

LEGISLATIVE ASSEMBLY OF ALBERTA

Monday, December 8, 1975

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

PRAYERS

[Mr. Speaker in the Chair]

NOTICES OF MOTIONS

MR. HYNDMAN: Mr. Speaker, I'd like to give notice of a government motion to be moved by me on Wednesday.

Be it resolved that:

- (1) A select committee of the Assembly be established consisting of the following members: chairman, Mr. D. McCrimmon; members, hon. S. McCrae, J. Butler, P. Clark, W. Purdy, P. Trynchy; with instructions:
 - (a) to receive representations and recommendations as to the operations of The Ombudsman Act, and
 - (b) that the committee so appointed do meet for the purposes aforesaid at the call of the chairman at such times and places as may from time to time be designated by him, and
 - (c) that the said committee do report to this Assembly at its next ensuing session the substance of the representations and recommendations made to the committee together with such recommendations relating to the administration of the said act as to the said committee seem proper.
- (2) Members of the committee shall receive remuneration in accordance with Section 59 of The Legislative Assembly Act.
- (3) Reasonable disbursement by the

committee for clerical assistance, equipment and supplies, advertising, rent, and other facilities required for the effective conduct of its responsibilities shall be paid, subject to the approval of the chairman, out of Appropriation 1909.

MR. CLAPK: Mr. Speaker, I'd like to ask the House to waive notice under Standing Order 9.1(2). It deals with the motion that the opposition would designate on Thursday afternoon. Copies of the motion will be distributed to members of the Assembly this afternoon. I apologize to the Assembly for not having the notice earlier.

The motion, under the name of the hon. Mr. [P.] Speaker, reads:

Be it resolved that, the Legislative Assembly urge the Government of Alberta to introduce legislation to repeal Sections 5, 6, 7, and 8 of The Environment Conservation Amendment Act, 1972, so that the Environment Conservation Authority may, on its own initiative, inquire into any matters pertaining to environmental conservation.

MR. SPEAKER: Does the Assembly agree to the request of the hon. Leader of the Opposition?

HON. MEMBERS: Agreed.

INTRODUCTION OF BILLS

Bill 222
An Act to Amend
The Landlord and Tenant Act

MR. NOTLEY: Mr. Speaker, I beg leave to introduce Bill 222, being An Act to Amend The Landlord and Tenant Act. Mr. Speaker, the purpose of this act is, very briefly, to set out provisions which would include no eviction of tenants without cause, damage deposits to be held by the board, landlords required to post a maintenance bond, a standard lease for all tenancies, tenants' rights to organize, and that no landlord would be able to interfere with political campaigning during election periods.

[Leave granted; Bill 222 introduced and read a first time]

Bill 87
The Alberta Income Tax
Amendment Act, 1975 (No. 2)

MR. LEITCH: Mr. Speaker, I beg leave to introduce a bill, being The Alberta Income Tax Amendment Act, 1975 (No. 2). The prime purpose of this bill, Mr. Speaker, is to remove the existing disparity between individuals and corporations in the oil industry with respect to the amount they can claim as a tax credit.

[Leave granted; Bill 87 introduced and read a first time]

Bill 90
The Credit Union
Amendment Act, 1975

MR. GOGO: Mr. Speaker, I beg leave to introduce Bill No. 90, The Credit Union Amendment Act, 1975. The purpose of the amendment is to modernize The Credit Union Act in view of the changing times with the credit unions.

[Leave granted; Bill 90 introduced and read a first time]

Bill 92
The Recreation
Development Amendment Act, 1975

MR. DOWLING: Mr. Speaker, on behalf of the hon. Minister of Recreation, Parks and Wildlife, I beg leave to introduce Bill No. 92, The Recreation Development Amendment Act, 1975. The purpose of this bill, Mr. Speaker, is to make clear that municipalities may construct and maintain recreational facilities and operate recreational programs, charging the incurred costs to the property owners resident in either the municipality as a whole or a recreational area established by the council within the municipality.

[Leave granted; Bill 92 introduced and read a first time]

MR. HYNDMAN: Mr. Speaker, I move that Bill No. 90, The Credit Union Amendment Act, 1975, be placed on the Order Paper under Government Bills and Orders.

[Motion carried]

INTRODUCTION OF VISITORS

MR. HYNDMAN: Mr. Speaker, at this time I'd like to introduce to you, sir, and to the Assembly our Alberta Ombudsman, Dr. Randal Ivany, in your gallery. He has two guests from Ontario, Mr. Neils Ortved, the senior legal adviser to the new Ontario Ombudsman,

Mr. Maloney, and Mr. John Page, the administrative officer to the new Ontario Ombudsman. Also accompanying Dr. Ivany and the two gentlemen is Mr. Alex Weir, the solicitor to the Ombudsman. I would ask that they be recognized by the Assembly at this time.

TABLING RETURNS AND REPORTS

MP. HARLE: Mr. Speaker, I'd like to file four additional background papers on the Residential Tenancies Project of the Institute of Law Research and Reform.

MINISTERIAL STATEMENTS

Department of Business Development
and Tourism

MR. DOWLING: Mr. Speaker, for the second time in as many weeks, we take great pleasure in announcing that an Alberta company, in concert with the Alberta Export Agency, has made a sale to the far east of considerable significance. The sale to the People's Republic of China was a result of a co-operative effort over the past several months between Proline Pipe Equipment Ltd. of Edmonton and the Alberta Export Agency. It represents the first order of its kind ever to be placed by the People's Republic of China anywhere in the world for pipeline wrapping equipment and supplies. The contract will open the way for escalation of manufacturing and sales volume by an Alberta firm and brings to our province recognition of the technological capability of our manufacturing sector.

Mr. Speaker, this initial contract represents a sales agreement which could, over the next few years, escalate substantially to provide additional export dollar volume to Alberta.

It is important as well to note that Proline Pipe Equipment Ltd. will increase its professional and plant staff in order to accommodate this commercial transaction.

We are pleased to acknowledge, Mr. Speaker, the excellent support of the People's Republic of China and the assistance of the Chinese Ambassador to Canada during his recent visit to Alberta in order that the transaction could be completed. This particular venture, Mr. Speaker, could be considered indicative of the commercial awareness that started with the Alberta government-private sector trip to the Kwangchow Trade Fair some 18 months ago. We are indeed encouraged, Mr. Speaker, by this significant accomplishment.

MR. HYNDMAN: Mr. Speaker, I'd like to ask leave to revert to Introduction of Bills so that one more bill could be introduced at this time.

HON. MEMBERS: Agreed.

INTRODUCTION OF BILLS (reversion)

Bill 85 The Real Estate Agents' Licensing Amendment Act, 1975

MR. McCPAE: Mr. Speaker, I beg leave to introduce Bill 85, The Real Estate Agents' Licensing Amendment Act.

Mr. Speaker, the bill will incorporate a number of revisions that have been under discussion for several years. Two of the principal changes are that agents only, and not salesmen, will be required to be bonded, and salesmen will be covered by the agent's bond. Also, the trading of interest in apartments and condominiums outside Alberta, which are sometimes referred to as time-sharing agreements, will now come under the jurisdiction of the act.

[Leave granted; Bill 85 introduced and read a first time]

ORAL QUESTION PERIOD

Coal Development

MR. CLARK: Mr. Speaker, I'd like to direct my first question to the Minister of Environment. It flows from the fact that the cabinet had a report for more than a year from the ERCB regarding the Gregg River Resources proposal to mine coal southwest of Hinton.

When might we expect a decision from the government on this proposal?

MR. RUSSELL: Mr. Speaker, I'd be unable to give a definitive answer to that. Considerable time and energy has been devoted to upgrading and completing an Alberta coal policy, in line with other natural resource policies that have evolved during the past three and one-half or four years. Since Gregg River's application went through the ERCB and was submitted to the Executive Council, there were subsequent reports to fill out information relating to cost benefit and environmental matters, and those are now being actively studied.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. In light of the first portion of the minister's answer, is it now the government's position that, in fact, there will be no approval of coal mining applications in the eastern slopes until the government's coal policy has been finalized and announced?

MR. RUSSELL: Mr. Speaker, that's a matter that comes within the jurisdiction of the

Department of Energy and Natural Resources, and I'll refer the matter to the minister.

MR. GETTY: Mr. Speaker, my reply would be that it would have to be an extraordinary circumstance that would require any approval of a new coal mine prior to the development of the coal policy and royalty guidelines, which we are presently working on.

MR. CLARK: Mr. Speaker, then a supplementary to the Minister of Energy and Natural Resources. Could the minister give us some indication when the government will have its coal policy completed? I recall earlier in the session the minister indicated it would be sometime in the future.

MR. GETTY: That's still true, Mr. Speaker.

MR. CLARK: Mr. Speaker, a supplementary question to either of the ministers. In light of the "sometime in the future" answer, have the people in the town of Hinton and the people involved with the Coal Valley proposal southwest of Edson been advised [when] "sometime in the future" decisions will be made on these particular applications, or are developments going to continue to go ahead in those centres?

MR. GETTY: Mr. Speaker, I haven't had a discussion specifically with individuals representing those communities, but the matter of a coming coal policy and royalty guidelines has certainly been discussed publicly on many occasions. I'm sure they are aware of the government's position with regard to those developments.

I'd only say, Mr. Speaker, the problem with giving deadlines is that, in fact, they create expectations, then matters completely outside of your control can cause those deadlines to be exceeded. Therefore, I'd prefer not to create any deadline expectations, but only give assurance to the House that we will proceed as quickly as possible to develop what will be important guidelines.

MR. CLARK: Mr. Speaker, a supplementary to the Minister of Environment. Is he in a position to confirm that the regional planning commissions, along with his department, are working on some form of zoning policy as far as the eastern slopes are concerned?

MR. RUSSELL: Mr. Speaker, I think we did announce at the time the policy statement on the eastern slopes was made public that we would be forming an Eastern Slopes Interdepartmental Planning Committee at the senior administrative level. It has as technical advisors staff members from the appropriate regional planning commissions involved.

Doctors' Fee Negotiations

MR. CLARK: Mr. Speaker, I'd like to direct my second question to the Minister of

Hospitals and Medical Care, and ask if, during the recent negotiations with the Alberta Medical Association, the doctors were made aware that it was the government's intention to bring in at this session Bill 68, which deals with the question of tax considerations for some professional groups.

MR. MINIELY: Mr. Speaker, I'm not sure I understand the hon. leader's question in reference to Bill 68 as it deals with a particular issue and to the medical fee question which I recently negotiated with the Alberta Medical Association. I don't understand the relationship between the two, Mr. Speaker, in the hon. leader's mind.

MR. CLARK: Mr. Speaker, then to rephrase the question to the minister. Was the Alberta Medical Association aware prior to the finalizing of negotiations between the government and the Alberta Medical Association that the government would be bringing Bill 68 before the Assembly?

MR. MINIELY: Mr. Speaker, during the course of my discussion and negotiations with the Alberta Medical Association on the 9 per cent increase in general fees to the medical profession which was arrived at, I did not raise that within the context of those particular discussions.

I do believe, however, the matter of the right to incorporate by all the professions -- I believe the bill to which the hon. leader is referring is one that allows the incorporation of professions; in other words, chartered accountants I think, the medical profession, engineers, and lawyers are thereby allowed to incorporate -- is something which applies to all professions generally. It has been something which the professions jointly have been studying for some years in Alberta and had recommended, I believe, to my colleague, the hon. Mr. Leitch, at the time he was Attorney General.

The bill the hon. leader refers to is the final stage of that particular study and recommendation which was brought forward to government, I believe, some year and a half to two years ago, but was in no way part of, because it's general to professions, the particular negotiation with the Alberta Medical Association.

MR. CLARK: Mr. Speaker, a further supplementary question to the minister. In the course of the negotiations between the Alberta Medical Association and the Government of Alberta, was a commitment given to the Alberta Medical Association that the government would, in fact, bring Bill 68, the right to incorporate, before the fall session?

MR. MINIELY: Well, Mr. Speaker, it was not part of the negotiation at all. I don't specifically recall, during the course of several meetings and discussions I had with the Alberta Medical Association on general matters totally unrelated to the fee schedule -- in response to a particular question

from one member of the medical profession I might have indicated the government had this under consideration, and there was a possibility that the legislation which all professions have been asking the government to proceed with may proceed in the current sitting.

Mr. Speaker, to make it clear, it was not part of the negotiation or agreement arrived at. It was something that was general policy the government was working on, not within the context of the medical fee schedule or agreement arrived at.

MR. CLARK: Mr. Speaker, just one further supplementary question to the minister, so there's no misunderstanding. In the course of the negotiations and prior to the announcement of the 9 per cent agreement, the Alberta Medical Association was aware that Bill 68 would be coming before this session of the Legislature.

MR. MINIELY: Mr. Speaker, I don't think I can allow the hon. leader to appear to twist what was arrived at in the agreement [for] the 9 per cent general fee schedule increase. Again, I must say it was not part of the agreement at all. I believe the presidents of several professional organizations knew that the government had the right to incorporate for certain professions in Alberta under consideration for some years -- in no way part of the negotiation.

As a matter of interest, Mr. Speaker, that they were in any way concerned, or felt that other matters [which] might be before the government at the time were really part of the issue of the fees being paid them, did not arise in any discussions with the Alberta Medical Association on the fee schedule itself. In Alberta and other provinces, the medical profession has had the right to incorporate a certain part of their medical practice, particularly the clinic part and clinic management. [That] has been something the medical profession has been able to do for some time. This allows the incorporation of the whole operation of the medical profession.

Incorporation of Professions

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Premier. Can he advise the House, following the answers given by the hon. minister, whether the professional organizations were, in fact, given formal indication that Bill 68 would be introduced? If so, when was that indication given?

MR. LOUGHEED: Mr. Speaker, I don't know.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Premier. Could he obtain that information and report back to the Assembly?

MR. LOUGHEED: Mr. Speaker, I'd be glad to refer it to the minister who's bringing the bill through the Legislature.

MR. McCRAE: Mr. Speaker, I'd be quite happy to get that information and bring it before the House.

Christmas Tree Prices

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister of Consumer and Corporate Affairs. A very short explanation is necessary first. Yesterday, I went to a number of lots which sell Christmas trees and found the prices increased during this year some 20 to 50 per cent or more compared to the prices last year.

My question is, does the price of Christmas trees come under the federal or provincial guidelines?

MR. HARLE: Mr. Speaker, I wouldn't be able to answer that question without making some inquiries. I'll see what information I can obtain.

MR. TAYLOR: One further supplementary. Are such prices monitored by the department of the hon. minister?

MR. HARLE: I'd have to take that as notice, Mr. Speaker.

Temporary Anti-inflation Bill

MR. NOTLEY: Mr. Speaker, I'd like to direct these questions to the hon. Minister of Federal and Intergovernmental Affairs. They deal with Bill 81. The reason I'm posing them, Mr. Speaker, is that I think it's important to have a little information, if we can, before the debate on principle.

Mr. Speaker, first of all my question is, is it the intention of the board created under the terms of Bill 81 to have some monitoring power as far as prices are concerned in the Province of Alberta?

MR. HYNDMAN: Well, Mr. Speaker, I think that insofar as the bill is coming up for second reading and committee study rather shortly, I'd be prepared to deal with that in full measure at that time. At the moment, I'd hesitate to start getting into matters that may be legal interpretation of the bill, leaving important matters hanging rather than going at Bill No. 81 in second reading tomorrow in as full depth as the hon. member wishes.

MR. NOTLEY: Mr. Speaker, a further supplementary question rather than one that isn't legalistic, then. Is it the government's intention, in terms of applying the regulations under Bill 81, to include the 2 per cent productivity bonus as set out by the federal program?

AN HON. MEMBER: Order.

MR. SPEAKER: There is going to be some difficulty if we're going to use the question period to have an advance mini-debate

concerning a bill. I would suggest to the hon. member that he would have to content himself with putting those questions when the bill is debated for second reading, if they're of a general nature; and if they're of a specific nature, when the bill is in the committee stage.

Land Ownership

MR. R. SPEAKER: Mr. Speaker, a question to the Premier. I understand the Premier will make a statement this week with regard to land ownership. My question is, will it state Alberta's position in principle, and/or will the Premier announce some type of regulatory by-laws that will take immediate action on some of the transactions taking place?

MR. SPEAKER: It seems to me we're getting into the same sort of thing when . . .

MR. CLARK: We've been waiting for the announcement.

DR. BUCK: We've been waiting for weeks.

MR. SPEAKER: If the hon. member wishes to ask the hon. Premier when the statement is going to be made, and if it's sometime in the future, that might be appropriate. But if it's something that is in the immediate future, it would seem to me that the time to deal with it would be after the statement is made. That's the reason we have ministerial statements before the question period.

MR. R. SPEAKER: Mr. Speaker, I appreciate your concern, but certainly I felt that a little bit of lead publicity for the Premier wouldn't hurt. Possibly the Premier would like to indicate what day of the week he plans to make the statement, and anything else he may want to relate.

MR. LOUGHEED: Mr. Speaker, I can only say that my document is now at the draft stage. It's my intention to make the statement during the course of this week. I can't add to the anticipation of the hon. member beyond that.

Library Services

MR. LITTLE: Mr. Speaker, I would address this question to the hon. Minister of Government Services and Culture. Could the hon. minister advise this Assembly what progress has been made to implement the recommendations contained in the Downey report, 1974, otherwise known as The Right to Know, which deals with policies, structures, and plans for the development of library services in the Province of Alberta?

MR. SCHMID: Mr. Speaker, the study The Right to Know is still under consideration by the Department of Culture, as well as

the Departments of Education, and Advanced Education and Manpower. Of course, within the restraints put upon us by the 11 per cent guidelines, we are trying to evolve at least some kind of program for libraries in Alberta. We still need the approval of Executive Council to go ahead with whatever considerations we have at this time.

AGT Flat Rate Service

MR. KIDD: Mr. Speaker, my question is to the hon. Minister of Utilities and Telephones. Has the extended flat rate telephone service program now been completed, and if so, how many areas are affected?

DR. WARRACK: Mr. Speaker, that program is under way at the present time. Although a major part of the overall program has been completed, it has not all been completed. Most recently, improvements in the Calgary and Edmonton areas were put into service and have been met by a very positive response from the people in the Calgary and Edmonton surrounding areas. We will be continuing through 1976 with additional extended flat rate call services to be made available to people in Alberta.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Is it the intention of the government to increase the rates for flat rate calls?

DR. WARRACK: Mr. Speaker, as the hon. member probably is aware if he's looked into it, part of the concept is a higher flat rate general call servicing rate in exchange for not having to pay long distance. As a matter of fact, it is part and parcel of the entire program that the more people you can call without long distance charges, the higher the flat rate is.

DR. BUCK: A supplementary question, Mr. Speaker. Did the minister say they would be extending the area to greater than the 30-mile limit we are supposed to have now?

DR. WARRACK: Mr. Speaker, I'm sorry if I inadvertently said that wrongly, and gave that impression. I'm referring, Mr. Speaker, to the areas where the extended flat rate call hookups have been approved, and through AGT we would be continuing to make these hookups through 1976. But that is not with respect to going beyond the present 30-mile boundaries.

DR. BUCK: Another supplementary, Mr. Speaker. Will the hon. minister indicate why some areas within the 30-mile area have not been included?

DR. WARRACK: Mr. Speaker, there actually is a variety of explanations, but they would generally fall into the following categories. On the one hand, there are those who voted on the matter, and one or the other or both decided they did not want to be hooked up through the extended flat call system. That is one grouping that

would be under the 30-mile area. Another grouping would be those who were given their top priority choice, and in having that top priority being given to them through the EFRC system, then had their service improved. The commitment was met with respect to their top priority choice, though not necessarily all the other places they might wish to call without long distance tolls.

DR. BUCK: A supplementary, Mr. Speaker. For the people who did want to come into the extended area coverage and voted in that direction, but were not included, can the minister indicate to us when they will be hooked up -- Bruderheim for example?

DR. WARRACK: Mr. Speaker, I'm sorry. I'll have to ask the hon. member to expand on that, or say it again. I didn't hear him clearly. I know he mentioned Bruderheim, but I don't know the individual situation.

DR. BUCK: Yes, the area that has been excluded is Bruderheim.

DR. WARRACK: Well, if Bruderheim is beyond 30 miles, that's the reason.

DR. BUCK: It's not.

MP. TAYLOR: A supplementary to the hon. minister. In cases where the vote was accepted by one end of the line and rejected at the other, is consideration being given to making it one-way free calling?

DR. WARRACK: Mr. Speaker, not necessarily on a one-way type of system, but it's our hope that we can deal with the situations where, unfortunately, one exchange voted in favor of it and the other did not. However, we think it's fair and reasonable that priority in construction be given to the areas where both exchanges voted in favor of it, and that takes us well into the construction program in 1976. As we approach that time, we want to try to find a way, in all fairness, to deal with the kinds of situations the hon. member is referring to, and I do know the individual situation there.

Liquor Sale Regulations

DR. BUCK: Mr. Speaker, I would like to address my question to the hon. Solicitor General, and it has to do with booze. Mr. Speaker, in light of the fact that Alberta hotels sell 12 per cent of the liquor in the province but get 100 per cent of the convictions for serving intoxicated persons, can the minister indicate if he or his department is looking at giving directions to the Liquor Control stores themselves not to serve people who are intoxicated when they come into the stores?

MP. FARRAN: Mr. Speaker, the same policy directives apply to Alberta Liquor Control stores as to those who have the privilege

of dispensing liquor by licence. That privilege, of course, carries a responsibility. Conditions on the licence are that they should run orderly premises, that they shouldn't continue to push "bccze", as the member refers to it, to inebriated customers, and not to serve liquor illegally to people under the age of 18.

DR. BUCK: Mr. Speaker, can the hon. minister indicate to the Legislature how many Alberta Liquor Control Board stores have been closed for serving people who were already intoxicated when they came to the store? How many prosecutions and closings of Alberta Liquor Control Board stores have there been in the province?

MR. FARFAN: Mr. Speaker, that's the sort of question that should go on the Order Paper.

DR. BUCK: Oh, come on.

MR. FARRAN: If the hon. member is aware of any infractions in an ALCB store, I'd be grateful if he'd draw it to my attention.

AEC Shares Sale

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Energy and Natural Resources. Could he outline to the Assembly the problem with non-Alberta resident applications for Energy Company shares, and how the matter is being dealt with?

MR. GETTY: No, I couldn't, Mr. Speaker. I'm aware of a press report that the Alberta Energy Company board of directors is dealing with a number of applications which may not fit the terms of the legislation which controls Alberta ownership of Alberta Energy Company shares in the public distribution. I'm not sure of the details. That's a matter the board of directors and management will be dealing with.

Mr. Speaker, I should say in follow-up with regard to the Alberta Energy Company, I understand all those who applied for up to the level of 2,000 shares will receive their full application. Allotment and prorationing will go for those shares in excess of 2,000.

Camrose Area Expansion

MR. STROMBERG: Mr. Speaker, last week in this Assembly I asked the Minister of Energy and Natural Resources if he would look into the situation in my constituency where applications for expansion were being refused on the recommendation of the Energy Resources Conservation Board. Would he have anything to report to the Assembly now?

MR. GETTY: No, Mr. Speaker.

MR. STROMBERG: Mr. Speaker, in light of the urgency, since three applications for expansion have already been refused by the Battle River Planning Commission, and since I'm getting considerable heat and would like to share this heat with him, could he look into it as soon as possible?

MR. GETTY: I am, Mr. Speaker.

DR. BUCK: You can't lock the door on backbenchers.

Northern Development

MR. KUSHNER: Mr. Speaker, I wish to direct this question to the hon. Minister of Municipal Affairs. I understand there have been some projected studies for 50 miles north of Fort McMurray. A city of 80,000 is to be developed.

I wonder if the minister is in a position at this time to make any progress report.

MR. JOHNSTON: Mr. Speaker, I believe the hon. Member for Calgary Mountain View is referring to conjecture put forward at the Opportunity North Conference within the last two weeks. It was speculated that a town was being developed north of Fort McMurray to handle potential tar sands expansion. If I recall the words of the Premier on December 5, and the hon. Minister of Energy and Natural Resources, the priority for that area was to develop the Syncrude plant and to bring that to fruition and completion. Beyond that, there will be no more decisions with respect to further plants. Therefore, the decision with respect to any town would certainly be put into the future some extended period.

We are, however, drafting a regional plan for that area. That plan considers certain scenarios or assumptions with respect to development. There was a suggestion that should some development -- that is, a large number of oil sands plants -- proceed, indeed a new town may be needed. To give us an array of alternatives, should we be forced [to] that decision some time in the future, that was brought forward by the planners.

PWA Operations

MR. GHITTER: Mr. Speaker, my question is to the hon. Minister of Transportation. I wonder if he is aware that the wallpaper in our air buses has on it the White House, the San Diego zoo, the Leaning Tower of Pisa, and cable cars in San Francisco, but not one Alberta scene.

I was wondering if the hon. minister would take that under consideration so at least our beautiful building could get within our air buses, now that we own them.

DR. HORNBER: Mr. Speaker, I want to thank the honorable gentleman for bringing the problem of the wallpaper to my attention,

and I'll transmit that to the board of directors.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the Minister of Transportation. In light of the fact that we now own PWA, is there any consideration of bringing the head office of PWA into Alberta?

DR. HORNER: These matters are always under consideration, Mr. Speaker. I might just correct some false impressions the hon. Member for Clover Bar left with the people of Alberta earlier this year. We expect at this time . . .

MR. SPEAKER: Order please. Order please.

AN HON. MEMBER: You nearly got it in.

Opposition MIAs' Research Grant

MR. ZANDER: Mr. Speaker, my question is directed to the hon. Provincial Treasurer. Will the hon. minister table in this Assembly, or otherwise, an accounting or audit of the provincial funds provided to the opposition for research?

SOME HON. MEMBERS: Put it on the Order Paper.

MR. LEITCH: Mr. Speaker, that's not a question I can answer from memory. I gather it was whether I would table it, and I would suggest that the hon. member put it on the Order Paper, then we'll deal with it.

MR. CLARK: Mr. Speaker, might I supplement the answer and say I'm pleased the Treasurer can't recite that from memory. But if any member wants to know of the expenditures, how that \$100,000 -- and I speak for my two colleagues -- how their money has been spent, we'd be pleased to inform you publicly.

MR. NOTLEY: Spent well.

MR. ZANDER: A supplementary, Mr. Minister. I don't think he understood my question. I said, will this information be tabled in the House like all other public accounts, or otherwise?

AN HON. MEMBER: Of course.

MR. LEITCH: I have no doubt it will be, Mr. Speaker.

Medium-rental Housing

MR. MUSGREAVE: Mr. Speaker, I'd like to address my question to the hon. Minister of Housing and Public Works. I understand the city of Edmonton is launching a program of 1,000 housing units to provide medium rental accommodation.

I'd like to know if this program has been discussed with the Alberta Housing

Corporation, will it affect the core housing incentive program, and will he make similar programs available to other municipalities in the province?

MR. YURKO: Mr. Speaker, the city of Edmonton is giving some consideration and exploring various alternatives by which it can have, or play, a more significant part in housing within the city of Edmonton. In this regard, I'm certain it has discussed a number of its possibilities with the Alberta Housing Corporation. Whether or not it takes any definitive action beyond the public housing program and the LIF program in which it is involved, I don't know at this time. However, I certainly would be prepared to find out. It certainly wouldn't interfere in any way with the core housing incentive program being administered by the province at this time.

Heritage Trust Fund

MR. GOGO: Mr. Speaker, my question is to the hon. Provincial Treasurer. Since the announcement of the Alberta heritage savings trust fund, has either the mayor of Montreal or the Province of Quebec approached our government for a loan of \$600 million, using as collateral the Olympic buildings?

MR. LEITCH: Not to my knowledge, Mr. Speaker.

Cow-calf Operators

MR. CLARK: Mr. Speaker, I'd like to direct my question to the Minister of Agriculture and ask if he will be announcing any new initiatives at the Unifarm convention this week to assist the cow-calf operator?

MR. MOORE: Mr. Speaker, if the hon. Leader of the Opposition would like to attend at 10 o'clock tomorrow morning, he will know.

DR. BUCK: Just tell us in the Legislature.

MR. CLARK: Mr. Speaker, a supplementary question. Doesn't the minister feel that perhaps the Legislature is the place where he should make any announcements like that?

AN HON. MEMBER: Hear, hear.

MR. MOORE: First of all, Mr. Speaker, it has not yet been determined whether I'll be making any announcements of that nature tomorrow morning.

MR. CLARK: A supplementary, Mr. Speaker. If the minister does make an announcement with regard to additional assistance and new initiatives for the cow-calf operator, will he give us a commitment he'll make it first here in the Legislature?

MR. NOTLEY: Not if he is speaking at 10 o'clock tomorrow.

MR. CLARK: Well, Mr. Speaker, will the minister give us that commitment?

MR. MOORE: Mr. Speaker, I say once again: I'm sure the hon. Leader of the Opposition would be welcome to attend the Uniform meeting tomorrow morning while I'm speaking between the hours of 10 and 11 o'clock.

MR. CLARK: Mr. Speaker, one further supplementary question to the minister in light of the fact he won't give us the commitment. Is the minister going to be speaking at the NFU convention this week?

MR. MOORE: Mr. Speaker, no. I was asked to bring greetings from the province to the NFU meeting earlier today, and in the event I was unable to attend, to send an alternate. That is what we did, Mr. Speaker.

Day Care

MR. NOTLEY: Mr. Speaker, I'd like to direct my question to the hon. Minister of Social Services and Community Health. It concerns the Edmonton Board of Health report this summer concerning unsatisfactory conditions in some of the private day care facilities in the city.

Mr. Speaker, my first question is, has the government ordered a province-wide study of day care conditions throughout Alberta?

MISS HUNLEY: Yes, Mr. Speaker. We have had a task force within the department reviewing day care, its alternatives, problems in the area, and the direction in which we should go. That has not yet been placed before the government.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister. Is it the government's intention to issue a new set of regulations concerning day care standards for the privately operated day care centres in the province?

MISS HUNLEY: It's not quite as simple as the hon. member makes it sound, Mr. Speaker, although we do agree many of the standards need to be upgraded. That's part of the recommendations included in the study which has been done. We have not yet had time to give it our full consideration.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister. Is she in a position to advise the Assembly when the government will be able to make an announcement on the consideration of the study which has taken place, with an accompanying announcement on what the future of day care in Alberta will be?

MISS HUNLEY: I cannot give a definite date, Mr. Speaker. All I know is, I have reviewed a preliminary report with officials in my department. I have asked them

to summarize and highlight it. I have not yet received that. After I receive it, I will discuss it with some of my colleagues, at which time we will be making some decisions.

MR. NOTLEY: Mr. Speaker, one final supplementary question to the hon. minister. In light of over-subscription of day care funds already under PSS, is the government in a position to advise the Assembly whether day care will be subject to the 11 per cent guidelines, or will it in fact be exempt?

MISS HUNLEY: To the best of my knowledge at the present time, all programs in my department are subject to the 11 per cent guidelines.

MR. YOUNG: Mr. Speaker, a supplemental on the same topic. Could the minister advise whether consideration has been given to encouraging major employers to look upon the provision of in-house day care facilities as a possible solution to their employment problems, and a social responsibility?

MISS HUNLEY: I personally have advanced that idea when I've had occasion to speak to members of the business community. I think it's a very valid approach in order to solve their own personnel problems, and to diminish absenteeism. However, that's part of the study we're doing. I think it's a very valid and useful approach. We will be attempting to sell that idea at every opportunity.

Commonwealth Games Stadium

DR. PAPROSKI: Mr. Speaker, a question to the minister most interested in Edmonton's covered Commonwealth [Games] stadium, from an Edmonton MLA very interested in the same topic. Mr. Speaker, the question is: what progress has been made in this regard and what decision has been made by government regarding participation in this stadium?

DR. BUCK: That's the Premier, I presume.

DR. PAPROSKI: The Minister of Energy and Natural Resources, Mr. Speaker.

MR. GETTY: Mr. Speaker, it's not one of the areas of my Executive Council responsibilities. However, it's a matter I feel very much interested in, as the hon. member knows. To the best of my knowledge, no proposal has come from the city of Edmonton, however much I'd like to see one.

DR. PAPROSKI: A supplementary, Mr. Speaker. Has the Alberta government approached the Edmonton council, or will the Alberta government approach Edmonton council?

Mr. Speaker, a last supplementary. Are you, as I, still hoping?

MR. GETTY: Yes.

GOVERNMENT BILLS AND ORDERS
(Second Reading)

DR. PAPROSKI: Good.

MR. NOTLEY: A question to the hon. Premier, following from the hon. member's question. Is it the government's intention, as a provincial government, to take the initiative on this matter and meet with the city of Edmonton concerning this particular proposal?

MR. LOUGHEED: Mr. Speaker, if the hon. member would look at his Hansard, he would see the answer.

AN HON. MEMBER: He can't read.

ORDERS OF THE DAY

MR. HYNDMAN: Mr. Speaker, His Honour the Honourable the Lieutenant-Governor will now attend upon the Assembly.

ROYAL ASSENT

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

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

CLERK: Your Honour, following is the bill to which Your Honour's assent is prayed: Bill 78, The Social Development Amendment Act, 1975 (No. 2).

[The Lieutenant-Governor indicated his assent.]

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

SERGEANT-AT-ARMS: Order!

[The Lieutenant-Governor left the Legislative Assembly.]

Bill 88
The Natural Gas Price
Administration Act

MR. GETTY: Mr. Speaker, I beg leave to move second reading of Bill No. 88, The Natural Gas Price Administration Act. As I've mentioned earlier in the House, Mr. Speaker, both on first reading of this bill and in our discussion of The Natural Gas Pricing Agreement Act, Bill No. 52, it is our intention to introduce legislation as companion legislation to the pricing agreement act that would be available for the pricing of natural gas within the Province of Alberta, in the event that we were not within a federal-provincial agreement at some time in the future.

Bill No. 88 provides that legislation. I'm sure members will recognize in their study of the bill that the pricing principles contained in this legislation are the same principles contained in Bill No. 52.

As I pointed out to the members during the past few years, we have moved to establish oil prices within the Province of Alberta. The federal government has established legislation which purports to control interprovincial trade of oil and gas within our country. I think it is desirable that Alberta be able also to establish prices for natural gas within our province, since these two Alberta resources should be priced in relation to one another. I would urge hon. members to support this legislation at this time.

The only other point I'd like to make is that a part of this bill clears up several technical problems that we've encountered in our implementation of Bill 52. They are merely small housekeeping matters, and are contained in what we refer to as PART 3 of the bill. I'd ask hon. members to support second reading of this legislation.

MR. CLARK: Mr. Speaker, in rising to take part in the debate on second reading of The Natural Gas Price Administration Act, I'd like to make just a very few comments; then perhaps conclude with two questions that hopefully the minister would respond to when he concludes debate on the bill.

Basically, as I see the bill, I suppose it can be referred to as some sort of balance of power as far as the province is concerned in comparison to The Federal Petroleum Administration Act. In saying that, Mr. Speaker, I think it's fair that all Albertans recognize the fact that we in the Province of Alberta have in the past, and must continue in the future, to control the destiny as far as our own resources are concerned. I'm sure hon. members, at least those hon. members who were here before the disaster on March 26 of last year, will recall . . .

AN HON. MEMBER: Disaster?

MR. CLARK: . . . that this point was made a number of times previously. The opposition at that time asked the Attorney General of the day to appear before the federal House of Commons when it held hearings on the Petroleum Administration Act. Naturally we were pleased he did make that kind of representation. In fairness, I think one wouldn't want to pick out one federal Alberta member, but the Member for Calgary Centre, in the course of that legislation before the Parliament of Canada, more than went to bat for the interests of Alberta, as I recall the debate at that particular time.

I'd like to ask the minister three questions in this regard. First of all, keeping with the principles in this bill, it has been stated on numerous occasions that, in the course of three years, the federal government hopes -- and the province certainly does too -- to get to a world price as far as oil is concerned, and certainly its natural gas. I raise this question because it seems to me that this legislation rather provides the legislative firepower for the minister when he goes to Ottawa on December 12, to commence negotiations on the pricing question, as far as next year is concerned. So I think this would be a rather appropriate opportunity for the minister to comment on this question of the world price and the three years' phasing in.

Secondly, I'd like the minister to comment, if he would, on the question of the attitude of Alberta, if in fact some of the other provinces continue their policy of a freeze on petroleum prices. As I understand the way the freeze is working -- and I cite the example of Nova Scotia, perhaps better there than others -- their freeze basically has the effect of negating the agreement which was worked out some time last year when we agreed to something in excess of \$8 per barrel for oil.

The third and last question I'd like to ask the minister deals with the intention of the government. Is it the intention of the government not to proclaim this legislation unless we get to a situation in Alberta where an agreement cannot be worked out with the federal government? In that kind of situation, would it be the intention of the government to proclaim this legislation?

MR. NOTLEY: Mr. Speaker, rising to make a few comments on Bill 88, we discussed really the principle of the government's approach on Bill 52, so most of the comments on the full question of natural gas pricing, where the profits go, and what is reinvested, I made at that time, and I won't repeat them. But there are just a couple of questions which I'd like to put to the minister so that, when he concludes debate, he can respond to them.

The first question really is the mechanism that the government proposes to use to set prices. Is the intention, for example, to empower the Petroleum Marketing Commission to exercise the price control at

the wellhead level envisaged under this particular bill?

Also, the questions which were raised by the Leader of the Opposition by and large cover the same areas which I'm concerned about. But I'd like some idea of the government's timetable, also the price implications as well as the timetable of, first of all, increasing the price of natural gas so you have 100 per cent equivalent with the present price of oil. What is the timetable, and what would be the price implication of that? It's my understanding we're at 85 per cent value now. I would be interested in knowing what the field price or wellhead price of natural gas would be if we reach 100 per cent of the present price of oil.

The second question is, what would be the timetable and the price implications for natural gas if we move from the present price of oil in Canada to the world price of \$11.50 or thereabouts a barrel? Those are two questions which follow through.

I know we discussed this somewhat during Bill 52. But I think there is a third question, which I suppose in a sense can't be answered by the minister. Perhaps it has to be answered by the Minister of Utilities and Telephones. That is, what is the impact of price increases at the wellhead going to be on the Alberta consumer, both the price increase we can anticipate as a result of passing Bill 52 several weeks ago, the price increase as we rise to 100 per cent equivalent, and the price increase which will occur as the price of oil goes from its existing price to the world price? We really have three separate price increases.

The reason I raise this, Mr. Speaker, is that while all Albertans are affected by natural gas going up, those covered by the utility companies are probably in a position where they directly contact the utility company. But in the case of the rural gas co-ops -- I'm sure other rural members must have questions from their gas co-ops. I know I have a series of questions from the gas co-op board simply saying, look, what is the price going to be through Gas Alberta? We know it's 42 cents now; there is the government shelter program. But with the kind of increases taking place, at least three increases that we know of, what is the impact going to be on Gas Alberta's price to the co-op gate, so we have some idea what this will mean to the rural gas program.

I know in at least two or three of the co-ops I am more closely associated with in northern Alberta, there is a big enough problem now signing people into the gas co-op. We had one case where the price of natural gas has had to rise from 65 cents per MCF to \$1.75, and the service charge from \$2 a month to \$8 a month. That's not even including the price increase which will occur on April 1 once the new shelter program comes into effect. What rural gas co-op people are crucially concerned about, Mr. Speaker, is just what they can look forward to, in going out and selling the program to the people of their area. In the constituency of Grande Prairie, the

county of Grand Prairie has decided to undertake rural gasification as a county project. In talking to the reeve he says, what are we looking at through Gas Alberta?

I realize this is probably in the area -- well, I know perfectly well it's in the area of the Minister of Utilities and Telephones. I say to the minister, we have to have an announcement of what the shelter program will be as soon as possible, not just for the years 1976-77, but perhaps even for the next 3 years. Because if we don't have that kind of announcement, many of our rural gas co-op people, who are doing a pretty fine job of trying to sell the government's rural gas program, are going to be put in the position where they get the flak. There's some bitterness building up already on the part of directors who have gone out, presented the case on the basis of what appeared to be pretty firm prices, and now find prices are going up. Local people are turning their vengeance, if you like, on the rural gas co-op board members, rather than looking at the . . .

MR. CLARK: Maybe we should elevate the vengeance.

MR. NOTLEY: The Leader of the Opposition says maybe we should elevate the vengeance. That certainly would not be a great tragedy.

In any event, I think the question is a valid one, notwithstanding the intervention. We do have to have some early commitment on the impact on the Alberta consumer.

That leads me to the final question I would like to leave with the minister. Under Section 9 of the bill -- this is getting into something which really could be raised in committee but perhaps the minister could answer it during second reading -- it gives the minister the prerogative to determine whether the contract price or the regulated price applies for gas consumed in Alberta. I wonder, in concluding this debate, if the minister would perhaps expand a bit on just how Section 9 is going to work, and to what extent we are going to have the contract price or the somewhat higher price applying for domestic consumers in the Province of Alberta.

The only other comment I would make, Mr. Speaker, is that I think most Albertans, whether or not we agree with who gets the money as a result of higher natural gas prices -- I've already said this in the House, and there really isn't much point going over the argument again -- regardless of where we sit, we do applaud the spirit of conciliation and co-operation which presently exists between the two levels of government.

I would hope, Mr. Speaker, that this act is not perhaps the beginning of a new kind of brinkmanship, if I can borrow a John Foster Dulles phrase from the early 1950s, and that the era of co-operation will, in fact, continue.

MR. TAYLOR: Mr. Speaker, I just want to make one or two comments in regard to Bill 88. In the first place, I think the government is very wise in having an ace in the hole, just in case things don't work out with the federal legislation. I don't think that affects co-operation in any way. I think that's good planning and good sense.

I believe the government has a very definite responsibility to look after the interests of the people of Alberta. If we adhere to the principle that the natural resources of this province belong to the people of Alberta, then the government would not be fulfilling its full responsibilities without taking every reasonably sound step to make sure that, if negotiations or arrangements with the Canadian government break down, we would be in a position to take over and carry out some type of arrangement approved by the Legislature. I think this is a very wise procedure.

In regard to Bill 52 and arrangements with the Canadian government, as I understand the legislation, there is one price in Canada as long as that arrangement is in effect. The Alberta government would not be free to give greater benefits to Albertans than any other provincial government can give to its citizens, even though we own the resource. As a nation, I think this is reasonably sound.

Personally, in regard to oil -- possibly not in everything, but certainly in regard to oil and gas -- I adhere to a three-price principle, with the highest price, the world price, charged to anyone beyond the borders of Canada, including the United States; secondly, a somewhat better than world price given to the Canadian people and thirdly, the lowest possible price given to the people of Alberta. As I understand the situation, that is not possible, at least the final concept is not possible, as long as arrangements are continued as they are now with the Canadian government, as I understand the Canadian government has very much established the one-price concept for Canadians. However, I believe if those negotiations should break down, the government would be in a position to give some thought to a three-price system. I believe this would be very popular with the people of Alberta, and I can't see it being opposed too strenuously by the people of Canada.

Surely the people of Canada expect the people of Alberta to secure some benefits from a resource that is produced in this province, in addition to the benefits which accrue from lack of taxation, because of revenue that comes into the coffers of the government. A grocer, when he takes groceries from the shelf to feed his own family, is not expected to pay the same price that he charges the retailers, by income tax or any other act. I think this is sound. The farmer is not expected to charge himself the same price for milk he takes from the cow as he does for milk from the same cow that he ships; the same with eggs, wheat, and so on.

I think the same principle can hold

good for our natural resource, in that Albertans can properly expect some extra benefit through a lower price for petroleum and gas.

If the arrangements with the Canadian government should break down -- I don't think anybody hopes they will, but should they so do -- I think the Alberta government would be in a sound position to consider the three-price system. I hope the government will do that if negotiations should break down.

The other point I'd like to mention in connection with this bill is separating the constituents of the gas, and keeping those within the province. This is a very wise procedure. As a matter of fact, we talked about this 20 years ago when the former Minister of Mines and Minerals, the Hon. Nathan Tanner, outlined to the Legislature a very definite plan that we should be able to withhold constituents in order to ensure jobs and markets here. This was not done to as great a degree as is being done by the present government. I think this is wise. It may be objected to by some people downstream, but I don't know of anybody in Alberta who objects to the breaking down of our petroleum products and keeping the constituents that we require for petrochemical industries, or any other types of industries that would mean jobs here.

I think the legislation is very sound, in that it sets up a special fund into which the general revenue doesn't go. But the minister is required by law to keep a separate accounting of the proceeds of the sale of gas and the removal of constituents, et cetera, with costs involved. I think that's a very wise procedure, so that a few years down the road we can see exactly what has come from this authority to break down gas, to keep the gas here, and what has been done with the proceeds.

With reference to one of the points raised by the hon. Member for Spirit River-Fairview with regard to the proceeds, what's going to happen to the money if the government does the purchasing and selling, et cetera. I differ somewhat from the hon. Member for Spirit River-Fairview, because I believe industry has a very important part to play in this province. If we get too stingy with industry and drive it out of business, we may be doing what socialists want done, but I don't think it's doing what the people of Alberta want done.

I think the people of Alberta expect industry to make a fair and reasonable profit. There's nothing wrong with profit as long as it's fair and reasonable. As a matter of fact, our whole system is built on a fair, honest, and reasonable profit.

I would go along with the government completely in that industry should have a fair return for money invested, otherwise we'll drive investment money out of the province, and we'll kill industry. There's no use trying to kill the goose that lays the golden egg, and expect to get the golden egg inside the goose. It just doesn't happen that way. If we kill the goose, then there are no more eggs. If we kill industry, then most of our profits will disappear too.

I go along with industry getting a fair return on its investment and its work. As long as we do that, I think we're going to make sure this province does have industry, does have jobs, and does have revenue with which the government can run the business of the province.

MR. SPEAKER: May the hon. minister close the debate?

HON. MEMBERS: Agreed.

MR. GETTY: Thank you, Mr. Speaker. I appreciate the comments of the members of the Legislature.

Dealing first with the comments of the Leader of the Opposition: it is true that this act can be seen as a balancing of at least a negotiating position with the Petroleum Administration Act. We are entering into important price negotiations within a matter of days, and I assume, if they follow the pattern of the past, they will go on for some period of time.

As mentioned by the hon. Member for Drumheller, I do not think it would be good judgment on the part of the government or of this Legislature to go into these negotiations with a federal-provincial agreement which can be terminated either at 90 days' option of either party, or June 30, 1976, and not have something to use -- no mechanism to control the price of natural gas within our province other than relying on a federal act. That certainly is one of the reasons for coming up with this legislation, as well as filling a need of being able to keep oil and natural gas in some kind of relationship to one another.

The hon. Leader of the Opposition asked about the government's determination to get to world prices. To some extent that's going to be a matter of negotiation. But I would point out that we feel an important principle has been established in our federal-provincial negotiations. I have placed emphasis on a term which we used at the last energy conference of first ministers, and that was a Canadian self-sufficiency price.

It's difficult to know whether the Canadian self-sufficiency price would, by coincidence, be close to or the same as an international or world price. But it's possible that it is, in the judgment of various people, the level you would establish as a Canadian self-sufficiency price -- equal to an international price. However, it's so hard to look into the future. It could be even higher than a world price, and, as many others have argued, it should be lower than a world price. A variety of factors has to go into establishing a Canadian self-sufficiency price, but I think it is a principle which is important for Canadians to try to follow.

As for phasing in, we feel we have a commitment from the federal government to move to higher prices. I think the terms they preferred to use were three to five years' moving toward world prices. It's really going to be a matter of negotiation, and a matter of supply and demand throughout energy-producing nations, which will

establish how we reach higher levels of pricing.

I think one of the more serious problems he raised is the problem of individual price freezes within provinces. That, to some extent, has been resolved in the short term, but I think it's important that the other provinces understand they can't have it both ways. They can't have prices held down in Canada below international prices as they have been for oil and gas, and have the people of Alberta, and to some extent Saskatchewan, subsidizing the prices for a one-price system within the country, in this case through an export tax which is flowed back on oil to other provinces who rely on imports. They can't have it both ways. If they're going to agree to a one-price system, they're going to have to make sure that when the first ministers get together and agree to that concept, they don't leave the meeting and frustrate the agreement. I believe that important concept will have to be re-established in the coming months.

Regarding his comments on proclamation of this legislation, the hon. member assumed correctly that it's not our intent to proclaim it unless it's necessary, or appears to be necessary, as a result of negotiations; that is, other than PART 3 of the act which, as I pointed out, will be in effect a small technical amendment to Bill No. 52, which has been in operation since it was given Royal Assent in the House.

The Member for Spirit River-Fairview asked whether the Petroleum Marketing Commission would be designated as the agent for establishing prices for natural gas. In the short term, we are using their offices and personnel. However, that's not been determined on a long-term basis, because we are presently studying -- and one of the responsibilities the new chief deputy minister of the department is presently fulfilling -- a reassessment of the various energy bodies and agencies in the provinces to see how they all relate to one another and with the Department of Energy and Natural Resources. We're not yet certain how his recommendations will come about, whether they will be accepted and what changes will come from his recommendations. Therefore, I would only say that the Petroleum Marketing Commission offices will be used on a short-term basis, and I'd hope we would be able to establish more firmly in the near future whether we leave the responsibility there.

There was a question about the impact of these changes in natural gas pricing legislation on the price of natural gas in Alberta. I think nobody should fool himself that natural gas prices will not go up within our province. They will. I think it would be silly for us to be completely out of step with the acceptance of principles which we are arguing throughout the country, that prices have to go up to a realistic level.

Having said that, I should point out the tremendous bargain Albertans are presently experiencing with regard to natural gas and, I guess, say to the hon. Member for Drumheller, that in fact we do have a

three-price concept with regard to natural gas. We have the price into the United States, \$1.60 at the border plus transportation. We have the 83 cent price at the Alberta border, plus transportation, to other Canadians. Then we have within Alberta a price at the wellhead, less the rebate, which the Government of Alberta has established. Therefore, you really do have a three-price system.

We can do that through a rebate system, and I suppose another province could do it too. If they wanted to take some funds from their provincial treasury and flow them back to the citizens of that province for this specific purpose, I suppose they would be able to work out that arrangement. So far, I think they believe they have a pretty good bargain in this resource right now, and don't feel that additional price protection is necessary. But it's certainly something that is established within Alberta.

To get a feel for the difference, hon. members only have to consider that the rebate price -- the shelter price -- within this province is 28 cents an MCF, while natural gas is leaving our province at 83 cents an MCF. That's a dramatic difference. I think the shelter price will have to come up, but it does indicate that the difference between 28 cents and 83 cents is a dramatic benefit to the people of Alberta in natural gas prices.

The hon. member also mentioned the matter of problems facing gas co-ops. I have been discussing this with my colleague, the Minister of Utilities and Telephones. It is a little early to understand all the implications, but his department is certainly working on it and will be answering, as quickly as possible, any of the questions or problems facing particular co-ops. I would certainly assure the hon. Member for Spirit River-Fairview that the department would welcome becoming acquainted with the problems he is hearing [about] from his constituents and [would] try to work out how that might be resolved.

There was also a question as to the significance of going to full parity at the existing Canadian oil price of \$8 a barrel. The full parity price in Toronto would be \$1.47 an MCF, compared to \$1.25 now. If you subtracted back to the Alberta border approximately 42 cents an MCF for transportation, you'd have an Alberta border price of roughly \$1.05. Then back to the Alberta wellhead, if you assume 10 cents, it would be 95 cents; and if you then added the price adjustment, you would have approximately 20 cents or \$1.15 back to the producers, compared to what would now probably be somewhere around 95 cents. The difference is in that order.

I don't have the figures before me as to the potential parity price you might have to look at for world prices, but I think we could work that out very easily. I haven't had time in the course of this debate to do that. I know the figures are available and can be worked out. The relationship could probably be worked out even amongst ourselves here, but I'd prefer to get them on a more detailed and accurate

basis.

The only other matter I'd like to touch on, Mr. Speaker -- oh, I did want to say on the Member for Drumheller's comments on the removal of constituents of natural gas and keeping those within the province, he is certainly correct that the ability to do that provides us with a great deal of protection in maintaining feedstocks for a petrochemical industry within this province. I must point out that a great deal of wisdom was illustrated in the past. He mentioned one of the past members of government who felt strongly about this.

I'm certainly glad that wisdom was used in the past, because we are fortunate that all exports of natural gas from our province are allowed under the condition that anybody who receives an export permit from Alberta realizes that the ethane, as the number one building block, can be extracted within the province. They received an export permit with the full knowledge that that could happen. It was a very wise move in the past, and one that is now proving to be an excellent decision of the previous administration. This legislation merely supports the mechanism for ensuring that those constituents could now be removed in an equitable manner by establishing a constituent fund from which those who had the constituents removed would receive fair value for that constituent. Presumably, in this case, it'll be ethane.

There was only one other question, and that had to do with whether or not this legislation would allow us the potential for brinkmanship. I would only say that that will not be the intention of our province. It certainly hasn't been in the past either. However, I'm sure the legislation will provide the ability to make certain that in the pricing of such a valuable resource the interests of Albertans are protected. If there are those outside our province who decide they would want to challenge or threaten the interests of Albertans, I certainly wouldn't give any guarantee that the potential for disagreement would then arise.

But I think the acceptance over the last several years, as a result of pretty vigorous objections and negotiations and arguments, of certain pricing principles for Alberta resources by other Canadians, who now see how wise it will be in the long term to ensure that reasonable and fair prices are received for a resource so that in the future we will continue to have these resources developed, will provide safety and security for Canadians in the future. So I am hopeful we won't be approaching anything like brinkmanship or disagreements. But I'd say the determination of our government to protect the interests of Albertans in the future, as they have in the past, is still there. It hasn't changed in the slightest, and it will depend on the results of our negotiations and on the reaction of those with whom we are negotiating.

Other than that, Mr. Speaker, I would say that I urge the hon. members to support second reading of this legislation.

[Motion carried; Bill 88 read a second time]

Bill 89
The M.L.A. Pension
Amendment Act, 1975

MR. LEITCH: Mr. Speaker, I move second reading of Bill 89, The M.L.A. Pension Amendment Act, 1975.

Mr. Speaker, the major provisions of this bill really update or bring into line the legislation governing pensions of members of the Assembly with legislation governing other persons employed by the Government of the Province of Alberta, and in particular with those provisions of The Public Service Management Pension Act.

The proposed amendments, Mr. Speaker, reduce from eight to five years the time within which a Member of the Legislative Assembly becomes entitled to a pension. That is the same term as in other legislation governing pensions for employees of the provincial government, and in particular the management [public] service pension plan. In addition, it reduces from 60 to 55 the age at which a member of the Legislative Assembly would become entitled to a full formula pension. Again, that is similar to the age requirement to obtain a full formula pension under the public service management pension plan. In short, Mr. Speaker, those provisions really modernize or bring up to date or are in keeping with the trend to shorter periods for vesting, and lower age limits for entitlement to a full pension.

In addition, Mr. Speaker, the proposed bill would enable service as a teacher to be counted when calculating pensionable service. Again, that is similar to other pension legislation within the province in the sense that for employees of the provincial government all public service, as a general rule, can be counted as pensionable service. The proposed amendment does not go as far as the provisions now governing the [public service] management pension plan, because it does not permit service in the private sector to be counted as pensionable service.

The amendment, Mr. Speaker, also proposes that the responsibility for the administration of the act be transferred from the public service pension board, where it now is, to the public service management pension board. One of the reasons for that proposal, Mr. Speaker, is to divide the workload between those two boards a little more evenly. There are now approaching 30,000 persons covered under The Public Service Pension Act, and about 2,000 under The Public Service Management Pension Act.

Mr. Speaker, I should also draw to the attention of members of the Assembly that these provisions would apply to members not only in their capacity as members of the Assembly, but in their other capacities as well, such as members of the Executive Council, Leader of the Opposition, and so on.

In summary, Mr. Speaker, the proposed changes, in essence, bring the legislation governing pensions for members of the Legislature into line with other legislation governing persons employed by the Government of Alberta.

MR. CLARK: Mr. Speaker, in taking part in the debate on second reading of Bill 89, I don't at all wish to take exception to what the Provincial Treasurer said when he commented on the bill. I think it's fair to say that basically what this does is make the pensions for members of the Legislature and Executive Council, and for the Leader of the Opposition, very comparable to the public service management pension scheme. I think there is one rather significant difference, though. Members of the public service pay at the rate of 2 per cent per year, and members of the Legislature pay on the basis of 4 per cent per year, which certainly has some pretty obvious advantages.

I would just make two other comments, Mr. Speaker. One is that in the future, when we're going to be making changes in the pension fund, I think it's a more creditable approach if in fact we were to put this matter in the hands of a commission, as we have for the last two sessions when we've been looking at the question of members' remuneration, and to look at the whole broad question rather than to piecemeal it. Frankly, I think we would be in a better position today had we included this question of pensions in the terms of reference for the Frowse committee.

The third and last point I want to make is simply this -- and I should say that frankly, as far as my three colleagues and I are concerned, I suppose it doesn't benefit us as much as it benefits a lot of members in the Assembly, because my colleagues on my left and right have been here for some time, and my colleague from the Brooks area has been in the Assembly for a number of years too.

Last week we gave approval in principle, and in committee, to increases of 10, 9, 8 and 7 per cent over 4 years. We're now in a situation where we're improving our own pensions. I say clearly to us that, on one hand, it would be far better if we made this in the terms of a commission like we've done in the past on the question of remuneration for MLAs. Secondly, I think this is another example of where it's going to be increasingly difficult to convince the taxpayer.

We're all that serious about the effort to try to break the back of inflation, when we've made some pretty substantive changes in our own pension plan. Admit it. Admittedly, these changes are in keeping with the public service management pension plan today. But I think we have to ask ourselves, as members of the Assembly, could we not wait for 18 months -- or some future date -- to give consideration to this particular kind of move, because every member who votes for this particular piece of legislation puts himself in the position -- in addition to approving an increase of 10, 9, 8 and 7 per cent over 4 years -- of

approving some pretty substantive benefits as far as the pension plan is concerned. It's going to become much more difficult to convince the teachers, trustees, civil service and other groups across the province that we're really serious about trying to break the back of inflation. We should be under no illusion about what we're doing here.

The last point I make is, once again, this legislation does not give the MLAs any benefits which aren't available to members of the public service management pension plan, but the timing is, I think, very, very inept. In fact, I think the timing would be far better if we were to wait for a period of 18 months and then assess the situation as we're going to assess the anti-inflation legislation.

MR. TAYLOR: Mr. Speaker, I think I can speak objectively on this bill, because I certainly won't come under the provisions of any of the changes taking place in it, having served more than 34 years already in the Legislature. Consequently, I think I can speak objectively on it.

[applause]

As a matter of fact, in regard to the teacher provision, I have a partly prepared bill which is doing very much what this bill is doing, and which I was going to introduce in the spring session. I got the idea at the Canadian Parliamentary Association meetings in Regina when I sat beside a member from the Ontario Legislature who was a teacher. He showed me the legislation in Ontario, and I was quite impressed with it. I felt it was fair and inducive to teachers serving in the Legislature, and not unfair, as much of our legislation in the past has been, to teachers who sometimes lost their pension entirely. I was one of them, because I was elected to the Legislature and stopped teaching. So I think this legislation is excellent in that regard. Now I won't have to continue the work of preparing the bill. It's nice to have the bill introduced by the government because it will come into force so much faster than a private member flying a kite.

As a matter of fact, as far as I'm concerned, if the government has inclinations to follow the same concept wholly or in part, I'm certainly prepared to withdraw any bill which I introduce in the Legislature, because I think the important thing is that the principle which you believe is established rather than who introduces the particular bill. So I want to congratulate the government on their forward thinking in regard to this teacher legislation.

Now, in regard to the other, I can't go along with the hon. Member for Olds-Didsbury in holding back on this, simply because we now have guidelines for anti-inflation measures. As a matter of fact, I think it's far more honest to bring it forward now and let the people know what is in the offing, rather than to hold it off until the anti-inflation measures have subsided, and then introduce it as something that should have been introduced before. I can't see any of this coming into effect for a number of years, but I do think this

is far more important -- at least in my mind -- than the salary, because, when a man or woman spends 15, 20, 30 years of his life as a legislator, he certainly has foregone pensions that he could have had in his particular profession or trade.

Consequently, I think it's only right and proper that MLAs be brought under the same plan as others in regard to pensions at some time in the future. I can't see where this is anti-inflationary or inflationary at all. I think it's a common-sense procedure which, I believe, the people of the province will support. The fact you're going to pay somebody a pension at some time in the future because of service is the same as we do in miners' pensions, in teachers' pensions if they remain in the profession, which we do in almost any type of business today -- railroad, trucking, and so on. So surely MLAs should not have special benefits, but should come under similar provisions of those in other professions or comparable trades. I think this bill is well timed, and I plan to support it.

DR. WALKER: Mr. Speaker, might I say here, also not being a contributor to the MLA pension fund, I can be a little objective too. Oscar O'Flatertie Wilde once said, the love of oneself was the beginning of a lifelong romance. Some of the gentlemen opposite are well beyond the stage of infatuation.

I think the important thing in all this legislation is not whether it is politically expedient. It's a matter of whether it's right or wrong. We are often told, we don't do something because it's not politically expedient -- I don't go for that. It's either right or wrong. I think this pension plan is right, and I think we should be supporting it. Politics is also said to be the art of the impossible, but sometimes I think they pay you an impossible remuneration for it. I would like to support this bill.

[Motion carried; Bill 89 read a second time]

[Dr. McCrimmon in the chair]

Bill 73
The Municipal Affairs
Statutes Amendment Act, 1975

MR. CLARK: Mr. Speaker, in carrying on the debate on Bill 73, might I first of all thank the minister for having the debate held over.

Might I just say I really have only one area of concern. That deals with Section 32.1(1) and that portion dealing with conflict of interest, where, in fact -- if I recall the section properly -- it implies that a member of a council would not really be guilty of a conflict of interest situation if, in fact, he didn't know he was doing wrong.

From discussions I've had with a number of municipal people -- especially people in

local municipal government -- their concern is that this is rather a basic change, and, in fact, there's either a conflict of interest or there isn't a conflict of interest, whether the member of council knew the law or didn't know the law. Frankly, they weren't very impressed with the question of whether a councillor knew he was doing wrong or, in fact, did wrong. That would change the conflict of interest concept.

The only other comment I have is that, hopefully, when the minister is concluding debate, he would give us some indication as to where he stands -- if I might use the question -- on a reassessment of the assessment situation. Several times in the past, questions have been raised in the House about some basic changes in the assessment. I think it would be an appropriate time for the minister to tell us exactly where he stands on the question of assessing farm buildings and the resolution which went through at the convention of counties and M.D.s, in Edmonton not long ago. I also think it would be a rather appropriate period of time for the minister to give us some indication of the progress being made or not being made by Mr. Ellis and his group on the question of municipal-provincial finance.

MR. NOTLEY: Mr. Speaker, in addressing myself to the principle of Bill 73, I find myself quite strongly in support of part of the bill. On the other hand, I have a few reservations about some aspects of it.

Certainly, the question of decisions of the Local Authorities Board being referred to and approved by cabinet seems to me to be a reasonable step, Mr. Speaker. I have never believed that decisions which are essentially political in nature and should be made by the elected representatives of the people should be farmed out, if you like, to appointed bodies such as the Local Authorities Board. In my judgment, there is a pretty important principle, that those who are elected must bear the responsibility for major decisions that are made. As a consequence, I think it's a good step that cabinet will be in a position to take the flak. The buck is stopping at the minister's door. He can perhaps share a bit of it with cabinet, but the ultimate decision is made by cabinet and that's proper.

Certainly, that is even more important, Mr. Speaker, when we look at what is going to occur in the next few years as far as urban development is concerned in Alberta. If the question of annexation is to be handled boldly and decisively, you're not going to get that from an appointed board. If it comes, it will have to come from the elected people who are, in a calculated way, in a position to assess the good and bad, the pluses and the minuses. They are prepared to take whatever responsibility comes their way. Mr. Speaker, as far as the part of the bill which, in effect, makes cabinet responsible and accountable for annexation and the operation of the Local Authorities Board, I wish to go on record as being strongly in favor of that change.

The concern I express really deals with the issue expressed by the Leader of the Opposition, as well as the changes in conflict of interest guidelines, Section 5 of the bill that we have before us. Mr. Speaker, I'm sure any member, especially from rural ridings where you have smaller villages or towns, can sympathize with the problem that village councillors or small-town councillors can find themselves in, as far as conflict of interest is concerned. They can inadvertently stumble into a conflict of interest where, in fact, none was really intended. So, there's an argument for clarification.

But at the same time as I am willing to respect that argument, Mr. Minister I have to say, in looking at the changes recommended here, you seem to have provided a rather broader opening than would be wise in terms of protecting the public. It would seem to me that the first court definition of what you mean by "substantial" is going to be rather vital in determining whether we have conflict of interest guidelines that protect the public, or guidelines so loose that you can literally drive a truck through. How does a judge determine, "is a shareholder, in a manner common with all other, or a substantial number of others"? What that means is going to be crucial to the application of this act in years ahead, and whether there is protection for the public.

Mr. Speaker, in concluding debate, I would like the minister perhaps to be a little more definitive than he was in introducing the bill on what the government means by the choice of words in this case. What discussion took place on this particular series of amendments, why the choice of words? I can understand what the government's getting at. The purpose is obviously to relax some of the regulations as they apply to innocent conflicts of interest which occur accidentally. But it seems to me, Mr. Speaker, there is a danger, as I read the amendments under Section 5, that we have gone too far.

I would also express some concern that we can have a shift of policy. While a person formerly would have to declare his interest in a private company or, if he owned more than 1 per cent of a public company or was in a proprietorship or partnership or on the board of directors of a company, would have to declare that interest before the matter came up and then exempt himself or herself from the discussion and the vote, now of course, as long as there is a substantial number of other companies in the business, the provisions of Section 30 don't really apply. It seems to me, without constituting a direct, obvious conflict of interest, that could subtly shift expenditures of local government.

Let me give you a case in point. Suppose, for example, a member of city council is associated with a paving company. For all I know, there may be 100 paving companies in the city of Edmonton. I don't know how many there are, as a matter of fact. Any paving contract would obviously be up for tender, so there would

be no problem of direct conflict of interest by the council member associated with the paving company voting on the matter. However, it seems to me there would be an indirect effect, because if the city council decides that more streets should be paved as opposed to more money spent on parks, what you're doing is expanding the area of business for a concern in which you are involved in any of the ways set out in the legislation. What I'm suggesting to you, Mr. Minister, is there is a possibility for a rather more subtle shift in priorities as a result of this legislation. Again, that troubles me.

I would like to suggest to the minister that public disclosure at the local level of interest is one of the changes which I understand has already been proposed by the AUMA. I believe this should be supported and put into legislation as soon as practical. As a matter of fact, I believe it was passed in 1974 at the AUMA convention: "The public has a right to know the property holdings of elected officials. Municipal Government Act should make such disclosures compulsory."

In June, 1973, the city of Edmonton passed a resolution providing: "that the mayor, aldermen, and commissioners must disclose all land holdings." They're asking that the province pass laws requiring disclosure of land holdings as well. Mr. Speaker, moving to make certain that public officials disclose their interests is clearly one method of policing conflict of interests.

The other question I'd like to pose to the minister and invite him to respond to when he concludes debate is this issue that has received a little publicity in the city of Edmonton over the method of selecting a mayor as a result of the death of the late Mr. Hawrelak. Let me just say I believe the city council made a good choice. In Mayor Cavanagh the people of Edmonton will have a constructive and, in my view, a good mayor.

However, there is the issue raised before the choice of Mr. Cavanagh took place. I would like to elicit an opinion from the minister as to whether there should be an election by the public as a whole when you have almost two years of a term left. Formerly, before we had the ward system in our two major cities, all the aldermen were elected by all the people, the same as the mayor. Now with aldermen elected from wards, no one who sits on city council in Edmonton can be said to represent all the people, because they quite properly represent the people who voted for them in their respective ward.

The suggestion has been made that because of the ward system, when the person elected by everybody, namely the mayor, is forced to resign, or dies, or what have you, if there is a certain period of that term left, it should be all the people who make the decision as to a successor through a by-election.

Frankly, I can see arguments both pro and against this particular issue. For

that matter, I can see arguments both pro and against the whole process of municipal government, the way in which we do it. There are some people who argue that the system of responsible government would be better applied to local levels of government, that we should apply the federal and provincial concept to the local level of government, too. But that's not the point at this stage. I'm interested to know whether the government has under consideration at this time any changes in the municipal act which would compel a by-election in the event that several years of a term were left and someone had to vacate it.

Mr. Speaker, generally I support the move to make the cabinet responsible for basic annexation decisions. I want to express some concern about the loosening of the conflict of interest regulations, and I would like some indication where we're going, both on the questions raised by the Leader of the Opposition, as well as what we do in the event that a mayor of a centre is forced to resign or, through death, is no longer in office.

DR. WEBBER: Mr. Speaker, I would like to say a few words pertaining to this particular amendment act. I want to speak to the specific amendment related to putting the ultimate control of annexation into the hands of the elected officials. I, too, strongly support the amendment because, as the minister previously pointed out, the integrity now perceived to be present in the Local Authorities Board hearings will be preserved, and the cabinet's role is only that of confirming or declining to confirm a Local Authorities Board order. The important factors of objectivity and the right to cross-examine will still be prerequisite to the decisions of the Local Authorities Board.

The decisions to increase the area occupied by cities can no longer be regarded as merely technical decisions, but must be relevant to other factors. Given the fundamental political, social, and economic issues which bear on urban growth nowadays, as well as the balanced growth policy of our government, it is right that the ultimate annexation decisions should rest with the government. I know that many of my constituents, many of the community leaders in my constituency, and a number of Calgary aldermen support this particular change.

I'd like to turn for a few moments to the current situation in Calgary with respect to annexation and urban growth. Back in October '74, a plebiscite regarding comprehensive annexation was held along with the Calgary municipal election. The plebiscite was defeated, with Calgarians voting 3 to 1 against annexation. In the northwest area, where my constituency is, it was even higher. Approximately 80 per cent of the constituents voted against annexation.

Subsequently, the Local Authorities Board ruled against an annexation proposal for the northwest part of the city, which consisted of 2,400 acres. The city subse-

quently appealed to the Alberta Supreme Court, and the new hearings took place in March of this year. The Local Authorities Board then granted the city's petition, so the 2,400 acres is to become a part of the city on January 1, 1976. Also since this plebiscite, half a dozen or so piecemeal annexation applications from developers with property on the city's boundaries have been presented to the city and to the Local Authorities Board. The total area covered by these annexation applications is approximately 30 square miles.

I think it's inevitable that our cities are going to grow, but it doesn't necessarily follow that they should grow still further outward in order to accommodate more people. I think the citizens of Calgary want their city to grow within the guidelines of a plan. At the moment, this isn't the case. If the current annexation proposals are accepted, growth would seem to be based upon where the private developers own land outside the city and/or where they have options to buy land outside the city.

With 17 to 22 persons per acre, Calgary currently is a relatively low-density city in comparison with other cities, even in North America. Much vacant land exists within our present boundaries; there have been estimates that as high as a 12-year supply is currently available within our boundaries. Yet higher density doesn't seem to be an alternative that developers or city administrators want to consider seriously.

Higher density doesn't automatically mean highrises or potential slum row houses, as many people fear. Well-designed multi-unit housing can be made very attractive, with significant savings in the expense of land. Virtually all the amenities of the single-family detached home are possible in a well-designed multi-unit housing program. In view of the fact that the costs of housing are rising faster than people's incomes, urban housing development should be made more attractive closer to the city core.

As well, Mr. Speaker, transportation via automobile, which is essential to low-density suburbs, is becoming increasingly expensive. Traffic congestion is a real problem, as is the high accident rate in our city of Calgary.

The servicing costs of gas, water, sewage, street lights, and sidewalks, as well as the costs of police, fire, garbage collection, roads, and maintenance of parks, are compounded as the city grows. Another problem around our cities, or at least in Calgary, I'll mention is the monopolistic -- or possibly it could be described as oligopolistic -- nature of the land development industry. But I won't go into that particular business right now.

I guess I'm trying to say, Mr. Speaker, that our cities need to consider alternative ways in which to grow.

MR. CLARK: Start with the next campaign.

DR. WEBBER: Our city of Calgary does not appear to be looking at alternatives.

Rather than have growth control by our developers and city administrators, the type of city we'll have 20 to 30 years from now should be determined by the citizens of this province through their elected officials, both civic and provincial. Therefore, Mr. Speaker, I am pleased to see this bill bringing into the political arena the approvals regarding annexation.

Thank you.

MR. MUSGRAVE: Mr. Speaker, I'd like to make a few comments. I agree that perhaps the cabinet should have the ultimate responsibility, but I'm concerned that when these decisions were made by the Local Authorities Board, perhaps they were made primarily on a technical basis, perhaps the lobbying was not as evident as it might have been. An independent, relatively impartial board was making what it thought were wise decisions.

I agree with the hon. Member for Spirit River-Fairview that the members of cabinet have to make the decisions. They're elected to do it, and they should be making those decisions. But I'm also concerned, Mr. Speaker, that we're going to see the lobbying carried from a local level to a higher level of government. Being politicians, they're going to be responsive. Unfortunately, perhaps those people who cannot afford to lobby on the other side of the situation won't be able to carry their lobby to the level of the cabinet. This is what does concern me.

We heard from the hon. Member for Calgary Bow about the fact that last fall the city of Calgary turned down an annexation proposal by a majority of two or three to one in some parts of the city. I suggest, Mr. Speaker, that if you put a petition to the citizens of Calgary and said, would you like your property tax to be eliminated, it also would pass with a resounding majority; probably 95 per cent.

But, Mr. Speaker, what the citizens are ignoring -- or perhaps in ignorance they are trying to avoid -- is the fact that 12,000 more people have entered the city of Calgary in the last year. These are 12,000 people for whom homes have to be provided. Now the citizens will vote against a plebiscite of that nature because they don't want more roads, they don't want higher taxes, and they don't want the life of their city, as they know it, to be impaired in any way. I take the same attitude. I was happy in the city of Calgary when it had 85,000 people. There are many people sitting in this House today representing the city of Calgary who, as far as I'm concerned, are foreigners who have come from the outside. But they are citizens of Canada, and we have to accept the fact that we live in a free country and that we are allowed to go and live wherever we choose.

I hate to dwell on this at length, Mr. Speaker, but I think it's an important thing which shouldn't be lost sight of by all members of this House. The purpose of that large annexation was to avoid the very things the hon. member brought out. It was to avoid a monopolistic situation; it

was to prepare for long-range, large-scale planning; it was to prevent the piecemeal development that he deplores.

I take strong exception to the hon. member's remark that the city council, or the city planners, or the city commissioners, were not being responsible, were not being concerned about long-range planning and the kind of life that exists in a city; because they are concerned. When I was there we were concerned. We had very difficult problems facing us and we tried to do our very best to solve them. Passing them on to another level of government isn't necessarily going to solve them in the best interests of the people in that community.

We touched on the fact that there is supposedly a 12-year supply in the city of Calgary today. I would suggest that it is more likely about 4 years. There are thousands of acres in our city that cannot be developed. The city has bought land to build roads, and the people have protested. We spent millions of dollars purchasing homes we want to build highways through, but the citizens have stopped it.

We talk about multifamily residential development. Really what you are saying is that you are crowding more people into a smaller space. Don't kid yourself. You can talk about good planning, you can talk about amenities; you can talk all you want, but you are putting more people in a smaller space. I think it's presumptuous of us to say that we don't want our children and newcomers to our province to have the opportunity to live in a single-family home on a 50-foot lot. I would suggest most of us in this House are living in such situations. Who are we to say that we don't want this opportunity for these people?

Mr. Speaker, I feel this is most important. We talk about balanced growth, we talk about encouraging growth in smaller communities, and we say we don't want to control the growth of the cities of Calgary and Edmonton. But when we talk about these kinds of developments, that's what we are doing. We are trying to restrict growth. The city is not responding to our desires. They are putting levies of \$500 a unit on high-rise developments or any kind of development in an old area. You talk to any developer and he'll soon tell you if a \$500 tax on every unit is going to hinder development.

Likewise, you talk about garbage collection being cheaper in multifamily units. What the hon. member probably doesn't know is that garbage collection in multifamily units is a tax. But if you live in a single-family home on a 50-foot lot, your garbage is picked up for nothing. If you live in a multifamily development in the city of Calgary, your utility rate went up 24 per cent this year. If you live in a single-family home, it only went up 17 per cent. I could make similar comparisons of the taxes. There is a higher tax assessed against multifamily as against single-family. On and on it goes. So as politicians we say, on the one hand we want to do this, but our actions speak louder than

words. Our pocketbook always seems to ride over everything we say, and we are addressing ourselves in a far different way than we actually speak. We speak with forked tongues is really what I'm saying.

Mr. Speaker, I support the changes only because I know that, generally, where they have received the support at the local level, they will be hopefully fully endorsed at this level. But I am concerned that lobbying is going to become more sophisticated, more expensive, and it's going to be carried on at a higher level away from the very people it is supposed to protect.

MR. BATHUK: Mr. Speaker, I accept the amendments. However, there is one area where I have a little concern. That is when a person is a member of the Legislature he becomes ineligible to serve on the council. Not that I intend to look for the position of a councillor, but I have been on the county council for a good number of years. When I was elected to this Legislature I still served the balance of my term, and I found that being on both of those was a real asset to the county. I will just give an example or two.

It was shortly after that the Highway Traffic Board set regulations that lowboys would not be allowed to haul tractors with the blades on them. The fact was that there was a big accident someplace on Highway 2. This is all right for the highways when the company or somebody is going to pull a tractor for 100 or 200 miles. But in the counties it would have been a really terrible thing, particularly in winter. Just a couple of years ago it rained in the middle of January and just about every culvert in the province froze. When spring came there was washout after washout. Now if the dozer had been taken off this tractor every time it came to fill in, you would need a special crew and additional equipment. Being on the county council, I was aware of the concern, and I went to the highway traffic board and explained it. I have a copy of a letter of May 1972, to all secretaries, municipal districts, and counties [regarding] hauling of dozers on lowboys.

At a recent meeting at the Edmonton Union, Mr. Griegs of the Highway Traffic Board spoke on the subject and that the regulations were going to be carried out. Since that time the reeve of the county of Lamont, John Bathuk, and the MLA arranged to meet with the highway traffic board. In our discussions he has just advised me that the board has agreed to modify these regulations.

Another area I know, as I sat as chairman, is the court of revision. There had been an appeal from one of the grain companies. However, they did not appear at that meeting because the chief assessor had already set regulations that any elevator having a turnover of less than 100,000 bushels was not paying, and would qualify for obsolescence of up to 80 per cent. There were companies which had as many as 3 and 4 elevators in a particular thing. They would handle probably 500,000 or 600,

000, but they would put 500,000 in one elevator and about 25,000 to 30,000 in the other elevator and would qualify for obsolescence. Sitting on that court of revision, when I saw what was happening, I immediately went to Edmonton. We got our task force on municipal financing together with the assessment branch, and that 80 per cent went down to 25 per cent. If it weren't for the knowledge of both these areas, the grain companies would have benefited by a couple of million dollars a year. What would have happened to these towns and villages and hamlets?

[Mr. Speaker in the Chair.]

Therefore, I just couldn't see the reasoning in this amendment that if anybody is going to be an MLA he cannot be on the council. I do not feel I would want to be. I left it as soon as my term was up because I felt this took all my time. But I think it would be a real asset for somebody, maybe on a town council, which takes very little time. I hope the minister will expound the real purpose for this when he will be speaking on this bill at closing.

DP. BUCK: Mr. Speaker, I would just like to take a minute or two and, first of all, congratulate the minister on finally bringing some legislation into the legislature. It has taken a normal gestation period of nine months, but the minister, the rookie Member for Lethbridge East, has brought some legislation in and I congratulate him on that.

I would like to make a point, sort of similar to that made by the hon. Member for Vegreville about an area of conflict of interest where sometimes the taxpayers' interests are served when a person is technically in conflict. I remember about 20 years ago, when I was a young fellow trying to make a dollar and going to university, one of the local councillors had one of those small John Deere caterpillars that fitted in the back of his truck. He also had a neighbour boy, or somebody, operating this machine. So instead of having to bring a machine from St. Paul, which was about 50 miles away, the councillor would have this young fellow drive it on the back of the truck, take it to where the washout was, and for about \$25 they could do the job. It would have cost about \$550 to do the same job if he had had to go through the channels. Technically, the councillor was in conflict of interest because he was using his truck and his machine even though the young fellow was doing the work.

So I just don't know how we solve all the problems of conflict of interest. But I think the minister is at least endeavoring to lay down so members of council and even, we hope -- if we get into the area -- the MLAs, will know exactly what they can or can't do. I'm sure that I would speak for 98 per cent of the members in this Legislature: everybody consciously, consciously tries to avoid any conflict in their own mind. But sometimes they don't know. I don't think we'll ever be able to resolve it, but I am sure that the minister, with his capabilities, will probably

come up with some guidelines.

The one point I certainly agree with is that I do not believe a member should sit on a council and be an MLA, in spite of what the hon. Member for Vegreville said. He said it was an asset to him to be an MLA and a councillor. The people in the area didn't think it was an asset to them. So I think that's a good move.

I do want to conclude by making a point or two on behalf of the councillor who has been disqualified, the reeve of the county, Tom Reed. I think this was an instance, where in all honesty, the reeve indicated that the land a recreation site was going on was his property and he said, I will not be voting on it. As far as I can tell, the only reason he was disqualified was that it was not in writing that he chose not to vote, for quite obvious reasons.

Knowing Mr. Reed personally for many years, knowing his dedication and integrity, it was just an unfortunate situation. I do not question the decision of the judge, because he had to go by the rules laid down for him. Morally, it's another ball game. Also, when you look at whether your land would appreciate by putting a recreation complex on it next door to another quarter of land, I think possibly it would just be the other way; your land would depreciate, not appreciate. When people are having a wedding, shall we say, carrying on till four o'clock in the morning, and the beer bottles are flying through your picket fence, I don't think your land would be appreciating too much.

The last point on this Reed situation, Mr. Minister, is that there was an opportunity for cabinet to make a decision in this case. In several other instances the decision was made to shorten the disqualification period. It was not made in Reeve Reed's case. That really bothered me. I would like to know if there was a reason, or if the minister in his wisdom just felt that the law had acted and they would go along with that. So I would just like the minister to indicate to the House what his philosophy is on the disqualification time. Should it be flexible or should it be statutory?

There's one other point, Mr. Speaker, when we're talking about planning. I make my annual pitch in the Legislature that I would like the Minister of Municipal Affairs in his wisdom to encourage the city of Edmonton never to abandon the rail lines coming into the downtown section of the city. I'm sure that in 25 years' time we'll be buying back all that right of way and putting in commuter lines to the centre of the city. There aren't too many cities I know of that are as fortunate as Edmonton is to have direct rail communication right to the heart of the city. So let's not fear those lines cut.

At the same time, Mr. Minister, as a taxpayer it always bothers me that we do not seem to get the leadership we, as taxpayers, are entitled to. Every time I see that little commuter train going from Edmonton to North Battleford, the rail liner commonly called "the gray ghost", there are about 25 people on it. I would

say of those 25 people, 20 have CNR passes. Why would somebody not look at having commuter service between, say, Lamont and Edmonton, Wetaskiwin and Edmonton, St. Albert and Edmonton, using that same little "gray ghost", loaded with people in two sections, make some money, and provide a real service?

If we're talking about the quality of life and environmental mismanagement, every time I drive up and down that road from Fort Saskatchewan to this Legislature, one person, one car, and get 12 miles to the gallon out of that beast, I think there must be better means of moving people than the automobile. So I think that . . .

AN HON. MEMBER: Purple gas?

DR. BUCK: No, orange gas, red gas.

I think that we just have to start looking at some of these things. I have every confidence that we will not have to wait another nine months for the next bill from the hon. member.

Thank you, Mr. Speaker.

MP. SPEAKER: Are you ready for the question?

MR. NOTLEY: Is the minister going to close the debate?

MR. SPEAKER: The minister is free to close it or not to close it, as he wishes.

DR. BUCK: Mr. Speaker, may I address a question to the hon. minister?

MP. SPEAKER: That would require the unanimous leave of the House, since the hon. member's speech is over.

DR. BUCK: May I ask the question?

[interjections]

Mr. Speaker, may I ask the hon. minister a question? Will the hon. minister close the debate?

MR. JOHNSTON: Thank you, Mr. Speaker. I'd be pleased to direct my attention to some of the comments which I have weighed very carefully and for which I am appreciative. I must say the comments generally are in line with mine. I have one or two reservations, even a reservation with respect to those people from this side of the House, in a general sense.

I wanted to move, first of all, to the area of annexations, since many of the comments were directed toward this area. I think that indeed the decision we are making today with respect to bringing back to Executive Council the ratification of those major decisions -- major decisions because they affect in such a real way the policy directives and the expansion and development of the cities and of towns of a smaller size -- is really one of the key things in trying to determine what might be described as an urban policy for Alberta.

Really, as the hon. Member for Spirit River-Fairview indicated, it would be unfair for politicians to atrogate that responsibility which is really a political

decision, a decision which cannot be avoided because of the major consequences, and should not be left to an agency or to independent individuals without recourse as to a decision which is so critical to the expansion of cities around us. If we have any hope for the planning function itself, if we hope that planning and some of the land-use studies and regional growth studies taking place in the province right now will provide us with some kinds of information as to the future form of our governments in local areas, as to the potential boundary changes which may be expected, then indeed it would be difficult for me to imagine us making decisions with respect to annexation which preclude the use of that information. That is, the decisions the hon. Member for Calgary Bow indicated, which would certainly direct the expansion of his city maybe 15 or 16 years into the future, would be done without the evidence provided by these research studies which are now going on.

I have to share with the hon. Member for Calgary Bow his comments with respect to the question of energy trade-offs, the utilization of higher-energy impact decisions which will allow us to increase density in terms of some of the downtown developments and some of the residential developments intended for that city of his. At the same time, I concur fully that we have to be thinking not only in terms of 25 years but in terms of 35 and 40 years for the major metropolitan cities which we are now attempting to develop, that is Edmonton and Calgary.

There are at least two weaknesses, I guess, in the Local Authorities Board having final decision-making power, beyond those which are suggested to be in the political realm. I think you really have to look at the impact on the municipality which is losing the property, the territory. In many cases, as you know now and has been presented by the other speakers on this bill, Mr. Speaker, the application for annexation can be made, not by the municipalities but certainly by those people who control the majority of the land surrounding that municipal district. That means, generally, the land developers.

Should the developers, by economic interest and clout, I suppose, be able to convince the Local Authorities Board that an annexation is in order, and the Local Authorities Board does come down in favor of that annexation, what happens to the poor municipality that loses that land? Indeed, many of its considerations and the framework of its planning is lost. Indeed, its budgetary priorities are lost, as it has then (a) to give up the assessment or (b) the receiving authority has to make adjustments itself for land coming on stream. I think this is one of the important things we have to weigh.

Finally, with respect to LAB, there is no procedure within the Local Authorities Board system which allows it to follow up the decisions and the evidence given to it as a board. That is, we have to argue in good faith that the applicant will indeed fulfil the responsibilities he has committed

himself to at the annexation hearings, but there is no facility beyond the provincial government facility to ensure that happens. That facility is generally found in the planning and the decisions made by elected officials.

I think, in terms of parallels, we have to realize that the LAB being brought back to Executive Council is the direction to move in. I might add, as well, that those of you who have read the legislation will note that negative recommendations on annexation will not come to Executive Council. They'll be handled by the Local Authorities Board, and they'll be negative. Of course, the applicant always has the opportunity to come back and to apply again within one year.

With respect to the conflict of interest sections, which I believe are probably the number two item in terms of policy and new directions which we are attempting in this legislation, I noticed when I listened to the hon. Leader of the Opposition that he has some trouble with Section 32, which deals with the opportunity for the judge to decide whether an inadvertent accident or act under Section 29 would be a disqualification act.

I have to underscore the fact that, of course, it's a judge's decision. It's not anybody else's decision, so it has to go in front of a court. Should the court find that indeed this was merely an oversight, Mr. Speaker, merely an inadvertent misunderstanding, or a question of bona fide error, indeed that member and that judgment can be set aside. But I have to underscore that, of course, it has to go to a judge before that determination can evolve.

Generally, I have to concur in the feelings that to legislate in the area of conflict of interest is certainly a difficult course of action for any government. The question is, how can you legislate morality and how can you legislate fair play? We have attempted in the legislation to allow for what I have described before as a commonality of interest, that is, not to preclude a councillor from being involved, from speaking out, or from voting in those areas which he shares in common with many others. I might add, by way of an aside, that I believe I will be bringing forward an amendment to this section which may clarify somewhat more some of those minor points.

But that was the difficulty we faced: why should we have a councillor hung up in what we generally describe as indirect pecuniary interest, which is a very broad and all-embracing term which could have anybody precluded from sitting as an elected official. We're attempting to encourage participation, we're attempting to make it easier for people to participate in the elective process, because I do feel indeed that this is one of the major areas of decision-making and government which we have to foster in this province. We have to foster it by increasing the calibre of the people we attempt to attract. Generally those people who can afford to take the time, who can afford to get involved in politics -- which may be a negative side to

it -- are those who also have economic interests which indeed may put them in a difficult position with some of the decisions they are facing.

But that was the intention of what we are moving in this legislation. I agree that we may have to come back with major changes, some additional changes will be clarified. We have not seen any better legislation. I understand new legislation is forthcoming in some of the other sectors, but I would like to comment and certainly will receive any suggestions any member has with respect to clarification of those sections.

I note also that the hon. member had some reservations with respect to service both as a member of the Legislative Assembly and a member of an elected city council or a county. By way of specifics, this was one of the recommendations which flowed from the Morrow report. We thought that it was a wise one. We thought that it's difficult for an elected official essentially to serve two masters, if you'll allow me to use that trite expression. Indeed, in terms of the conflict which develops -- and I'm talking, not in the pejorative sense but the right to protect your own interests -- I think there has to be this countervailing pressure. There have to be two adversary situations developing.

That is the intention of the system, and you have to remember that each of these individuals represents essentially a distinct and unique group, even though we all have overall responsibilities. So indeed that was at the heart of that amendment. I don't think any individual will suffer from it. I certainly don't think any individual will have to sacrifice his position as an MLA. As I say, this flowed from the recommendations from the Morrow report.

Personally, I look favorably upon the recommendation from the Member for Spirit River-Fairview where indeed he suggests that it may be worth while that disclosure of some interests may afford some further protection to an individual serving as a councillor. I think there may be wisdom in this, and certainly I would like to pursue this further in terms of discussions which I will have with the municipal districts, counties, and others. Personally, I think I tend to find [inaudible] that position.

As I look at the other notes I've made on one or two other items, I see we're again facing the very unique situation, not only in Edmonton but in Lethbridge as well, where we have vacancies existing on elected councils. The one in Edmonton is perhaps more unique, insofar as we had the unfortunate death of Mayor Hawrelak, and therefore the difficult task of selecting a new mayor from within. That, of course, was a strenuous exercise in democracy as the members of that council were in a deadlock for some extended period and finally resolved it themselves.

A couple of interesting asides have been pointed out to me, one by the dean of the Edmonton Journal, as he is referred to. It indicates to me that apparently there is not a vacancy. The current mayor's posi-

tion is not a vacancy, as I understand it at this point. Indeed he has merely changed positions by nomination and is now the mayor. But his seat on council is not yet vacant, which introduces a peculiar aside as well, since if you called a by-election I wonder whether you would have one or two seats vacant, which has to be determined as well.

Personally, my feeling is that, if at all possible, I'd rather see the electorate involved in the choice. I said this before in the city of Lethbridge, which indeed is facing the same situation, a resignation by way of transfer. I feel that if we're going to move toward the committee system, if that is the intention, if we want to move toward further finite responsibilities in terms of committee assistance and the development of sub-decision within a council -- and that's necessary because of the load which many elected people are facing -- it may well be better to have a full complement of people on that council.

However, since we're two years away from the next election, I think before that election comes I would like to see some amendments forthcoming. These will be on my list of priorities to deal with and resolve, certainly as we examine the amendments to The Municipal Government Act and The Election Act perhaps next spring or next fall. But those are my general views on it and, for what they're worth, I think that would be my attitude, at least.

As I look at my memorandum from the gentleman from Clover Bar, who talks about gestation periods and legislation introduced, I'm sure that I'll have to go back and see what legislation the hon. member has introduced since his term of office.

DR. BUCK: But I'm not a minister.

MR. JOHNSTON: I wonder if he'll be able to achieve the 34 years of success that the Member for Drumheller has. But indeed I'll be watching with great interest the private member bills which will be forthcoming from that side, since I think that's the only kind of bills that will be forthcoming from that side.

Finally, let me say with respect to the hon. Leader of the Opposition's question, he asked me to present a brief précis as to the direction of assessment in the province and with respect to some casual comments on the Provincial Municipal Finance Council, which has to be an integral part of The Municipal Taxation Act which we're looking at. I'm quite favorably satisfied with the direction in which the Provincial Municipal Finance Council has gone. Since I have been involved, on April 3, 1975, we have reorganized and regrouped. We've settled on some of the objectives of that in terms of research. We have struck on methodology. We've started to get data together in a very major way so we can have data for many kinds of decisions. We are also moving on specific problem-oriented research, and certainly it has been debated here.

The hon. Member for Spirit River-Fairview's bill on revenue-sharing, the

hon. Member for Bow Valley's on assistance to hamlets, are ones which I do recall. While not specifically dealt with by resolution, they are embraced in the overall direction of our Provincial Municipal Finance Council. I can assure you there will be some reports forthcoming. We're dealing specifically with the question of industrial revenue-sharing across the province, and attempting to find variations and attempts in this direction.

In the area of assessment, it is interesting to note, as a result of the requests from three or four cities across the province, requests which you will recall were focused on my department in June of last year, at which time the budgets were struck in the municipalities, the question was, how can we assist those people who live in single-family homes characterized by high land values and low improvement values. As you know, there was an infinitely large increase projected for them for 1975 and certainly for 1976.

Within the next month I will be recommending to cabinet a proposal I think is fair, which will allow for permissive legislation or permissive change in regulations. This would take place upon reassessments or general assessments which would allow the local council to make the decision as to how the land-to-building ratio is established. If I am successful with that application, indeed, there will be an ability on behalf of local council itself to make that internal decision as to how it wants to shift the incidence of tax. This was one result of the finance council and also of contributions from the assessors' association across the province.

Generally, I think those are the major highlights on which I'd like to expand. Certainly, when we get into committee study, as I indicated I'll perhaps be bringing in an amendment which will clarify Sections 29 and 30, the conflict of interest sections. Mr. Speaker, I'm sure at that time we'll entertain more specific remarks and interchange as we deal with the section. I would hope I can answer those questions at that time.

[Motion carried; Bill 73 read a second time]

MR. HYNDMAN: Mr. Speaker, I move you do now leave the Chair and the Assembly resolve itself into Committee of the Whole to consider certain bills on the Order Paper.

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

HON. MEMBERS: Agreed.

[Mr. Speaker left the Chair]

COMMITTEE OF THE WHOLE

[Dr. McCrimmon in the Chair]

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

Bill 88 The Natural Gas Price Administration Act

MR. CHAIRMAN: There is one amendment. Are you all familiar with the amendment?

MR. GETTY: Mr. Chairman, I should just point out the amendment was really an error in the copying of the bill. I gather that on some copies, PART 3 was omitted from the xeroxed copy and then the heading, Amendments to the Natural Gas Pricing Agreement Act.

[Title and preamble agreed to as amended]

MR. GETTY: I'm having a heck of a time getting my knees, my head, and your amendments all going at once, Mr. Chairman.

I move that the bill be reported as amended.

[Motion carried]

Bill 89 The M.L.A. Pension Amendment Act, 1975

[Title and preamble agreed to]

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

[Motion carried]

MR. HYNDMAN: Mr. Chairman, those are all the matters the committee can deal with now.

Insofar as we'll be moving into committee at 8 o'clock, it would be my proposal simply to adjourn the committee to 8 o'clock at this time, without having to go back into the full Assembly. At 8 o'clock we would do committee study on Bill 73, The Municipal Affairs Statutes Amendment Act, and start on Bill 82, The Election Amendment Act, 1975.

I move that the committee do now adjourn until 8:00 p.m. this evening.

[Motion carried]

[The Committee of the Whole recessed at 5:20 p.m.]

* * * * *

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

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

MR. HYNEMAN: Mr. Chairman, the Minister of Municipal Affairs is not here at the moment. I imagine he is suffering from brief indigestion or something. He should be along very briefly. So I wonder if we could begin with committee study of The Election Amendment Act. Then, if members wish to go back to municipal affairs, that would be fine.

MR. CHAIRMAN: I believe we have an introduction of visitors first. That may take a moment.

INTRODUCTION OF VISITORS (reversion)

DR. HORNER: Mr. Chairman, if I could have consent of the House, I'd like to introduce a very distinguished visitor to our legislature this evening in the person of the Senator from the State of Montana, who is in Edmonton as the representative of the Montana farmers' union, visiting the Uniform convention now going on. I'd like to introduce to the House the State Senator from Montana, Terry Murphy. Terry, would you stand.

COMMITTEE OF THE WHOLE (continued)

Bill 82 The Election Amendment Act, 1975

MR. PURDY: Mr. Chairman, there are a number of amendments to be offered in regards to Bill 82. I draw hon. members' attention to page 4 of the amendments, Section M. There is a slight error, and I would ask the Chairman to make the correction on the original copy. In Section 123 of the bill, there are two words "election". We should have Section 47 amended to read "promoting the election".

MR. CHAIRMAN: Would you repeat that please?

MR. PURDY: On page 4 of the amendments. If you read Section 123 of the bill, on page 21, you will see within that clause that the word "election" appears twice. The words "of the candidate" should go after the first word "election" in the act. I hope I'm clear on that. Page 4 of the amendments. Get your amendments cut. They

were on your desks this afternoon. Page 21. The amendment on page 4 should read "by adding after the words 'promoting the election' the words 'of that candidate'". Are you clear on that now, Mr. Chairman?

MR. CHAIRMAN: That's clear on our amendment. Are there any further comments with respect to the amendments?

MR. CLARK: Mr. Chairman, I wonder if I might start off, perhaps, by asking the hon. member, really, why the rush to move The Election Amendment Act, 1975, through at this particular time?

AN HON. MEMBER: We're having an election next week.

MR. CLARK: You must know something we don't know. We're pleased to hear about that.

AN HON. MEMBER: That's the announcement tomorrow.

MR. CLARK: We'd just now be pleased to know which one of you is resigning, and we can go from there.

DR. BUCK: There are about four who should.

MR. CLARK: But seriously, I think we could likely proceed with the bill a bit more quickly if we knew why, in fact, it was essential to move ahead with the amendments at this particular time. From talking to some of the returning officers in this particular election, I know they haven't really had an opportunity yet to look through the amendments. I would be interested in knowing if the member piloting the bill through the House has had a chance to sit down with a number of the returning officers and go through it from the standpoint of some of the problems they have had, especially some of the returning officers in rural areas, in light of the rather basic changes here that, in fact, treat all constituencies the same.

MR. PURDY: Mr. Chairman, after the March 26 election, we got a lot of information from the various returning officers in the province, either through my office or through the office of Mr. MacDonald, the Clerk of the Assembly. The committee report of 1973 has been there. The various people in the province have had an opportunity to look at that report and make recommendations either to myself or to Mr. MacDonald. Some people did this. As I stated earlier, a lot of the returning officers did have the opportunity to review what has gone into this act, and a lot of the recommendations made in amendments to the bill are recommendations of returning officers throughout the province.

MR. CLARK: Just perhaps two comments following that. Then it is fair to assume, is it, that in the opinion of the member sponsoring the bill in the House, this rather accurately reflects the views of the returning officers of the problems they had in the last election, and that you've gone

over the various points with the chief electoral officer and have, you know, gone to that kind of process to gain the benefit from problems he incurred during the last election?

MR. PURDY: Yes, Mr. Chairman, that's correct. We have met with the chief electoral officer for the province on many occasions when the committee report was being studied, and I met with him just recently over this. Some of the amendments we're seeing today are recommendations of Mr. MacDonald, to make the workings of The Election Act a little bit easier. I may also add that we may be looking at amendments in the spring in regards to the handicapped and rural Alberta hospital voters who may be resident in an urban hospital in any of the cities. So if there are other problems within the act, we will certainly consider at that time those amendments that any returning officers in the province may have.

DR. BUCK: Mr. Chairman, the member has just indicated, really, that the thing should be held over until the spring.

MR. PURDY: I did not.

DR. BUCK: Well, he said, in the spring we'll bring in amendments from the handicapped and other groups. Why is it not going to be held over until the spring? Get the input, then have the bill presented in the spring with the thing complete and in proper form. You know, the way the hon. member keeps bringing in amendments is really quite slipshod. He now tells us he has spoken to the chief electoral officer after the bill was drafted. Why was it not done before the bill? Is that what the member is saying? So I just can't understand, unless the Premier really is going to Ottawa, and we're going to have to have a by-election. Then I suppose you have to have the machinery in place. There just doesn't seem to be any hurry, because some major changes are going to be made here. What's the rush?

MR. PURDY: Mr. Chairman, we've had this particular piece of legislation in front of Alberta since 1972. If he's read the report, the hon. member knows fair well that Mr. MacDonald, the Chief Electoral Officer of the province, was an ex officio member of our committee. He [made] a lot of valuable contributions to the report when it was brought in. I think the hon. members opposite had an opportunity to study the committee report we brought into the House in 1973. They had ample opportunity to bring recommendations to us, but none of them have seen fit to do it.

AN HON. MEMBER: Agreed.

AN HON. MEMBER: Do your homework.

MR. NOTLEY: Mr. Chairman, I wonder if we could pursue, for a moment or two, the consultation that took place with the returning officers throughout the province.

Was a questionnaire sent to every returning officer after the last provincial election, by yourself or someone in the government, to ascertain the defects or mechanical problems they discovered in the execution of their work as returning officers?

MR. PURDY: Mr. Chairman, if my memory serves me correctly, I believe Mr. MacDonald did ask all returning officers in the province, via letter, for their comments on The Election Act. This is what we based a lot of this on.

MR. NOTLEY: Mr. Chairman, just to follow that up, how many returning officers responded? Is the member in a position to advise us whether almost all 75 responded, or whether it was a very limited number? Can he give us some indication as to how many responses he got? Are we going on the basis of 2 or 3 returning officers responding, or almost all of them?

MR. PURDY: Mr. Chairman, I haven't got an actual number. Quite a number of letters came across my desk. I'm sure those who did respond to Mr. MacDonald's letter were interested in the workings of the provincial Election Act. But I can't give you any number of how many we got back.

MR. TAYLOR: Mr. Chairman, I have difficulty following the word "rush" on this. We've had it before us for two weeks. It contains some very excellent changes, and frankly, I can't see any purpose at all in holding it up.

With reference to returning officers, while it's reasonable to expect, in the workings of an election, that the returning officer would have first-hand information, nevertheless, I'm more concerned about the voters than the officials. It may be fine to make it as convenient as possible for the returning officer. But after all, returning officer is a paid position. I think the returning officer should do whatever is required to keep the machinery, and that, intact so the voters can have as free an access as possible to the polls.

I've discussed election with many, many people in my constituency, including returning officers. It seems to me the people themselves were concerned about two or three things. One was the length of the election. That's now being corrected, and I'm very happy it is. I've had people come to me, in connection with city polls, with regard to not being permitted to be sworn in. That's being corrected.

Over the years, I've found that unless an election act is amended as soon as possible after the election, it just never does get amended. This has happened year in and year out. You note the difficulties during the election, then it doesn't come up for two or three years, just before another election. By that time it's very, very probable that the difficulties you underwent have been forgotten. I think the proper time to amend The Election Act is immediately after an election.

That's not saying there might be some other points that can be considered for

another amendment at another time. I'm going to mention two of those; I mentioned one in the second reading of the bill. I think The Election Act would be strengthened if the enumerators were chosen in twos in all constituencies, with the runner-up candidate having selection of one of the enumerators. It would do away with suspicions now there. Rightly or wrongly, some people do feel that when one party names all the enumerators, there is an opportunity for skulduggery, even though I am doubtful if it ever exists, now or before.

Most enumerators try to do the job for which they're being paid. But it would strengthen the act if it were set out in legislation, as it is, I believe, in the federal, where the two enumerators must be from different parties: the sitting [MP's] party, and the runner-up in the last election, whatever party that happened to be. Then the enumerators are keeping tabs on each other, and running the things themselves without too much checking from the returning officer. I think that's worth looking into.

There's one other point I'd like to mention to the hon. member, that I would like to see clarified the next time this act becomes before the Legislature. It's not of paramount importance; it involves the "treating" of electors. Maybe you can call it treating. I'm doubtful if having a coffee pot and a cookie in the campaign headquarters of a candidate is treating. There's always some concern about whether this is legal, whether you're treating or whether you aren't. I don't think you could ever buy anybody's vote by giving him a cup of coffee when he came to your campaign headquarters. It seems logical to have a coffee pot there.

I remember in the 1971 election -- I wasn't there, but workers in my constituency told me about it -- when the then Premier of the province, Mr. Strom, visited Drumheller, they wanted to serve coffee and doughnuts in the corner cafe. I said to them, I think it's illegal to do that, and I'd prefer you didn't do it. So to get around The Election Act, in case it did say that was treating, the people who were organizing the Premier's campaign decided they'd put a container where anybody could put in 10 cents or 25 cents to pay for the coffee and the doughnuts. I don't think that type of thing should be put in the treating category at all.

I think most hon. members do have a coffee pot in their campaign headquarters. Sometimes at meetings you have a coffee pot. It's practically always brought by the ladies of the district. I would like to see it set out in the act that that type of thing is not illegal, so there's no concern at all about this, and it's not put in the same category as a candidate offering to buy a bottle of scotch for somebody in order to get his vote, if that indeed is ever done in these days. So I'm just suggesting to the sponsors of the bill that those two points be looked at. I think they're at least worthy of consideration.

MR. PURDY: Mr. Chairman, in regard to the comments made by the hon. Member for Drumheller, we have in the act that there will be two enumerators per polling subdivision in each constituency in the province: not only in the urban areas, but in the rural areas. In regard to treating, during committee deliberation of the report, we looked at that. I think you have to use some discretionary powers during the time of the election. If you're going to have a coffee pot, I think a lot of people are going to overlook this anyway, if it's just going to be used for campaign workers inside the polling station. We could certainly look at it during the winter and see exactly how some other legislation is written in regard to treating. We have refined this a bit in the act.

MR. TAYLOR: Just one point, Mr. Chairman. There are two enumerators, but I don't think it's designated that they're going to be from the party of the MLA of the area and the runner-up. That's the point I'd like you to check.

MR. FOSTER: Mr. Chairman, I think we welcome the suggestions and comments of the Member for Drumheller and his support for this bill and amendments to proceed now. For the reasons he suggested, I'd like to suggest, as he did, that this legislation will be back in the House, probably a year and a half from now, when we have a report on redistribution. So ultimately we will be dealing with this act again before the legislature prorogues for an election. No doubt there are amendments that will occur to us in the course of the next two or three years, and we will have an opportunity of bringing them back then. But we feel these amendments should proceed now, and we would encourage the House to support them.

[Title and preamble agreed to]

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

[Motion carried]

Bill 73
The Municipal Affairs
Statutes Amendment Act, 1975

MR. JOHNSTON: Just by way of preface, Mr. Chairman, I might comment with respect to Section 30. As I indicated in second reading earlier today, I am preparing an amendment to this section, which will add greater certainty with respect to private corporations and public corporations, and those sections really deal with that. It would be appreciated, Mr. Chairman, if we could deal with the balance of the bill and leave Section 30 until I can formally amend it, either later this afternoon or tomorrow, if that meets with your approval.

MR. CHAIRMAN: You've been asked to hold Section 30 of the bill. Is it agreed?

HON. MEMBERS: Agreed.

MR. JAMISON: Mr. Chairman, I'd like to ask the hon. minister for clarification on Section 20. When this bill is assented to, will any applications presently before the local authorities board be dealt with by the cabinet?

Also, Mr. Minister, during second reading of this bill, you mentioned that final decisions on annexation applications there is usually one winner and one loser. I was wondering if any consideration for compensation was given to the loser.

Another question. In the area I represent, we have a restricted development area. I was wondering if there has been any consideration as to the jurisdiction of the restricted development area in future annexations. I believe those are the questions I'd like to ask.

MR. JOHNSTON: Mr. Chairman, in dealing with the questions of the hon. Member for St. Albert, it is my understanding that once the IAB makes a final determination of rights in order, if the bill is in place, of course, those hearings that are now in the process will be considered under the umbrella or the scope of this legislation. Indeed, those items which are now being heard likely will bring down an order some time in 1976, and therefore would be covered by the legislation.

With respect to the compensation paid to petitioners who are dealing in the IAB questions, there is no provision at this point to provide any indemnification for costs which are involved. Certainly we do realize that indeed the costs are substantial, in some cases mounting well into six figures, as developers and others attempt to change the jurisdiction of land adjoining major urban centres. I guess it would be a question of which party would be prejudiced -- that one which is losing the land or the one gaining -- as to how you would allocate the funds. But specifically, Mr. Chairman, at this point there is no provision to provide them with compensation or any kind of payment for the costs involved.

Finally, with respect to restricted development areas, I don't know that this legislation covers RDAs. In fact, I think that would be an amendment or changes required in The Department of the Environment Act, not mine.

MR. JAMISON: For clarification, Mr. Chairman, I meant the assessment that was being lost in the annexation. I refer to a case in point a few years back where a municipality lost 48 per cent of its assessment in one fell swoop. This puts an awful strain on a municipality, and I was wondering if assessment would be taken into consideration in future annexations.

MR. JOHNSTON: First of all, Mr. Chairman, as the IAB considers it, they always weigh the economic implications of any decisions that change boundaries. But beyond that, as the hon. member knows, allowance for financial considerations is implicit in

Section 20(6) of The Municipal Government Act, although it's my understanding that this has never been used. While application was made, under Section 20(6), with respect to financial considerations in the major annexation questions which have faced the city of Edmonton -- the EACM and the Aldritt annexation of 1970 and beyond -- these were deemed to have been considered in the LAB decision, and no compensation or trade-offs were provided.

MR. CLARK: Mr. Chairman, I wonder if the minister would refer to Section 32(1). That deals with the question of, I suppose to put it rather crudely, ignorance of the law is really an excuse, as opposed to the former principle of, ignorance of the law is no excuse. As a start, I would be very interested in the thinking of the government in moving in this direction. It seems to me that now the judge not only has to decide whether in fact there has been conflict of interest, but after he's made that decision he has to make the determination of whether or not the councillor or the elected official in fact knew about it before.

MR. JOHNSTON: First of all, Mr. Chairman, I guess one has to believe in the efficacy of the judicial system. In all interpretations under any legislation I know of, I think that is the premise we have to work on. I'm not a lawyer by profession, but I do have some feeling or some understanding or some hope that indeed that is the way this legislation would work, and the way legislation generally works. Beyond that, I guess, again we're at the frailties of everybody's judgment. The one reservation which I think is pre-eminent in this legislation is that it is required that the judge have a look at it, that he has to determine it. And he'll weigh many considerations, I'm sure, in arriving at some kind of decision as to whether or not it is reasonable, as to whether or not the individual did indeed perceive he had broken the law.

I suppose it's the same kind of homily as the member opposite suggested. Perhaps ignorance of the law may not be an excuse. But I would counter by saying we would not want to hang a guilty man, which is the same kind of argument I suppose. But I think in this legislation, in that section, while it could be loose in the hon. member's reading, because it is based on a judge's wisdom and a judge's understanding of the situation, I would have to find that it is reasonable. And if it's reasonable, I think it has to be pretty close to being good legislation.

MR. CLARK: Just to move on to another area, perhaps I might take this chance to ask the minister not where he stands -- or where he sits -- but where the people now stand on the question of reorganization of county boundaries and so on -- the hearings out in the Drayton Valley area and so on.

Perhaps I might ask just one other question at the same time. I gather there is a certain amount of reluctance on behalf

of a number of educational people with regard to the question of changing the boundaries now. I say that from talking to some people involved in the ASTA and some other people involved in the education field. Perhaps they're not as enthused about making changes in municipal boundaries as municipal people themselves are. Really, where do we stand on that? What is the process from here on as far as people who find themselves being moved rather unceremoniously from one jurisdiction to another, at least in the initial plans?

MR. JOHNSTON: Well the hon. member, of course, has struck on a very contentious area, an area with political sensitivity.

That section really deals with Section 14(1), which is being amended, by the way, in this legislation. You'll note the preamble to that section suggests that the Executive Council has the right to change a boundary arbitrarily, with or without notice, providing the boundaries commission is still in place. To me, that also means that once the boundaries commission has been adjourned, presumably sometime in 1976, indeed that arbitrary section -- if you can call it arbitrary -- then has been removed, because it will not be a boundaries commission city. So I guess it's a Catch-22, if I can use that analysis in terms of legislation. But it's my understanding that the hon. member's judgment is indeed right. Somewhat of a reversal has taken place. Whether it's been conditioned or not, I don't know.

Indeed the initial hearings we have seen so far, the ones last week, probably give us a bit of a different perspective as to what was going on. Once the committee got there, received the initial acrimonious response from the petitioners, and settled down and talked about it objectively, they found that perhaps the committee was indeed serving a major purpose as a catalyst. At least they got the two parties talking and discussing the problems. Again I have to concur fully that many of the problems with respect to municipal and school boundaries are school problems in the sense that there seems to be a need or a lack of any understanding with respect to tuition arrangements. If that happens to be a major recommendation, I think a lot of good will come about.

I must underscore, of course, that we must fully recognize that at this point these are essentially proposals. I have no understanding or no prejudgment as to what kind of recommendation may be forthcoming. This will not be in our hands until sometime in 1976, after the committee has met with the elected officials and has completed the public hearings.

At this point, I probably expected worse in terms of the hearings so far. Indeed, they were a little tough at the outset, but after that they became very beneficial. Views were exchanged with the hope of arriving at a major settlement for most of the three priority problem areas. As to a recommendation, we'll wait and see what happens.

MR. CLARK: Just to follow that along, Mr. Chairman. I wonder if the minister would be in a position to indicate if he expects the committee to hold hearings virtually all across the province. To date, I know it has held its hearings primarily in and around Edmonton and as far south as Red Deer, I guess. But is it the intention of the minister to ask the committee to meet, in fact, with various groups south of Calgary and in northeastern Alberta, for the purpose of looking at rehashing of municipal boundaries?

MR. JOHNSTON: Mr. Chairman, I don't think so. As I indicated earlier, there seem to be three major areas of concern. Those are the ones the hon. member referred to. Beyond that, there are essentially minor arbitrary boundary adjustments, which may or may not require any kind of hearing. They could be unanimously agreed upon; they could be the kinds of adjustment which are, essentially, nominal adjustments, if I can describe them in that very simple context.

We don't seem to have many requests for boundary changes in the southern part of the province. Either it's more stable -- I don't know, but that may well be the case, particularly in the area around Calgary. The sensitive areas are the ones you described: Barrhead, Redwater-St. Paul, the Whitecourt-Mayerthorpe area, and the Wetaskiwin-Edmonton area. Those are the ones which, we think, will have to have further hearings. That's why we are back in there. Beyond that, there will only be nominal recommendations, if any.

Let's not forget that some positive things were done by this committee. For example, they gave us some good information on the question of airports and how airports should be controlled and shared. They dealt with some school boundary questions, and these were resolved by resolution between the parties involved. Overall, I think there has been a beneficial flow from this committee. But I don't see any major studies beyond those now scheduled, because there is no need for them.

MR. PURDY: One question to the minister, in regard to the point about summer villages that I brought up in second reading. As I read the bill, summer villages will have to hold an annual meeting only every three years. Is this correct or not?

MR. JOHNSTON: Mr. Chairman, I had the same concern as the hon. member. But when you look at a bill of this nature, the difficulty is that you have to read the entire bill in its context. Other sections, of course, impinge upon the decisions in certain sections here. But beyond that, in this case, other acts also have to be read. I'd certainly underscore The Municipal Election Act as being one of the major acts which is a complement to the decisions implicit in the Municipal Affairs Statutes Amendment Act. But the answer is no, they will be held every year.

I would like to adjourn debate on committee reading.

[Motion carried]

DR. MCENEE: Mr. Chairman, I move the committee rise, report progress, and ask leave to sit again.

[Motion carried]

[Dr. McCrimmon left the Chair.]

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[Mr Speaker in the Chair]

DR. MCCRIMMON: Mr. Speaker, the Committee of the Whole Assembly has had under consideration Bills No. 88 and 82, and begs to report same with some amendments.

Mr. Speaker, the Committee of the Whole Assembly has had under consideration Bill No. 89, and begs to report the same.

Mr. Speaker, the Committee of the Whole Assembly has had under consideration

Bill No. 73, begs to report progress on same, and asks leave to sit again.

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

HON. MEMBERS: Agreed.

MR. FOSTER: Mr. Speaker, I move that this House do now adjourn until tomorrow afternoon at 2:30 o'clock.

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

HON. MEMBERS: Agreed.

MR. SPEAKER: The Assembly stands adjourned until tomorrow afternoon at half past two.

[The House rose at 8:34 p.m.]

