

LEGISLATIVE ASSEMBLY OF ALBERTA

Tuesday, June 24, 1975

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

PRAYERS

[Mr. Speaker in the Chair]

PRESENTING PETITIONS

MR. NOTLEY: I beg to present the petition of Mr. Fred Petersen of Edmonton, which reads as follows:

We, the undersigned, all of whom are paying rent to landlords in the City of Edmonton, hereby petition for the following:

An immediate government investigation into rent increases which have been imposed on tenants by landlords in the City of Edmonton during the past year.
Immediate government action to halt further rent increases.
Immediate government action to roll back unjustified rent increases which have occurred during the past year.

INTRODUCTION OF BILLS

Bill 25 The Alberta Income Tax Amendment Act, 1975

MR. LEITCH: Mr. Speaker, I beg leave to introduce Bill No. 25, The Alberta Income Tax Amendment Act, 1975. This being a money bill, His Honor the Honorable the Lieutenant-Governor, having been informed of the contents of this bill, recommends the same to the Assembly.

Mr. Speaker, this bill meets a number of purposes. The first is a reduction of the Alberta personal income tax rate from 36 to 26 per cent of federal basic tax, effective January 1, 1975.

Secondly, it reduces on a selective basis the personal income tax payable to Alberta on all individuals reporting less than \$4,000 taxable income, and removes any Alberta tax on taxable incomes of less than approximately \$1,400.

Thirdly, Mr. Speaker, it provides legislation to incorporate two very important parts of the Alberta petroleum exploration plan announced by the Premier in December 1974, namely, the corporate tax rebate and credit for corporations, both arising out of the non-deductibility of royalties and other payments made to the Alberta government.

Lastly, Mr. Speaker, it effects some changes with respect to foreign tax credits and the timing of payments by taxpayers. The latter two are introduced, Mr. Speaker, in order to bring our legislation into line with federal legislation amended in the fall of last year.

[Leave being granted, Bill 25 was introduced and read a first time.]

Bill 33 The Vital Statistics Amendment Act, 1975

MISS HUNLEY: Mr. Speaker, I beg leave to introduce Bill 33, The Vital Statistics Amendment Act, 1975. This contains a housekeeping amendment to clarify the procedure respecting the authorization of forms in use by the division of vital statistics.

[Leave being granted, Bill 33 was introduced and read a first time.]

MR. HYNDMAN: Mr. Speaker, at this point I'd like to ask unanimous leave of the Assembly for the Attorney General to introduce Bill 36, The Common Parties Contracts and Conveyances Amendment Act, notwithstanding the lack of one clear day's notice.

HON. MEMBERS: Agreed.

Bill 36 The Common Parties Contracts and Conveyances Amendment Act, 1975

MR. FOSTER: Mr. Speaker, I beg leave to introduce a bill, being Bill 36, The Common Parties Contracts and Conveyances Amendment Act, 1975. The purpose of this amendment act, Mr. Speaker, is to bind the Crown and the right of the Province of Alberta by this legislation.

[Leave being granted, Bill 36 was introduced and read a first time.]

Bill 31 The Boilers and Pressure Vessels Act, 1975

MR. PURDY: Mr. Speaker, I beg leave to introduce a bill, The Boilers and Pressure Vessels Act, 1975. This act will replace the act which was revised some 20 years ago.

The act will provide a greater degree of flexibility in administering and inspecting the growing number of boilers and pressure vessels in Alberta. The terminology has been upgraded consistent with technological changes and to provide for innovative types of equipment. It will ensure continuing safeguards in the industrial development of our province.

[Leave being granted, Bill 31 was introduced and read a first time.]

MR. HYNDMAN: Mr. Speaker, I move that Bill 31, The Boilers and Pressure Vessels Act, 1975, be placed on the Order Paper under Government Bills and Orders.

[The motion was carried.]

INTRODUCTION OF VISITORS

MR. TAYLOR: Mr. Speaker, I have great pleasure in introducing a splendid group of young people from Rockyford. They are students at St. Regis school in that area. They are accompanied by their teacher, Mr. A. Beaudoin; the president of their class, Todd Muenchrath; and the secretary of their class, Patsy Wagemakers. They are on a two-day trip to Edmonton and are here today to enjoy the proceedings of the Legislature. I would ask the hon. members to give them a hearty welcome to this session.

MISS HUNLEY: Mr. Speaker, I beg leave to introduce to you, and through you to the members of this Assembly, two young Alberta ladies who are travelling the province as information officers in honor of International Women's Year. We are co-ordinating their activities through the Alberta Women's Bureau. They are funded by the federal government, as liaison for both governments with Alberta women. They are in the members gallery. I'd like them to stand and be recognized by this Assembly.

TABLING RETURNS AND REPORTS

MR. MOORE: Mr. Speaker, I would like to table the answer to Motion for a Return No. 158.

DR. HORNER: Mr. Speaker, I would like to table answers to Questions 148 and 178.

MR. JOHNSTON: Mr. Speaker, I beg leave to table the municipal statistics including improvement districts for the special areas for the year ending December 31, 1973.

MR. CRAWFORD: Mr. Speaker, I'd like to table the reply to Question No. 151 in regard to human rights, asked by the hon. Leader of the Opposition.

MINISTERIAL STATEMENTS

Department of Hospitals and Medical Care

MR. MINIELY: Mr. Speaker, early in 1975 my colleague, the Hon. Neil Crawford, then the Minister of Health and Social Development, presented a position paper on senior citizens' benefits in Alberta. Many of the major items contained in that position paper, including the Alberta assured income plan for senior citizens, have now been implemented.

I am pleased to announce to hon. members today that a further benefit to senior citizens, outlined in the original position paper, was approved by the Alberta cabinet this morning. Effective immediately, senior citizens aged 65 and over, and their dependents, will no longer be required to pay the \$5 admission charge to hospitals. This provides benefits to approximately 127,000 senior citizens in Alberta, as well as their dependents, who may require hospitalization. It is also estimated that the potential cost savings to senior citizens, as a result, will be well in excess of \$250,000.

Mr. Speaker, this is a further step in the continuing policy of our government to assist senior citizens in Alberta at this time of rising costs.

Department of the Solicitor General

MR. FARRAN: Mr. Speaker, I'd like to table Position Paper No. 19 on the subject of law enforcement grants to municipalities charged with responsibility for local policing.

I'd like to begin by apologizing for the spelling errors on the cover. The Queen's Printer has been under some pressure since the increased tempo in the House, and this is not an attempt by the Minister of Education to reform the English language.

[laughter]

I know from past experience that typographical errors seem to creep through most often in the large type.

A basic objective of the Government of Alberta is to maintain the ethical framework on which our society has been built, to reduce the incidence of anti-social behavior, and to protect people and property according to law.

One of the most serious problems facing society today is the rising incidence of conflict with the law. Yet it is upon the rule of law that our very civilization depends.

Canadian statistics show the most alarming increase in the areas of violent crime, sexual offences, vandalism, and arson. Alberta is faring no worse than most and better than some provinces in the Canadian context, but there is no room for complacency.

An area of concern is that some 44 per cent of prison inmates are Canadians of native ancestry, more often than not imprisoned for offences related to the consumption of alcohol. New initiatives are being taken to meet this problem, such as detoxification centres, alcoholism treatment centres, and day parole. Some \$600,000 per year has been provided in the current budget for native counselling services in the courts and prisons, and agreement has been reached with the federal government for shared funding for recruitment by the RCMP of 36 special constables of native origin. Recruitment of the first 12 for the course beginning in Regina in October will commence immediately, after consultation with the Indian Association and the Four Bands Council.

Almost 80 per cent of our prison inmates are sentenced to less than 6 months, and 30 per cent are incarcerated for failure to pay a fine. Diversion programs, such as community correctional residences, restitution, and work-for-fine options, are now being developed.

In regard to alcohol and drug abuse, the Government of Alberta has budgeted \$5.725 million for the Alberta Alcoholism and Drug Abuse Commission in 1975.

The highly successful Alberta Check Stop program to reduce the incidence of impaired driving has been reinforced and has been fully supported by all police forces. The 1975 budget for this educational campaign directed at impaired driving has been increased tenfold over the previous year.

A modern police force with the necessary strength, skills, and equipment is costly. These high costs are now proving a particular burden to those municipalities required to maintain their own police forces.

Rural areas and municipalities with populations below 1,500 are policed by the RCMP at full provincial expense. Provision has been made in the 1975-76 estimates for a significant increase in the strength of RCMP under provincial contract for these areas.

Towns and cities with populations above 1,500 are required to maintain their own police forces or to enter into a special contract with the RCMP.

It's recognized that spiralling costs make it difficult for some municipalities to maintain the level and quality of police service at the standard required. In the past 10 years, Alberta's automobile population has almost doubled, from 592,000 vehicles in 1964 to over 1 million vehicles in 1974. Unfortunately, the number of reportable accidents annually has grown even faster, from 30,000 in 1964 to 66,863 in 1974.

It is therefore the intention of the Government of Alberta to aid such municipalities above 1,500 population with unconditional grants. The requirement is that police services meet an adequate standard. The grants are unconditional in that they do not require matching sums and are not earmarked for specific projects. They are designed to meet escalating costs for improved law enforcement. The government expects that the new funds will enable municipalities to improve policing and introduce innovative programs.

Innovative programs, some of which are already being implemented by progressive police forces in Alberta, might include zone policing, larger foot patrols in warehouse and commercial districts, specially trained squads to deal with violent crime, neighborhood watch programs, police cadets, better communication networks, and so on.

Budget appropriations for 1975-76 contain the following amounts, totalling \$552,000, for special grants to smaller municipalities:

- (a) A five year phase-in grant to municipalities of 1,500 to 4,000 population to facilitate conversion to the RCMP municipal contract: \$130,000.
- (b) A grant of \$200 per month to summer villages for extra policing. This is an increased grant totalling \$12,000.
- (c) A grant of \$60,000 toward construction of new or renovated police buildings in small centres: \$210,000. This compares with the previous grant of \$40,000.
- (d) A \$7 fee for each person held in custody under Section 84 of The Liquor Control Act. This is legislation whereby a person can be held overnight in the case of intoxicification. The previous fee was \$5; it is now \$7.

It is recognized that special conditions prevail in the metropolitan centres of Calgary and Edmonton, to which lawless individuals are attracted to a greater extent than elsewhere. For this reason, more police are required per thousand population than in other centres.

The grant formula in this paper passes the following tests. It is easily understood, simple to administer, and provides an equitable distribution of funds. It generates sufficient funds to provide an incentive to maintain the approved standard of policing, and it provides for an automatic annual adjustment to meet changing operating costs.

The principle of the law enforcement grants formula is to provide for half the cost of policing a particular area, at RCMP cost levels, to be funded by the province regardless of the actual costs incurred by the local government. It will be arrived at by the following formula: for most of the urban municipalities, in fact all except Calgary and Edmonton, the population multiplied by 50 per cent of the previous year's provincial cost per RCMP constable as determined by the federal-provincial agreement, divided by 800, which is being deemed to be the ratio of people to each constable.

For the cities of Calgary and Edmonton, where peculiar conditions apply, the formula will be the same except that instead of 800 it will be divided by 500, which is the ratio of urban citizens to each constable.

The grants in the back of the position paper are estimated because population figures from the various municipalities are not declared simultaneously. These tentative figures are subject to adjustment if census figures are confirmed. Allowance has been made in the budget for such an adjustment.

Thank you, Mr. Speaker.

MR. CLARK: Mr. Speaker, we welcome the announcement by the Solicitor General today. I suppose we welcome it not only because it makes more money available for law enforcement agencies in the province. But I'm sure the Solicitor General, along with a number of other members, will recall that during the early session this year, before the election, the opposition included in a motion brought forward to the House that additional funds should be made to law enforcement agencies across the province. So naturally we welcome and support the government's move in this area.

Secondly, I'd like to say that the minister indicated these are unconditional grants from the standpoint of no matching funds, yet the announcement goes on to say to some extent what, in fact, municipalities and law enforcement agencies should do with the money. I question that particular approach.

However, the minister also indicated, I believe, that it's a simple program, easy to understand, and that it passes a number of tests. Perhaps we might better assess how well it passes those tests come the fall session of this particular year, or the spring session of next year.

The last point I'd like to make, Mr. Speaker, deals with the question of innovative programs that, hopefully, law enforcement agencies in the province will be involved in. I noted that the minister did not emphasize community involvement programs. It would be my hope that the government, through whatever means it has, would emphasize programs in this particular area. Certainly it's our intention in the official opposition to bend some of our efforts during the summer in this particular area of innovative programs to bring forward to the fall session as far as law enforcement is concerned.

ORAL QUESTION PERIOD

Federal Budget -- Energy

MR. CLARK: Mr. Speaker, I'd like to direct the first question to the Premier. In light of the announcement of the budget from Ottawa and the Premier's comments in the Assembly last night, is it an accurate assumption that the government is prepared to ratify the tentative agreement the budget really encompassed last evening?

MR. LOUGHEED: Mr. Speaker, I believe the answer to that question is that there has to be further detailed analysis. My statement last night was that the situation with regard to pricing on oil and gas, and with regard to the question of royalties, opened the way to the possibility of an agreement under Section 22 of the Petroleum Administration Act.

The hon. leader's question referred to the budget in total. Of course we take the position, as we've taken I believe since January 1974, that the federal government were wrong in principle in getting involved in the whole question of a one-price subsidy arrangement on imported oil across Canada. I think we were the only province that took that position. We felt it would cause them great concern and that they would find themselves in the difficulty they are now in, in trying to finance such a situation.

The only thing we can say in that regard is that we don't like the approach of having an excise tax on our personal consumers in this province, but we would at least prefer that if the alternative would be a discriminatory export tax on natural gas.

MR. CLARK: Mr. Speaker, a supplementary question to the Premier. Was that feature of the budget dealing with non-deductibility a portion of the bargaining in the course of negotiations between the Province of Alberta and the federal government?

MR. LOUGHEED: Mr. Speaker, perhaps I could refer the question to the Minister of Energy and Natural Resources for further elaboration as to the position the Alberta government took in the negotiations with regard to the matter of the importance to Alberta of the question of non-deductibility of royalties.

MR. GETTY: Mr. Speaker, the negotiations encompassed a sort of total energy package. It was an integral part of that package that some recognition be made of the provincial ownership position through a deductibility of royalties or equivalent.

MR. CLARK: Mr. Speaker, a further supplementary to the Minister of Energy and Natural Resources. In the course of that total energy package, will Alberta have some input into the conditions the federal government will use in determining whether companies will receive the benefits of the federal government's backing off somewhat as far as taxing royalties? This is a question of terms and conditions as far as exploration is concerned.

MR. GETTY: Mr. Speaker, I think the hon. member is referring now to detailed matters of the federal budget. I would have to say that in attempting to come to an agreement with the federal government we hope we can ensure that Alberta's oil and gas industry is treated in the manner we think is best for it in applying the equivalent to deductibility that is contained in the budget.

MR. CLARK: Mr. Speaker, a further supplementary to the minister. In the course of determining the total energy package, did Alberta make representation so that it would have that kind of input before the federal government would arrive at its guidelines in that area?

MR. GETTY: Mr. Speaker, I'm afraid the hon. member is getting into too much detail of the negotiations. I'm not quite sure what he is now referring to in terms of the provincial government becoming involved in the application of the federal budget.

MR. CLARK: I'll try again, Mr. Speaker. Will the Alberta government have the opportunity to sit down with officials of the federal government before the federal government determines what will be considered exploration and development, so Alberta firms will have the widest possible interpretation so they can receive the benefits involved?

MR. GETTY: Mr. Speaker, as we have seen last night, after a budget which does contain such important matters regarding the Alberta government and a basic industry in our province, there obviously will be a necessity for meetings at the official and ministerial level to fully understand the details. However, I don't anticipate the federal government will provide to the Government of Alberta an ability to actually exercise judgment on how their budget will be implemented.

MR. CLARK: Mr. Speaker, a further supplementary question to the Minister of Energy and Natural Resources. In the course of discussion on the total energy package, was the Government of Alberta made aware of the federal government's intention to levy a 10 cent per gallon excise tax?

MR. GETTY: No, Mr. Speaker. The package I referred to is a package which includes an increase in the price of oil, a package that includes an increase in the price of natural gas, a package that links or indexes gas to oil, a package that commits to move oil and gas to international prices in coming years, a package that accepts the self-sufficiency argument which the Alberta government has made and accepts that argument over [one of] short-term problems which the Ontario government has been making, a package which includes natural gas coming to full parity with oil in three to five years, a package that recognizes traditional deductibility arguments that we've been making for some time, and a package that continues to recognize Alberta's jurisdiction as well as the ability to have the export charge on natural gas flow to the owners and producers.

That is the kind of package I've been referring to. If it all stands up within the detailed examination of the budget, there is a potential for coming to agreement with the federal government.

Mr. Speaker, the other matter the hon. member mentioned is strictly a federal government measure.

MR. NOTLEY: Mr. Speaker, a further supplementary question for clarification on the very point of the last question the hon. minister answered. Are regulations or guidelines established yet for the 25 per cent resource allowance contained in the federal budget? Are you aware whether they've designated the guidelines yet?

MR. GETTY: No, I'm not aware of that detail, Mr. Speaker. Knowing that the budget, probably much in the way provincial budgets are, is subject to considerable change right up until the last day on which it is printed, it may well be that the process of having regulations actually prepared has not been accomplished.

DR. BUCK: Supplementary, Mr. Speaker, to either the minister or the Premier. We hear the statement that the price of Alberta oil moving up to the world price is way down the road in time.

Can the hon. Premier indicate to us if there is a time frame, a five-year period, a two-year period? When will the price move up to the world price?

MR. LOUGHEED: Mr. Speaker, I think I may be repeating what I said last night, but we were looking for a target. Quite obviously, the federal government, facing in inflationary times the strong opposition of most of the provinces of Canada, was only prepared to go so far in terms of one jump insofar as oil prices were concerned. Frankly, as we mentioned last night, we were pleased to see the movement of \$1.50, to \$8 oil. We think that's very helpful for oil sands development in this province and generally in terms of buoyancy with regard to the petroleum industry.

But we look back on the statement the Hon. Mr. Macdonald made at the energy conference in January, 1974, which rejected out of hand the concept that Canadian domestic production prices should reach international levels. Within 17 months, we now have a commitment -- and the word "commitment" was in the federal budget -- to move to international levels as a target. We think it is unrealistic for us or for Albertans to expect there would be a time frame on that.

MR. TAYLOR: Supplementary, Mr. Speaker, to the hon. Premier. In the negotiations with the Canadian government, was the possibility of the world price coming down to the Canadian price discussed?

MR. LOUGHEED: In the sense, Mr. Speaker, that the discussion evolved about the uncertainty regarding the future direction of world prices, it was a relevant factor. Mr. Speaker, as hon. members are aware, there is a great deal of discussion as to the future course of OPEC prices. It has varied from views expressed in the early part of 1974 of a possible decline, to views expressed today of a possible increase when they meet again in September. It is difficult to evaluate that. It is just as difficult to evaluate the future course of prices within the United States.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Premier. In the discussion over a possible move by OPEC, was there any discussion between yourself and the federal Prime . . .

MR. SPEAKER: Would the hon. member please use the ordinary parliamentary form.

MR. NOTLEY: Thank you, Mr. Speaker. Was there any discussion between the Premier of the Province of Alberta and the federal Prime Minister concerning Canada's response to higher world oil prices? More specifically, was there any discussion of a possible increase by Canada in the export tax if world prices do increase as a result of OPEC action?

MR. LOUGHEED: Mr. Speaker, no, that matter was not discussed.

MR. SHABEN: Mr. Speaker, a supplementary question to the Minister of Utilities and Telephones. Could you clarify the effect the increased price of natural gas will have on Alberta residential consumers?

DR. WARRACK: Mr. Speaker, that is a most important question. The immediate effect of the increase in natural gas [price] on Alberta users will not be felt, because the price support for the natural gas rebate plan has been set at 28 cents and will stay at that level throughout the fiscal year.

However, as indicated in the natural gas rebate plan position paper, one of the considerations that is a part of future calculations is the market price that does prevail. Having regard to the very major increases in natural gas pricing that come about as a result of the budget yesterday and the negotiations that preceded it, I think it would be fair to contemplate that in the coming fiscal year there would be some considerable reassessment of that matter, with a view to the support price going up.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Utilities and Telephones. In light of the increase in the price of natural gas, has your department reassessed the cost of the sheltering program, announced at \$70 million but based on former price estimates? Have you up-dated statistics on the cost of that for the current year?

DR. WARRACK: Mr. Speaker, the answer is, yes. If the hon. member compares the original budget for the fiscal year we're now in with the revised budget presented to the Legislature May 30, he would find there had been a substantial revision upward at that time. In addition, with the results of the natural gas pricing as they stand now, it's quite clear some considerable additional funds would need to be provided for the natural gas rebate plan. That protects Alberta users from the entire amount of market price increases in natural gas.

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

MR. NOTLEY: Can the minister advise the Assembly what, in fact, the increase over the \$70 million will be?

DR. WARRACK: Mr. Speaker, it would be a bit early to be in a position to offer that kind of detailed advice, but it is very clear it would be a substantial increase.

Mobile Home Site Rentals

MR. LITTLE: Mr. Speaker, I would address this question to the Minister of Housing and Public Works. Could he advise the Legislature if there is any progress in his enquiries regarding alleged excessive rents at certain mobile home parks in the City of Calgary?

MR. YURKO: Mr. Speaker, as I indicated before in the House, I wrote to the president of the corporation involved on June 16 requesting a reconsideration of their rent hikes and in fact asking for an explanation, which is about all I could do under the present legislative framework.

I've been told that this information will be provided to me at the earliest opportunity, but before July 4.

MR. SPEAKER: The hon. Member for Lesser Slave Lake, followed by the hon. Member for Bow Valley.

MR. SHABEN: Mr. Speaker, my question has been answered.

Farm Fuels

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Provincial Treasurer. What consideration will be given to increasing the farm fuel distribution allowance in light of the announced fuel price increase due to the \$1.50 increase on crude oil?

MR. LEITCH: Mr. Speaker, that matter is under consideration, but as yet a decision has not been reached.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Is the minister's department prepared to share in the administration of the announced federal farm fuel rebate program with the existing provincial rebate program?

MR. LEITCH: Mr. Speaker, I'll take that question as notice and provide the member with an answer later.

Federal Budget -- Health

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Hospitals and Medical Care. With regard to the announcement in the federal budget last evening that they're going to give five years notice with intention of changing legislation on cost-sharing agreements, what will be the effect on the province's health care program? They've also said they're going to place a ceiling on per capita rate of growth of federal contributions under the Medical Care Act. What effect will that have on the province?

MR. MINIELY: Mr. Speaker, it's been my experience that federal budgets and the accompanying notice of ways and means motions are such that they require some detailed examination before any conclusions can be reached as to the effect they may have, as opposed to the preliminary information we may see on television or in the news media.

I have asked the Hospitals Services Commission and the Alberta Health Care Insurance Commission to obtain complete copies of the federal budget and the notice of ways and means motion with a view to examining the wording and the application in thorough detail, also referring to the cost-sharing agreements which now exist between the federal government and Alberta. Only upon full examination of that, and perhaps some clarification of the intent, will we be in a position to accurately assess the implications.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Did the minister have any discussions with the federal minister of health prior to this announcement through the budget?

MR. MINIELY: Mr. Speaker, no, although I think all hon. members are aware that during the period I was Provincial Treasurer, the minister of health at that time, also the ministers of finance -- the federal government had been proposing some changes in the cost-sharing formula for some time. But other than that attempt by the federal government at that time to negotiate a new cost-sharing formula under the hospital and diagnostic services acts, and also under medicare, there would have been no advance warning to me. Perhaps my colleague, Miss Hunley, may know differently, but there was none to me.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. In light of the intent of the provincial budget to try to control hospital and health care costs and a similar objective in the federal program, does the minister or the Government of Alberta support the move of the federal government at this time?

MR. MINIELY: Mr. Speaker, as I indicated to the hon. member in an earlier reply, until we fully assess the actual detail of the budget and notice of ways and means motion, it's too early to draw a conclusion. Also, I say to the hon. member that I think it will be necessary to obtain clarification from the federal government as to the long-term implications of what they may be saying in the federal budget.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is it the government's view that the ceilings outlined in the budget of 13 per cent, 10.5 per cent, and 8.5 per cent over the next three years would be reasonable targets for provincial moves?

MR. MINIELY: Mr. Speaker, I don't think it's my position at this stage to agree or disagree with what the federal government has said. I think we in Alberta are prepared to take our position on what we think is reasonable escalation in health costs, regardless of what the federal government's parameters may be or what they may say their parameters may be from time to time. Whether I agree with the federal parameters is, in my view, irrelevant.

MR. NOTLEY: Mr. Speaker, a further supplementary question for clarification to the hon. minister. Is it the government's view that any increases in health costs under medicare should be shared as per the original legislation, as opposed to what seems to be the direction of federal moves at this time?

MR. MINIELY: Mr. Speaker, all provinces in Canada have consistently stated that the federal government had started health cost sharing, for example medicare. All provinces including Alberta have stated that the federal government should share equally in hospital and medical care costs because, after all, they have played the role in bringing the provinces, particularly, into medicare.

Again though, Mr. Speaker, having said that, I would have to say that the intent of what the federal government is saying in the budget, particularly put in the long term, would have to be clarified before anyone could draw any conclusions.

MR. TAYLOR: Supplementary to the hon. minister. Is this another example of the federal government starting a program, gradually getting out of it, and throwing the whole burden on the provincial governments?

MR. MINIELY: Mr. Speaker, I think I was trying to say in perhaps a little easier way what the hon. Member for Drumheller has said.

But again, I think it is important that we in the Alberta Legislature take the time to assess what the federal government really intends in the longer term in terms of health cost sharing in Canada.

Greenbelt

MR. KUSHNER: Mr. Speaker, I'd like to direct this question to the Minister of Environment. I seem to be getting an awful lot of calls about the greenbelt. Could the minister clarify what we're really freezing this land for? Is it for roads, parks, or whatever?

MR. RUSSELL: Mr. Speaker, some time ago the government announced its intention to place a restricted zoning by caveat around the cities of Calgary and Edmonton so land use could be protected to try to bring some order to the development of utility and energy facilities. It could be used in addition to transportation facilities. Of course it's hoped the zoning could be kept in an agricultural or semi-agricultural state.

MR. KUSHNER: Supplementary question to the minister. Are there any provisions at this time for those holding this land since it was frozen who have a life saving? Is there any compensation for these people?

MR. RUSSELL: Mr. Speaker, action in the past in the case of Edmonton -- and I assume it would apply when the situation develops in Calgary -- is for the province to negotiate land purchase in cases where such purchase is justified. Of course, each case has to be judged on its own merit, but I think it's fair to say nobody is going to lose any value in their property other than perhaps some potential speculative hope they may have had. Any real value would certainly be protected by the restricted covenant.

Highway Patrol

MR. PURDY: Mr. Speaker, a question to the Solicitor General. In view of the fact that the 16th fatality since January 1, 1975, occurred this morning on Highway No. 16 west of Edmonton, which takes in the Stony Plain RCMP detachment area, has the minister been able to negotiate with the federal government for extra RCMP patrols on this highway?

MR. FARRAN: Mr. Speaker, under provincial contract, the RCMP are deployed to the best possible advantage throughout the province.

MR. PURDY: Supplementary, Mr. Speaker, to the minister. Is any consideration being given to raising the number from 10 to a more adequate number?

MR. FARRAN: Mr. Speaker, we have the deployment of the RCMP under constant review in light of the circumstances of the day. If there is an abnormal number of traffic accidents on a particular stretch of highway, the RCMP have their attention drawn to it.

Highway Construction Signs

MR. PURDY: Mr. Speaker, a supplementary question to the Minister of Transportation. In view of the number of accidents, the fact that some of these fatalities have occurred in construction zones, and construction companies are not blanketing construction zone signs during a period when no construction is being carried out, will the minister make representation to the various companies to blanket these signs so the RCMP are able to enforce infractions occurring during construction times?

DR. HORNER: Mr. Speaker, we will review the situation. My personal review is that on that particular stretch of the highway, as I pass through it fairly often, they are, in fact, blanketing the signs when construction is not going on.

Federal Budget -- Employment

MR. TAYLOR: Mr. Speaker, in view of some of the comments made in other parts of Canada, I would like to ask the hon. Minister of Labour if he has reviewed the possibilities of increased or decreased employment arising out of the results of the federal budget presented last night.

MR. CRAWFORD: Mr. Speaker, the hon. member's question is perhaps one of mixed rather than mixed-up responsibility. I say that because the Minister of Manpower, of course, has a

continuing interest in reviewing manpower requirements and the effects on that of various things in the economy. Perhaps he would add something in that respect. I would have to say to the hon. member that I have not directed any particular attention to the implications of last night's budget.

Federal Budget -- Energy (continued)

MR. NOTLEY: Mr. Speaker, I'd like to direct this question concerning the total energy package to the hon. Minister of Energy and Natural Resources and ask him -- this is a follow-up to questions afforded the Premier -- whether he has asked the Petroleum Marketing Commission or someone in the Department of Energy to specifically assess the possibility of petroleum price increases at the OPEC conference this fall. I believe there has been some discussion of about as much as a 30 per cent increase in the world price of petroleum.

MR. GETTY: Yes, Mr. Speaker. We have been obtaining information which would give us as much assistance as possible in trying to project what the international price for crude oil will be in the fall, keeping in mind, however, the variety of pressures and decisions that will go into that price if there is a change.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister. In the negotiations leading up to what appears to be the beginning of an accord, what discussions took place as to contingency plans on Canada's part to deal with the prospect of higher world prices this fall?

MR. GETTY: Mr. Speaker, there was discussion of the potential levels, and how the package I have referred to might relate to those changes. Of course, both governments, within their own ability to act, have certain things they can do in the event of dramatic changes in prices.

However, as the hon. member knows, energy prices have been a matter of great instability over the past 18 months and may now be entering into a period of some stability.

MR. NOTLEY: Mr. Speaker, this is a question I'd really like to direct to the hon. Premier, but I see he's not here, so I will direct it to the minister. Just a word of explanation before posing the question. The Premier mentioned the trade-off between an excise tax and an export tax.

Was there any discussion of those two taxes in that light, in terms of a quid pro quo, one versus the other?

MR. GETTY: No, Mr. Speaker. The discussion and negotiations involved the components of the package, as I outlined earlier in the House in replying to another question.

MR. NOTLEY: Mr. Speaker, a further supplementary question. In dealing with the question of contingencies this fall in light of possible higher prices, was any request made by the Government of Alberta that if an export tax is increased, a portion of that should come to the province?

MR. GETTY: We did not go further into the potential for increased export taxes, Mr. Speaker, except to make sure that the level of increased export taxes, should there be any, not cause Alberta crude to be priced out of the markets it traditionally serves.

MR. NOTLEY: Mr. Speaker, a further supplementary question for clarification. In the negotiations, did Ottawa give any indication whether it might be prepared to abandon the mechanism of an export tax for oil, should oil prices increase substantially this fall as a result of OPEC pressure?

MR. GETTY: I don't think we discussed that specifically, Mr. Speaker. However, recognizing the new air of co-operative flexibility we've been able to obtain from the federal government, matters like that are certainly always open to discussion.

Federal Budget -- Housing

DR. BUCK: Mr. Speaker, I'd like to direct my question to the hon. Minister of Housing and Public Works. I'd like to know if the minister has had an opportunity to study the federal budget as it relates to housing, to find out if there will be an effect on housing in Alberta as a result of the federal budget.

MR. YURKO: Yes, Mr. Speaker, I've had the opportunity to examine what has been stated in the budget, but one must always temper his remarks with the fact that there are always additional explanations and conditions.

I would say that the \$200 million indicated as additional funding, basically for AHOP and similar programs, will build about another 7,000 houses. Of these, Alberta will get about 8 per cent, which isn't very many in terms of the fact that we build some 20,000 or more housing units a year.

The general effect, as I see it, is that the federal minister has really failed to come to grips with the housing problem. Even though the housing starts were up somewhat in May of this year, the difficulties in the industry are still very deep. Particularly, they are the result of the very high cost and availability of long-term financing; secondly, the high and increasing cost of construction; and as a result, the very high cost of the units when they come on the market and the inability of the average person to purchase such a home.

I might indicate that the very short-term stimulants suggested in regard to the grants are indicative of a desire to move existing housing rather than to build new housing. The grants were increased basically from \$600 to \$1,200 for home ownership only during the period up to December 31, 1975. In certain apartments the rental units were increased only until March 31, 1976.

So all in all, Mr. Speaker, I might indicate that the federal budget has really failed to come to grips with the developing housing difficulties in the nation, and certainly in Alberta. This indicates they are looking more and more to the provinces for increased emphasis and effort in this area of housing.

DR. BUCK: Mr. Speaker, a supplementary question to the minister. In light of the fact it doesn't seem to be going to help our housing problems too much, is the minister or the Alberta Housing Corporation considering raising the allowance that can be borrowed? I believe it now has a limit of \$42,000. Is the minister or the department considering raising this limit? In Edmonton right now, you can't find a house for under that price.

MR. YURKO: Mr. Speaker, the Alberta Housing Corporation is a lender of last resort. When it lends money, either for new units, or existing units -- about 55 per cent of its lending capacity of \$65 million, in terms of the direct lending program, is towards new construction; 45 per cent is for existing housing units.

When it does approve loans, it generally lends 95 per cent of the value of the house as assessed by the Alberta Housing Corporation. In regard to this, it has placed some limits in the various areas. The limit for a maximum mortgage in the cities of Edmonton and Calgary is \$35,000, plus the insurance fee, I think. The limit in Fort McMurray is \$40,000. These limits are examined periodically by the board of directors of the Alberta Housing Corporation and adjusted in accordance with the opportunity to dispense the money in our direct lending program. But we have had no difficulty with the existing limits in terms of dispensing the money in the direct lending program.

ACCESS Filmmaking

MR. CLARK: Mr. Speaker, I would like to direct my question to the Minister of Advanced Education and Manpower, or the Minister of Education. I would like to ask if the minister is aware of any concern being expressed by the Alberta motion picture industry regarding the growth of ACCESS, especially ACCESS adding to its editing facilities.

DR. HOHOL: No more, Mr. Speaker, than the indications of that kind of expression from the association addressed directly to the corporation, and to the hon. Minister of Education and myself in a letter of some weeks ago.

MR. CLARK: A supplementary question, Mr. Speaker, to the minister. In light of the request to the ministers involved, has the Minister of Advanced Education or his colleague, the Minister of Education, undertaken a reassessment of the very rapid growth of ACCESS, especially in light of the comments made by the president of ACCESS that the private sector is flooded in Alberta?

DR. HOHOL: We are certainly getting as familiar as we can with the notion and the fact of ACCESS. With respect to money, I think it's important to place that in perspective. The growth is approximately \$2 million a year over a period of 3 years since ACCESS was put together. This money is spent primarily on equipment, materials, and service, which ACCESS buys to provide educational service to Albertans across this province. We increased this capacity only 2 weeks ago.

It's also important to note, Mr. Speaker, that approximately \$500,000 a year has been spent by ACCESS to assist the private industry in developing a quality educational medium.

MR. CLARK: Mr. Speaker, a further supplementary. Is the minister prepared to give serious consideration to placing a freeze on ACCESS in-house growth until the two ministers become familiar with the growth of the agency itself and satisfy themselves that ACCESS isn't growing at the expense of the private motion picture industry in Alberta?

DR. HOHOL: Mr. Speaker, it's important to make two or three comments. First, in no way to defend or offend ACCESS, a new corporation will develop in a more rapid way than one which has been on line for some number of years. Secondly, ACCESS functions under CRTC

regulations and has a board of directors and a president. Thirdly, we are reasonably familiar and will get specifically familiar with the operations of ACCESS. We feel we are pretty well there at this point.

It's important to note that ACCESS isn't intended to compete with private industry. It is intended that they work together where this is possible. I should close by saying that the mandate of ACCESS is to provide quality educational films to the private and public sector but on a business basis. That is to say, it can't lose public money to meet that mandate.

MR. CLARK: Mr. Speaker, a supplementary question to the minister again. Until the two ministers are satisfied that ACCESS is not in fact going into competition with the Alberta motion picture industry and its members, are they prepared to put a freeze on growth in the area of making films within ACCESS?

DR. HOHOL: Mr. Speaker, I'd like to be clear that my statement with respect to the work of ACCESS, under the regulations of the CRTC, really means it would be impossible and improper for the authority comprised of my honorable colleague, the Minister of Education, and myself, on behalf of government, to place that kind of freeze on an independent corporation such as ACCESS.

However, as we examine the supplementary budget for ACCESS in a few days, we'll have opportunity to examine the considerations brought before the House and the important ones by the hon. Leader of the Opposition.

MR. CLARK: A further supplementary question to the minister. In light of the minister's answer, is he suggesting to the Assembly that the Minister of Advanced Education is not in a position to have any control over ACCESS? Is he going into competition with the private motion picture industry in the province?

DR. HOHOL: No, sir, not at all.

Federal Budget -- Agriculture

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Agriculture. It pertains to the budget last night and the projected cut in the funds for the federal Farm Credit Corporation.

Has the Department of Agriculture yet had an opportunity to assess the impact in the cut of funds to FCC as it applies to the Province of Alberta?

MR. MOORE: No, Mr. Speaker, we haven't.

MR. NOTLEY: Mr. Speaker, a further supplementary question. Is it the government's intention to do so and to hold meetings with FCC officials to see to what extent there will be a cutback in FCC loans in the Province of Alberta?

MR. MOORE: Certainly, Mr. Speaker, we will be assessing the impact of any reduction in Farm Credit Corporation lending as it relates to the lending of our own Ag. Development Corporation.

MR. NOTLEY: Mr. Speaker, a further supplementary question for clarification. Will it be the government's general policy to pick up whatever slack develops as a result of FCC cutting back credit to Alberta farmers?

MR. MOORE: Mr. Speaker, I think we would have to consider first of all what the extent of the Farm Credit Corporation withdrawal might be. The only information I presently have is the very general statement that there would be some cutback in FCC funds. It would have to be determined how that will affect individual provinces or in what area they are cutting back before we can make any decisions with regard to increased funding from ADC.

French Language Grants

MR. KOZIAK: Mr. Speaker, perhaps I can use this opportunity to answer a question posed by the hon. Member for Little Bow on June 20.

MR. SPEAKER: Does the answer permit dealing with briefly, because we have run out of time in the question period.

MR. KOZIAK: Very briefly, Mr. Speaker, the question was: why did the Province of Alberta apply for less assistance from the federal government toward teaching French in the provincial schools than did the Province of Manitoba?

I have been unable to obtain information as to the nature of the application made by the Province of Manitoba. However, I could point out the manner in which funding is received in the Province of Alberta, which may suggest an answer to the hon. member.

The Province of Alberta, under the program of co-operation to encourage bilingualism at the pre-university level, grades 1 to 12, receives a certain amount of funding from the federal government. It's based on 9 per cent of the costs where the primary language of instruction is French, and 5 per cent of the cost where the secondary language of instruction is French. The amount is determined by the pupils who are in fact enrolled and the time of their regular school term those pupils use in the study of the French language. These funds are turned over by the province to the various school boards which provide the services.

The Edmonton Separate School Board receives the highest amount in the province, approximately \$144,000, and the lowest is Fort Vermilion, which receives approximately \$71. In order to increase the amount of funds, it would be necessary for the local school boards both to increase the time used for the teaching of French and to encourage an increased enrolment of students in either a bilingual program or a program in which French is the secondary language of instruction.

ORDERS OF THE DAY

MOTIONS FOR RETURNS

176. Mr. Notley proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
A copy of all written information, including consultants' reports or part thereof, dealing with construction cost estimates for the utility plant at the Syncrude Mildred Lake project.

MR. NOTLEY: Mr. Speaker, for the third time, I move Motion for Return 176.

MR. GETTY: Mr. Speaker, I'd like to move an amendment to Motion 176:
Moved that the word "all" be removed in the first line and that the words, "subject to the concurrence of the Syncrude participants" be added at the end of the motion.

[The motion as amended was carried.]

184. Mr. Clark proposed the following motion to the Assembly:
That an order of the Assembly do issue for a return showing:
1. Copies of any agreements or contracts made between the Alberta Opportunity Company and Kenting Limited.
2. Copies of all correspondence between the Alberta Opportunity Company and Kenting Limited.
3. Copies of any agreements or contracts made between the Alberta Opportunity Company and Kenting Petrolia Drilling Ltd.
4. Copies of all correspondence between the Alberta Opportunity Company and Kenting Petrolia Drilling Ltd.

MR. DOWLING: Mr. Speaker, I would like to move an amendment to Motion No. 184, by deleting sections 2 and 4 and combining sections 1 and 3, to read as follows:

Copies of terms of any agreements or contracts made between the Alberta Opportunity Company and Kenting Ltd. and/or Kenting Petrolia Drilling Ltd.

First of all, Mr. Speaker, Kenting Limited is the parent company of Kenting Petrolia Ltd., therefore sections 1 and 3 combine very easily. Secondly, sections 2 and 4 should be deleted because the debentures issued relative to this entire agreement are public knowledge and available from the companies branch for a nominal fee.

The third reason, Mr. Speaker, is that the correspondence and documents exchanged between the Alberta Opportunity Company and Kenting Limited or Kenting Petrolia Drilling Ltd. contain privileged and confidential information and, in my opinion, if made public, would materially affect and perhaps even jeopardize the company's position in the market place.

AN HON. MEMBER: Question.

MR. SPEAKER: May I suggest again, as I suggested previously, that if hon. ministers know certain motions are likely to be amended, it would be welcome if the amendments might be seen in advance by the Chair. I'm not suggesting the present amendment is not in order; I have not yet read it. But it sometimes is advisable to compare an amendment exactly with the motion it's amending, and that may get us out of difficulty as we've had several times in the past.

[The motion as amended was carried.]

185. Mr. Clark proposed the following motion to the Assembly:

That an order of the Assembly do issue for a return showing:

1. The amount of money the Government of Alberta has received from the export tax on oil for each month, dating from the first reception of such revenue up to March 31, 1975.
2. The amount of money the Government of Alberta has received from incremental royalty revenues from oil for each month, dating from the first reception of such revenues up to March 31, 1975.
3. The number of barrels of oil which have been exported from Alberta for each of the months mentioned in 2 and 3.

MR. LEITCH: The motion is acceptable, Mr. Speaker.

[The motion was carried.]

GOVERNMENT BILLS AND ORDERS

Bill 15 The Alberta Property Tax Reduction Amendment Act, 1975

MR. SPEAKER: On a matter, perhaps, of order. With regard to Bill No. 15, hon. members may recall that this bill has gone through the process of third reading. There has been some question as to whether or not it might be a money bill. It appears that it could be a money bill, and I would therefore suggest to the Assembly that, if they wish, we might unanimously rescind the third reading of the bill, so that it might now be moved again for third reading, now that the message of His Honor is attached to the bill.

HON. MEMBERS: Agreed.

MR. SPEAKER: Then having the unanimous leave of the Assembly, we will record that the third reading of Bill No. 15 has been rescinded.

HON. MEMBERS: Agreed.

GOVERNMENT BILLS AND ORDERS (Second Reading)

Bill 35 The Legislative Assembly Amendment Act, 1975

MR. CLARK: Mr. Speaker, yesterday at 5:30 arrived, in the course of dealing with Bill 35, I outlined to the members of the Assembly some of what we considered to be good reasons this bill shouldn't be proceeded with.

I would like to go back to the comments made by the Government House Leader when he introduced the bill. He talked about a major feature of this bill as accountability. Now it is true, Mr. Speaker, that as far as this bill is concerned, there is accountability built in it, from the narrow standpoint that the amount of money paid to each member of the Assembly will be tabled in the Assembly each year. But a much broader and, I think, more universally agreeable concept of accountability really would centre around members who would be appointed to the government boards or agency, in fact, giving some accountability to their involvement in the Assembly here. Even as a liaison officer, the MLA would really not be . . . There are no reporting procedures, guidelines or lines of communication set out. Who does the member report to? Is it to the cabinet, to the caucus, to the responsible minister, or to the Assembly?

Certainly, this is one of the areas we hope to pursue during the committee work on Bill 35, because on this question of accountability, we think it should be on a much broader front than the accountability alluded to by the Government House Leader.

Mr. Speaker, we've had an excellent debate on Bill 35. Just to remake two or three of the very valid points that have been made, where this practice has been tried in Canada already they are moving away from it. It's a rather strong and straightforward recommendation of the committee headed by Dalton Camp, who is perhaps better known to members on the government side than to members on this particular side of the House. I should point out also that Mr. Camp, or at least representatives of his committee were here in Alberta and met with government and opposition members some time ago.

The second point I'd like to make, Mr. Speaker, is simply this. We do feel this impinges upon the independence of members of the Assembly. Thirdly, Mr. Speaker, we feel that if the government is bound on going in this particular direction, they should

continue the practice they established during the last Legislature when, in fact, they brought forward the legislative areas they wanted members to be involved in.

I refer to the discussion on the hospitals commission. At that particular time, the legislation was brought forward, there was a full discussion in the Assembly, and members on both sides of the House took an active part in the discussion as to whether a member of the Legislature should sit on that commission. The decision of the House was that someone should. If the government is going to move in this direction, it seems to us a very wise approach would be for the government to bring in legislation which would point out those areas where members can sit, not where members cannot sit, as included in this particular bill.

Fourthly, Mr. Speaker, there appears to be no rhyme or reason as to what government agencies MLAs could sit on, and what agencies MLAs would not sit on. Frankly, as my colleagues have indicated, we think this would be a most undesirable practice. If members of the Assembly don't have enough to do, aren't involved sufficiently now, then I would suggest, as I did yesterday, that members might attend meetings more regularly than they have during the course of this particular session, especially subcommittees and meetings of some of the committees of the House.

For those reasons, Mr. Speaker, I would like to move that Bill 35 be read a second time, six months hence.

SOME HON. MEMBERS: Question.

MR. SPEAKER: There is now an amendment before the Assembly. Are you ready for the question on the amendment, which is that the bill be read six months hence?

[Mr. Speaker declared the amendment defeated. Several members rose calling for a division. The division bell was rung.]

[Three minutes having elapsed, the House divided as follows:

Against the amendment:

Appleby	Dowling	Hunley	McCrimmon	Stromberg
Backus	Farran	Hyland	Miller	Taylor
Batiuk	Fluker	Hyndman	Miniely	Tesolin
Bogle	Foster	Jamison	Peacock	Thompson
Bradley	Getty	Johnston	Purdy	Topolnisky
Butler	Gogo	King	Russell	Trynchy
Chichak	Hansen	Koziak	Schmid	Walker
Cookson	Harle	Kroeger	Schmidt	Warrack
Crawford	Hohol	Leitch	Shaben	Young
Diachuk	Horner	Lysons	Stewart	Zander
Doan	Horsman	McCrae		

For the amendment:

Buck	Clark	Mandeville	Notley	Speaker, R.
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Totals: Ayes -- 5 Noes -- 53]

[The motion was carried. Bill 35 was read a second time.]

Bill 32 The Electoral Boundaries Commission Amendment Act, 1975

MR. HYNDMAN: Mr. Speaker, I move second reading of The Electoral Boundaries Commission Amendment Act, 1975. I'd like to outline just a few of the highlights of this bill and in closing the debate answer any questions that might be posed by members of the Assembly.

I would just outline the major amendments found in the bill. First, the number of seats in the Assembly is increased from 74 to 79. Seventy-nine is the figure which in effect would be given to the Electoral Boundaries Commission. The last change of this kind was in the late sixties when the seats were changed from 65 to 75.

Secondly, there is a simplification of the formula whereby the urban and rural seats are ascertained. The formula has appeared in the bill before under Section 13, I think. It has caused some difficulties. The past Boundaries Commission mentioned in their report that they found it very difficult to understand. Indeed, it would appear that to use the formula in the existing act, it might almost take a computer expert, four English majors, and three mathematicians to try to implement that part of the act. Therefore, it's a simplification, Mr. Speaker. The bill simply states that there shall be 43 urban seats, 36 rural seats, and breaks them down from there. Previously there were 38 urban seats and 37 rural seats.

With regard to the figures appearing in the bill, as a government we feel that it presents a balanced approach. On the one hand, there has certainly been growth in the metropolitan and urban areas. But on the other hand, there are still many sparse and

relatively remote locations in this province in respect of which the people deserve some extra measure of facility of representation.

There certainly has been an increase of population in the province. But we must remember that agriculture has been and remains the basic industry. There have been, of course, shifts with regard to the rural population within the province. However, there has recently been a noticeable stability which appears to be coming forward in the rural areas, a result I suggest of government policies of the last three years. I think it may well be the case that we'll find rural populations which have been dropping almost regularly every year over the past two decades, stabilizing from this point on and perhaps growing in quite a number of selected areas.

In terms of the metropolitan areas, there are some specific huge increases. One urban riding is up to 28,000 at the moment. Certainly the question of the ability and facility with which citizens can meet their MLAs, and the extent to which MLAs can travel a short or long distance to talk to their constituents, must be taken into account in deciding on the number of rural and urban seats, and the number of seats in the House. On some rough arithmetic under this new formula, the average rural seat would be 9,000 electors and the average urban seat about 15,500.

Another section of the bill enables the commission to be set up now, Mr. Speaker. The existing bill, if followed strictly, would not allow a commission to be set up until 1977. Then the number of months required for the hearings to be held would mean that the final changing of the boundaries of the seats wouldn't occur until very close to four years, perhaps the normal date for an election in this province.

I might mention some brief remarks about the scenario as to the time line we would see the commission proceeding on. First, the commission will be appointed soon. When I conclude my remarks I'll give an outline of some of the personnel on the commission the government would see appointing if this bill passes by order in council next Tuesday.

The commission would meet beginning this summer. The bill provides that it would have 12 months for its initial report. That would be roughly in the spring of 1976. The commission is required to hold public hearings. In the 6 months from approximately May or June of next year till the fall, there would be public hearings, so we would see the report being in the hands of citizens and members of the Assembly in the fall of 1976. In the spring of 1977, perhaps the Legislative Assembly could look at amendments to The Legislative Assembly Act.

Regarding the commission itself, depending on the progress of the bill, probably next Tuesday we would see the government passing the order in council under Section 3 of the bill. The appointments are within parameters outlined in the bill. The chairman would be proposed as Mr. Justice S. S. Lieberman of the Trial Division of the Supreme Court of Alberta. The two members from the government side will be first, the Hon. Dallas Schmidt, and secondly, the Member for Edmonton Highlands, Mr. King. In consultation with the members of the opposition, the members from that side will be the Member for Little Bow, Mr. R. Speaker, and the Member for Spirit River-Fairview, Mr. Notley. In addition, the chief electoral officer is by statute a member of the commission. And there is a citizen to be nominated by Your Honor, which we hope would be done over the course of the next number of days, that nomination carried forward in consultation with the Premier and the Leader of the Opposition.

In conclusion, Mr. Speaker, one or two brief comments regarding some parts of the act which are not changed, which in my view should be kept in mind by hon. members, and which may reduce the time of debate. I've mentioned that there is a mandatory requirement that public hearings be held throughout the province by the commission, after it has made its initial map-drawing exercise, so MLAs and citizens and those who might be concerned about the new lines on the map would have an opportunity to set forth their ideas.

I might also mention that there is no change in the provision of the act which says that where an increase in population appears likely, the commission may take into account the projected voter population growth.

Also of note, Mr. Speaker, is the provision which will continue in the act that, "the Commission, in dealing with the more sparsely populated areas of the Province, shall endeavour to avoid establishing proposed rural electoral divisions that are larger than the existing electoral divisions in those areas."

A further and last section which will continue, and which will be a parameter and guideline for the commission, is Section 21, which says that the commission shall take into consideration the community or diversity of interests of the population, means of communication between parts of a geographical area, physical features, and sparsity or density of population.

[The motion was carried. Bill 32 was read a second time.]

Bill 29 The Pipeline Act, 1975

MR. CHAMBERS: Mr. Speaker, I move second reading of Bill 29, The Pipeline Act, 1975.

Mr. Speaker, while Bill 29 is in large part a housekeeping type of bill, nevertheless it does contain some very important and relevant amendments to the existing legislation. The original act dates from 1958, and I think members will appreciate that since that time there have been substantive changes in technology and, indeed, with regard to points of view regarding environmental considerations.

The act was originally administered by the former Department of Mines and Minerals until January 1, 1972, at which time it came under the jurisdiction of the Energy Resources Conservation Board. This was, of course, a logical move [because of] the board's appreciable technical expertise in this field with, as well, adequate field staff to provide the surveillance and inspection. The board's experience with the legislation since that time has indicated the need for strengthening and upgrading this act.

Bill 29 extends the coverage to all pipelines, not just oil and gas lines. This would include multiphase lines, solids pipelines, and, indeed, any type of product pipeline. Here one might envisage chlorine, ethylene, ammonia, high-pressure water lines, and so forth.

I'm sure members are aware that a vast number of flow lines of various sizes and lengths are scattered throughout Alberta. It's interesting to note that there has been no provision in the past for recording the whereabouts and location of these lines. I'm sure members would agree that any pipeline which involves any potential danger to the people or the environment should be mapped out and the exact location of that flow line known by the Energy Resources Conservation Board.

The board is presently setting up a computer data bank of flow lines so it will be possible quickly to find the location, size, and type of flow line. I'm sure members can appreciate that with the thousands of miles of flow lines that exist now, if one were to want a specific piece of information, such as how many miles are coded or how many line breaks there were in a certain area, manually this represents a monumental task, whereas with the computer it should be relatively simple. This act provides the necessary framework for recording this information.

Mr. Speaker, Bill 29 also provides appreciably more protection for the environment. The act provides for reporting line leaks as well as ruptures, and requires leak detection and prevention methods. It extends the power of the board to clean up oil spills when they occur. The bill also provides power to stop unsafe operations which could lead to environmental damage.

Bill 29 also provides the board with the authority to specify exactly where a pipeline may be constructed. I think this is important in today's context when you consider the implications, for example, of a line crossing a major transportation corridor.

The new act recognizes The Rural Gas Act, ties in with existing legislation in that area, and should expedite matters for rural gas co-operatives.

In conclusion, Mr. Speaker, I think this new legislation is indeed required at this time, and I would request that members support the bill.

SOME HON. MEMBERS: Agreed. Question.

MR. ZANDER: Mr. Speaker, I would ask the mover of the bill, regarding the pipeline that is adjacent -- and I think it probably refers to Section 48 or 49 -- where permits of pipelines are contemplated, in all cases where possible they should appear on a map as closely as possible to the route the pipeline would normally take. I think the hon. member would appreciate that when a line is designated from one point and travels perhaps 20 miles it is very hard to give the exact distance the pipeline would be located within certain lands.

I also appreciate the discomfort the owners of the lands have when they are approached and have to give permission for a pipeline to cross. Normally the people sent out to obtain easements on the pipeline rights of way, stay within the lands. It doesn't designate the pipeline route. They don't know whether the right of way or pipeline shall be 20 feet, 50 feet, 100 feet in from the northeast corner.

I hope that when bringing forth some amendments -- maybe next year, I don't see it in the act today -- certainly the owner of land in the province should know the exact location of the line before he gives permission for a pipeline to cross his land. A survey and a blueprint should be completed of that proposed pipeline and the exact location on the part of land he owns. The owner should know exactly where that pipeline is going to be before acquisition of the land is given by the owner.

The difficulty we have encountered over the past years, Mr. Speaker, is that there isn't a hard and fast line in the proceedings. I don't think the landowner would object to the line being out 50 to 100 feet. But when we look at some of the lines that have been laid in the past, we find that these lands are nowhere near the survey where the line is supposed to be. I'm hoping an amendment to the bill sometime in the future will bring about a reality, where the owner of the land shall say that within this right of way lies the pipeline. He will know before he gives permission for the pipeline to go across his land, and there won't be any problems in the future.

[The motion was carried. Bill 29 was read a second time.]

Bill 34 The Department of Housing and Public Works Act

MR. YURKO: Mr. Speaker, I beg leave to move second reading of Bill No. 34, The Department of Housing and Public Works Act.

Mr. Speaker, the first principle involved in this act is the combination of the areas of housing and public works. These two areas of government endeavor reflect in the stimulation of a major sector of the Alberta economy, being primarily the construction

industry. This industry is highly labor intensive. By combining the two, many advantages in the area of policy, co-ordination, cost control, and the tendering practice can be programmed and implemented.

The public works section of the bill simply incorporates those sections of the old Department of Public Works relating to capital works, planning, engineering, and construction.

While I mention the former Department of Public Works, I would like to give credit to its former minister, who established many initiatives in regard to the role of government public works in stimulating the Alberta rural economy and implementing the policy of decentralization. His efforts have left beneficial effects in many parts of this province.

In regard to the housing aspect of this bill, we have sought to incorporate a number of principles. The bill is another step in a series of steps planned by the government to try to accomplish the following objectives: (a) increasing housing supply, as there is developing a substantive shortfall in housing units, which may intensify next year, particularly in association with the government's decentralization and selective industrialization policies; (b) stabilization or reduction of the cost of housing -- this is almost impossible in a highly inflationary climate which prevades our economic matrix. However, we are in a market of housing luxury that must be tempered; and (c) the repair and improvement of existing housing stock.

The legislative framework presented in this bill, coupled with The Alberta Housing Act, will permit the government to implement ways and means to accomplish the above objectives.

The responsibilities of the minister and the policies and principles embodied in the bill are self-evident, and I hope will be discussed during Committee of the Whole. However, housing costs in an economic climate burdened by the dual aspects of high interest rates and high inflation are sensitive to the municipal and provincial planning processes. Throughout the last several decades, the size, inertia, and indecisiveness of the various government approval processes have been growing. There is a need to shorten this process, for lack of housing has assumed critical or even substantive proportions. Human shelter needs must, of necessity, have priority over the finest aesthetics of the planning process.

I have spent much time and effort attempting to resolve this growing anomaly in governments. Time did not permit the implementation of a mechanism in this act to shorten or provide parallel avenues of approval, where housing has been identified as perhaps the highest priority of a municipality. The Minister of Municipal Affairs and I are continuing to streamline the existing approval process. We expect to find a parallel process, if such is required, if there is a worsening housing situation in the coming months.

I would like to reiterate that the federal budget did not, in my estimation, give adequate consideration and provide incentives to stimulate the housing supply industry in Canada, and indeed in Alberta. It has placed an increasing burden on the provincial jurisdiction for increased action and an increased role in housing.

Even though the housing starts in May were up, the difficulties of the industry are very pronounced indeed. Primarily, as I indicated earlier, they are the result of the very high cost and lack of availability of long-term financing, and the high and increasing costs of construction. As I've said earlier, Mr. Turner has done nothing of significance to overcome, or even temper, these difficulties.

The Alberta Housing Corporation has a capital budget this year of \$132,800,000. Its presence is very prevalent in the area of social housing and in the direct lending mortgage program. However, we are going to attempt, or are seeking, new initiatives and new programs in a number of different areas.

The starter home ownership program, called SHCP, is being put together in terms of the policy announced by the Premier during the election campaign, that is to use \$200 million in the revolving way. We are looking seriously at a core housing incentive program in terms of stimulating the growth of, or bringing on the market at the earliest opportunity, additional rental housing in the two major metropolitan cities and in smaller urban centres.

The direct lending program is now up to \$65 million and has been increased substantively in the last couple of years. I anticipate further increases in that direct lending program in the near future.

The senior citizens home improvement grant program is being worked on and, as I've indicated, should become effective and implemented during the first quarter of 1976.

This bill makes it possible to provide additional assistance to municipalities for sewer and water off-sites and on-sites. I anticipate there may be some reorganization in the department with respect to the housing industry. I anticipate we will have a registry of housing set up before too many months. I also anticipate establishing at the earliest opportunity an Alberta housing council, which will be responsible for housing policy for the entire Province of Alberta.

As a result of the increase in funds through the direct lending program, we will be looking very seriously at the possibility of establishing an Alberta mortgage corporation, and separating the mortgage aspect from the management aspect of housing.

Mr. Speaker, the legislation proposed as Bill 34 will permit the government to move effectively into these new required programs. Thank you.

[The motion was carried. Bill 34 was read a second time.]

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

MR. SPEAKER: For the purpose of considering certain bills?

MR. FOSTER: Yes, Mr. Speaker.

[The motion was carried.]

[Mr. Speaker left the Chair.]

* * * * *

COMMITTEE OF THE WHOLE

[Dr. McCrimmon in the Chair]

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

Bill 28 The Municipal Taxation 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. HYNDMAN: Mr. Chairman, with regard to the next bill in committee, No. 30, the hon. Provincial Treasurer is out for a moment. He'll be back momentarily. With the consent of the Assembly, perhaps we could move to committee study of some of those bills given second reading today, which would be The Pipeline Act, electoral boundaries -- hold Legislative Assembly until tomorrow, there may be an amendment -- and the Department of Housing and Public Works. On second thought, Mr. Chairman, I guess we don't need consent, because the committee study is part of second reading, and there's no distinction, no day required in between the two.

Bill 32 The Electoral Boundaries Commission Amendment Act, 1975

MR. R. SPEAKER: Mr. Chairman, to the minister, just in asking for a little more detail in the time frame we are to establish, or the procedure. The Committee, I think, is its own master, but would the directions to the committee be that an initial proposal be discussed and tentatively agreed upon by the committee, then we take that proposal and make it public, and following its public exposure, we have public discussions across the province. Is that the intent of the minister, or the procedure?

MR. HYNDMAN: That's correct, Mr. Chairman. This Legislature requires two basic procedures of the commission. The commission meets, and within 12 months, under the amendments, must come up with a first report. The report is made public. It sets forth specific boundary changes, with maps. After that has been digested by the Assembly and citizens, usually within a month or 6 weeks, the commission holds public hearings. A 6-month time span is allowed for that. Last time, I believe, the commission held public hearings in 7 centres, with adequate notice to members of the public that they were coming, and availability of the original maps. After the public hearings, the commission sits down and considers whether to revise the original suggestions. In the amendments to the report of the previous boundaries commissions, quite a number of changes were made as a result of submissions in various centres of the province.

So the total time span would be about 18 months; 12 months for the initial report and a further 6 months for public hearings. The timing is such that that would not be required in the summer months, but would probably be from about May 1976, until November-December 1976. That's the time line within which the public hearings could be held. I would see the final report of the commission being presented in the latter months of 1976, and the Assembly considering amendments to The Legislative Assembly Act perhaps 3 or 4 months later.

[The title and preamble were agreed to.]

MR. HYNDMAN: I move that the bill be reported.

[The motion was carried.]

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

[The title and preamble were agreed to.]

MR. LEITCH: I move the bill be reported.

[The motion was carried.]

Bill 34 The Department of Housing and Public Works Act

[The title and preamble were agreed to.]

MR. YURKO: Mr. Chairman, I move that Bill 34, The Department of Housing and Public Works Act, be reported.

[The motion was carried.]

Bill 29 The Pipeline Act, 1975

MR. PURDY: Mr. Chairman, I have two or three questions to the member presenting this bill. In looking through the bill, I see that the board has some very wide-ranging powers. Under Section 6, they may enter upon any land at any time that's reasonable, and it doesn't clarify it's with easement, or if they have an easement beforehand, or what. Maybe the member can answer that -- can they go across anybody's private land, or what is the deal on that?

Section 36 of the bill states that if a break occurs "on Crown land or in a forested area", somebody from the Department of Energy and Natural Resources shall be notified immediately. But as far as I can find, the bill doesn't state anything in regard to a break on private land. Some farms may have absentee holders. I think he should also be notified of such a break, in case of his materials or something he wants to protect.

The last comment I have is in regard to Section 48. This gets into a very gray area as far as I'm concerned, because the direction, where they are going to take over high-pressure lines within a co-op, is now coming from the Minister of Telephones and Utilities. Does this also take in the distribution lines within this co-op?

MR. CHAMBERS: Mr. Chairman, in regard to Section 6, yes, it does provide that the board may enter upon any land, and that includes private land. I think if we're talking about a pipeline break, a spill, or an emergency, I think it's necessary that the board indeed have that power. I don't see any way around that. By the way, this provision did exist in the old act, so it isn't really anything new.

I think the next one was Section 36. This is a relatively new part in the act. It was put in, of course, to look after the Crown's interests. It's normally assumed that a landowner, if a spill occurred on his property, would be the first one concerned. Therefore, it wasn't felt necessary to mention the landowner in that section. I don't think that in practice it would really be a problem. I don't know if that answers the member to his satisfaction.

Part 2 of Section 48 was designed specifically for the gas co-ops. If members will notice, it does provide that there must be negotiation with the owner first. In practice, when we are talking about plowing in this type of gas line, it really isn't practical to stop and enter into extended arbitration. It would be generally cheaper to circumvent the problem land. In other words, go somewhere else, go around it, rather than to hold up the operation. I think that's, of course, real protection for the individual, the many people concerned, to have negotiation in there. Under The Surfaces Rights Act there is always the last resort of arbitration in the occasional case where that may be required.

MR. ZANDER: Mr. Chairman, I don't believe the hon. member who is piloting the bill through answered my question. As I discussed during second reading of the bill, at least provide the owner of the land with a survey of the exact location. As the agreements now come out, it says a pipeline that will be lying within the above mentioned lands. If you have a quarter section, why can't it say in that contract that this line shall diagonally traverse legal subdivisions 1, 7, 11, and 13 in that manner. Then at least within those legal subdivisions we know where the line lies.

Normally when a pipeline easement is asked for -- I had two last week where the farmer, the landowner, was approached. He read the contract to me over the telephone. That's all it said on the easement; it asks for permission to enter these lands. My question is: why can't this pipeline be surveyed before the construction or acquisition of

the land, so the owner of the land knows the exact location where that line will traverse his property? So he will at least have the chance to argue where the pipeline should be in that pipeline right-of-way.

Mr. Chairman, I'm saying that I don't think it's fair to the property owner to merely state that the pipeline shall lie within the northeast quarter of section 36. It should state the exact location of that pipeline. I think when you're dealing with property, private property at least, the owner of that land should know where the exact location of the line is, so he can arrange his operations in the manner of future development.

MR. CHAMBERS: Mr. Chairman, that certainly does seem reasonable. I'll undertake to pass that request on to the board.

I would bring to the hon. member's attention Part 2 Section 3 the significant number of conditions outlined there. The second one "prescribing conditions subject to which the holder of a permit or licence under this Act or a person proposing to construct a pipeline may enter upon the lands of another person in the absence of an agreement to such entry" and so forth. So we have under the regulations adequate means of doing whatever is necessary. I would undertake to pass this information and request on to the board.

MR. ZANDER: Mr. Chairman, could you pass that information on to the people acquiring that land. I think it's normally simple, because the surveyor has the right to enter any land. Why can't they survey the line, and then go to the property owner and say, this is where the line shall be located, instead of saying that the line shall be located within 160 acres. It may only use 2 acres, and maybe only 1, or cut diagonally across it. Nobody seems to know where the pipeline is. What I'm saying is, I think it's only reasonable to expect that when a new pipeline is being laid, when the landowner is approached, they shall state the line shall be within that area.

I'm not interested in an emergency or a rupture in a pipeline. That is an emergency. In an emergency the landowner in the Province of Alberta has never objected to the company going in to repair it and clean up the damage. What I'm interested in, Mr. Chairman, is that I think we must come to grips with the one item of concern to the landowner today, the exact location of the pipeline. When the owner knows where the pipeline is going to be, he has no objections. Or he may object and they can move the line. But once the line is in place, once he has signed that agreement, he has no other recourse. The line will be placed by the company wherever it's going to be. I think it's only reasonable to expect that when a line crosses private land or Crown land a survey of that line shall be done first. Then approach the landowner and give him the exact location of that line.

MR. CHAMBERS: Mr. Chairman, I will undertake to pass that request on to the board. I would reiterate that especially under Part 2 of this act, the powers of the Lieutenant Governor in Council would facilitate accommodating this approach as a matter of policy.

MR. CLARK: Mr. Chairman, I wonder if I could ask the member . . . I was out of the House for a few moments, and the member may have touched upon it when he was commenting. But with the large number of pipeline breaks we've had recently -- and I note that the Energy Resources Conservation Board is now making it mandatory for the various pipeline operating companies to put on extended courses on clean-up. I have also had some concern expressed to me by farmers and people who work for one or two pipeline companies, about the long period it takes from the time a break takes place until it is reined in -- if that's a good term.

I really am leading up to the proposition that is it practical in the hon. member's opinion that where there are major or sizable river crossings there be some sort of shut-off valve near the water body itself. I'm sure the hon. member is familiar with the line break in the Swan Hills area not long ago. If my memory serves me correctly the nearest valve for the automatic turn-off was something like 30 miles away. I certainly don't profess to be an expert in this area, but I wonder if the hon. member could shed some light on the matter. Perhaps we can carry the discussion from there.

MR. CHAMBERS: Mr. Chairman, again the new act puts a great deal more teeth in the legislation in terms of reporting leaks as well as ruptures. For example, until now the existing act has provided for the reporting of ruptures but not of leaks. As the hon. member knows, over a period of time you can lose a lot of oil through a leak, as well as a rupture. This, of course, is not as readily detectable by existing pressure devices. The powers under the act with regard to protection of the environment, as mentioned in several parts of the act, are strengthened appreciably as well. As the member knows, depending on the volume of oil passing through that line, the size of the line and the size of the river and so forth, there have been various methods of control. In other words, there may be a valve there, there may not, depending on the circumstances mentioned.

But certainly the board is attempting to strengthen appreciably the protection in that area. I think the listing of pipelines and relative aspects of these lines, in other words whether they are coated, when they were put in the ground, and their size, has been a pretty comprehensive job. A computer system is going to help a lot too, because now, for example, to find any pertinent information one might want, to look perhaps at potential for failure, would require umpteen man-hours on a manual basis. It might take months; whereas once the computer system is working properly, and I understand this isn't too far off, it would be a relatively simple matter to plug in and have the computer kick

out the answer one is looking for, such as whether a section of line is coated, when it was put in, any sorts of statistics with regard to failure frequency, and so forth.

MR. CLARK: Mr. Chairman, just one additional question to the hon. member. I take it from what the member says that basically the legislation was requested and drafted by the Energy Resources Conservation Board. Is that a fair assessment? Because to a great degree they have the responsibility, recognizing that the Department of Environment has some responsibility too. Basically this legislation has come from the Energy Resources Conservation Board, is that . . .

MR. CHAMBERS: Mr. Chairman, the original act was administered by the Department of Mines, and the energy board took over administration on January 1, 1972. As members can appreciate, they have taken an extended look at it since that time, in terms of the need to protect the public and the environment. The result is this new act initiated by the energy board.

[The title and preamble were agreed to.]

MR. CHAMBERS: I move that Bill 29, The Pipeline Act, 1975, be reported.

[The motion was carried.]

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

[The motion was carried.]

[Dr. McCrimmon left the Chair.]

* * * * *

[Mr. Speaker in the Chair]

DR. MCCRIMMON: Mr. Speaker, the Committee of the Whole Assembly has had under consideration bills 28, 32, 30, 34, and 29, begs to report same, and asks leave to sit again.

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

HON. MEMBERS: Agreed.

GOVERNMENT BILLS AND ORDERS (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
13	The Department of Energy and Natural Resources Act	Getty
14	The Ombudsman Amendment Act, 1975	Hyndman
26	The Oil Sands Technology and Research Authority Amendment Act, 1975	Getty

MR. HYNDMAN: Mr. Speaker, I'd like to ask unanimous leave of the Assembly to move to third reading of two bills: Bill 29, The Pipeline Act, and Bill 32, The Electoral Boundaries Commission Amendment Act, 1975.

MR. SPEAKER: May the hon. Government House Leader have the unanimous consent requested?

HON. MEMBERS: Agreed.

[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
29	The Pipeline Act, 1975	Chambers
32	The Electoral Boundaries Commission Amendment Act, 1975	Hyndman

MR. HYNDMAN: Mr. Speaker, I'd like to ask unanimous leave of the Assembly to move to second reading of three bills introduced today. The first is The Common Parties Contracts

and Conveyances Amendment Act, 1975; the second is The Vital Statistics Amendment Act, 1975; and the third, The Boilers and Pressure Vessels Act, 1975.

MR. SPEAKER: I take it the hon. Government House Leader has the unanimous consent of the House as requested?

HON. MEMBERS: Agreed.

GOVERNMENT BILLS AND ORDERS (continued)
(Second Reading)

Bill 36 The Common Parties Contracts and Conveyances Amendment Act, 1975

MR. POSTER: Mr. Speaker, I think perhaps all members are aware, but if not, I should advise that at common law an individual had no capacity to contract with himself, and so it was that The Common Parties Contracts and Conveyances Act of 1974 was passed by this House. It is a very brief statute, as I think members realize. It essentially enables individuals to contract with themselves in certain circumstances.

As I believe all members are aware, the Crown in the right of the Province of Alberta is not bound by the statutes we pass in this House unless it is specifically stated to be so. The act passed in 1974 did not refer to the Crown. The amendment before the House at the moment, Mr. Speaker, is to state, as the amendment discloses, that the Crown, that being the Crown in the right of the Province of Alberta, is bound by the provisions of this legislation.

Of course, the purpose is to grant to the Government of the Province of Alberta the capacity to contract with itself in our Syncrude arrangements. At this stage, Mr. Speaker, we are simply seeking the legal capacity, pursuant to this act, to contract with ourselves, because we are in two different positions in the Syncrude arrangement. It will give us the capacity to contract with ourselves in other circumstances as well if that is appropriate in the future.

MR. CLARK: Mr. Speaker, in rising just to make some comments with regard to this bill, specifically to ask a question of the minister. Recognizing the predicament the government finds itself in as far as Syncrude's concerned and the desire to contract with itself, I can appreciate that situation.

Can I ask the Attorney General if, in fact, the government has at this time any other intention where it will be using this particular amendment that's being put before the House today?

MR. POSTER: Mr. Speaker, other than the Syncrude matter, there is no use which comes quickly to mind for which we seek this legislation than the Syncrude matter, which comes quickly to mind. There may be other areas of government activity, however, in which this capacity would be highly desirable. I simply haven't addressed my mind to the broad spectrum of government activity. I know that it is a capacity we will definitely need in Syncrude. It may be a capacity we will need in other sectors, but at this point I don't have the details of that.

MR. CLARK: Mr. Speaker, I wonder if I could ask the hon. Attorney General another question. In light of the fact the legislation just came in today and there's really not going to be the time to give it the kind of consideration perhaps it should have, I wonder if the minister would be prepared to consider making an amendment to this bill to have it apply only to Syncrude, then perhaps reintroduce the basic principle at the fall session this year so we could have a further look at it?

MR. POSTER: Mr. Speaker, my general reaction to that is probably, no. If there is any merit in the legislation -- that is to say, The Common Parties Contracts and Conveyances Act -- if there's any merit in the principle of enabling an individual or a body corporate to have the capacity to contract with himself, recognizing that an individual can function in several different capacities, surely there is merit in granting to Her Majesty, the Government of the Province of Alberta, the capacity to function in the same way as an individual or a body corporate would. I don't see any particular reason to limit the capacity of an individual or government, under this legislation, to function only in one respect. Surely, if the capacity is valid, it's valid for all purposes.

If the hon. member is suggesting that we should limit to a specific case the capacity of the government to function in this way, what I really think he wants to get at is some mechanism by which the members of the opposition, perhaps, can review that case. That's really valid but should be pursued elsewhere.

MR. CLARK: Mr. Speaker, if I might just simply point this out to the Attorney General . .

MR. SPEAKER: We're perhaps drifting into committee, but perhaps that is acceptable to the Assembly under the circumstances.

MR. CLARK: The sole reason I ask is because the proposition comes before us today. It isn't a matter of trying to get another crack at Syncrude. It's simply that it has come before us today. Frankly, we haven't had an opportunity to have anyone look at it from our standpoint with the kind of legal background that sits on the government side. That's really why I make the proposition.

MR. FOSTER: I understand. I don't want to appear presumptuous, Mr. Speaker, but to put it very simply, it is placing the Crown in the same capacity as any other individual, when it comes to entering into a wide variety of contracts and arrangements.

At the time the legislation was proposed in 1974, I am advised there was some debate whether or not it should bind the Crown. There were many people who felt that the Crown should have been bound by that legislation. In one sense, this can be seen as a corrective measure, because it's a capacity the Crown should enjoy. On the face of it, Mr. Speaker, I don't see anything unusual, irregular, or out of place whatsoever, bearing in mind that it simply grants the capacity that you and I would enjoy as private individuals entering into any contractual relationship or conveying any land.

[The motion was carried. Bill 36 was read a second time.]

Bill 33 The Vital Statistics Amendment Act, 1975

MISS HUNLEY: Mr. Speaker, I move second reading of The Vital Statistics Amendment Act, Bill No. 33.

[The motion was carried. Bill 33 was read a second time.]

Bill 31 The Boilers and Pressure Vessels Act, 1975

MR. PURDY: Mr. Speaker, I take pleasure in moving second reading of The Boilers and Pressure Vessels Act, 1975.

As I indicated approximately two hours ago, the new act will continue safeguards in the industrial development of the province. This represents a continuation of the government's commitments to safety of the general public and the work place. The hon. Minister of Labour has expressed such concerns in this House on several occasions. Within the connotation of the expression "quality of life", which is so much used these days, through legislation we encompass, as far as possible, elimination of fatal and non-fatal accidents and the human suffering that goes with them.

Boilers and pressure vessels legislation has been in effect since the turn of the century, since 1905 in this province. The regulations and programs under the act, which was last reviewed in 1955, ensure that the design of boilers and pressure vessels:

- (1) meets safety code requirements through approval and registration procedures;
- (2) provides for inspection to ensure that construction of boilers and pressure vessels is in accordance with adopted standards; and
- (3) provides for ongoing activities to ensure that vessels are maintained and operated safely.

While in this province there is pride for the record of the program under The Boilers and Pressure Vessels Act, with the rapid increase of industrialization along with the recent changes in technology and social conditions, there is need for legislation to be amended to keep up with this record.

This act was first presented to the Legislature last fall. Previous to first reading of the bill, public hearings were held. Various interested parties met with the advisory committee under the act: officials of the Department of Labour, members of the boilers branch, and myself. Interested parties included: the Petroleum Association; the Propane and Gas Association of Canada; representatives from SAIT and NAIT who are responsible for the power engineers' courses at our two technical schools; the International Union of Operating Engineers; the Institute of Power Engineers; the Association of Professional Engineers, Geologists and Geophysicists; Gulf Oil Canada Limited; the International Union of Oil, Chemical and Atomic Workers; Imperial Oil Limited; the Alberta Mechanical Officials Society; the Edmonton and Calgary Housing Association; and Amoco Canada Petroleum Limited.

The scope and application of the new act has been updated in order to be compatible with the new types of equipment and systems used in industry today. The new act will provide a greater degree of flexibility in administering and inspecting the number of boilers and pressure vessels that we have in Alberta and that are going into operation. This will ensure continued safeguards with the industrial development of the province.

High-temperature water boilers, because of the potential dangers they present, will be required to be operated by persons holding certificates of competency. It has been apparent that there is a need to provide greater supervision of large heating plants contained in highly complex buildings of public occupancy. This will be accomplished by

provisions of the new act, which will require owners of large heating plants to place the general supervision of plants under the holder of a certificate of competency which will qualify the holder to exercise general supervision and to be responsible for these kinds of plants.

The development of the Alberta oil sands, the expansion of the fertilizer industry, and the construction of other major industrial plants in our province within the next decade will make it necessary to ensure that legislation will be flexible enough to meet these needs. In the new act, there is some clarification of responsibility for persons responsible in the associated manufacturing, construction, and operation of boiler vessels and pressure piping of these plants.

A considerable number of definitions and terms throughout the act have been updated to conform with present-day technology. For example, "steam boiler" has been changed to "power boiler" to include the addition of high-temperature water boilers and electric boilers. Some easements have been provided to the oil industry to enable them to operate boilers of low-hazard nature specifically designed for use in oil fields without having the continuous supervision of the holder of a certificate of competency when such boilers are used for the purpose of underground thermal flooding in the oil fields. These boilers are located in remote areas of the province, and this new provision will enable companies to operate such plants in compliance with the act, bearing in mind that they have experienced difficulties in finding certified personnel, who are now in short supply.

The new legislation will also benefit persons in buildings of public occupancy and industrial establishments where there are boilers and pressure vessels, because of the new safety measures being introduced. Workers in industrial plants will benefit because of safer working environments brought about by the new safety measures in the construction of vessels for such plants. Citizens throughout the province will benefit, since the program under the act is aimed at reducing or eliminating, in all buildings where boilers or pressure vessels are operated under the safety provisions of the act, accidents which cause injury or property damage.

[The motion was carried. Bill 31 was read a second time.]

MR. HYNDMAN: Mr. Speaker, I move we call it 5:30.

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

HON. MEMBERS: Agreed.

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

[The House rose at 5:07 p.m.]

