaker, that could be considered.

Calgary Ring Road Study

MR. KUSHNER: Mr. Speaker, I wish to direct my question to the Minister of Transportation. Is the minister in a position to advise the House if the Copithorne ring road study can be released?

DR. HOFNER: Mr. Speaker, in my ministerial statement today, I said we would like to have additional input into that policy by the elected members of the city government and, indeed, the elected members of this government. We would hope that once that takes place, we'll be able to release those documents.

Aerosol Sprays

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Consumer and Corporate Affairs. Has the minister received any complaints or reports of accidents involving the use of aerosol sprays?

MR. HARLE: Not that I'm aware of, Mr. Speaker, although I could check.

Asbestos Health Hazard

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Labour. It's a follow-up to a question raised several weeks ago.

Has the industrial health division of the department had an opportunity to fully review the STOP report on the dangers of asbestos?

MR. CRAWFORD: Mr. Speaker, I'd have to check into that in order to see what progress has been made in that particular review. I know the director of the division met with the STOP people and, I believe, discussed some of the available literature on the subject with their representatives. I think both parties felt that particular meeting was useful. Beyond that, I'm not sure. As to a particular response to the brief, I would have to check.

MR. NOTLEY: Mr. Speaker, a further supplementary question. Does the government support the recommendation that asbestos be designated a legally recognized hazardous substance?

MR. CRAWFORD: Mr. Speaker, I must say I don't know what's involved in designating something as a legally recognized hazardous substance, and who has the jurisdiction to do that. If I have, I'm not clear on that point as of now.

I'm sure the division of industrial health and safety is in a position to make orders and directives in regard to substances which are dangerous. This is one of the ways they fulfil their responsibilities. But to concur, without a further understanding of the issue, as to whether or not that particular designation should be made, is something I couldn't do today.

MR. NOTLEY: Mr. Speaker, a further supplementary question. Is the division considering an education campaign, both in the work place and the community, concerning the possible dangers of asbestos?

MR. CRAWFORD: Mr. Speaker, I hope it's fairly well known that the division has been working in conjunction with industry and has certainly consulted with organized labor in regard to the types of precautions which can be taken in respect to the dangers of asbestos. If there is any impression that the division is behind any similar divisions elsewhere in North America on this issue, I doubt that very, very much, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, a final supplementary question. Can the minister give assurance that he will report to the Assembly on the review conducted by the division on the dangers of asbestos? Is there a possibility that report can be given during the current session?

MR. CRAWFORD: Mr. Speaker, the hon. member may have more control than I over the length of the session, but I will do my 'bestos'.
[laughter]

MR. CLARK: Mr. Speaker, I'm inclined to ask the minister: do his best at getting the session over, or carrying it on?

Treasury Branches -- Resource Development

MR. CLARK: Mr. Speaker, the question I'd like to ask the Attorney General flows from one I asked Friday with regard to whether, in fact, the treasury branches are setting up an oil and gas division.

Oh, I'm sorry, Mr. Speaker. Did I say the Attorney General? My question is to the Provincial Treasurer, the former Attorney General. Are the treasury branches setting up an oil and gas division?

MR. LEITCH: Mr. Speaker, the hon. Leader of the Opposition asked me that or a similar question the other day. I said I would check into it and get back with an answer. I have not yet completed my check.

Communications -- Northern Alberta

MR. CLARK: Mr. Speaker, we'll try another question. A supplementary on follow-up questions, to the Premier.

Is the Premier in a position to indicate the stage of the government's program for improved telecommunications in northern Alberta?

MR. LOUGHEED: Mr. Speaker, I have referred that matter to a number of ministers, and hope an answer will be forthcoming to the hon. leader within one or two days.

Highway Signs

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Transportation. Has the minister any policy changes proposed with regard to highway signs, in particular signs to recognize municipal parks or commercial tourist areas such as game farms?

DR. HERNER: The short answer, Mr. Speaker, is yes. We do intend to make some major changes in the sign policy with regard to our directional signs and, indeed, have an interdepartmental committee working now on the assessment of not only privately or municipally owned parks, but other such attractions as game farms. I would hope that assessment will be done fairly shortly so that, indeed, we can have some of these directional signs for the motoring public at the earliest moment.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Is this same committee studying transfer to the metric system and making recommendations there too?

DR. HORNER: No, as a matter of fact, it is not, Mr. Speaker. I would not want the one to be confused by the other.

Fish Creek Provincial Park

MR. KUSHNER: Mr. Speaker, I wish to direct this question to the Minister of Environment. Is the minister in a position to advise the House if all the land has been obtained as far as the Fish Creek Park is concerned, and how many acres, in fact, that park is?

MR. RUSSELL: Mr. Speaker, with respect to the first part of the question, all the land within the park boundaries east of the Macleod Trail has been obtained. The second phase of the program, that is, dealing with land acquisition for those parcels lying west of the Macleod Trail, has commenced. Without going back to the files and checking the exact acreage, I can't answer the question as to what has and has not yet been obtained. Active negotiations are under way now.

Grains Stabilization -- Federal Bill

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Agriculture. It concerns the new western grains stabilization bill now before the House of Commons.

My question to the hon. minister is: is the Government of Alberta going to make a submission or present a brief to the House of Commons Standing Committee on Agriculture concerning the views of the Government of Alberta pertaining to this particular piece of legislation?

MR. MOORE: Mr. Speaker, I believe a week ago today the standing committee visited Edmonton. The views of the Government of Alberta were expressed to the committee by the chairman of the Alberta Grain Commission.

MR. NOTLEY: Mr. Speaker, a further supplementary question. Will the hon. minister table in the Legislature the submission made by the chairman of the Alberta Grain Commission?

MR. MOORE: Mr. Speaker, I believe it's a matter of public record, but I wouldn't mind providing the hon. member with a copy.

MR. NOTLEY: Mr. Speaker, a further supplementary question. Have there been any discussions with the departments of agriculture in Manitoba and Saskatchewan to see if a joint submission can be made concerning changes in the stabilization bill?

MR. MOORE: Yes, Mr. Speaker. A committee comprising officials of the departments of agriculture from Alberta, Saskatchewan, and Manitoba some months ago did some work relative to a joint submission. My information is that as time went on it became more and more difficult to make a joint submission. The situation as it stands now is that as the standing committee has travelled across western Canada, each individual province has made representations to them. Indeed, Saskatchewan made representations to the committee, I believe, on Thursday or Friday last, and I expect Manitoba will or has already done the same thing.

MR. COOKSON: Mr. Speaker, could I ask a supplementary of the minister? Could the minister advise whether any consideration was given on the part of the province or provinces with regard to an opting-out clause, either as an individual or as a province opting out of the stabilization plan?

MR. MOORE: Mr. Speaker, depending on how one reads the legislation, there generally is provision now for individuals to opt out. I have to say, Mr. Speaker, that the general tone of representations heard by the Standing Committee on Agriculture from the House of Commons, not only in Alberta but in Saskatchewan and Manitoba as well, has been one of not being prepared to accept in total the kind of package that's been offered -- generally in relation to the very confusing manner in which farmers are being asked to consider whether the program would be of any individual benefit to them. That involves the situation wherein there is an averaging across the Prairies of the kinds of benefits farmers might expect to receive under the act and a very great difficulty for any individual in determining whether, having paid into the plan, he would, in fact, ever receive any benefits. Mr. Speaker, those representations have been made not only by government, but by major farm organizations, grain companies, and others.

MR. NOTLEY: Mr. Speaker, further supplementary question to the hon. minister. Has the federal government given any indication of the legislative timetable now for final

enactment of the stabilization bill as the result of the submissions made to the standing committee?

MR. MOORE: Not that I'm aware of, Mr. Speaker. I presume they would wait until the standing committee has heard representations from across western Canada, then try to decide whether it should proceed into a further stage or go back into committee study relative to changing some aspects of the bill. One of the recommendations, made by a number of groups including our own presentation in Alberta, was that while under one piece of federal legislation, Bill C-50, we have a situation where the federal government contributes to agricultural stabilization in a total way, under Bill C-41 where we're involved in trying to assist grain farmers in having equal and stable incomes, we're asking that the farmers themselves contribute to that stabilization fund.

One wonders whether, in fact, what is good for other segments of agriculture in eastern Canada and British Columbia ought not to be good, as well, for the grain industry. It would be our view that they might even consider putting grain income stabilization under Bill C-50, rather than a separate act which would require that the farmers make some payment into the stabilization fund as well.

Liquor Outlets -- ID Cards

MR. TAYLOR: Mr. Speaker, my question is to the hon. Solicitor General. What steps are taken by the Alberta Liquor Control Board to see that identification cards are issued only to persons 18 years of age and over?

MR. FARRAN: Mr. Speaker, in response to the question from the hon. Member for Drumheller, I should say first that the student identity cards are purely optional, though obviously desirable. The onus for making sure alcoholic beverages are not sold to minors rests on the person dispensing the alcohol, who can ask for other means of identification. The cards are issued to persons 18 years of age or over on the basis of proof of identification and age, such as birth certificates, baptismal certificates, passports, discharge papers, foreign government visas, and statutory declarations from parents. The cards cost 50 cents each. At the moment, there are four cameras in the two major cities and a number of other cameras roving around the province.

MR. TAYLOR: A supplementary. Are documents such as the birth certificate, passport, et cetera, always required before an ID is issued?

MR. FARRAN: The most desirable ID, of course, is the driver's licence which contains a photograph, but one or two of those I mentioned are accepted. The ID cards are available at any store which has a camera.

Driver's Licence Photo

DR. BUCK: Mr. Speaker, I'd like to address my question to the hon. Minister of Transportation, in line with the questioning of photos. Could the hon. minister indicate if the Department of Transportation is having problems with people complaining about being unable to have photos taken for their driver's licence?

Is it the hon. minister, or the Solicitor General?

MR. FARRAN: Mr. Speaker, I think I answered a similar question the other day. There are no exceptions. Although it is true that in a case in Lethbridge very recently an allegation was made by one of the Hutterian Brethren that he had been excused the requirement for a photograph, this is not so. I checked it right through the department, and with the former minister. No such special dispensation was allowed.

DR. BUCK: Mr. Speaker, my question was concerned with the inconvenience. Are sufficient photo facilities available so a person doesn't have to drive, say, 70 or 100 miles to have his picture taken for his driver's licence? This is the question I was asking.

MR. FARRAN: I believe there are sufficient, Mr. Speaker, but I will have a look again at the number of cameras. I believe there are sufficient. However, we are contemplating a change in the procedure which wouldn't require the Polaroid pictures in the future.

DR. BUCK: Mr. Speaker, is the minister considering having a self-taken photo, or a local photography shop taking it, and having it signed as authentic by a Commissioner of Oaths?

MR. FARRAN: Mr. Speaker, as I say, we are reviewing the whole procedure for taking these photographs.

Highway Intersections

MR. KUSHNER: Mr. Speaker, I wish to direct this question to the Minister of Transportation. Is the minister in a position to advise the House if there are any studies in regard to intersections, such as split-diamond intersections, with which we are experiencing some problems in the City of Calgary? I wonder if there are any studies of possibly eliminating them, or the effect of them.

DR. HORNER: Well, those matters, Mr. Speaker, are continually being studied in relation to safety. I must point out to the hon. member that modifications have been made to that particular intersection at Deerfoot and Memorial Drive, which have substantially improved the safety situation in that area. I can assure him we are looking at a variety of intersections, in regard to both cost and safety.

School Programs -- Safety

MR. KOZIAK: Mr. Speaker, perhaps I can use this opportunity to answer a question posed some time ago by the hon. Member for Bonnyville in connection with a picture which appeared in the Edmonton Journal describing a canoe trip to be taken by students of the M.E. LaZerte high school in Edmonton.

Mr. Speaker, the students in the photograph are registered in a program called Canadian Oriented Education, CANOE for short, in which they investigate the history and culture of western Canada by exploring the waterways used by early explorers, fur traders, and settlers. The program is sponsored by the research branch of the Edmonton Public School Board.

Mr. Speaker, CANOE is centred at Fort Edmonton. The instruction received there includes a good deal of safety training offered under supervision of the Edmonton Fire Department. Safety instruction includes water survival techniques, both with and without life jackets. During these safety manoeuvres it has been found that the large canoes used by the class are nearly impossible to swamp. Even when swamped, the canoes will not sink.

With respect to the regulations, the Department of Transport requires that approved life jackets be on the boat for each passenger. The law does not require that the jackets be worn, although the recommendation is there. The law only requires that a jacket be on the boat for each passenger in the boat.

MR. SPEAKER: May the hon. Member for Highwood revert to Introduction of Visitors?

HON. MEMBERS: Agreed.

INTRODUCTION OF VISITORS (reversion)

MR. WOLSTENHOLME: Thank you, Mr. Speaker. This afternoon it is my pleasure to introduce to this House Mr. Karl Christofferson, who is in the members gallery. He is a member of the Provincial Municipal Finance Council. He also represents the AAMD & C on the PMFC. I would ask that you recognize Mr. Christofferson.

ORDERS OF THE DAY

GOVERNMENT BILLS AND ORDERS
(Third Reading)

Bill 27 The Department of Government Services Act

MR. HYNDMAN: Mr. Speaker, on behalf of the hon. minister, I'd like to move that Bill No. 27, The Department of Government Services Act, be not now read a third time, but be referred back to Committee of the Whole for further consideration.

The purpose of this motion is simply to add a further amendment, the standard grants section, to the bill.

[The motion was carried.]

GOVERNMENT MOTIONS

2. Mr. Hyndman proposed the following motion to the Assembly:
Be it resolved that the Legislative Assembly of Alberta request the Executive Council to appoint a committee of three Alberta citizens, namely:
- (a) Mr. Justice Clifford Prowse -- Chairman
 - (b) Mr. Dudley Menzies
 - (c) Mrs. Ruth Wood
- with instructions to:
- 1. assess the adequacy or otherwise of:
 - (a) existing (1972) indemnities and expense allowances (including per diem living allowances) of MLAs, taking into consideration present circumstances including fall sittings;
 - (b) existing (1972) salaries of the Speaker, Deputy Speaker, Premier, Leader of the Opposition, and members of the Executive Council;
 - 2. make recommendations to the Legislative Assembly as to changes (if any) in the said indemnities, expense allowances, and salaries as may be fair and appropriate to present and anticipated circumstances;
 - 3. complete and publish its report on or before the 15th day of September, 1975, and deliver a copy of said report to the Speaker, the Premier, and the Leader of the Opposition.

MR. HYNDMAN: Mr. Speaker, I wish to move Government Motion 2 on today's Order Paper, concerning the subject of indemnities.

Mr. Speaker, the approach set forth and suggested in the motion has a precedent in this province, in the sense that the previous commission set up to carry out this task in the spring of 1971, was appointed under essentially the same, if not almost identical, terms of reference.

Mr. Speaker, there are of course a number of approaches which might be considered in proceeding to assess indemnities. Of the various approaches we have seen across Canada and in various provinces, the government came to the conclusion that by this approach we would arrive at the best, fairest, and most objective result.

The motion essentially divides itself into two parts, Mr. Speaker. The first part deals with the members appointed to the commission, and the second part with the terms of reference.

Concerning the three citizens, the Honorable Mr. Justice Clifford Prowse of the Appellate Division of the Supreme Court of Alberta is the suggested chairman. Mr. Dudley Menzies, the second-named person in the resolution, I'm sure is familiar to many as a former commissioner and chief commissioner of the City of Edmonton and a former alderman of that city. Mrs. Ruth Wood is the president of the Alberta chapter of the Consumers' Association of Canada.

I suggest, Mr. Speaker, that the membership or the committee is balanced and that this trio can be expected to give a thoughtful, objective, and independent assessment of the question of indemnity.

The terms of reference, I suggest, are essentially self-explanatory. The review is of indemnities and expense allowances involving "present circumstances including fall sittings". The recommendations are to be made on the basis of a judgment to be decided upon by the three members of the commission, the general criteria of that judgment being recommendations that are "fair and appropriate to present and anticipated circumstances".

The motion contemplates the report of the commission being made in about two and a half months, in the middle of September, with copies delivered to the Speaker, the Premier, and the Leader of the Opposition.

MR. CLARK: Mr. Speaker, in rising to speak on Motion 2, it was my intention when the government introduced the motion simply to say we agree in general principle with the approach being used, and simply leave it there. However, I find myself compelled to go just a bit further than that in light of the fact that on Friday, when notice of this motion was given orally, we also had the government introducing Bill 35, The Legislative Assembly Amendment Act.

It seems to me, Mr. Speaker, that members of the Assembly this afternoon shouldn't look at approving resolution number two on the Order Paper without at least recognizing the implications as far as Bill 35 is concerned. What we're doing with resolution two, Mr. Speaker, is approving a mechanism, which I think is generally acceptable to most members in the House, for reviewing the very difficult question of indemnities for members of the Legislature.

But, Mr. Speaker, the very same day, the government introduced amendments in Bill 35 to The Legislative Assembly Act which, in essence, will make it proper and legal for members of the Legislature in Alberta to sit on a variety of boards and agencies not included in the list under Section 2 of that particular act. On one hand, we're setting up a committee to review the question of indemnities and living expenses; at the same time, the same session of the Legislature -- virtually the same day -- we're considering legislation which is going to give the Executive Council the power to appoint members of the Legislature to various boards and agencies. They will be getting, in addition to their indemnity and in addition to their living expenses, if they're not members in the

City of Edmonton -- they, in fact, will be receiving an additional form of assistance or support from the people of the Province of Alberta.

For that reason, Mr. Speaker, I feel rather compelled at this time to raise this matter, and to point out to members of the Assembly that as far as we're concerned we would ask the Government House Leader very seriously to consider referring the basic principle of Bill 35 -- I take it the basic principle is the appointment of members of the Legislative Assembly to various government boards and agencies -- to refer that principle to the committee we're discussing right now, the committee which is going to be dealing with the question of indemnities.

It would be very easy to become quite political in the course of these comments, Mr. Speaker, but I say this especially in light of the experience in the Province of Ontario, where the government, under the commission headed by Mr. Dalton Camp, who would be very familiar to members on the government side of the House, looked at the whole question of the members of the Legislature, or MPPs, in Ontario. He and his committee have some rather definite comments on the principle of appointing members of the Legislature to government boards and agencies. In fact, he points out that perhaps Ontario has gone further than any other place in Canada in this particular area. He goes on to point out that, yes, there are some advantages to it, but there certainly are some very major disadvantages also.

The advantages, according to Mr. Camp and his committee, are that the presence of an MPP and member of the Legislature on the committee is certainly a check on the agency, usually at arm's length from government opinion. That's one of the pluses. Another of the pluses, according to Mr. Camp and his group, is that members can serve "as a useful information source for the Legislature, and especially the Government Caucus." How much of an advantage that is, I'm not sure, when we look at the operation of the agency.

Thirdly, Mr. Camp and his group suggest that "It provides a training ground for talented Members." There may be some validity there. But I do recall last Tuesday evening we had an opportunity for a training ground for a number of government members in the subcommittee looking at education estimates. There were 11 members of the government on the subcommittee. When we started at 8 o'clock, or a few minutes after 8 o'clock, out of 11, 2 members were there plus the chairman. Now, if we want training grounds, I suggest we use the opportunities in the set-up of this Assembly for that. If members are too busy to come to that kind of committee hearing in carrying out their legislative responsibilities, I question whether we need these additional assignments Bill 35 makes possible.

Mr. Camp and his group also go on to point out that this procedure of appointing government members to boards and agencies "is a means by which the Premier can reward loyal members for long service or young ambitious M.P.s aiming towards a future cabinet position." Those are supposedly some of the advantages -- advantages to members of the Legislature, I hasten to add, but I question whether they're much of an advantage as far as the people of the province are concerned.

To get on to the other side of the coin, Mr. Speaker, the criticisms of this kind of approach centre around the situation where members of the Legislature appointed by the Executive Council to these kinds of agencies certainly lose their independence. How free is a member to speak out on a particular matter if, in fact, he is owing his appointment to the Executive Council? This isn't my own particular point of view. I quote exactly from the Camp report, when he says:

It gives too much patronage to the executive which already has too much domination in the Legislature . . . rewards keep Backbenchers supplicant and cripple their independence [in] mind -- in Caucus, the Assembly, and [in the] committees. I could go on, Mr. Speaker, and plan to go on when we come to Bill 35, with some of what I consider to be very valid criticisms of the approach outlined in Bill 35.

The essence of the proposal I am putting forward this afternoon is this: on one hand we are considering setting up a committee to look at the question of remuneration of MLAs and to report, by the middle of September, to the Premier, the Leader of the Opposition, and the Speaker. At the very same time, we are going around through another door, changing The Legislative Assembly Act so members who are appointed by the Executive Council to various boards and agencies will, in fact, receive additional assistance. If we are going to do this -- and I suggest it's a very, very questionable principle. In fact, to move away just for a moment, it's interesting to point out that in Ontario about 3 years ago, 17 members of the provincial legislature were on these kinds of commissions. Since the Camp report came in, this is now down to something like 8 or 9. It seems the great blue machine in Ontario is moving in the reverse direction.

AN HON. MEMBER: They are getting close to an election.

MR. CLARK: I would very much like to prevent this government from getting into a situation where it would have to reverse itself in 2 or 3 years.

Very seriously, Mr. Speaker, I would ask the Government House Leader if the government would be prepared perhaps to hold Motion 2 on the Order Paper until they've had an opportunity to consider the principle of referring to this committee this question of appointments by Executive Council to boards and agencies. Ask the committee to come forward in September with its recommendations on this matter, in light of the recommendations from the Province of Ontario and the committee chaired by Dalton Camp, who certainly is no stranger to the political ways in Ontario and across Canada. In light of the fact that the Ontario government is moving in the reverse direction, we think it's

appropriate at this time that the government move in that direction. Ask the committee of three capable people to look at this particular matter and bring a recommendation back in September. Then we could have a full and complete discussion of the thing come the fall session, so we would, in fact, be looking all at once at the whole question of remuneration to MLAs.

I would make just this last comment. If the government has a particular problem as far as the appointment to the board of Syncrude is concerned, it seems to me that certain portions of Bill 35 perhaps could be withdrawn and brought in to deal with the Syncrude situation, if that's a matter that has to be dealt with before the fall session. My colleague, the Member for Clover Bar, will have some additional comments in that area.

MR. TAYLOR: Mr. Speaker, I would like to say a word or two on the motion. I'm not going to discuss Bill 35, because I believe there will be a proper time to discuss that in principle, in second reading. But I believe that resolution number two should be either accepted or rejected on its own merits; that is, whether we want the wages, subsistence, et cetera of the MLAs reviewed. If the majority of members of the Legislature want it reviewed, I believe this is a good way to do it. I have a very high regard for all three persons named to the commission. I believe putting the head of the consumers association on this is an excellent thing.

I don't think we should assume this commission is necessarily going to recommend an increase. It says, "adequacy or otherwise". It may well say that the present salaries are a bit too extravagant and recommend a reduction. It has the authority to do that. Also, it has the authority to say, well, there should be an increase, but it should be in line with what other segments of the community are getting, a principle with which I personally agree. So I support the resolution.

I believe that we'll be in a better position after this commission reports in connection with the matter of dealing with this. I'm making no commitment now whether I'm going to accept the report, or otherwise. I think we all have that privilege after the report comes in. But I think there's no better way of reviewing it than having it done this way.

I personally think we have to keep the salaries of MLAs entirely separate from other considerations. If the Legislature, in its wisdom, decides that members are going to be given extra responsibilities that other MLAs don't have, I think they have to have the authority to pay for that particular job. Whether we agree with that procedure or not can come up under Bill 35. But surely, if we're going to have MLAs of quality on all sides of the House, there has to be a common salary, a common wage. When you're given extra duties on a legislative committee, you're paid an extra amount that other MLAs don't get, and properly so, because you're giving time and so on that other MLAs are not required to give.

So, Mr. Speaker, the way Motion No. 2 is written out sounds very, very good to me, and I plan to support it.

MR. NOTLEY: Mr. Speaker, in addressing a few comments to resolution number two, I certainly agree that it would have been useful had we dealt with the principle of Bill 35 first. I note also, in looking over the report of the Camp Commission, that, as the Leader of the Opposition has pointed out, the criticisms contained in that report on the concept of Bill 35 are something which I believe we have to take a pretty close look at.

Certainly the suggestion that this board or committee be empowered also to examine that particular principle, whether MLAs should be serving on commissions or boards, seems to me, Mr. Speaker, to be totally consistent with the principle of resolution number two. After all, the purpose of this resolution is, first, to name a committee, and secondly, to examine the terms of reference. I want to say, in a moment, just a word or two about the terms of reference beyond the principle contained in Bill 35.

Certainly Bill 35 is going to be, I suspect, one of the more controversial bills before the spring session of the Legislature, and surely it would make a lot of sense to assign the committee the responsibility of analysing the principle contained in it. As has already been mentioned, if there is a particular problem with the Syncrude deal, we can look at that separately.

So, Mr. Speaker, I would certainly hope that the government, after entertaining some discussion on resolution number two, would agree to hold it until such time as we have a full debate on the principle of Bill 35. I don't want to go into a long discussion on the principle of Bill 35, now on this resolution, but I think it is germane to the resolution, inasmuch as it is an area which clearly could be reviewed by the committee.

Mr. Speaker, three quick comments on the resolution itself. First of all, I would say that I respect the three people who have been designated in resolution number two. I don't think there is anyone in the House who would not admire the individuals and have a good deal of confidence in their objectivity and ability.

I would suggest, Mr. Speaker, that there might be some merit in expanding the committee by two people, to include representatives from the organized farm movement in one way or another, and a representative from the labor movement in the Province of Alberta. I say that because all three of them, and I again underline my respect for them, don't represent these important sectors of the provincial community.

The second comment I'd like to make, Mr. Speaker, is with respect to the terms of reference of the committee. The terms of reference are rather narrowly drawn, assuming that the role of the MLA should remain essentially as it is today, but bearing that in mind to review the adequacy or otherwise of present salaries for MLAs.

I suggest, Mr. Speaker, that what this committee should be empowered to do is seriously assess whether, with a government that is now spending \$2.5 billion a year, we should be moving toward the role of an MLA being somewhat more than part-time -- in fact, becoming a full-time MLA.

It seems to me there are two areas that should be reviewed specifically by the committee: to what extent can MLAs play a more meaningful role in the legislative process through the use of standing committees, and to what extent can we make these committees more operative, more relevant, more useful to the people of Alberta? To what extent can we expand another area of the MLA's role, that is as the representative of his or her constituency in the Assembly, and the clearing house, if you like, for information to constituents?

I don't want to get into a discussion on the problems of our RITE government number, but it strikes me that the more we try to make it easier for people to contact the government directly, the more problems we have, at least in the short run, for the average citizen trying to do so. But I think, Mr. Speaker, there's an important principle involved that the MLA should, as much as possible, be a clearing house for the people in his or her constituency, answering correspondence, directing people to the right department, and so on.

I note that other provinces have expanded the role of the constituency office, and recently the federal Parliament made provision for constituency offices for Members of Parliament. Mr. Speaker, it seems to me that is the kind of thing I would like to see the committee review. It may well be they will conclude that that's premature, that we don't need full-time MLAs in Alberta, that the concept of constituency offices, as presently in existence both in Quebec and in the federal government, is too rich for our blood at this point in time in Alberta. But, Mr. Speaker, I would like at least to see the committee review that specific question.

During the discussion of the Northeastern Alberta Commissioner's report the other day in the House, the hon. Member for Clover Bar made a suggestion that perhaps the members of the Legislature should all go up to Fort McMurray some time. Perhaps, Mr. Speaker, that's an area where more emphasis should be considered in the future, travelling within the province for members of the Legislature, so they perhaps get a better view of some of the really key problem areas in Alberta. What I'm saying, Mr. Speaker, is that I would like to see the terms of reference of this committee expanded somewhat so that, in fact, this committee, composed of very competent people, can review to what extent the time has come in Alberta to expand the role and function of an elected member.

Certainly, on the opposition side of the House, most of us will have no difficulty in being full-time members because of the shortage of opposition members. That's something which was a rather unfortunate accident on March 26 which, hopefully, at some point in the future will be rectified. But, Mr. Speaker, in point of principle, I think the question should really be debated: have we come to the point where we need full-time members of the Legislature.

I want to conclude with one other observation. We're asking this committee to review the adequacy or otherwise of indemnities. Of course, as far as most of the public is concerned, here we are, the newly elected members of the Legislature right after the election: as a bonus for being elected, we're headed full tilt for the public trough. Now whether we think that's the way people are going to react, that's the way people are going to react. So let's not kid ourselves.

Mr. Speaker, it seems to me worth assessing -- and I would hope the committee would take some time to look at it, even though it's not specifically in the terms of reference -- whether or not, after setting a salary and setting out the benefits in terms of living allowances and what have you for MLAs, there is some method similar to the federal scheme that could be used to adjust remuneration on an annual basis so we don't have this once-every-four-year exhibition when we go through the process of increasing our own salaries. Perhaps we could take the cost of living allowance so that in real dollar terms the remuneration is retained at that particular level once it's set. I suggest, Mr. Speaker, that is one of the areas the committee could assess.

In conclusion, my concern is that with Bill 35 we face such a potentially explosive issue, and one which I think really needs to be analyzed thoroughly, that I think the proposal made by the Leader of the Opposition is a good one. I would like to see resolution number two held, after some discussion, until such time as we can go at it hammer and tongs, over Bill 35, and we've cleared the air in terms of discussion of the principle of this bill.

Then perhaps, I would hope the government might be willing to entertain an amendment to resolution number two so that the committee could look at this principle. Mr. Speaker, I would hate to see us back into a scheme which Ontario, after a report headed by Mr. Camp -- who certainly can't be accused of being a wild-eyed Social Creditor, Liberal, or New Democrat; who is as blue as they come -- after reviewing the situation carefully, has concluded that proposals like the principle of Bill 35 are for the birds and really have no place in the parliamentary process.

MR. R. SPEAKER: In speaking to resolution number two, I'd like to say first of all, I think the approach the government has recommended here is certainly acceptable. The people are acceptable. The terms of reference are acceptable. I don't have any argument with that.

By the resolution, our intent at this point in time, is first, to review the responsibilities, and secondly, the remuneration for responsibilities relative to our

elected positions. That's what we've asked the committee to do. I'd like to support the point our leader has made in the Assembly, that at this point in time we should also ask the committee to review the principles under Bill 35, so we can have a total picture and a total recommendation from that committee.

Bill 35 makes reference to payment of "reasonable travelling and living expenses in connection therewith" for MLAs. They're looking at the same type of thing in resolution number two. I think whatever the needs are in working on a committee, the needs must be similar for an MLA working in the Legislative Assembly, so they should be co-ordinated in recommendation.

Mr. Speaker, I certainly want to urge the Government House Leader to consider holding resolution number two, then our discussing Bill 35, and then, if possible, adding the principles of Bill 35 to resolution number two so we can have a total recommendation given back to us in the Assembly for debate in the fall session following the presentation of the report in September.

Two things concern me very much in not bringing the principles of Bill 35 into the terms of reference. They both relate to the role of the MLA in the future. I note, as we proceed and have proceeded in government in the last four or five years, that we have been moving the MLA closer to the administrative role.

I recall, when I came into the Legislative Assembly as a minister without portfolio in 1967, we faced a situation similar to this. I think there were only 3 or 4 ministers out of, I forget what it was, 12, 13, or 14, in the Legislature Building. Sixteen, was it? All the other ministers were scattered throughout the City of Edmonton in different buildings: the Highways Building, the Municipal Affairs Building, the Administration Building -- all over the city. I found in that first year that ministers of government were administering the departments and taking away -- I don't know if you want to use the word "eroding" -- not allowing the people who were hired to administer this government: the deputy ministers, assistant deputies, and people down the line -- but they were continually involved in the administrative process. There was a neglect of the policy areas, of some of the prime policy decisions made. That's an awful admission, isn't it? But that was my observation at that point in time.

Following that point in time, we made the decision that all cabinet ministers should come into the Legislature Building, so we keep them around the Executive Council and we attack this particular problem and bring them closer to policy determination and policy direction in the future.

What I see happening again -- I'm not sure how to assess that at this point in time -- maybe the ministers are taking their policy responsibility and are still in this building, fortunately -- but I do see at this point a movement to take the MLAs into the administrative area. I see a terrific conflict occurring between administrative responsibilities, policy responsibilities, and the grass-roots responsibilities of an MLA in his constituency. A terrific conflict can occur. The lines of responsibilities are just not clear.

I think we're falling into a trap by doing this, because I know that if I as an MLA were connected, let's say, to the hospitals commission, I have a very grass-roots responsibility and allegiance to a small hospital that may be just teetering on the line as to whether it should continue or not continue, what do I do? Where's my allegiance? Well, my number one responsibility, as I said in my first week in this House as an MLA, is to my constituents. They put me here to represent them in the democratic process. At the same time, the commission is making recommendations that hospitals of certain sizes, or certain responsibilities in the economic world of things, maybe should be closed. Where do I stand in a situation like that? How objective am I in my representation as an MLA? I think that's very important.

It may be easy as a caucus -- and I'm sure when Bill 35 was brought before caucus that we as individuals often say, you know, it wouldn't be bad if I sat on a board like that; I'd get some really practical government experience. I may get some extra remuneration. I don't know how much it is. I do move into a different sphere. I move out of my constituency. I might travel to Edmonton to take on this great responsibility. It sounds kind of like a glamorous role. But really, I think you've got to remember what you were elected for, your real objective and purpose as an MLA. That is to represent people and to keep as close to the area of policy determination as possible, and not get into the conflict of administrative areas. I would certainly like to urge that before the government as a point of consideration.

What's the other point that I wanted to make. I reviewed the terms of reference, as did our leader, with regard to the recommendations of Mr. Camp in Ontario. Mr. Camp, we all recognize, was set out to pick the new prime minister of Canada. I wasn't too sure how astute he was in that particular task but, anyway, he set out to do it. I'll have to take these recommendations with that thought in mind.

But he does raise certain arguments, for and against, with regard to MLAs involved in that administrative area. The point I want to make in reviewing these is that what is really forgotten in the for and against arguments is the service to Albertans and the function of an MLA as a representative of people in a legislative assembly. In each and every one of the arguments, for and against, that's totally ignored, not even thought of. I think that is the trap we're falling in by the recommendation.

In arguments for, he talks about "The presence of a politically astute person" on a board. So what? What does that do for the Albertan on the street? "(b) The Member serves as a useful information source for the Legislature, and especially for the Government Caucus." Now, really, what are we talking about in terms of the Albertan on

the street? "It provides a training ground for talented Members." What does that really do for all Albertans on the street? Not very much. "It is a means by which the Premier can reward loyal Members" So what? What about the Albertan being rewarded a bit? Those are the four arguments by this astute man of a lot of judgment. "Criticisms of the Practice: It gives too much patronage to [the] executive" Well, what does that do for the Albertan?

MR. SPEAKER: With great respect to the hon. member, and having regard to the extreme laxity as far as the rule of relevance has been concerned so far: undoubtedly there is some connection between the resolution which is under discussion and the bill, but I would respectfully suggest that comments which are exclusively of relevance to the bill should be omitted now in this discussion of the resolution.

MR. R. SPEAKER: I appreciate very much what you are saying, Mr. Speaker. The point I was making was that we are reviewing the travelling and living expenses of MLAs who would be appointed to positions, and in doing so that does relate to Motion No. 2 on the Order Paper, by which we're establishing a committee to do the very same thing.

What I'm attempting to say is that we should review it in total and not in piecemeal. Bill 35 and the principles therein should be placed under the resolution for the committee to review and make recommendations to us. I think, Mr. Speaker, that's a very sound thing that should be done.

I've made my point, Mr. Speaker, and I'll conclude my debate and zero in on more specific things with regard to Bill 35.

MR. CLARK: Mr. Speaker, I'd like to ask the Government House Leader a question. Is the government prepared to take under advisement the suggestion that his question of principle in Bill 35, on the appointment of MLAs to boards and agencies, be referred to the committee? On the Syncrude question, we could deal with that particular portion of the bill.

MR. HYNDMAN: Perhaps, Mr. Speaker, I could close the debate in light of that comment. It seems to me we have stretched the rules of relevance almost beyond bending, and we have dangerously blurred together what are two distinct items on the agenda today. One is Bill 35. Insofar as there is interest in discussing that, I think we should call it next. The other one is this resolution on the Order Paper, which is now being debated.

The purpose of this resolution is to set up a select committee to review the indemnities of members. We've heard from members of the opposition suggestions for adding to the duties of the commission, but I note that all members of the opposition endorse Government Motion No. 2 in principle. It seems to me, though, that we are very much blurring both issues if we attempt to put them both together.

I look forward to hearing the debate, maybe some of it again, on second reading of Bill 35, which we will call next. It does seem to me, though, that it is appropriate to have both these matters on the Order Paper at the same time, because the commission in the terms of reference under Motion No. 2 must review indemnities and see what is fair and appropriate to present circumstances. Bill 35 would be one of the present circumstances if that bill passes the Assembly. That's the very important reason why both matters appeared on the Order Paper at the same time.

I'd just like to say very briefly, with regard to the suggestion that the matters in Bill 35 be referred to this committee, that, to me, seems to be completely wrong. Certain matters can be referred to citizens for review, but the question in Bill 35, the question of the status of members of the Assembly, in my view is to be decided in this Chamber by members of this Assembly, and not by an appointed public group.

So in conclusion, Mr. Speaker, I would suggest it is appropriate to proceed with Motion No. 2 at this time. No amendments were proposed by the other side. I note that Motion No. 2 was endorsed in principle by other members, so I suggest we do that at this time, and then proceed to Bill 35 in second reading and continue with the pertinent comments raised with regard to that bill.

[The motion was carried.]

GOVERNMENT BILLS AND ORDERS
(Second Reading)

Bill 35 The Legislative Assembly Amendment Act, 1975

MR. HYNDMAN: Mr. Speaker, I wish to move second reading of Bill 35, The Legislative Assembly Amendment Act, 1975.

A key purpose of this bill is to bring about more direct involvement of some elected members of the Assembly in some boards and commissions in the province. In years past, perhaps two or three decades ago, in the administration of Alberta it was possible to have most aspects of government operation carried on by departments. I think the public, at

that time, felt members of the Assembly were able continuously to review in detail what departments were doing. However, with the size and complexity of government that has occurred over the course of the last two decades, quite a large number of boards and commissions have been approved and endorsed by this Assembly, have been set up, and now carry out quite a number of administrative and other duties in the province.

Citizens in this province generally know and feel that their MLAs understand and are able to discuss and work with the departments of government in a detailed way; but citizens also expect that MLAs have some degree of involvement with the boards and commissions set up in the province, and that maybe those boards and commissions in some cases should be closer to this Legislature than some of them have been. It's important to ensure, Mr. Speaker, that the objectives of those various boards and commissions, most of which were established by statute in this Legislature, are carried out and are responsive to the present-day wishes of the citizens in the province.

I might outline perhaps half a dozen of the boards to which the government would contemplate MLAs might be appointed. One would be the Alberta Resources Railway. Another would be the Alberta Research Council. Syncrude Canada Ltd. has been mentioned, and there's already been information on that subject. If memory serves me, a number of members in this Assembly have suggested it would be useful to have one of their members on the Alberta Alcoholism and Drug Abuse Commission. The Alberta Hospital Commission and the Alberta Health Care Insurance Commission have a very direct and relevant relationship to the health of the citizens of the province. Those would be two further examples.

The approach is certainly not unique in this province. The Hospital Visitors Committee Act provides for the appointment of an MLA. The Northern Albertan Development Council Act contained the appointment of an MLA as one of the aspects of setting up that board.

I might mention it's the government's view that there would always be a minority of MLAs on any of the half-dozen or dozen boards which would be involved. The activity of MLAs would be essentially part time. Their responsibility as members of the Assembly would always come first. It's important, Mr. Speaker, to realize that these appointments would not involve MLAs in the administrative detail or the day to day operations of these boards, but rather in the policy area, in the sense of responsiveness of the boards to the Legislature and to the citizens of the province.

Another feature of the bill, Mr. Speaker, is accountability. There is a report mechanism. Every year, without even a motion for a return having to come forward, the names of the boards on which MLAs are appointed, the names of the MLAs, the fees they receive, the expenses they receive must be tabled in the Assembly. So there will be total disclosure and accountability in that regard.

I might mention that some of the provisions in the bill, Mr. Speaker, relate to the removal of some doubt about expenses of members attending Commonwealth Parliamentary Association meetings. It's the government's hope that more and more members of the Assembly can be in attendance at those meetings to talk with colleagues in other provinces and the federal government on matters of mutual interest to parliamentarians generally. Other portions of the bill will remove some doubt about the eligibility of MLAs with regard to air and telephone passes. Certainly we want to ensure there's no question of eligibility by the use of those passes, which I think members have found most useful. Other parts of the bill will simplify the accounting of members in regard to expenses.

In conclusion, Mr. Speaker, I suggest this bill is a sound and contemporary move in Alberta in 1975. It will bring a more direct involvement by elected members -- people elected by citizens in the province. It will bring about a stronger link between the public and the administrative boards in this province.

DR. BUCK: Mr. Speaker, I would like to commence my few remarks just exactly where the hon. minister concluded his, when he said elected officials.

Mr. Speaker, I would like to say that I think we have to know what we're here for, and that is to make laws. We are elected by the people of this province to enact legislation, not to be administrators. At the same time, I say that the Executive Council has a role which is different from that of the ordinary MLA. The hon. Premier says he wants to get members of his back bench more involved. This is fine. This is a good theory, but it just doesn't seem to work that way. It's the Executive Council which runs this province, and rightfully so.

I am even concerned, Mr. Speaker and Mr. Premier, about a member of the Legislature being on that Syncrude board. I think a member of the Executive Council should be on that board, with no outside remuneration other than what the people of this province pay him to serve on that Executive Council. Then we would have a direct, instantaneous link from Syncrude to the Premier and the Executive Council.

MR. CLARK: Answerable in the House.

DR. BUCK: Answerable in the House is right. We must realize that it just leaves too many shadows. The people in this province could say, there could be something going on. People could be getting paid for services they should not be getting paid for. It's just too easy to read innuendo and suspicion into some of the boards and commissions, members of the Legislature may be appointed to. We see in some of the records of the hon. members of the Legislative Assembly in Ontario that some members don't have to worry about being full-time MPPs. They have got it made as far as remuneration goes. Some of their outside

activities are bringing them more in remuneration than members of Executive Council. I don't think this is right.

Also, Mr. Speaker, we make the laws. I don't think we should be administering our own laws. I think it may be a fine point, but it's there. Now I'm not so sure that the Hospital Commission has been much more effective because there is a member of the Legislature sitting on it. From the people I've spoken to, that body has not changed because a member of the Legislature is on it. Possibly there has been an input into the Executive Council or the government caucus we are not aware of, but it just doesn't seem to have done that much more for the commission.

Also, Mr. Speaker, I think we in this Legislature have to have the freedom to make the decisions we feel are in the best interests of the people of Alberta. If we are on a commission or a board, I think we lose that freedom. As a member of this Legislature, I want to have the right to make the decision I feel is best for the people. Never mind how it may reflect upon the commission I am sitting on. At the same time, not to muddy the waters on Motion No. 2, I want to have the freedom to make the decision in this Legislature. Sometimes the choice I make may not help me get re-elected, Mr. Speaker, that's why I don't think there should be full-time MLAs. I want to have that freedom to make the decision which I think is the right decision. It may help to get me kicked out of this place, but I want to have that freedom, whereas if my total dependence is on that remuneration, I sometimes could not make that decision.

Mr. Speaker, I beseech the government, in all sincerity, to really have a look at what they're doing. We asked this when the caucus committees were set up. Fortunately, as far as we can tell, there has not been remuneration. This is just going to make it legal.

Mr. Speaker, in speaking to an elected official serving in a lower level of government, the gentleman I spoke to was about three and a half feet off the ground when he saw this bill presented on Friday. Mr. Speaker, I certainly plead once again with the hon. members of the Executive Council and the government caucus to re-evaluate this, because I do not feel it is the right way to go.

DR. PAFROSKI: Mr. Speaker, I am speaking in support of Bill 35, The Legislative Amendment Act, 1975. I think it's an amendment, Mr. Speaker, that comes right to the point, an amendment in 1975 which exemplifies the direction this government has taken -- a modern, contemporary government that takes into account a number of points.

First, Mr. Speaker, it assures that elected representatives, as has been stated by the hon. House leader, are closer to the decision-making process of boards, commissions, and other bodies the statutes of this government may formulate in the future. Mr. Speaker, I suggest this will offer a direct input regarding such important decision-making processes which may affect the lives of Albertans on a day to day basis.

Mr. Speaker, in addition to that, the hon. members who will participate from time to time on such boards and commissions will be better able to relate back to government and offer quicker and better suggested changes that, unfortunately, often take so long to come about because of time and overloading of activities. Mr. Speaker, it gives an opportunity for members at large -- non-cabinet members -- to participate.

I don't think anyone can deny the importance of such input, Mr. Speaker. I am surprised that hon. members in the opposition have started on this course even prior to coming to this bill, when we're debating Motion No. 2. I think this input and communication to government will increase the assurance and re-inforce, modify, and change direction more quickly and promptly in line with what we believe on the government side, in line with a responsive type of government.

Mr. Speaker, I think a good example of this type of direction we have taken already, and maybe somewhat peripheral to this type of bill, is the special advisory committee to the minister responsible for workers' compensation. Mr. Speaker, if we just relate back to that committee's activities, this committee brought in a report much quicker and much more promptly than every four years -- brought in changes that brought this province to the forefront of the highest benefits via workers' compensation in Canada, and truly in line with an overdue change.

Mr. Speaker, I think the members should relate to that type of special advisory committee as an example, albeit a variation. I'm sure that committee will bring in recommendations in short order which will put us even further in the forefront regarding this area. Mr. Speaker, I bring that example forward so we can relate and say, how can the hon. members -- non-cabinet ministers -- serving on boards and commissions bring about a number of changes that may otherwise take many years, or may never come about because the hon. members have not served on those boards or committees.

Mr. Speaker, circumscribed around these two important points, I suggest that Albertans want, in fact, this type of elected members' participation on a more direct basis. As has been stated by the amendments in the bill, it's on boards and commissions and bodies created by the Legislature.

Mr. Speaker, I suggest that the elected people of the Province of Alberta really believe that they, indeed, have this type of representation on a direct basis when, in fact, this has not been the case up to this date. This will ensure this direct line of participation with the obvious resultant benefits for all Albertans. Mr. Speaker, as I stated before, it will be a direct-line participation and it will be contemporary.

Mr. Speaker, this bill has been challenged. It has been challenged especially with respect to payment of fees and travelling and living expenses. Mr. Speaker, I hope the opposition members really have second thoughts with respect to that. Again, I feel the people out there, the constituents, believe MLAs are paid travelling and living expenses

in line and in tune with the time, when they serve on an extraordinary task of travelling, on committees, and so forth. Similarly, I believe the people out in the constituencies across this province believe that non-cabinet ministers, MLAs participating in any committee work, get paid. Indeed, Mr. Speaker, as the hon. Member for Drumheller has mentioned, we do get paid for special legislative committee activity. So they would expect that to happen if we, in fact, serve on boards, commissions, and other such bodies which are created by statute of this province. In fact, Mr. Speaker, there is no doubt -- and I don't think anybody in this House would challenge that this will, indeed, [mean] extraordinary hours and days of activities.

Mr. Speaker, I suggest this government wants to have responsiveness rather than non-responsiveness. It wants to have quick change in line with the needs of Albertans, on a day to day basis, rather than slow or no change. Mr. Speaker, we want to assure the more appropriate direction in line with government policy, rather than non-elected bureaucratic direction, which at times seems to deviate from our policies or is slow to act on people's requests, and they continue to ask, how come there is the red tape.

Mr. Speaker, this is not to be critical of non-elected officials and bureaucrats, for they are needed. By and large, I suggest they are doing an excellent job. But, Mr. Speaker, I suggest their activities will surely be enhanced and be more on beam and appropriate for modern government, with elected representatives serving on their bodies, commissions, or boards, as you would have.

I hope, Mr. Speaker, with respect to the bureaucratic machine in order on these boards and commissions, that they do not in any way interpret the MLA as a threat. Certainly, I didn't have that feeling when I served on the special advisory committee of the Workers' Compensation Board. I hope, in fact, they interpret that elected members are there to be, indeed, an adjunct to the boards and commissions, to add support, to help decrease the so-called bureaucratic red tape, to inform the members of some of the policies and directions, and in turn to inform the House and the Executive Council of those changes which may be occurring that may not be in line with the direction we choose.

Mr. Speaker, a special note regarding the bill: it is to be noted, I think, and the members should take heed, that certain boards and commissions are excluded from MLA participation, and for good reason, although I suggest that from time to time various boards and commissions may be added or included or excluded for good reason. But I think it's important to note, Mr. Speaker, that the exclusions are there, and they are there for obvious reasons. The reasons -- I'll just mention two -- are to assure that MLAs are not put into a position of directly allocating funds -- for example by the Alberta Opportunity Company -- and also to assure that elected MLAs who serve on these boards, commissions, and other bodies are not involved, for example, in licensing and not doing merely day to day, routine administrative work, which is truly the job of an administrator.

Mr. Speaker, I feel confident the MLAs who serve on these types of committees and boards will provide input to boards, commissions, and other [bodies] as will be prescribed. It will provide a very important input. It will help formulate the policies of those boards, commissions, and other bodies; not formulate them alone, because they are in a minority position, but help form them; and assure that government direction is not only there on paper but, in fact, in a direct way, when the individual is there physically and mentally as an elected representative serving the people of Alberta. I'm sure its serving will be a sobering thought for many boards and commissions and other bodies.

Mr. Speaker, it is to be noted that these boards, commissions, and other bodies are to be created by statute, with the exception of the Canadian Parliamentary Association and the Syncrude board of directors, and the obviously important aspect of the Syncrude project to the economy of this province.

Mr. Speaker, in concluding, I urge support of this bill for the reasons mentioned, plus the fact that there is a definite void that should be filled by elected representatives in 1975 on. Obviously from their comments, Mr. Speaker, the opposition would like to maintain that void. I suggest we shouldn't do that.

I hope, when and if it's passed, Mr. Speaker, that we as an Assembly do not hesitate to add or subtract boards and commissions as needed to maintain an ongoing, changing situation so MLAs, indeed, will serve on those types of boards, commissions, and other bodies that are truly needed.

So, Mr. Speaker, I'm sincerely distressed to hear the Leader of the Opposition and other opposition members already say, after just one or two speeches, that this is providing money for non-cabinet ministers and not making reference to any benefits for the people. Mr. Speaker, I suggest such criticism by the opposition reflects -- and this is something to think about -- their inability to grasp the need for a more direct-line approach and participation of elected representatives in a functional way for people, as people expect and want. As they make their comments, it reflects -- and I've heard enough already -- their archaic type of thinking, when they know full well that these many boards and commissions can and will do better with elected representatives. If the opposition members are critical of this type of support for non-cabinet MLAs, Mr. Speaker, maybe they should review their research fund and their staffing funding, and give that up.

Mr. Speaker, in concluding, I think the Assembly knows well this is a new government, a contemporary government, a Progressive Conservative government, which has done much for the benefits of people across this province . . .

AN HON. MEMBER: You're right.

DR. PAPROSKI: . . . and I'm not going to mention the property tax reduction . . .

AN HCN. MEMBER: Immaterial.

DR. PAPROSKI: . . . a plan that came via elected members participating on such boards.
[interjections]

Mr. Speaker, this government has become a more responsive government. It's become a more responsive government by having spring and fall sessions. Why do we have spring and fall sessions, Mr. Speaker? To increase the opportunity for individuals, including opposition members, for the citizens out on the street to come in and have an input on a dual basis to elected representatives. This type of bill, Mr. Speaker, will also increase this responsiveness, as we have by TV, radio, and the Hansard.

So, Mr. Speaker, finally I hope, after passing this bill -- and I hope it will be passed -- we will have even more responsiveness of elected representatives in direct line with activities of government, truly in line with people-type of government; a government that certainly puts people before party.

DR. BUCK: Mr. Speaker, may I ask a question of the hon. Member for Edmonton Kingsway?

DR. PAPROSKI: Indeed, do that.

DR. BUCK: Mr. Speaker . . .
[interjections]

This is a serious question, Mr. Speaker. If the principle is right, I would like to know from the hon. member why these other boards are excluded.

DR. PAPROSKI: Mr. Speaker, I thought I indicated in my comments earlier that certain boards may be excluded because it puts the MLA in an impossible position of directly allocating funds.

[interjections]
Well, that's fine. That's why they are excluded.

MR. CLARK: What about the Racing Commission?

MR. NOTLEY: Mr. Speaker, I must say I found the remarks of the hon. Member for Edmonton Kingsway about this being a contemporary policy rather interesting, in view of the fact that we are taking a warmed-over policy from Ontario that they're in the process of throwing out. We now call that a "contemporary" policy.

Mr. Speaker, there are a number of obvious concerns which the public sees, and I think have to be discussed fully in this Legislature -- the whole question of the old pork barrel approach. But we do hear the argument presented -- and I notice Mr. Camp also made it in his report in Ontario -- that the practice provides a training ground for talented members. This seems to me to be perhaps one of the few reasonable arguments in favor of this particular approach.

Mr. Speaker, I would simply say that, in terms of the government backbenchers, a better way of dealing with that particular problem would be the appointment of legislative assistants to the ministers in the House, so you have direct accountability for a department. That would be a far better way of proving the abilities, or lack thereof, of the individual members on the government side.

Mr. Speaker, I want to say two or three things about the principle: first of all, the impact on the boards. When we look at the report in Ontario, we find that the second criticism announced by Mr. Camp is very interesting. He says, "The appointees do little or nothing for their rewards and have an unfair advantage in terms of income and perquisites over their colleagues." Now, Mr. Speaker, that's what Mr. Camp is saying about the good backbenchers of the blue machine in Ontario who have been appointed to these boards, they "do little or nothing for their rewards". I don't know how a statement could be any more critical of the concept than that.

Mr. Speaker, I'm not even sure that MLAs are always the best people to represent the public on these boards. It seems to me that if the MLA is carrying out the function of fully representing a constituency, doing the legislative work, and having the sense of detachment necessary to look at the broad range of legislative responsibilities, there may, in fact, be insufficient time in some of these boards to be the representative of the public at large.

The hon. Member for Kingsway cited the example of the special advisory committee for the Workers' Compensation Board. That's one particular advisory function which at the present time is unpaid. And I think it should be unpaid. But, Mr. Speaker, to move from that, from an advisory committee to boards where there is, in fact, a de facto administrative function, is a pretty large jump indeed.

Mr. Speaker, the question is: what role will these appointments have on the Legislature itself? Well, Mr. Speaker, "The appointees", again according to Mr. Camp, "have no legislative responsibilities for their agencies", and that's as it should be. All boards and agencies have to report to this Assembly, or to the House of Commons, or to the Ontario Legislature through the ministers, so the accountability, if you like, is from the minister for the board, rather than for the individual who has found himself appointed to the board. They do not have to answer questions in the question period. I can imagine the hassle we would get into during the question period if we began to put questions to the backbenchers on government boards to explain the function of the boards. You would

quite correctly rule, Mr. Speaker, that questions have to be directed to the minister who is responsible for the board.

So I think Mr. Camp's observation here, criticism (d) of the many he has cited, is that they don't really serve much of a legislative role, and that "neither do they put through their agency's estimates. They serve an 'executive' or 'administrative' function, neither of which is consistent with the nature of legislative responsibility." Mr. Speaker, [this is] from Mr. Camp's report.

I believe that there is, by and large, with the occasional committee -- we have a member on the joint municipal finance committee. It seems to me there's some role there in an advisory sense. When we go beyond these advisory committees and start looking at boards that have an administrative function, we are, as the Member for Little Bow pointed out, confusing the difference between policy setting and administration. It seems to me our role in this House should be to concentrate on the overall policy formation. To do that, there has to be that sense of detachment which one doesn't really find if one is on a board.

Mr. Speaker, I think the first criticism Mr. Camp made is also useful to point out in talking about this point. Mr. Camp says:

It gives too much patronage to an executive which already has too much domination in the Legislature [well, no question about that] i.e. the rewards keep backbenchers supplicant and cripple their independence of mind [we would hate to see that happen, Mr. Speaker, in this Legislature, I'm sure] in the Caucus, the Assembly, and its committees.

Well, Mr. Speaker, wouldn't that be an awful thing to happen?

Mr. Speaker, the final point Mr. Camp makes in his report is really a pretty serious one, and I want to come back to it, because it deals with something the hon. Member for Edmonton Kingsway raised and then glanced over lightly. Mr. Camp says:

There is something anomalous and potentially dangerous in terms of conflict of interest in having an M.P.P. on a board which makes major recommendations after public hearings. As they affect his private interests, such conflicts may be no different from those of any other board member, and would perhaps be covered by a conflict of interest policy of the board. However, as an M.P.P. he has certain political and public interests (e.g. those of his constituency) which may be more difficult or impossible to resolve.

Mr. Speaker, the Member for Edmonton Kingsway says this is not going to be a problem because of the exceptions. But we can change those exceptions any time. Once you get the principle established of widespread appointment to these boards, then we're in a position to nibble away the exceptions, and we get ourselves into the very problem that Mr. Camp has cited in the Province of Ontario.

So, Mr. Speaker, I believe we have to take a very close look at this subject. I'm disappointed we passed Motion No. 2 without referring this matter to it, because, in my judgment anyway, it requires the kind of in-depth consideration which isn't going to take place with a very preliminary debate. I would simply say that if the government wants to embark upon this particular approach, let it bring each case before the House and let's debate it separately. Let's not provide a carte blanche authorization through this legislation. Mr. Speaker, I just can't see why a government that's been in office for four years, and hasn't moved -- with the exception of one case, so far -- needs this general sweeping authorization right now. There's no reason in my view, Mr. Speaker, that if the approach is so worth while they can't come to the Legislature and we can debate on the merits of that issue.

I remember in 1972, when we added a member to the Hospital Services Commission, the debate that took place forced the government to justify why it felt it was necessary to have a member on the commission. I think, Mr. Speaker, if we're going to move in that direction in the future, and I would regret doing so, at the very least let's debate case by case, and each one of them separately.

The final comment I would make is with respect to the Syncrude appointment. Here we have the case of a board member being appointed to a consortium which is a joint venture with the Government of Alberta. What's this going to mean? Is this going to be the opening of the doors, so we now appoint MLAs to all the joint ventures the province is going to be involved in? Are we going to have an MLA on the board of directors of PWA before too long? Are we going to be appointing MLAs to boards of directors of all the companies that are set up by the Alberta Energy Company, or connected with the Alberta Energy Company? There are certainly going to be all kinds of opportunities for moonlighting by MLAs if, in fact, that's the case, Mr. Speaker. But I agree with the Member for Clover Bar, that in the case of Syncrude, if we're going to have any member of this Legislature on the board of directors, that person should be the Minister of Energy. That person should be fully accountable in the Legislature for everything that board undertakes.

So, Mr. Speaker, I have yet to hear a plausible explanation as to why we need to take this additional step. I think it's fraught with danger, and I would hope that the members of this Assembly would reject it.

DR. WALKER: Mr. Speaker, I would like to say a few words on this subject too. You know, everywhere in life the true question is not what we gain, so much as what we do. Being one of those who loses considerably in a financial way by sitting in this Legislature, and there are some members sitting in the opposition -- and walking in -- who are in the same boat. I disagree with the Leader of the Opposition that any member would lose his

independence. Why on earth would he lose his independence by sitting on a board, unless he so desired?

MR. CLARK: We're not all as independent as you.

DR. WALKER: If the hon. Leader of the Opposition is so opposed to extra remuneration, why does he accept extra remuneration for being the Leader of the Opposition?

AN HCN. MEMBER: That's a good question.

DR. WALKER: MLAs' salaries are not very great. In fact, I would say it's the cheapest labor you have here. But the hon. Leader of the Opposition accepts it because he's expected to spend a lot more time in this sort of job than the average MLA. The idea in Bill 35 is that MLAs doing extra jobs, over and above the average MLA, would get paid for the extra responsibilities that befall them.

The hon. Member for Spirit River-Fairview said that a full-time MLA would lose touch with his constituency. I don't see why he has to be full time at all. I would much rather see him part-time and carry on with his ordinary life as well. I think somebody who maintains his basic occupation remains a part of the community and is much more in touch with the community than somebody who is spending most of his time in Edmonton.

If, on the other hand, an MLA is putting in a great deal of time and effort on a government appointed board, he must surely have some extra remuneration, or else we end up with MLAs of two types only, the ones who really need the job and the pittance it pays really looks pretty good to them, and those who are in a financial position to be able to afford the drop in income which is so often associated with the MLA position. There are an awful lot of people between these two extremes who could make excellent MLAs and contribute enormously to this province. The difficulty in getting people to let their names stand for election at all is ample evidence of this.

The hon. Member for Clover Bar seemed to think that by appointing full-time MLAs they would not have time to look after their own constituencies. If we talk about debating each case, we wouldn't be out of here at the end of June. I think we'd be here July, August, and September.

I would support this bill as a sound development of the duties of MLAs. I don't think it should be looked upon as a reward, but as a duty to the people of this province. On this ground, I would support it.

DR. BACKUS: Mr. Speaker, in this bill I think we have two basic principles. The first is the question of whether members should be on boards or commissions. The second is, if they are on those boards or commissions, whether they should be paid for the work they do on them.

In dealing with the first question, being a Diefenbaker man, I would in fact prefer to have heard the opinions of the hon. members for Little Bow, Olds-Lidbury, Clover Bar, Bow Valley, or even Spirit River-Fairview to those of Dalton Camp. I'm sorry he isn't here to argue his points, because I don't believe -- I may be wrong in this -- he has ever succeeded in getting elected to any legislature. Therefore, I wonder whether we in this legislature should suffer his arguments as part of the debate. He certainly made some points, and I think we can look upon these points as those expressed by a person who has never had the experience of being a member; but they are certainly the point of view of one member of the public. I don't put him in any higher category than just being one member of the public.

I think a point was brought out by the hon. Member for Clover Bar that we should be free to make decisions here in this House, and therefore should not have any members on any boards, because this would take away the freedom of those members to make the legislative decisions in the House. I always find one of the really worth-while things in this Legislature, when we do debate a bill or a bit of legislation, is to have some member who in fact has some real personal experience in the matter. I call to mind some of the excellent speeches made by the hon. Mr. Drain from Pincher Creek, when he was speaking about subjects on which he had tremendous and vast experience. I really felt they were a tremendous contribution to our thoughts in trying to reach decisions here.

I certainly can't see why one member of the Legislature, who has had a period of experience on one of these boards or commissions, should not in fact be able to contribute very significantly to the decision-making function of this Legislature. Certainly, any loss of freedom he may have in that decision-making is going to be amply overcome by the other 74 members in the House who can ultimately make the majority decision of the Legislature. But I certainly think his contribution might well be very valuable in reaching those decisions.

The other argument put up by the hon. Member for Spirit River-Fairview was that this would cripple our freedom of thought, and that there would be danger of conflict on the part of members who were on these boards. If this is really such a serious situation, I sometimes wonder why we have cabinet ministers. Surely they must face the same problems of conflict. Although they are cabinet ministers, they are also representatives of particular constituencies. Yet we expect them to be able to make decisions that may affect their constituencies and to make these decisions fairly. If those members, just

because they have been chosen for the cabinet, are able to make fair decisions in this regard, I can't see why any other member shouldn't be equally capable.

My main argument in favor of having MLAs on boards and commissions is that for many years in this province boards and commissions have been appointed to act as a buffer between government and the people of the province. This was certainly the feeling I know many of the public felt about boards and commissions. I think the public feels very strongly that we should get rid of the boards and commissions and should, in fact, have direct access to the government rather than having the buffering effect of a board or commission.

Because of some of the administrative work carried out by these boards and commissions, they do hold a very important function in the province; but I think the presence of an elected member on that board will do very much to remove that buffering effect these boards at present do seem to have between the people who elected their members to represent them here in the Legislature. Having elected somebody to work for you here in the Legislature, you then find that all the decisions are made by some board which has no responsibility, except very indirectly, through a department and through the MLA back to the public. There's a very real feeling amongst the public of this province that the people they elect are not playing a significant enough part in the actual application of the legislation prepared here in the Legislature. Therefore, I think this is a very positive step and a very progressive one, to remove partially that buffering effect from the boards appointed by the government.

Our second point, which is a matter of whether they should be paid for carrying out this function, might not receive quite as much opposition if we accepted the idea that any member of the Legislature could be appointed to the board. The arguments I've heard so often are that this is going to give government MLAs a chance to make a bit more money than the opposition MLAs, because the opposition MLAs will never be appointed to the board. I would like to say that I think any member who has the qualifications and the ability to represent this Legislature on a board could well be appointed. If a member of the opposition seemed an outstanding person to be appointed to the board, I see no reason at all why the government wouldn't be prepared to appoint that person to the board.

DR. BUCK: And report to your caucus?

DR. BACKUS: He wouldn't necessarily report to the caucus, but he could certainly report to the Legislature. I believe it is the understanding that the Legislature is supposed to be the predominant body here, not the caucus.

DR. BUCK: "Supposed to be" is right.

DR. BACKUS: Therefore, I think his ability to report to the Legislature would be a real advantage to us all.

We often hear about the labor side as the people who work, the workers of the province. By definition, I suppose, that would mean anybody who isn't a laborer or a worker doesn't work. This kind of puts all of us in the category of non-workers. Most people who call themselves workers are the people who put in, I think it's now a seven-hour day, five days a week, or an eight-hour day, four days a week, and then they're off. There is a great number of people in this province, not only in the Legislature but outside the Legislature, who work just as hard, put in just as many hours, but don't have any unions fighting for their pay. In fact, it is usually the workers who do this extra work and put in the extra hours, for which they don't get any overtime pay, who are considered not to be workers.

If we feel very strongly that a worker in this province should receive pay for the work he does and should receive overtime pay if he does a bit more work than the specific hours he was put on, I can't see why the people in this province who put in a lot of extra work and do a lot of extra time shouldn't be treated in the same way. Therefore, I think a member who is going to be putting in a lot of additional work over and above what other members are putting in by being on a board should, in fact, receive some compensation for it. As long as our mental attitude is that because you've been elected by the public to a job here in the province you should work 24 hours a day, 7 days a week and be compensated for it as little as possible, as little as you can fight for -- until we change this idea and start recognizing that the people who work, produce, benefit and serve the people of the province should be compensated for the service they give, we are going to end up with a welfare state. We certainly won't find the people encouraged who really are prepared to do a lot of production.

Therefore, I would give strong support to this bill. In expressing my opinion, I say that I am expressing my opinion, not the opinion of some Ontario millionaire.

MR. R. SPEAKER: Mr. Speaker, I made a point on an earlier occasion with regard to the principles of these bills. What is the Albertan cut on the street going to receive from this kind of legislation? That's number one. Number two is asking the question with regard to administrative areas versus policy areas. I think I've covered those two items.

Listening to some of the debate in this Assembly this afternoon, I certainly understand, first, why the hon. Member for Edmonton Kingsway is still sitting where he is sitting, with the reasoning that was used there. He made some statements I question and wonder about. He talked about voids. I think there are maybe two voids we're talking

about with regard to this bill: one is an open hand, and two is an open pocket. I think those are the voids we might be talking about. That was one of the points.

We go on to talk about the modern, contemporary approach. Well, in the last two or three years we've tried to clean up that approach in North America. So I think we should really look at the definitions we're trying to bring out in this Assembly. The hon. Member for Edmonton Kingsway talked about direct input. I think that statement, Mr. Speaker, is certainly a disrespect and has contempt for the democratic process in this Legislature.

We are sent, as MLAs to represent certain areas, to speak our minds, to give our points of view, and to cover it in total, without any fear, and without anybody contradicting -- if somebody contradicts us, that's fine, without any fear of expressing our total opinions on any subject at any time. That goes without saying, about boards, their operation, their people, or we can even talk about their personalities. The same with commissions. We have that kind of immunity in this House.

The hon. member was saying to me, we do not have that freedom, and the only way we're going to get it is to go out and sit on the board and decide on policy direction and policy intent. Mr. Speaker, to me that's an abuse of the process we stand for. If we, as members, start thinking that the powers we have in the Legislature of directing and giving intent to civil servants, boards, or commissions -- that that intent is not initiated in this Legislative Assembly -- then I think we certainly have some re-examination to do. Because this is where policy is set. This is where power is initiated. This is where the laws are started. This is where we give powers to honorable men who sit in the front benches over there to administer, to run the affairs of this province.

DR. BUCK: And women.

MR. R. SPEAKER: And women. That's for sure. I am most impressed with the woman who is in the cabinet, with the way she acts.
[applause]

DR. BUCK: We'll shape her up, yet.

MR. R. SPEAKER: That's one way to leave you speechless. I sincerely mean that. The way the hon. member has handled her portfolio, and has been able to separate policy from administration, has certainly been very, very good.

But, Mr. Speaker, the hon. Member for Edmonton Kingsway has lost the perspective, purpose, and intent of this Legislature. To me, that's very upsetting. The attitude is not contemporary. To me, that is not a modern approach. That approach was thrown out in the last two or three years. The hon. member talked about what Albertans want, that through this direct approach we can do just that. I think we have to differentiate between "want" and "need", and that purpose can be fulfilled in this Legislature.

The hon. Member for Fort Macleod made some statements I would certainly like to question. He made a statement with regard to the role of the Leader of the Opposition. This Legislature and many other legislatures historically assign a special responsibility to the Leader of the Opposition. We have done it through the legislative process in this Assembly. It's historic, and it's accepted at the present time. I don't think that particular position relates or is comparable to what we're talking about with regard to MLAs on boards or commissions.

Another statement he made is that \$15,000 a year is a mere pittance. The hon. Member for Drumheller made the point time after time in this Legislative Assembly that that amount of money is much higher than the average income of Albertans. I think we must be aware when we make statements like that, as members of the Legislature. [interjections]

Another comment I want to make, when I'm making some rebuttal, is to the hon. Member for Grande Prairie. There is potentially a conflict between the role of the cabinet minister and the MLA. Possibly there is. The general public expects that a minister in his role must make certain decisions for the good of the total province, and may at times allow it to be in conflict with his responsibilities in his constituency. It is expected that a certain freedom of representation in your constituency is lost. But I think when we place all or a number of MLAs on boards and take away that objectivity from many, then we have abused that particular principle.

Mr. Speaker, I can only say that through the Legislature we should be able to direct commissions and boards and influence them in the affairs of this province. I see no benefit, nothing special happening, because an MLA is going to sit on those commissions. I have said there is certainly a contradiction between a policy role and an administrative role.

I think one of the examples we can use, referred to earlier here today, is with regard to the hospitals commission. Since the appointment of an MLA, I have waited for a report to the Legislature and some kind of debate, or some mechanism for a debate. That really hasn't happened. That seems to be the intent of the Legislature: to bring back some kind of information for us as policymakers, as lawmakers, so we can make better policy and better law. But it hasn't happened, in one of the first examples which has occurred. Whether that person was paid, I don't think is relevant. The fact is, there was a position on a board, and there wasn't a follow-through into the Legislature.

So, Mr. Speaker, I think I can't support the principles in the bill. The only compromise I think I could accept, if the government feels it must proceed and pass this kind of legislation, is that they list in the legislation the boards or the commissions to

which they wish to appoint MLAs. Then let us discuss each one according to its merits, to see if we can accept it on that basis. But it still violates the basic principles that I think are most important in this trend that has started.

MR. MANDEVILLE: Mr. Speaker, I'd like to make a few comments on Bill 35. I can recall in 1967, when I got into my first campaign, this was one of the hottest issues I faced. I took the side of it -- there were so many of my people who were saying that our boards and commissions were voicing very strongly and running our governments. In 1967 I did have a strong view, as I said, and took the position of some of my people, but in the 1971 election it faded away to some extent. Then I can recall, in 1972 I was one of the members in the opposition, and two of us, the then hon. Member for Calgary Millican and I, voted to put an MLA on the hospital commission. At that time I felt that would be the right direction to go. However, I see the hon. Deputy Premier sitting over there -- he and several other cabinet ministers were in my constituency when the cabinet committee visited there, and I think one of the hottest issues was the decision of the hospital commission and the fact that it wasn't recognizing our local people or our local hospital boards.

I'm not here to stand up and thoroughly condemn this, because I have supported it in the past, but I would like to see us give further study to this, with no reflection whatsoever on the hon. member who sits on the Hospital Services Commission, because I think he's doing a good job and is not reflecting the views of the commission. I think this is good. One concern I have is, if we had members of the Legislature sitting on boards and commissions, would they control and direct our boards and commissions in making decisions? Are they going to be concerned with having a member of the Legislature sitting in on their meetings, and not coming up with good decisions? I have confidence enough in the members of the Legislature that they would put out all they could to make these boards operate as efficiently as possible.

As the hon. Leader of the Opposition suggested, I would like this to go to the commission set up to study MLAs' salaries and come in with a report, and let them study this at the same time. However, as the hon. House leader has indicated, he thought that possibly we should make this decision in the Legislature.

If this is the case, maybe we should set up a legislative committee to give thorough study to the complete Legislative Assembly Act. Let's go over the complete act. Possibly, if this is the way to do it, we should have a legislative committee to go through this act and give really strong consideration to many changes. I don't think this is the only change that should be looked at in the act. I think there are other areas. So I would suggest we either refer this to the committee we've set up, or else set up a legislative committee to go completely through The Legislative Assembly Act, and rewrite it.

MR. TAYLOR: Mr. Speaker, I'd like to say a word or two in connection with Bill 35. I believe that in our parliamentary set-up there has to be a line of distinction between the making and the administration of laws. I think the point which has impressed me in these changing times is the fact that more and more governments and legislatures, over the last several years, have been inclined to appoint boards to do jobs which were originally under a minister, where there was a direct connection with someone who had to answer to the people.

One of the things that bothers me about boards, came out of an outside committee studying boards a few years ago, when Social Credit was in power in Alberta. There was a big stir in the entire province over the vast number of boards that had been set up, and the number of boards which had increased to try to run the people's business. The concern was that the boards were not answerable to the people. They didn't have a direct connection, a direct pipeline to the people. In too many cases, it was a case of the boards being the government and [telling] the people what was good for them or what wasn't, and in effect becoming the government.

I disagree with that type of thing entirely. We did that with our university or colleges commission. We did it with the hospital commission when it was originally set up. One of the purposes enunciated at the time was to get the heat off the minister. I don't agree with that policy at all. I think a minister has to expect to be in hot water if he expects to be a minister of the Crown, take the responsibilities and deal with them as he sees fit. The last few years, the more I've had to do with boards during the time I've been in opposition, has led me to believe that boards are becoming more independent of the people. This is a worry. I think this is wrong.

On the other hand, I think it would be equally wrong for a board to be controlled entirely by those who make the laws, so that there was a majority of MLAs on a board. I can see grave difficulties arising, because then the legislative end of our parliamentary set-up is not only making but administering the rules. I certainly wouldn't want to see that. While I don't know how many members are going to be appointed to the various boards, I would hope the number would be very, very small in relation to the total number on that board.

If there is going to be a mixture of the legislative and the administrative, I would think it would be solely for the purpose of making that board responsible to the people, having someone there who has to take the responsibility and answer to the people. If this goes through, whatever members are put on the board, I think there's going to be a grave responsibility. That one person -- say there's one member in a board of three or four -- is the only one who's going to have to stand out on the platform, stand in this

Legislature and answer for that board. He's the man who's going to be on the spot. If he's a member of the board, and elected, he may well place his future as an MLA on the line. If that board does something, even though he's in the minority he's going to have to take the responsibility for it and answer to the people. I see a benefit there. I see a benefit because the people will then be able to have direct access to a board.

This trend of getting boards away from the people might be halted to some degree. I think that's one of the most serious things we're facing today, having our country run by boards, federally and provincially in almost all of our provinces, if not all of them, with the government delegating authority too freely to some of the boards. So if this could be a move to bring them back under elected people, people who must go out and stand for election and take the bumps with the good, I can see this being to the advantage of the people.

There's one other thing that bothers me a little bit too: that is, boards don't have to raise the money. Boards don't have to answer for the expenditure of that money to the people generally. Some ministers may insist on keeping pretty close tab on the moneys being expended by a board, but generally when it's voted by the Legislature to a board, then that board has fairly flexible and reasonable grounds to administer that program.

Again, we're getting into a period when people think governments are completely loaded with money and they should be spending it on everything. There's going to be a rude awakening one of these days, because we aren't loaded with money. There may be a fairly good, healthy treasury in Alberta at the present, but how long is this going to be? This has built up because of a depleting resource. Some of that belongs to those people not yet born, and certainly they have a right to some of it. How long is this going to last if it's spent very unwisely, or if it's spent on things which are not in the interests of the people? I really think there has to be more careful checking on expenditures in departments and particularly in boards when the people are appointed. They can say, the worse thing that can happen to me is I can get fired. You hardly ever hear of a member of a board being hauled before a royal commission or a court because of overexpenditures, or because of wanton use of public money. It happens occasionally, but not very often.

So I see some advantage in having an MLA on some of these boards as a watchdog of the public treasury. Whether or not you want to say he's going to be a spy, I don't know. I wouldn't lock upon him as that. I'd look upon him as a person who has a direct pipeline to the people, and who would then want to make sure that he could stand on the platform for re-election and justify any money spent. So it isn't all bad when we move it.

At one time, I voted almost entirely for administrative boards. But experience with them leads me to believe that this isn't good. If I really had my way, I would like to see most of our boards eliminated and placed as a direct responsibility under a minister, because that's the surest way the people have of making sure somebody's going to answer for expenditures. Since we have boards and since they're an accepted thing, then maybe the next best thing is to make sure we have somebody on them who is going to have a direct pipeline to the minister, and more so to the people, to make sure that the people do have some say on what's going on and also the money being expended on the boards.

Again, I think there's a point which has to be emphasized very, very greatly. That is the point that these boards are spending public money. They're dealing with things of vital concern to the people. I'm just looking at one board here which I've had quite a bit of experience with. That is the Surface Rights Board. For a number of years, particularly when we were in the heyday of development of the oil and gas industry in this province, there was difficulty in settling these claims. There was an organization in the province that wanted a share of all the royalties. They called it, I think, the surface rights association or some name like the equality association -- I forget the name. They wanted a percentage of the royalty to go to the people who owned that particular land. I didn't support that policy because I felt the oil and gas belongs to all the people of Alberta, not only to those under whose land it happens to be; but I did support the right that these people should have a fair settlement of their claims.

At one time we appointed -- and I had a little bit to do with that -- a farmer member to the board, so that the farmer member would have some understanding of farmer problems when we met in the quarter-section where the well was being dug. He could talk the farmer's language. For a while this worked out very satisfactorily, but gradually this farmer member became tougher than the other members on the board, as far as farmland was concerned in my constituency. I don't know about the rest of the province, but in my constituency it got so the farmers said, if you bring any of the board down, don't bring the farmer member. He got just too tough. He lost touch with the land and was inclined to become the great arbitrator, or the great member of the board who was going to build up an image of being tough. My experience was, he became far more oriented towards the oil companies than he was towards the farmer -- the very opposite of what we wanted on that board.

Now, when I visualize what happened in my own constituency in some of these surface rights cases, had there been an elected member on that Surface Rights Board instead of that farmer member, I can see the farmers getting a much better deal because the elected member has to come back and answer to the people. The appointed members don't. If there's any merit in this type of thing, I think there's merit in that.

So we've tried the straight boards without any members on them. It hasn't been completely unsatisfactory, but it hasn't been completely satisfactory either. We're concerned about what's going on, on some of the boards. Now there's a chance to have an elected member on -- and I would hope that that number of elected members would always be a great minority -- but someone there simply to remind the people that they are there to

handle the money carefully and to administer policies set out by the government and the legislature. In that way it can be a real boost to the people of this province.

So I'm prepared to go ahead with this bill, on the understanding that we know what we have now and we don't like it entirely. Let's try something better. We're living in changing times. Let's not make up our minds that we can't try anything new, there's nothing new under the sun, we can't improve the situation. I think the closer we can keep to the people, whether it's municipal, provincial, or federal government, the better the administration will be.

MR. YOUNG: Mr. Speaker, in speaking to this bill, I'd like to direct my first comment to the point that has been made about this being an opportunity for the purchasing of loyalties of government members, or the feathering of government members' nests, et cetera. Mr. Speaker, we've heard that record -- at least I have heard that record in this Assembly, and I've only been here four years -- at least three, if not four times.

Mr. Speaker, the record is there to be seen. We have reported on exactly what has been done. Subsection (4) of Section 3 of this bill requires a report by the Provincial Treasurer of exactly what is paid to whom annually, within 15 days of the sitting of the legislature.

Mr. Speaker, as far as I'm concerned, the kind of argument we've heard is an argument that might have been expected in the case of the opposition. It's strictly a negative argument. It's an argument which I think is not very flattering. In fact, Mr. Speaker, I wonder sometimes if members of the Assembly have had full regard to the quotation on the coat of arms up there, "Honi soit qui mal y pense". I leave it at that.

Mr. Speaker, moving on to the crippling of independence of mind which the hon. members for Spirit River-Fairview and Little Bow brought to our attention, I would only say that if minds can be that easily crippled, then indeed there is a problem with the appointments. I would not think any member of this Assembly had a mind which could be so constrained, so restricted, and so confused.

Mr. Speaker, the hon. Member for Little Bow has a different point of view than I with respect to our responsibilities as members of this Assembly. The hon. member, as I understood his comments, seems to reflect the point of view that his role is to fight for his constituency -- above all else to fight for that constituency, to represent that constituency. Apart from the problems, Mr. Speaker, of trying to know what is, in fact, the will of that constituency and the interest of that constituency, I have the problem that I will only undertake to advance a case if I think it is in the interest of my constituency, consistent with the general interest of the province in the longer and the shorter term.

AN HCN. MEMBER: That sounds good.

MR. YOUNG: Mr. Speaker, the hon. Member for Spirit River-Fairview has spoken twice this afternoon, and twice he has been true to his perspective that the role of members of this legislature should be a full-time responsibility. As we are now organized it is not a full-time responsibility. We have some other time. As individuals we have chosen as best we can, according to our backgrounds, according to the way we have previously earned our living, to continue those occupations.

Mr. Speaker, I do not understand the hon. member's point. The hon. Member for Spirit River-Fairview objects to this bill, yet he wants to have this a full-time position. I can understand his desire for the full-time position. That is in keeping with any point of view which advances the objective of total state control of all aspects of society. It has then to be a full-time position. But I just cannot understand how he can go from that argument to the objective which he has taken with regard to this bill. I can only say, Mr. Speaker, my perspective of the role of member is different from his.

Mr. Speaker, one of the other points I wanted to make is: for the clarification and information of hon. members, I am not now a member of the Alberta Hospital Services Commission. I have not been a member of the Alberta Hospital Services Commission since the date the last election was called. Mr. Speaker, I think that illustrates quite amply just how easy it is to get out of touch with boards and agencies and how rapidly matters change. Mr. Speaker, I might as well say that, while a member of that commission -- which I was for something in excess of two years, not much but somewhat -- I did not receive one penny of remuneration.

Mr. Speaker, I heard reports in the press, since this bill came to light in the legislature on Friday, of how it would be possible to earn as much as \$20,000 or more in that capacity. I believe the illustration used was the Alberta Hospital Services Commission. I would again, for the enlightenment of members present, state that those part-time members who are eligible for remuneration receive \$175 per day, when they are in need. Now, Mr. Speaker, I judge from my experience on that commission that the amount of meeting time would have to be tripled to be somewhat of a reflection of the amount of time required to do an adequate job on the commission.

One other point was made, Mr. Speaker, which I feel I should respond to -- that the hon. Member for Little Bow had not seen any reflection in the Assembly of my representation on the commission. I would only remind him that the former hon. Member for Calgary McCall and I engaged in some rather extensive and detailed debate -- I believe it was within the last 12 months in the Assembly -- which I could not possibly have been competent to engage in had I not had a rather detailed background.

Mr. Speaker, my last point on the positive side, and what I regard as the main reason for this, is that there is a concern about the bigness of government, the difficulty of dealing with boards and agencies. That isn't to say that they're regarded as incompetent or to impune them in any way; rather it's a concern for the size of the apparatus of government, a concern which must grow, I guess, as government's involvement in society advances. Mr. Speaker, as I regard it, this is an opportunity to relate the establishment, if you will, the growth of government, to the Assembly via the individual member.

Mr. Speaker, there are some more points which could be made, but quite a few have been. I think I'll just leave it at that and say that I, for one, am not concerned about this bill. I think there are plenty of safeguards in it, in terms of reporting to the public and the Legislature how much is being paid. We're not really talking about the principle of appointment. That was fought over and established a year or several years ago. I really think we've listened to a debate which, as I've mentioned, we've heard three or four times before.

MR. CLARK: Mr. Speaker, in taking part in second reading of Bill 35, I just want to say at the outset I've enjoyed the comments made by a variety of members and don't plan to rebut some of the points that were made. I would like to make just a few comments.

First of all, to those hon. members who would say that this has been a negative debate, and to those who would say we've heard too much about the Ontario experience and about Dalton Camp and so on, I can appreciate why Conservatives would feel they have heard too much about Dalton Camp. But I would have to say to members in this Assembly that to the best of my knowledge, and the knowledge of the Camp Commission, Ontario is the only place in Canada which has had substantive experience in this area. This is the only report on the results of that substantive experience we have been able to get our hands on. The result of that experience is that it shouldn't be continued.

Now, if the members on this side of the House didn't rise in their places and point this out to the members of the Assembly, you can rest assured we would have some people saying, the opposition isn't doing its job. Today we are being chastised because we are doing our job too well, apparently because we are raising the negative points.

The second point I would like to . . .

MR. APPLEBY: I wonder if the hon. Leader of the Opposition would be a little more definitive when he speaks about the members on this side of the House?

DR. BUCK: Ah, get lost, Appleby. Move over there then.

MR. CLARK: Mr. Speaker, that's the kind of comment we've come to expect from the hon. Member for Athabasca. Furthermore, Mr. Speaker, that's one good reason why, after this session is over, I hope we see some changes in this Assembly, and see the members on this side over here so we wouldn't have members behind our back.

Secondly, Mr. Speaker, in dealing with this particular question, let me point out to the hon. members of this Assembly, as the Member for Edmonton Jasper Place so correctly pointed out a few minutes ago, that we have discussed the principle of having members of the Assembly on boards and agencies; but let me remind the members, Mr. Speaker, that on every occasion we've discussed each board or agency separately. For some reason we are now bringing in a piece of legislation which says members can be on any boards except these. For some reason we have it in here that members can't be on the Alberta Opportunity Company, but there's nothing preventing someone from being put on the Agricultural Development Corporation. There's nothing stopping anyone from being put on the Alberta Housing Corporation or on the Environment Conservation Authority. From some of the comments we have heard from the government recently, I can see why they might be considering putting someone there.

So if the government wants to move on these areas, despite the fact we think it is wrong, then let's bring each individual case here, and have the ones the government is going to put in here, not just the ones you feel it is convenient to exclude. When I look down the list to see which ones members can't be on, I find it very difficult to develop any rhyme or reason as to why these were selected. It seems to me some cabinet ministers might be stronger than others on the principle we are debating.

Mr. Speaker, I beg leave to adjourn debate. It's 5:30.

MR. SPEAKER: The debate is automatically adjourned at 5:30 by the Standing Orders. The hon. member certainly has the right to continue his speech when the bill is called again.

MR. HYNDMAN: Mr. Speaker, tonight we'll proceed to Committee of Supply at 8 o'clock. I might give an outline of the bills, starting with Bill No. 1, The District Courts Amendment Act, 1975; Bill No. 12, The Department of Transportation Act; Bill No. 16, The Department of Recreation, Parks and Wildlife Act; Bill No. 10, The Irrigation Amendment Act, 1975; and Bill No. 27, The Department of Government Services Act; in that order, subject to the attendance of ministers.

MR. SPEAKER: Does the Assembly agree that when the members reconvene at 8 o'clock they'll be meeting in Committee of the Whole?

HON. MEMBERS: Agreed.

MR. SPEAKER: The Assembly stands adjourned until the Committee of the Whole reports.

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

* * * * *

[The Committee of the Whole convened at 8 p.m.]

COMMITTEE OF THE WHOLE

[Dr. McCrimmon in the Chair]

MR. CHAIRMAN: The Committee of the Whole Assembly will come to order.

Bill 1 The District Courts Amendment Act, 1975

MR. FOSTER: Mr. Chairman, the Premier and some members of the energy committee of cabinet are considering the federal budget, so I'm taking this bill on behalf of the Premier.

I was going to propose an amendment to the House. I've been advised that the amendment is inappropriate. Therefore, Mr. Chairman, I do not intend to proceed. I'm proposing that the bill go as printed, that is, simply to increase the number of judges of the district court currently from 2 chief judges and 16 members of the court to 1 chief judge, 1 associate chief judge, and 18 members of the court, once we proclaim the earlier amendment to The District Courts Act, which created a unified district court.

MR. CLARK: I wonder if I might ask the Attorney General or the Deputy Premier if we might expect a statement from the Premier sometime this evening in the Assembly with regard to the washout at Ottawa.

DR. HORNER: Yes, Mr. Chairman. I can assure the Leader of the Opposition that sometime later this evening, depending on the availability of time, the Premier and others will return to the House to make a statement.

[The title and preamble were agreed to.]

MR. FOSTER: Mr. Chairman, I move the bill be reported.

[The motion was carried.]

Bill 12 The Department of Transportation Act

MR. CHAIRMAN: Mr. Minister, do you have any comments on the bill?

DR. HORNER: No, Mr. Chairman. I've made the comments on first and second reading and in estimates. Essentially, the bill outlines the necessary legislation which will put into effect the reorganization and thrust of the Department of Transportation.

MR. R. SPEAKER: Mr. Chairman, earlier today in question period, I raised the matter of highway signs and signs for small commercial enterprises or businesses related to the tourist industry.

I've always felt, and I've spoken to former ministers and others with regard to this, that we [should] try to build small industry in the province. At the present time, the potential of tourist trade is fantastic. People are travelling to see something. For example, this evening here in Edmonton, I met some people from southern Alberta. They said, what can we see here? What entertainment is available for us, outside of maybe the night club life or dining? That type of thing.

I've often felt we just don't display some of these ventures people are putting risk capital into. I'd certainly like the minister to comment further on that. I think one of the specific ones I'm thinking of -- I will leave Edmonton alone and move to southern Alberta -- is the Stuart game farm. A little sign was put on the highway a couple of years ago, just "Game Farm". Well, to the tourist, what does that mean? I think we have to go just a little bit further.

DR. HOFNER: Well, Mr. Chairman, I'm pleased to respond to the hon. Member for Little Bow.

He knows I've been a strong advocate of better signing policies in the province. I think some very good people who have worked in the department have been conscious of -- what they were worried about was a proliferation of Burma Shave and Coca-Cola. That's not what we're talking about.

We're talking about directional signing; signing of points of interest; signing in relation to recreation areas, parks other than provincial parks; and indeed, if I can carry over a small portion of my previous portfolio, the question of farmers' markets and appropriate signing. I think the real word is "appropriate". We don't want a proliferation of ugly signs on our highways in this province, but we do want our people, and indeed, visitors to this province, to be able to drive along our highways and know where they are, know where they're going, and know what they can see. That is of benefit to everybody in the province.

I would hope that in the latter part of this year, we will have an appropriate change in the signing policies, indeed, before that in relation to the recreational and municipal parks -- and if I could put one other group in that area, the non-profit parks, because there are a great many service clubs in this province which have done a great job of developing recreation and park areas and I believe they deserve the right to put signs on our public highways. In that, I include some of our native people in two or three areas of the province, who have done a tremendous job of developing the tourist potential of their areas. They deserve the right to have a sign on the highways.

DR. BUCK: Mr. Chairman, I don't think I would carry the signing quite that far, that we put signs up indicating farmers' markets. When you start on that, where do you end?

Mr. Chairman, I'd like to ask the hon. minister, when we talk about signing, when we will start going into the metric system, putting so many metres between Barrhead and Edmonton? When are we going to start phasing that in?

DR. HORNER: Mr. Chairman, I was interested in the hon. member's preliminary remarks. I'm sure they'll be noted. The question in relation to farmers' markets, I think, is more than just what the hon. member suggests.

As I said earlier in the Legislature on the question of metric signing, we have a general agreement that by 1977 we will start to involve, in a Canada-wide program, a joint metric and traditional mileage program. This year, we are doing some preliminary work on the major highways, No. 2 particularly, to acquaint drivers in Alberta [with the idea] that they're going to have to adjust to the metric program.

It's one of those things one has to decide and gradually phase in. I have been intrigued by the response of people generally to the Celsius scale. After a while, they start thinking Celsius. I say to my honorable friend, he should start thinking kilometre.

DR. BUCK: I'd like to reassure the hon. minister that I am thinking kilometre. I think it is excellent, but we do have to phase it in, so we might just as well get at it. It's going to be with us for a long time.

MR. ZANDER: My question to the minister would be: in view of the difficulties in the province in the signing of the historic sites and whatever you have along our highways, I wonder if the personnel to be engaged have been formally engaged in the process of signing? Are they going to be assigned to a position similar to what they have now, or do we have to continually fight with that same organization again?

DR. HORNER: As a matter of fact, no, Mr. Chairman. Those very strong individuals have been moved to where we need some strong individuals in the safety area, and I would hope that we can develop, really, signs with decorum that won't, I suppose my colleague in the Department of Environment would say, abstract or destroy the environment along the highways.

I would hope, and again in response to my honorable friend from Clover Bar, that we could develop an appropriate silhouette that would be small and effective in regard to farmers' markets, golf courses, and other recreation areas. But I would point out to him that a great many urban people are travelling our highways, and they delight in finding a farmers' market.

DR. BUCK: Mr. Chairman, the problem when you start indicating farmers' markets, greenhouses is: where do you end? You can only read so much when you are going down the highway at 60 miles per hour. A slowdown to 55 isn't going to make that much difference. What I am afraid of is that it will lose its effect. Now when you see a sign that says, "hospital", you don't have to look among six others to find the hospital sign. So we just have to limit the number of signs we are going to place on the highway. I certainly agree with anything that will grab the attention of the tourist. We want to make use of that. But I just think the minister is really pulling our leg about the farmers' markets.

Mr. Chairman, the one point I would like to ask the hon. minister is: we see all these little signs that say, \$100 fine for littering. Has anybody ever been fined? It really upsets me to see somebody open up their window, throw their ashtray out onto the highway, or throw an A&W chicken pack. That really upsets me. I even went so far one time as to bring to the attention of the former minister the licence number of the man who threw the stuff out. I was willing to go to court if they wanted me as a witness, because I was that upset about it. I try to teach my children not to do it. I would just like to know, has anybody ever been fined for littering highways?

DR. HORNER: Well, Mr. Chairman, I am not aware whether anybody has been fined, but I agree with the hon. member. But I think that is a matter of education in driving over the highways of Alberta. I guess the thing that upsets us all is if you drive into a campsite and there is litter. I think what we have done in The Beverage Container Act, in relation to the ministry of environment, has been important and useful. We are looking at other ways in which we can upgrade the campsites of Alberta along our highways. Frankly, I think one of those ways, as I mentioned in my estimates, is that we have a gradual transition to the ministry of recreation and wildlife, and they look after these parks. We are hopeful of doing that. I would hope we could do it by local subcontract for maintenance, which I think would be pretty effective. I think if these people have to deal with local people in their littering, they may run into something they didn't run into before, and that is people who are really conscious, and have the time to control that litter effectively.

MR. ZANDER: Mr. Chairman, I think the minister is quite familiar with the restrictions of all the lands adjacent to our major highways, within a half mile on either side. I wonder if there is some thought to easing the restrictions regarding commercial or some development along the highways. What we are virtually looking at is the owners of the land adjacent to the highways now. Half a mile on either side is frozen. No development can occur there unless it is within the half mile limit. I wonder if the minister would elaborate.

DR. HORNER: Mr. Chairman, I would just have to say frankly that we have attempted, in a general overall policy in the province, to encourage the growth and vitality of our rural centres. I don't think you do that by opening up highway development. I believe that highway development should be controlled, and particularly should be under the control of those local service centres in the rural community. I am quite willing to look at them on an individual basis. I think in general we have to accept that there should be control along that highway development, and we shouldn't allow our rural-urban -- and that's not a very good designation, but it's the best one I can think of -- development to occur along our highways. I think that's totally wrong.

I would hope I would have the concurrence of the MLAs generally in enforcing that highway development thing which is very, very important. That's away from the signing policy. There are some long-standing cases in this province which my predecessors have tried to solve. I'm not sure I'll be able to solve them, but I would attempt to solve them, then let's have no more. I think everybody in rural Alberta appreciates that you can't have strip highway development that's going to be useful to anybody.

MR. SHABEN: Mr. Chairman, just to follow up what the minister said. Could he advise the committee of the government's policy regarding by-passing of towns, whether it's the government's policy to by-pass existing towns? What is the attitude of your department?

DR. HORNER: Perhaps more than the attitude of the department, the attitude of the minister might be relevant. In my view, if the town is not being overloaded by traffic through it, it shouldn't necessarily be by-passed. On the other hand, well, let me put it very frankly, when the town asks to be by-passed I'll know they [will] appreciate that, and the by-pass will occur. But in the meantime, we will be protecting land for that by-pass, so when the town reaches that area, we'll be able to do so at a minimal cost.

MR. ZANDER: I wonder if the minister -- I think he knows Highway No. 16 west. Coming along on 111 Avenue, we run into a 45 mile an hour speed zone which lies within the city boundary. When we come to Spruce Grove -- and I'm just asking what the minister's thoughts are -- you come to a speed limit of 40 miles an hour. Since there is no business activity except on the western extremities of the town, I wonder if there is going to be a highway separation there, or a minimum speed limit of a least 45 miles an hour, to be consistent with the other speed limit on No. 16 going into 111 Avenue.

DR. HORNER: Mr. Chairman, I think my honorable friend should recheck the speed limit on 111 Avenue. He will find it's 40 miles an hour as well. I travel it a number of days every week.

The other important thing is, we are trying to expedite the traffic through Spruce Grove. But it is tied in, in a general way, with what we are attempting in the city and the entry into the city. In a very broad way, it has to do with the 118 [Avenue] extension, the northwest freeway, and those areas. But we would propose to widen the route through Spruce Grove to initiate a two-lane highway west on 118 Avenue, and hopefully, in our discussions with the city, to start to do some development with regard to the northwest by-pass around St. Albert. I think those things tie in to whatever concept we might come up with, with regard to a parkway, and are important in total for all the northwest, and indeed the northeast, and other entry points into the city. The entry points have to be taken into consideration. But, I would say to my honorable friend, the speed limit on 111 [Avenue] is 40 miles an hour.

MR. ZANDER: A supplementary question to the minister. If he checks, as one enters the city limits to the turn on 111 [Avenue], it's 45 miles an hour.

MR. STROMBERG: Mr. Chairman, to the minister in regard to litter. I notice when I travel the two sister provinces, they use litter stops or barrels, which are quite attractive. In B.C. they are called "turkey gobblers", and in Saskatchewan they use some sort of rocket. But at least they are noticeable. I live 65 miles from Edmonton. In all my years of travelling I have never noticed any such litter collection agency along our highways. I know of a few places where there is an open oil drum. Could I suggest to the minister that we use, I know an oil drum goes along with our province, but let's spruce it up a little bit and make it noticeable, [not] just a rusty old barrel.

The other thing, Mr. Minister, is: some of our counties have brought to my attention that when an overweight permit is issued by your department, your department collects the money. They do not have an opportunity to share in it, and their roads take the beating.

DR. HCFNER: Well, Mr. Chairman, a couple of responses to my honorable friend. Number one: I've also driven to Camrose, and there are litter barrels on that highway. I'll accept his advice that maybe we should spruce them up. Maybe we'll paint them blue and orange or something to make them more attractive. But he should be more noticeable about the litter collection agencies on his roads.

The other matters will be looked into. Hopefully, we can improve the general decorum of our highways, but I would say again that I think we all have a responsibility in regard to something like safety. We should be doing it as well and setting an example.

MR. KUSHNER: Mr. Chairman, I would like to ask a question further to my question this morning about the split intersections. I know clover leaf intersections are very, very expensive, but I thought I got from your answer that you have improved on this. I wonder what you mean: have they been upgraded, improved, or whatever? Can you elaborate on that, Mr. Minister?

DR. HCFNER: There are a number of things you can do on any intersection: improve the vision of the drivers from both directions, improve the access by drivers from both directions. I suppose there is a limited amount you can do with drivers. I have come to that conclusion. You can educate them. You can have various engineering capacity. But it comes down to the driver in the final analysis.

I simply say we are looking at a variety of improvements in various intersections that might be useful. I am sure my honorable friend appreciates that when you buy the land for a clover leaf in the City of Calgary or the City of Edmonton, you are talking about a very, very substantial investment. If we can do some other things, limit access, over and under, and a variety of things I'm not yet fully acquainted with, but intend to become more acquainted with as we develop a variety of intersections . . .

I would hope that my friends from the urban areas would continue to have the kind of interest that would help us develop the kinds of intersections which cut down on accidents and provide as clear a transportation route as possible.

MR. MUSGREAVE: Mr. Chairman, all I want to say to the Minister of Transport is that I would take strong exception to the remarks made by the hon. Member for Camrose. If he introduced the kind of garbage collection devices used in Manitoba, Saskatchewan, and B.C. -- I think they are a horrible thing on the highways. When we spend the kind of money we do on building highways and where we put them, I hope they would show good judgment in the kind of design of litter containers.

DR. HCFNER: Mr. Chairman, we'll try to show that kind of judgment and will try to please all the Members in the Legislative Assembly.

MR. STROMBERG: I don't think the minister understood my last question. The Counties of Camrose and Flagstaff have brought to my attention that overweight permits are issued by the Department of Transportation for a fee. When that equipment is being moved across county boundaries, they would like to share in a part of that revenue, because their roads are taking the brunt of that overweight permit.

DR. HORNER: Well, Mr. Chairman, I didn't want to say it to the hon. member before, but perhaps I should. I think the County of Camrose and the County of Flagstaff have been pretty adequately served in the past year or two by this government in relation to additional costs.

MR. JAMISON: Mr. Chairman, to the minister. I know we have a number of weigh scales throughout the province on main highways. With the upgrading of our secondary highways, particularly in the north, I was wondering if the minister was planning any more weigh scales or portable weigh scales to check the traffic that's using our secondary roads and tearing them up.

DR. HORNER: Again, Mr. Chairman, that's a matter of priorities. If one wants to spend the allocation to this department in building weigh scales and not highways, I think that's unfortunate. I know we need to have these weigh scales on the major routes, but if we start building them on secondary roads, that's just so many miles less of secondary roads we can afford to build.

MR. KIDD: Mr. Chairman, I think the concerns of the hon. member have resulted in a great number of letters from his constituents. [interjections] Hon. Minister of Transportation, I hope our careful planning, which I know is being carried on, has not resulted in any delay in the construction for this year.

DR. HORNER: No, Mr. Chairman, it has not. As a matter of fact, as I indicated the other evening, we are moving ahead. I would hope that as we can plan in the longer term, we'll be able to build those kinds of roads the people of Alberta will be able to use, and indeed that will be useful to our industrial and tourist development.

MR. KUSHNER: Mr. Chairman, this has been brought to my attention by some of my constituents. Is the minister considering some sort of check for safety hitches that will be used on car trailers? Has any thought been given to that at all, because of accidents that occur, and the improper use of equipment?

DR. HORNER: Yes, Mr. Chairman, I refer my honourable friend to the sections in the act which relate to safety. There are provisions in which substantial checks can be had on the kind of vehicles once they've been in an accident, and the things they have to do before they can operate them again.

MR. GHITTER: I'm wondering if the hon. minister would respond as to whether he'll be using some of his new-found wealth relative to signing of highways. I had a very serious call on the weekend from someone who came from the Province of Saskatchewan, went on No. 9 enroute to Drumheller, got lost, and unfortunately ended up back in Saskatchewan. He called me in a very unhappy way about our signing. I've always wanted to be on my feet talking about rural roads. When it starts hitting the constituents in Calgary Buffalo, I think it's very serious. I would like you to respond, hon. minister.

DR. HORNER: May I say initially how happy we are in rural Alberta that the hon. Member for Calgary Buffalo has now joined us. Perhaps he wasn't here when I responded to the hon. Member for Little Bow with regard to a major change in our signing policy. The essence of that signing policy will be to provide additional directive signs without desecrating any of the aesthetics of our highways, inasmuch as we can, and to make those signs not only decorative, not taking away from the beautiful scenery of Alberta, but informative.

MR. LITTLE: Mr. Chairman, I just wanted to comment that the Member for Calgary Buffalo is extremely safety conscious.

AN HON. MEMBER: Show him your finger.

MR. STROMBERG: Mr. Chairman, now that we have a tender let on 926, I can make another suggestion. This is in regards to the number of approaches on our older highways in Alberta. Now, I realize your department is removing approaches where they're not needed. The approaches on these older roads are usually very steep sided with a square cement culvert. Over the years we've had three deaths on Highway No. 21 between where I live and Camrose. Due to hitting this approach, the car actually leaves the frame. I've often wondered if it would not be worth while looking into the cost of backsloping some of these approaches. I know now that if I go back home, I've got approximately 500 approaches I have a chance to hit, especially if I see one of these litter barrels. I could drive into the ditch and get killed.

DR. HORNER: Very briefly, Mr. Chairman, I say to my honourable friend, he makes the point I tried to make earlier: it isn't engineering; it's the driver who is responsible.

[The title and preamble were agreed to.]

DR. HORNER: Mr. Chairman, I move the bill be reported.

[The motion was carried.]

Bill 16 The Department of Recreation, Parks and Wildlife Act

MR. ADAIR: Mr. Chairman, there is an amendment in relation to Section 7. The deletion of the section is listed in the bill and the substitution of the one that was, I believe, distributed this afternoon, also relating to Section 10 and Section 12.

[The title and preamble were agreed to.]

MR. ADAIR: I move the bill be reported as amended.

[The motion was carried.]

Bill 10 The Irrigation Amendment Act, 1975

[The title and preamble were agreed to.]

MR. MOORE: I move the bill be reported.

[The motion was carried.]

Bill 27 The Department of Government Services Act

MR. SCHMID: Mr. Chairman, actually we only held the bill in committee to add the amendment to Bill 27, dated June 20, 1975, and I would move that the bill with amendments dated June 17, and amendment dated June 20 be reported.

[The title and preamble were agreed to.]

MR. SCHMID: Mr. Chairman, I move that The Department of Government Services Act be reported as amended.

[The motion was carried.]

Bill 15 The Alberta Property Tax Reduction Amendment Act, 1975

[The title and preamble were agreed to.]

MR. JOHNSTON: I move the bill be reported, Mr. Chairman.

[The motion was carried.]

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

[Dr. McCrimmon left the Chair.]

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[Mr. Speaker in the Chair]

DR. MCCRIMMON: Mr. Speaker, the Committee of the Whole Assembly has had under consideration Bills No. 1, 10, 12, and 15, and begs to report same. The Committee of the Whole Assembly has also had under consideration Bills No. 16 and 27, begs to report same with some amendments, and asks leave to sit again.

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

HON. MEMBERS: Agreed.

GOVERNMENT BILLS AND ORDERS (continued)
(Third Reading)

[It was moved by the members indicated that the following bills be read a third time, and the motions were carried.]

No.	Name	Moved by
5	The Senior Citizens Benefits Amendment Act, 1975	Hunley
6	The Department of Advanced Education Amendment Act, 1975	Hohol
17	The Department of Consumer Affairs Amendment Act, 1975	Harle
19	The Department of Business Development and Tourism Act	Dowling
21	The Unfair Trade Practices Act	Harle
22	The Cultural Development Amendment Act, 1975	Schmid
24	The Landlord and Tenant Amendment Act, 1975	Ghitter
27	The Department of Government Services Act	Schmid

MR. FOSTER: Mr. Speaker, I move that you do now leave the Chair and this House resolve itself into Committee of the Whole for the purpose of considering certain bills on the Order Paper.

MR. SPEAKER: Having heard the motion by the Hon. Acting Government House Leader, do you all agree?

HON. MEMBERS: Agreed.

[Mr. Speaker left the Chair.]

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COMMITTEE OF THE WHOLE (continued)

[Dr. McCrimmon in the Chair]

MR. CHAIRMAN: The Committee of the Whole Assembly will now come to order.

Bill 11 The Alberta Municipal Financing Corporation Amendment Act, 1975

[The title and preamble were agreed to.]

MR. LEITCH: I move that Bill No. 11 be reported.

[The motion was carried.]

Bill 23 The Financial Administration Amendment Act, 1975

[The title and preamble were agreed to.]

MR. LEITCH: I move that Bill 23 be reported.

[The motion was carried.]

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

[The motion was carried.]

[Dr. McCrimmon left the Chair.]

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[Mr. Speaker in the Chair]

DR. MCCRIMMON: Mr. Speaker, the Committee of the Whole Assembly has had under consideration Bills No. 11 and 23, begs to report the same, and begs leave to sit again.

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

HON. MEMBERS: Agreed.

GOVERNMENT BILLS AND ORDERS (continued)
(Second Reading)

Bill 28 The Municipal Taxation Amendment Act, 1975

MR. JOHNSTON: Mr. Speaker, I move second reading of Bill 28, The Municipal Taxation Amendment Act, 1975, which has as its principle to provide the neighborhood improvement programs the opportunity to proceed under The Municipal Taxation Act.

[The motion was carried. Bill 28 was read a second time.]

Bill 30 The Utility Companies Income Tax Rebates Amendment Act, 1975

MR. LEITCH: Mr. Speaker, I move second reading of Bill No. 30, The Utility Companies Income Tax Rebates Amendment Act. On second reading, Mr. Speaker, I ought perhaps to take a moment or two to outline to the Assembly the purpose of this act and the purposes of the amendment.

Essentially the purpose of the act is to provide a system whereby the federal government -- which collects income tax from the utility companies in respect of sales made by those companies to consumers within Alberta and relates to the provinces the income tax so collected less 5 per cent for administration and collection charges, and the province then makes the payments back to the utility companies. The utility companies in turn credit on their customers' accounts the amount of those rebates in proportion to the usage by the customer.

The system works very well despite the fact that it involves the collection of funds which are ultimately paid as income tax by the utility companies to the federal government, then to the provincial government, and back from the provincial government to the utility companies. In turn the benefits are passed on to the consumer. The difficulty experienced with the system when it was first introduced is that there was quite a lengthy lag between the time the tax was collected by the utility company and the time the consumer received a benefit.

An inequity in that system arose because the consumers who were reaping the benefit were not reaping a benefit identical to the tax portion of the utility bill they were paying. To offset that inequity the federal and provincial governments attempted to speed up the process by, first of all, the federal government estimating the income tax which would be payable by the utility company and then making that payment to the provincial government. By handling it in that way, the delay factor has been appreciably reduced to where it's now a matter of months.

So the first objective of the bill now before the Legislature, Mr. Speaker, is to enable the Provincial Treasurer to make payments to the utility companies based on the estimated tax payments which the Provincial Treasurer -- the provincial government -- receives from the federal government. That is why the wording in the bill has been changed to provide for payments of income tax received from the federal government, or estimated income tax payments received from the federal government. That will merely enable us to speed up the process of advancing payments to the utility companies, which in turn will be passed on to the consumers. Therefore, the consumer's reduction in his utility account will more closely approximate the income tax portion of the bill he receives from the utility company.

Mr. Speaker, there is also a provision whereby the Provincial Treasurer may be making payments that turn out to be larger than the payments received from the federal government, or making payments in advance, in which case there is a provision in the amendment to enable the Provincial Treasurer to charge to that fund, income tax on advance or overpayments at a regular prime lending rate of the treasury branches of the Province of Alberta, which will be in effect during the time the money was advanced.

In moving second reading, Mr. Speaker, I would urge the support of the House for the bill. I believe it will bring about a more equitable system of getting the rebate back to the consumer. In those cases where interest is chargeable because excess funds have been paid to the consumer, it seems to me equitable to charge interest on them rather than have all those losses, if you like, paid by the people of the Province of Alberta. I think the costs should be borne by those people who benefit from the plan.

MR. SPEAKER: On a point of order, does the hon. minister recall whether this bill was accompanied by a message of His Honor? Unfortunately I wasn't provided with a copy of it.

MR. LEITCH: Mr. Speaker, I believe if we check Hansard, we will find that on introduction of the bill I gave the normal message from His Honor, the Lieutenant-Governor. You are quite correct, Mr. Speaker, in saying the message was not appended to the bill. Nonetheless, at the time I introduced the bill, it is my memory that I gave the usual message to the House.

MR. SPEAKER: On that basis, perhaps we might put the question on second reading.

[The motion was carried. Bill 30 was read a second time.]

GOVERNMENT BILLS AND ORDERS (continued)
(Third Reading)

[It was moved by the members indicated that the following bills be read a third time, and the motions were carried.]

No.	Name	Moved by
11	The Alberta Municipal Financing Corporation Amendment Act, 1975	Leitch
23	The Financial Administration Amendment Act, 1975	Leitch
1	The District Courts Amendment Act, 1975	Foster (for Lougheed)
10	The Irrigation Amendment Act, 1975	Moore
12	The Department of Transportation Act	Horner
15	The Alberta Property Tax Reduction Amendment Act, 1975	Johnston
16	The Department of Recreation, Parks and Wildlife Act	Adair

MR. FOSTER: Mr. Speaker, I move you do now leave the Chair and the House resolve itself into Committee of the Whole.

MR. SPEAKER: Having heard the motion, do you all agree?

HON. MEMBERS: Agreed.

[Mr. Speaker left the Chair.]

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COMMITTEE OF THE WHOLE (continued)

[Dr. McCrimmon in the Chair.]

MR. CHAIRMAN: The Committee of the Whole Assembly will now come to order.

Bill 13 The Department of Energy and Natural Resources Act

MR. CHAIRMAN: An amendment is being distributed.

MR. LOUGHEED: Mr. Chairman, Bill No. 13 is the bill involving the Energy and Natural Resources department.

The members are aware that the federal government has just brought down a budget that has a great deal of import to the Province of Alberta, to the Legislature, and to the citizens of the province, arising out of our unique position in Canada in terms of energy, producing some 85 per cent of the crude oil production and some 83 per cent of the natural gas production for Canada. The situation, therefore, is such that I have naturally been asked to respond to the budget announcements by the hon. Mr. Turner tonight. But I felt that as the Legislature was in session, it was only proper and appropriate that I should make my initial remarks here in the Legislature, in committee study of this bill. Then if the hon. members on both sides of the House wish either to ask questions or respond by way of comment, it would be an appropriate opportunity for us to do so. Subsequent to that,

of course, if there are further questions outside the House, I'll do my best to answer them.

Mr. Chairman, we obviously haven't had a great deal of time, but our assessment is that there has been significant progress in the continued negotiations between Alberta and Ottawa on energy matters. Mr. Chairman, I'm sure you are aware, as all hon. members are aware, [of] Alberta's concern with the federal budget provisions of May 6, 1974, and November 18, 1974, particularly with regard to the provision that did not provide for a deductibility in computing federal corporate tax of the royalties paid to provincial governments, as a result of the provincial governments' ownership of those resources. That was a very important development and a very serious one for this province. Hon. members may be aware of the responses we gave to the budget provisions of May 6 and November 18, particularly with regard to November 18, because at that time we had spent a number of months in attempting to convince the federal government of the lack of merit, the lack of validity, in such a move for the citizens of all of Canada, of failing to recognize the historic position of the provinces in their ownership of resources.

We had, as hon. members are aware, Mr. Chairman, gathered together at a premiers' conference in September 1974 the support of the other provincial governments on that particular issue. I took that to the Prime Minister at a meeting in late October of last year to try to convince him, and later in that same day the hon. Mr. Turner, to make an adjustment in the budget of November 18, 1974.

We felt, and continue to feel, there was an historic position in this nation with regard to royalties, an historic position that involved the acceptance of the deductibility of these payments that were and are being made to the provincial government, by way of our ownership interest. We were aware that the impact of the budget of May 1974 by the federal government and confirmed in November 1974 seriously threatened the livelihood of many Albertans. It jeopardized the stability and strength of a basic industry in this province, the petroleum industry. I think it is fair to say that one out of every three jobs in the Province of Alberta depends for its livelihood upon a strong and viable petroleum industry.

After the budget of November 18, 1974, there were indeed dark days in this province in early December, for Alberta's economy depends upon a healthy and a strong petroleum industry. It wasn't just a matter of calculations, arithmetic, or dollars. It was more the psychological difficulty an explorer faced by being involved in a very high-risk business, and then if successful, finding he was obliged, in computing his federal corporate tax, to include something he didn't receive. That was the amount paid to the provincial government, to the Alberta government, by way of royalties. As I've mentioned on many occasions in this province, during the election campaign and on other occasions, it was a very important and significant setback for the petroleum industry. It was like charging the explorers for rent, not something they were receiving, but something they were, in fact, paying. We knew, and our assessment was, that the Saskatchewan government's moves of late December 1973 and early 1974, and having a 100 per cent surcharge on increases in the prices, were such that we would not hope to completely eliminate the situation with regard to non-deductibility of royalties. But we thought if we worked hard enough at it, we could make some progress.

There have been literally dozens and dozens of meetings at the official and ministerial level, and with the Prime Minister and myself on February 11 of this year in Calgary. We, of course, were aiming for a partial deductibility of the historic rates at least, which amounted to some 22 per cent. Tonight I can say I am very pleased indeed that the federal position has, in fact, been reversed, and our efforts have been productive -- I must add here the efforts of the industry, as well, to convince the federal government of the error of its judgment in this particular case. The budget speech of Mr. Turner, page 33, says he would like to: "at least [meet] in part, the request [of] some form of deductibility in the tax system for provincial resource levies". Again, at page 34 he says: "the new resource allowance is a practical way to recognize that provinces, in one way or another, impose taxes or royalties and to take that fact into account within reasonable limits in determining taxable income".

Our assessment tonight, Mr. Chairman and Members of the Legislative Assembly, is that there is a partial deductibility provision of great significance to the petroleum industry and to Alberta, of 22.4 per cent.

We concur with the quick evaluation that the assessment of this resource allowance, depending upon future exploration, is a good one. Some mechanics and details are to be further assessed. The response of the president of the Canadian Petroleum Association, Mr. Poyen, was that this move, with regard to the resource allowance, levies significant stimulus to the petroleum industry for exploration in the province.

Mr. Chairman, the next matter in the area of negotiations with the federal and provincial governments involves oil pricing. Well, Mr. Chairman, we've come a long way since that January 1974 energy conference when we found ourselves very isolated in the position we were expressing, that we needed to have increased prices for exploration for the benefit of all of Canada. At that time the price was \$3.80 a barrel. As of July 1 this year, it will be \$8 a barrel.

Mr. Chairman, particularly important is that this arrangement is only for one year. In January 1974 there was in fact a rejection by the federal government of the concept of world or international prices. Very significant today is the statement on page 30 of the budget speech by Mr. Turner that the federal government is "committed to see the price of crude oil continue to move [upward] towards international levels in succeeding years".

Now, Mr. Chairman, we in Alberta and in the Alberta government recognize that price increases in our federal state have to be in stages, particularly in these inflationary times. So, when we're into a position with a significant price increase in oil, to \$8 a barrel, with a commitment for only one year and a commitment by the federal government to work with us to reach international levels, that is indeed a very important step forward.

The next area is with regard to natural gas pricing. Here, Mr. Chairman, the situation is even more dramatic. Hon. members will recall that at the January 1974 energy conference, the average price at the wellhead for our natural gas, 85 per cent of which leaves this province, was about 22 cents per thousand cubic feet. I think back to where it was, and what the situation was when we came to office, when there was a completely hands-off attitude by the former administration with regard to pricing. We took the position in this Assembly in November 1972 to take a strong position with regard to natural gas pricing and to press forward to get fair value for the resources of the people of this province.

The end result of the decisions tonight in the federal budget, combined with the decisions worked out in negotiation with the Alberta government -- all this is part of a negotiation, and with no export tax on natural gas, with the flowback of the charge at the border on natural gas export -- is that we're going to see by November 1 of this year an average wellhead price of 97 cents per thousand cubic feet or 4 times . . .

[applause]

Involved in all of this are the equally important aspects in connection with that price. It is calculated at the Toronto city gate, which will have a significant bearing upon the position of new enterprises in the Province of Alberta. Secondly, we are involved in a position with the federal government now, at 85 per cent of parity with crude oil and with a commitment to move to parity within 3 to 5 years, as a recognition of the important value of this very significant resource to the province. It strengthens the province with its secure supply in its efforts to diversify the economy of Alberta.

I can't emphasize enough -- for those timid souls who so often said we should not take a strong position with regard to the crude oil export tax, who were always saying we were taking too strong a position in these areas -- that by taking a strong position on the crude oil export tax as we did, there is not today a natural gas export tax but an arrangement, as we contemplated, whereby the benefits would flow back to the people of Alberta, both in royalties and to the explorers who are looking for more.

Mr. Chairman, this development with regard to natural gas pricing will be of great encouragement to the explorers and to the industry in this province.

Next, of course, is the very critical matter of jurisdiction in this federal state that we're so much a part of. The developments that are reflected in the federal budget tonight open the way for agreement between Ottawa and Alberta, as contemplated by Section 22 of the Petroleum Administration Act, at least for a period of a year.

The alternative, of course, would be a constitutional crisis before the Supreme Court of Canada. We will try to avoid such a situation for many obvious reasons. But I want to make it clear on this occasion in the Legislative Assembly that it could still occur, because we are involved only in a short-term arrangement.

But when one weighs that option, if you like, of a constitutional confrontation under the circumstance I have described, that is as positive as it is to the province of Alberta, and relates it to the fact that industry, the petroleum industry, a base industry in this province, now has a sense of certainty and stability, and can observe that the two basic governments involved, the provincial government with its ownership of the majority of the energy resources of Canada, and the federal government with its jurisdiction over interprovincial trade, are working co-operatively in concert in the best interest of Canadians; I think they recognize the wisdom and the judgment of our balanced point of view. I think it's particularly significant that this was accomplished, Mr. Chairman -- and this surely must be a first in the history of Confederation -- accomplished by Alberta, a province with very small relative population and 19 of 264 seats in the federal House of Commons, over the strong -- and I'm sure tonight, I haven't yet heard them -- and very disturbed reactions of the Government of the Province of Ontario and those of other provinces.

In conclusion, Mr. Chairman, as a result of what we have seen here tonight, and subject, of course, to the detailed analysis that is moving forward tonight by the various officials and over the course of the next few days, it should be possible for the Alberta government to assess its view with regard to the permits of the TransCanada Pipelines that have been pending now for some many months, and have been pending as an action taken by this government, criticized by some, to strengthen our position with regard to getting fair prices for natural gas and hopefully, perhaps, to avert the shortage suggested in the budget speech by Mr. Turner, requiring the co-operation of Alberta for the natural gas Ontario so badly needs. That is something we will assess over the course of the next few days, perhaps a week.

In summary, Mr. Chairman, the arrangement tonight involves a significant increase in oil price, over Ontario's objection, in these inflationary times. It has the provincial government in Alberta and the federal government of Canada working together on a commitment to moving towards international prices for oil. It's the arrangement that would last for only a short period of time, but still involves a natural gas increase of some 50 per cent in one jump. It indicates a commitment by the federal government to work with Alberta to move natural gas to parity with oil. It's a reversal of the federal government position with regard to the deductibility of royalties. It will strengthen the industry, the petroleum industry that is basic to Alberta. It should stimulate

exploration in this province. It's all done by maintaining the jurisdiction of the province.

So, Mr. Chairman, there has been very significant progress for Alberta tonight. It's the result of weeks of difficult negotiation. It all can still be done, and maintain the lowest price at the pump, the lowest cost of heating in the home, of any part of Canada, if not in the world.

MR. CLARK: Mr. Chairman, in taking part in the debate on this bill under rather unusual circumstances, might I say I'm not as enthusiastic as the Premier about the results of the . . .

SOME HON. MEMBERS: Oh.

MR. CLARK: I'm not as enthusiastic as the Premier about the results of the federal budget this evening.

I would simply say, Mr. Chairman, if our figures are right -- and certainly subject to some detailed study we hope to carry on tomorrow -- the Alberta consumer is going to be paying something in the vicinity of equivalent to \$11 per barrel for crude oil at a period when the people of the Province of Alberta are going to be getting two-thirds of the world price for crude oil. We must remember at this particular time, too, that our conventional crude reserves are starting on the downhill side of things.

Secondly, Mr. Chairman, I would like to say this: yes, this has been done within the constitutional framework of Canada, but let us also remember that that constitutional framework, or the framework under which the federal government now operates, is considerably different, having regard for the Petroleum Administration Act, which the federal government rammed through the House of Commons not long ago.

Thirdly, Mr. Chairman, might I say, in light of the announcement from Ottawa this evening, that I think we all can recognize the problem people will face tomorrow when the price of gas goes up 10 cents a gallon. I had rather hoped the Premier would be in a position tonight to indicate to the Assembly that the Province of Alberta would be reducing or eliminating the tax on gasoline at the pumps in the Province of Alberta.

Fourthly, Mr. Chairman, in looking at the announcement from Ottawa, I emphasize again that I'm not nearly as enthused as the Premier about the budget the federal government brought down this evening. I would be pleased to stand in my place at the fall session or some other time and say I'm wrong if, in fact, that's the case. But as it stands right now, Mr. Chairman, I emphasize once again: from our standpoint we are not as enthused about Albertans paying over \$11 per barrel for crude oil, if you work that out to the gas pump. At the same time, we are getting something like \$8 per barrel when it comes to this non-renewable resource going down the drain.

MR. NOTLEY: Mr. Chairman, in briefly commenting on the Premier's announcement tonight, I would say first of all when the Premier says it's a very short period of time -- the period of time the \$8 a barrel will apply -- that may be true, in the sense that a year is not a long time. But I think we have to keep in mind, Mr. Chairman, that during the course of that year, something more than 600 million barrels of oil will be produced from the fields of Alberta. That represents approximately one-tenth of the reserves of this province, so that is a rather more substantial thing. I think to gloss it off by saying in a short period of time rather undercuts the importance of the decision that has been made. For that period of time, we are receiving substantially less than the world price -- as has been said, approximately two-thirds of the world price.

Mr. Chairman, I think it's worth noting that in comments made by the Minister of Energy, both outside and inside the House, we had the example cited of the price of oil in the United States -- the balance price of old oil, new oil, and offshore oil, which is somewhere in the neighborhood of \$9.50 to \$10 a barrel. So by contrast, Mr. Chairman, the announcement by the federal government tonight clearly indicates that on 600 million barrels of oil or thereabouts, Alberta will be receiving significantly less than the balance price in the United States.

I want to say a word or two about two other important areas. I'm not very enthused with the federal government's 10 cent excise tax. I think that's the wrong way to deal with the rationing of petroleum in this country. It's pocketbook rationing, in effect. The federal government has said, we think there has to be some control on the use of energy in the country, so we are going to apply a 10 cent excise tax. My concern about reducing the gasoline tax is that it means only that we would be taking the 10 cent gasoline tax off so the federal government could lay on the 10 cent excise tax. I think, Mr. Chairman, that sort of move by Ottawa is not a good one, and represents, in my judgment, the wrong way to deal with the question of controlling the use of energy in this country. If Ottawa is so convinced that we need to control the use of energy, let them have the courage to bring in a fair system of rationing rather than, as I say, pocketbook rationing, so the well-heeled and well-to-do can continue to use gasoline freely, perhaps a little more expensively, but still freely, but low-income people simply have to bear the brunt.

Mr. Chairman, I make the point, and I think it's worth making, that when the federal government talks about dealing with inflation, it's hardly a way to deal with inflation by increasing the gasoline prices, two-thirds of which represent an excise tax that is going to see itself shown in many ways in everything from expense allowances to travel costs.

Mr. Chairman, I think it's the wrong point to take, the wrong route to take, and I oppose it in principle.

Mr. Chairman, as far as the additional price which is going to go to the oil industry -- a very quick estimate would be somewhere in the neighborhood of a billion dollars; I'm just roughly guessing what the increase in the price will mean to the petroleum companies -- that, combined with the 25 per cent write-off provision, is going to yield an enormous increase in revenue to the oil industry in this country. Small wonder, Mr. Chairman, that the president of the Canadian Petroleum Association is extremely pleased with tonight's announcement.

In my view, what is important is whether the regulations under this scheme are such that the additional money the oil companies receive will, in fact, be ploughed back into exploration and development, or whether only a portion of it will. Will we have 100 cents on the dollar . . .

SOME HCN. MEMBERS: Read the book. Read the book.

MR. NOTLEY: I have read the book, hon. members, and the book is very, very uncertain on this particular score. If the members read it carefully, it says that if there is an increase in the exploration budget, the companies will qualify. But is there going to be a ceiling on that, or is there going to be some way of making sure that additional money, in fact, finds its way into exploration and development? Mr. Chairman, as I read the information that has been presented to us, there is certainly no guarantee at this point in time.

Mr. Chairman, I know there are other features in the budget, and the debate over oil policy tends to dominate. I suspect, and I say this in closing, that some of the moves contained in this budget, moves which see Ottawa reducing its share of hospital and medicare costs, may well prove to be more damaging than some of the gains of which the Premier has boasted in his remarks tonight. Mr. Chairman, as I see it, we have increased the price of oil, admittedly. But that still remains substantially under the world price, and I would like to see very clearly what that is going to mean in terms of exploration and development in the Province of Alberta.

My final remark is just to bring to the attention of the Assembly that we should now be looking forward to some statement -- I thought the Premier might mention it when he spoke tonight -- as to what the government proposes to do on the additional royalty between \$6.50 a barrel and \$8.00 a barrel.

When he made his announcement on December last, ALPEP was announced, and at that time the indication was that there would be a change. Obviously, there was no way to know what that change would be until we saw what the price was. In this debate, I would invite the Premier to perhaps bring us up to date on where the government presently stands on the royalty question; whether we are going to see that 65 per cent surcharge continued, or whether there will be a modification.

MR. GETTY: Mr. Chairman, in the specific response regarding the last question raised by the hon. Member for Spirit River-Fairview, it would be my intention to recommend to Executive Council that the royalty rate on old oil, the incremental royalty above \$6.50, be 50 per cent. In other words, Mr. Chairman, the royalty rate now, which goes from above the select price of \$4.71 to \$6.50, is 65 per cent. Above \$6.50 to the \$8.00, that incremental royalty rate would be 50 per cent. It's my estimate, Mr. Chairman, that that would bring Alberta's royalty, on an average basis on old oil, to approximately 40 per cent. There will be a smaller impact on new oil but our new oil royalty average would be roughly 29 per cent.

Mr. Chairman, we have an opportunity tonight to proceed with the bill of the department. I would be pleased if there were other questions any of the hon. members might want to raise. Coming as it does on the same evening as the federal budget, the bill certainly has provided an excellent opportunity to give the government's reaction to that budget, within the House.

One other point was made by the hon. Member for Spirit River-Fairview that I thought referred to a speech I made, both within and out of the Legislature. That had to do with the average U.S. price, and that it might be a target. Mr. Chairman, it is true that that is a guideline, because it is a price within a market which our oil presently services.

However, I would say to all hon. members, as pointed out by the Premier, the breakthrough we have been able to establish -- we have turned around the federal government on its pricing policies, and now have it committed to moving to international prices -- Mr. Chairman, I think is a dramatic shift that will be of benefit to all Albertans.

I thought, Mr. Chairman, that the members would be able to react a great [deal] more enthusiastically than we have seen from the two who spoke following the Premier. I would have thought that they would be pleased with the impact that this would have upon Alberta, and the future for Albertans.

DR. BUCK: Haven't voiced it yet.

MR. GETTY: There is no question, Mr. Chairman, that some of the members have now found themselves caught in attempting to stand on both sides of the fence at once. A few months ago, they were telling us that we were taking the wrong point of view, that we were being

much too hard in our confrontations, as they called it, and that the thing to do was to sit down and negotiate, as we were in fact doing for the last 12 to 18 months.

I think it's significant now, Mr. Chairman, that we have been able, by some difficult, frustrating times, tough days of negotiation, to make this rather dramatic change, and that we have been able in a co-operative way to bring about a set of circumstances, an acceptance of principles, that will provide for our province now and in the future, probably some of the most significant principles on which we can grow and prosper.

So, Mr. Chairman, if we could perhaps proceed with this bill, there are other matters the members may wish to raise. I'd be pleased if I, or other members of the government, could respond in as much detail as possible.

MR. TAYLOR: Mr. Chairman, I'd like to say a word or two in connection with the bill, because I think it's a significant evening, perhaps a red-letter night as far as Alberta people are concerned.

On March 26, the people said in a very loud way that they wanted a fair price for their oil and gas. It was one of the major issues in the last provincial election. I believe we have now gone a long way towards achieving what the people asked when they gave Premier Lougheed such an overwhelming mandate on March 26.

When I listened to the hon. leader of the Opposition, I had to ask myself, well, what are the alternatives, what else could the federal government have done? They could have left it exactly the way it was. This wasn't satisfactory to the people of Alberta. With other energy forms increasing, why should Alberta secure less for this depleting asset, which is going to be gone one of these days. Why shouldn't we get a fair price for it. If they had said, we'll get less, of course they would have given the people of eastern Canada a much lower price. But again that would have hurt Alberta and would have discouraged production to the point where we might not have gas or oil to last for very many more years. So I believe the federal government has accepted the only logical alternative, which I think has been argued in a commendable way by this government, in giving an increase, not going the whole hog, but giving a substantial increase to our petroleum products. I think this is logical.

I think it's proper that the hon. Premier, the hon. Minister of Energy, and others who have been negotiating for the Government of Alberta should be highly commended for the triumphant victory that has been achieved. I listened to the hon. Mr. Turner in his last address, and so definitely following that address, say there would be no such thing and no way he would ever provide the deduction of the royalties paid to the Province of Alberta. At that time, scores of our people depending on that for their livelihood, or who had invested their money, made up their minds. If that's the attitude, we might as well give up. But the federal government was determined. I believe it's a somewhat miraculous change when over a very few months the same Minister of Finance has now seen the light and is permitting these deductions.

This will mean jobs and revenue for the people of Alberta. This will prevent the unemployment, which I saw the last weekend I was in the East, that's rapidly increasing in Ontario and Quebec, from occurring here. So this is no ordinary event. This has been a tremendous, miraculous change on the part of the federal government. I think we have to say to the hon. Mr. Turner that he's a big enough man to see the light and to make the change when convinced through sound argument presented by the Government of Alberta. So I'm very happy about that part, about the exploration, about the deductions.

There's one other thing, too. When some of the hon. members were speaking, I couldn't help but think of something the hon. members who were in the East last week on the parliamentary exchange would have noted very, very well. In our discussions with the MLAs from B.C. and the Province of Quebec -- and particularly with the SCQUIP organization in Quebec, which was formed for the purpose of trying to find petroleum for the Province of Quebec, and even to make investments outside, so serious were they in having petroleum for their needs -- one of the questions I and some of the other members asked was: has the Quebec government increased its price for hydro to Ontario, and when? We found that Quebec had increased its price of hydro to Ontario just last fall. The price has gone up, and they justified that they had to increase. They increased their price on hydro to the United States.

I think the logical answer was: then you support the Alberta request that we increase our price of another form of energy to the people of Ontario and Quebec. There was no argument from the MLAs representing Quebec on that point. I think the other members will confirm that. I think we are getting fair treatment. They did say they had an agreement, entered into many years ago, 1916, with the United States, that provided a long period of years of hydro to that particular company at a very low price that is completely ridiculous today. They were stuck with it, but they're not being stuck with that type of agreement any more, because they know what happens in this type of thing.

In conversation with the people of the East, they realize, as our people here have realized for years, that the things they are selling us have increased with the market price, the world price. Whenever there was an increase, we paid the increase here. There wasn't any question about that. It was a logical thing.

Now I've always taken the stand, and I still do, that I would like to see a three-price system for our oil and gas, with Albertans getting the lowest price, Canadians getting the next lowest, and others outside the country paying the highest. I can't see why they shouldn't pay world price at the earliest possible time.

But I think one of the binding things in Canada today is the consideration each provincial government can show to other provincial governments in things like this, to

make sure we're not going to hurt the people of another province. They are Canadians too. If we weaken any part of Canada, we weaken the whole of Canada. I think the fact that we are going to take these increases gradually is fair. It's going to give the people of the other provinces a chance to adjust to the new prices. I would have been very disappointed had the federal government gone the whole way at this point in one fell swoop. It wouldn't have been fair to industry, the workers, or the people of eastern Canada.

The people of eastern Canada are Canadians as far as I'm concerned. They are part and parcel of the same nation of which I'm proud to be a part. I don't want to hurt them. I want them to pay their fair share. Under this program, I think they will do that. This was a real possibility just weeks ago, not months, weeks ago. In conversations I had with some not very high, but reasonably high, officials from the East, this was being talked about as a very real possibility. It hasn't happened, which again shows Alberta is finally getting fair consideration. I don't think we ever want special consideration, but we want fair consideration from the Canadian government and from the other provinces of Canada. Now I think we're in a position where we can reciprocate and work with other provinces and with the Canadian government for the betterment of the whole of Canada.

MR. NOTLEY: Mr. Chairman, I have several questions. Is the Premier in a position to give us any indication as to the timetable for obtaining world prices? You indicated that in your discussions with the Prime Minister, it would be a staged thing. Obviously, one timetable would be when Syncrude goes on stage. There has already been an agreement that Syncrude would receive the world prices, and you would have something of a problem mixing old oil, new oil, and Syncrude prices. Has any agreement or accord been reached in terms of the timetable?

MR. LOUGHEED: Mr. Chairman, pretty obviously there hasn't. But there is, and I underline again, a very important shift by the federal government from a statement by Mr. Macdonald at the January '74 energy conference to the effect that he could not see the price of Canadian crude oil going to international levels, to a statement in the budget tonight that they were committed to doing so.

Quite obviously, as the hon. member points out, another advantage for Alberta, which I didn't bring into my opening remarks, is the strengthening with regard to oil sands development of that statement by the federal government about being committed to the price at international levels. We've got probably another three years during the construction phase of Plant 2, and during the course of the end of that three years, again keeping in mind the uncertainties of international pricing, we could be in a position that we're very close to it. The steps forward tonight, as I should add, in terms of an additional positive aspect for Alberta, is the positive impact in terms of future oil sands development, including the existing one.

MR. NOTLEY: A further question to the hon. Premier. You mentioned that natural gas price is now 85 per cent of the commodity value of oil, as I recall. Can what are you basing that? Is that the \$1.60 export price or the blended or average price?

MR. LOUGHEED: No, Mr. Chairman. Subject to correction by the Minister of Energy, my understanding is that on November 1 the price at the Toronto city gate of \$1.25 per MCF, back at the wellhead, compares with 85 per cent of an \$8 crude oil price. It doesn't include the blended price of the export portion. The 97 cents does, however. The average wellhead price of 97 cents includes the blended portion of the export.

MR. MUSGREAVE: Mr. Chairman, I want to ask the Minister of Energy a question, which results from a comment made by the hon. Member for Spirit River-Fairview. He mentioned that roughly 600 million barrels of oil would be going out of the province in the next year at less than world price. I'm not sure whether I accept his figure of 600 million, but he went on to say this meant the oil industry would, in effect, be receiving \$1 billion in extra revenue. I wonder if the minister could comment on just what would be left to the Province of Alberta as a result of this increase in price?

MR. GETTY: Mr. Chairman, it's difficult to have the figures which would be accurate at this time, but putting together the present package of oil and gas increases and using a few necessary assumptions, something in the order of \$425 to \$450 million a year increase would be returning to Alberta. Our figures indicate that the additional amount of money going to industry, again making certain assumptions, is roughly \$200 to \$220 million.

MR. MILLER: Mr. Chairman, a question to the minister. With the increase in the price of fuel, will consideration be given to increasing the farm fuel transportation allowance?

MR. GETTY: Yes, Mr. Chairman.

MR. KIDD: Mr. Chairman, I'd like to say a few words. First, I'd like to commend the Premier, the Minister of Energy and Natural Resources, and the Minister of Federal and Intergovernmental Affairs for a job well done. I truly believe we're discussing and debating a subject tonight that will have more influence on the future of Canada and the world than probably any other single factor we've discussed in the Assembly to date.

I'd like to correct one impression I've heard in this Assembly from the other side of the House -- the east side, not all the other side of the House -- that an increase in

price to the producers will automatically increase their profits. That is an erroneous assumption.

Mr. Chairman, I think we can take an example from the United States. The Federal Power Commission controlled the price of gas for many years. One year, they went to the producers and said, we want more gas. The producers said no, we can't supply you. The Federal Power Commission said, we know what you want. You just want some more gas. The producers said, no, you don't understand. We don't have any more gas at any price. The reason was that the producers had not been given sufficient money to explore for oil and gas in the difficult places, and therefore to supply it. That is a real tragedy, which the United States is paying for today. Let's not let that happen here.

I'd also like to correct another erroneous impression. I've heard comments concerning the activities of exploration for oil and gas, related to drilling. Now we are entering the phase -- I believe we can find a great deal more oil and gas in the Province of Alberta, but that will depend on sophisticated methods of exploration. I see one of them developing right now -- I know something about that -- the use of the seismograph. That is not reflected in the number of wells drilled. I will take 2 wells drilled on really good subsurface evidence, and you can have the other 500 dry holes.

I say what has happened tonight, particularly in gas but also in the increase in the price of oil to producers, will not be reflected in an increase in profit to the producers, and I say this with surety. It will be reflected in an increase in oil for the people of Alberta.

Thank you.

MR. GHITTER: Mr. Chairman, I would like to make just a few brief comments about one matter that really hasn't been alluded to by the hon. members, although the hon. Premier did make one suggestion in this area. As unhappy as certain of the features of the budget are, one of the happy points in the budget we are looking at tonight is the attitude that has finally become evident from the federal government's point of view.

One particular aspect I think we must emphasize is the simple matter of psychology. For those new members who don't recall the first experience we had in this House relative to oil prices and the attitudes of government in relationship to the oil industry, we had what was known as public hearings in this Legislature, where the oil industry came before us to deal in terms of a white paper on resources when the Government of the Province of Alberta was suggesting its desire to receive another \$50 to \$75 million from the oil industry. The hon. chairman will well remember chairing those hearings, as the oil industry came to us and started to express its tale of woe, as it was at that time, to the members of this Legislature.

It is possibly true to say that their tale of woe at that time wasn't a tale of woe, but was an oversalesmanship technique that affected their credibility in dealing with this Legislature. It is also fair to say that following that particular experience, the oil industry in this province, country, and throughout this world, experienced some very sensitive comments. Many of us will well remember the impact of the export tax as the federal government hit the oil industry in a unilateral way. How well I recall the speech of the hon. Premier in Calgary, when he referred to that particular act by the federal government as being one of the most discriminatory practices ever passed by a federal government against a provincial constituency.

I also well remember the members on this side, as they then were, yelling and screaming that very same language of the discriminatory practices of the federal government and how negative it was to the oil industry. I also remember the same members of the opposition saying at that time, go easy, don't confront, negotiate, take it easy. We don't want to end up in what was allegedly a packed court in Ottawa. While all this was going on, and while the debate swirled around this Legislature at that time, Mr. Chairman, the oil industry got gloomier and gloomier. At one time, for those members of this Legislature who represent Calgary constituencies, we weren't exactly walking on Eighth Avenue. We were looking for the nearest alley, as it wasn't the most friendly place to be in the Province of Alberta.

This carried on when the federal budget of the non-deductibility of royalties hit them. As we started hearing the stories of the industry leaving the Province of Alberta, as we started hearing the difficulties the industry was experiencing, we looked, hoped, and considered the very importance of seeing a breakthrough where our provincial government could finally sit down, negotiate, and come forward with something meaningful on the same wave length, not just for the purpose and sake of the Province of Alberta, but for the purpose of Canada that needed these resources in the long-term interest of this nation that we all serve. But it wasn't coming about. Today, when it finally has come about, when there finally has been this breakthrough that we, as legislators, and the oil industry, a very vital industry to this province, have been hoping and praying for, for the last two years, we come to the point where we hear statements from certain members of this House that I just can't readily believe, Mr. Chairman. I can't believe for a moment the statements that they're not enthusiastic about what has occurred. Mr. Chairman, that defies credibility to anyone who has examined the history of the past two years of the relationship between the oil industries and governments.

I'm not saying for a moment that it's going to be a whitewash, or a white wand overnight that is going to change the situation of the oil industry. What I am saying, and it may be forgotten, with the greatest respect to the hon. Leader of the Opposition, it's a matter of psychology. Many times during this session, the hon. Leader of the Opposition has moved to his feet with well-reasoned arguments and suggestions that what

this government needed was an incentive plan to assist the industry, a natural resource development fund. Many times the hon. Leader of the Opposition has pressed the Minister of Energy, suggesting to him, what are you doing to assist the industry by way of incentives? Why isn't something happening?

Tonight I would suggest there has been a breakthrough, a psychological and meaningful breakthrough. I don't really believe now is the time to be talking in terms of, well, I'm not enthusiastic about it, it's not really meaningful. Psychologically I believe it is meaningful. Psychologically that is what is important to an industry that has had the feeling it has been banged on the head to a large degree. Although the oil industry tomorrow may squawk a little bit and start picking those little technical holes that none of us really understands, I believe that psychologically the industry will wake up tomorrow with a little bit of fresh air, a little bit of the feeling that this is a place to carry on business.

I, for one, applaud the work of the hon. Premier, the hon. Minister of Energy, the hon. Provincial Treasurer, the hon. Minister of Federal and Intergovernmental Affairs, who I feel have done a true service to this province and to the oil industry. Not only that, but to this country at large.

MR. CLARK: Mr. Chairman, I really hadn't planned to become involved a second time in the debate on this particular bill. I would just like to respond to the comments made by -- I think I can say somewhat rightfully -- my friend from Calgary Buffalo. I would remind my friend from Calgary Buffalo of the headline in the Edmonton Journal in March 1974, when the delegation from the Government of Alberta came back to Alberta and said, we got what we wanted.

MR. NOTLEY: We all applauded then.

MR. CLARK: We all applauded just as loud that afternoon as you are this evening.

DR. BUCK: Mr. Chairman, I think the hon. Member for Calgary Buffalo is putting words in our mouths, that the hon. Leader of the Opposition did not. We are not enthusiastic, Mr. Chairman, because we, the people of Alberta, have been had twice. [interjections] Fine, fine.

The hon. Leader of the Opposition was referring to the headline which said: we got what we wanted. Mr. Chairman, I would like to say, we got what we were told we were going to get. I feel we didn't get what we wanted when we went down to Ottawa the first time. We got what the federal government was willing to give us.

AN HON. MEMBER: Check the Prime Minister's letter.

DR. BUCK: Now, Mr. Chairman, we come back tonight and say we are very, very happy because we got \$8 a barrel. I'm happy too, but I would have been happier if we had got \$9 a barrel. Because what we are doing -- the hon. Premier said we would have got \$6. Who knows?

Mr. Chairman, I think the people of Alberta are subsidizing Canada. If that's the price we are going to pay, it's a high price. When the federal budget came out the first time, the hon. Premier of this province said we had been ripped off like no province had ever been ripped off. I agree. We did make progress on the deduction of royalties. This is what the hon. Member for Calgary Buffalo is talking about, the psychological breakthrough. I commend the government for making the federal government see this was a legitimate business expense and should be a deduction, and it was. I compliment them on that. But I cannot stand in my place and support the government in the same way as the hon. Member for Drumheller, who said he got elected because he supported the government on its stand. I got elected, Mr. Chairman, because I said I wanted to see this government tell the whole truth on the oil issue, and the whole truth on the Syncrude issue. Mr. Chairman, that's why I got elected.

We would be more enthusiastic, Mr. Chairman, if we got closer to the world price. I think this, as a producing province, is entitled to that, otherwise we are subsidizing eastern Canada, no ifs, ands, or buts.

MR. GETTY: Mr. Chairman, I want to mention one point to the hon. Member for Spirit River-Fairview, having to do with the method of pricing natural gas at the Toronto gate.

I think there was, perhaps, some misunderstanding of the hon. member's question by the Premier, when he replied. When you take a crude wellhead price in Alberta at \$8, transport it to Toronto, roughly \$8.70 on the Toronto market, it has an equivalent price of about \$1.48 per MCF. You take 85 per cent of that -- \$1.25 -- and back it up for transportation back to Alberta, and there is roughly a 50-cent transportation charge, bringing it to your 75 or 76 cents per MCF price. That's how the price is established.

Mr. Chairman, I thought in summarizing I might say that one of the intentions of the new Department of Energy and Natural Resources will be to have as great a dialogue with industry as possible. It is true that the oil and gas industry, as pointed out by the hon. Member for Calgary Buffalo, has been buffeted around pretty heavily in the last 18 months. I think it's probably an indication of the kind of people we have in Alberta in the oil and gas industry -- optimists and risk-takers -- that they have been able to adjust under these conditions and have only really asked to know what the rules of the

game are, for some period of time, so that they can make the kinds of decisions they have to make. I think a lesser industry would not have adjusted as they have.

I personally feel they are to be congratulated. Frankly, my instructions to the department are that there is certainly to be no adversary atmosphere between the department and the industry, but rather one of co-operation, flexibility, and assistance. Frankly, I think they have done a good job, and I think they will do a good job in the future.

I also think that if we are going to find the future oil and gas we need in Alberta, and if we are going to find the future oil and gas we need in Canada, it's going to be done through the effective private enterprise system, and our department's going to do everything possible to assist them in that work.

[The title and preamble were agreed to.]

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

[The motion was carried.]

Bill 14 The Ombudsman Amendment Act, 1975

MR. CHAIRMAN: Are any amendments or comments to be offered?

HON. MEMBERS: Agreed.

MR. HYNDMAN: I move this bill be reported, Mr. Chairman.

MR. CLARK: Mr. Chairman, before you call the question, I want to ask the Government House Leader [a question]. It seems to me there was some indication the government was going to be looking at the whole question of the Ombudsman, the legislation surrounding him, and so on. Has there been any determination of a time line for that?

MR. HYNDMAN: Mr. Chairman, there's been no final determination. But insofar as there hasn't been an in-depth review of the position of the Ombudsman and the act for some years, we are now giving consideration to the possibility of setting up a select committee for the purpose of reviewing the entire ombudsman act as amended, as it now exists, during the fall sitting of the Assembly this year and looking into any suggestions or improvements from the public, the members, or the Ombudsman with a view to having an in-depth look at how it could be improved, and setting out the act in either its present or amended form for the next 5 or 6 years.

[The title and preamble were agreed to.]

MR. HYNDMAN: I move this bill be reported.

[The motion was carried.]

Bill 26 The Oil Sands Technology and Research Authority Amendment Act, 1975

[The title and preamble were agreed to.]

MR. GETTY: Mr. Chairman, I move the bill be reported.

[The motion was carried.]

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

[The motion was carried.]

[Dr. McCrimmon left the Chair.]

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[Mr. Speaker in the Chair]

DR. MCCRIMMON: Mr. Speaker, the Committee of the Whole Assembly has had under consideration the following bills: No. 14 and No. 26, and begs to report same. Mr. Speaker, the Committee of the Whole Assembly has had under consideration the following bill: No. 13, begs to report same with some amendments, and asks leave to sit again.

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

HON. MEMBERS: Agreed.

MR. HYNDMAN: Mr. Speaker, as to business tomorrow, I understand there have been informal discussions with members of Her Majesty's Loyal Opposition, and that it has been agreed that tomorrow afternoon, normally being a private members' day, would not be proceeded in that way; and that we would proceed with government business tomorrow afternoon. We would not be calling the House for sitting tomorrow, Tuesday evening, unless something very, very unusual developed. The House will certainly be sitting on Wednesday.

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

MR. CLARK: Mr. Speaker, just before you call the question, I wonder if I might say to the Government House Leader that it would be our intention, in making that agreement, that the House would call motions for a return tomorrow afternoon, then after motions for return go on to government business.

HON. MEMBERS: Agreed.

MR. SPEAKER: Having heard the motion for adjournment, do you all agree?

HON. MEMBERS: Agreed.

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

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

