

MR. SCHMID: Mr. Speaker, I would like to table the ninth annual report of The Glenbow-Alberta Institute.

MINISTERIAL STATEMENTS

LEGISLATIVE ASSEMBLY OF ALBERTA

Monday, December 15, 1975

Department of Housing and Public Works

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

PRAYERS

[Mr. Speaker in the Chair]

INTRODUCTION OF VISITORS

MR. HARLE: Mr. Speaker, I beg leave to introduce to you, and to the members of the Assembly, three representatives of the organization known as Pensioners Concerned. They are sitting in the members gallery: Mrs. Jan Sproule, Mr. H. Millican, and Mr. R. Beckloff. I would ask that they stand and receive the welcome of the Assembly.

TABLING RETURNS AND REPORTS

MR. LEITCH: Mr. Speaker, I would like to file the Report and Recommendations on The Role of Provincial Auditor of Alberta, prepared voluntarily by the Institute of Chartered Accountants of Alberta. This report and the recommendations, Mr. Speaker, were delivered in September 1973 to my predecessor, the Hon. Gordon Miniely, and were very helpful to us in our deliberations leading to the policy announcement I made some time ago regarding the creation of the Provincial Auditor of the Province of Alberta.

MR. CRAWFORD: Mr. Speaker, I'd like to table copies of the annual report of the Alberta Human Rights Commission, and might just note for hon. members that this report covers a 15-month period from January 1, 1974 to the end of the fiscal year on March 31, 1975. It is the first such report by the commission. There will be copies for all hon. members during the afternoon.

DR. HOHOL: Mr. Speaker, I wish to table two items required by the Legislature: first, the rules and regulations of The Welding Act for 1974; second, a reply to Motion for a Return No. 211.

MR. YURKO: Mr. Speaker, in March of 1975, the Premier of Alberta announced that a senior citizens' home improvement grant program was to be established to help senior citizens of limited income improve or repair their own homes as an alternative to seeking publicly operated accommodation. I am pleased today to announce that the senior citizens' home improvement program will be effective early in January 1976.

Phase I of the program will apply to senior citizens who are recipients of assistance under the Alberta assured income plan. Phase II of the program will be announced at a future date, once Phase I has been fully implemented. It will involve the extension of the senior citizens' home improvement program to senior citizens with limited income not receiving the Alberta assured income plan assistance.

To be eligible for Phase I, besides being a recipient under the Alberta assured income plan, the senior citizen must be a home-owner, must be at least 65 years of age, and must be living in his own home for at least nine months per year. The senior citizen must also have been a resident of Alberta for at least one year.

Applications will be distributed to eligible senior citizens by the Department of Housing and Public Works early in January.

When the application is approved, a credit account of \$1,000 will be established in the treasury branch or participating chartered bank branch of the senior citizen's choice. The senior citizens may purchase repair materials and complete the work themselves or contract with a firm or individual to do the work.

Paid material bills may then be presented at the senior citizen's treasury branch or bank for reimbursement. Contractual bills will be approved by the Department of Housing and Public Works prior to reimbursement by the treasury branch or bank.

Mr. Speaker, we estimate that about 30,000 senior citizens' households will be eligible under Phase I of this program. This represents a major commitment on behalf of our government to the senior citizens of Alberta.

I wish at this time to table three copies of the program brochure, the application form, and some additional data. I should indicate that the brochure is not in its final printed form. It will be printed this week and will be distributed very shortly after January 1.

ORAL QUESTION PERIOD

Coal Development

MR. CLARK: Mr. Speaker, I'd like to direct the first question to the Minister of Energy and Natural Resources. It flows from the comments the minister made in the House on December 8 with regard to coal contracts or coal mining in the eastern slopes only under, I think the word was "extraordinary" circumstances.

I'd like to ask the minister if the government has been involved in discussions between Ontario Hydro and Luscar with regard to that particular project?

MR. GETTY: Yes, Mr. Speaker. The government has had discussions with Ontario Hydro, the Government of Ontario, and the Luscar company regarding a project referred to as the Luscar-Sterco project.

MR. CLARK: A supplementary question, Mr. Speaker. Has the Alberta government been involved in discussions with the Province of Ontario or Ontario Hydro and the federal government with regard to freight rates pertaining to the transportation of coal from that particular area to Ontario Hydro?

MR. GETTY: Mr. Speaker, I'm not quite certain about that "particular area" comment. Certainly over the years there have been considerable discussions with regard to the east-west transportation of coal and freight rates as they apply to coal. I'm not involved in that right at the present time as a responsibility. It would be handled through the Minister of Transportation and the Minister of Federal and Intergovernmental Affairs, but discussions have gone on in the past.

MR. CLARK: Mr. Speaker, then a follow-up supplementary to the minister. Have there been discussions between Ontario and Alberta, once again, with regard to Ontario finalizing its plans for the extension of facilities at the head of the lakes, so that the coal would be delivered by rail, then taken from there? Has Alberta been involved in these kinds of discussions with Ontario?

MR. GETTY: Mr. Speaker, the impact of the discussions with Ontario has been along these lines. They require an assured supply of coal for the production of electricity. They would like to buy that coal from Alberta. Considerable lead time is involved in planning the required transportation facilities. One of the major ones is the facility that would be required at the Lakehead. Because of the lead time involved, they are anxiously urging us to approve coal developments which will provide them with a supply of coal and allow them to make the transportation investment.

As I pointed out in the House on December 8, we have been working towards a coal policy involving a new royalty and

development guidelines. Unfortunately for Ontario, we've been working on those and have not yet made any final decision regarding them. Therefore, the Province of Ontario, wanting to make its investments, has been urging us to make a final decision as quickly as possible. That position was put to me again at the recent energy ministers' meeting in Ottawa on Friday.

MR. CLARK: A supplementary to the minister. In the answer he gave in the House on December 8, he talked about extraordinary circumstances.

The question is: in light of the interest from Ontario and the need that Ontario Hydro faces, does the government in fact consider that the Ontario Hydro-Luscar project fits within the ambit of the broad general term "extraordinary circumstances"? In other words, can we expect approval on this project before the royalty has been reorganized and the environmental guidelines firmed up?

MR. GETTY: It's difficult for me to say, Mr. Speaker. I mentioned "extraordinary" because I never can completely prejudge what's going to happen in the future, and certainly this is a case. I would hope though that we will be able to have our coal policy guidelines and new royalty proposals prior to dealing with the Luscar-Sterco proposal. However, should something extraordinary happen, we have that potential of course for doing something else.

Home Improvement Program

MR. CLARK: Mr. Speaker, after that extraordinary loophole, I'd like to direct the second question to the Minister of Housing with regard to his announcement today. Can he indicate to the Assembly when we might expect the second phase of the senior citizens' improvement program to be unveiled?

MR. YURKO: Mr. Speaker, the nature of a program such as I have announced on behalf of the government today is very complex and involves a massive amount of difficult administration. As a result, we intend to gain some experience with Phase I of the program before we launch into Phase II. We would hope that by launching Phase I we would gain this experience over the next while. When we're convinced that the manner of implementation and administration in Phase I is sound and applicable we would address ourselves very seriously to the parameters of Phase II and subsequent implementation of Phase II of the program.

DR. BUCK: Easy during the election.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Is it the view of the government that the \$1,000 commitment made to senior citizens during the course of the activities in February and March of this year is in fact a commitment

to all Albertans over 65 years of age who are homeowners?

MR. YURKO: Mr. Speaker, the words are available for everybody to read, and I hope the opposition reads them. The Premier announced that individual grants of up to \$1,000 would be given to senior citizens of limited income who desire to improve or repair their own homes as an alternative to seeking publicly operated accommodation.

MR. CLARK: Mr. Speaker, one last supplementary to the minister. Is it the view of the government that the term "limited income" will in fact restrict the program to Phase I as outlined by the minister today? Where does the government draw the line as far as "limited" is concerned?

MR. YURKO: Mr. Speaker, I thought I was very clear in the announcement I made on behalf of the government today that the program would go forward in two phases with Phase I, associated only with those senior citizens now on the Alberta assured income plan and who meet all the eligibility requirements, going forward at this time. Phase II will be that part of the program extended to other citizens of limited income beyond the Phase I period.

The date, the timing, and the parameters associated with Phase II will be worked out on the basis of the experience gained with Phase I. When these are all worked out, Phase II of the program will be announced in due course.

Coal Development (Continued)

MR. TAYLOR: Mr. Speaker, could I ask a supplementary to the first question to the hon. Minister of Energy and Natural Resources?

My question is: is Ontario prepared to take a mixture of coal, or is it insisting on one classification?

MR. GETTY: Mr. Speaker, Ontario Hydro is presently testing the ability to blend a mixture of coal and burn that in the generation of electricity in the Ontario plants. I do not believe they have reached final conclusions yet. However, it was a matter which they have undertaken as a result of urging by our government that they consider blending both higher and lesser quality coal for their generation of electricity.

MR. TAYLOR: A further supplementary, Mr. Speaker, if I may. Does Alberta have an up-to-date inventory of the various classifications of coal in this province, or are we preparing one?

MR. GETTY: The Energy Resources Conservation Board does have a good inventory of the various kinds of coal. However, more is found at various times, so it's an inventory which has to be updated constantly.

MR. TAYLOR: One further supplementary if I may, Mr. Speaker. In considering possible subventions by the Canadian government, could representations be made to make those subventions at least on a three- and possibly five-year period? Previously, the one-year period was very disturbing to the coal industry.

MR. GETTY: Mr. Speaker, perhaps the hon. member could explain that particular part of his question again.

MR. TAYLOR: Yes. When the Canadian government was paying subventions to move coal to Ontario, it would announce it for a one-year period only. Consequently, neither the industry nor anybody else could gear up for a continual supply.

I would like to see these subventions put on at least a three-year, and better still, a five-year basis, in order to give some stability.

MR. GETTY: Mr. Speaker, it sounds perfectly logical and reasonable to me. I will discuss the matter with my colleagues, the Minister of Federal and Intergovernmental Affairs, the Minister of Transportation, and the Minister of Business Development and Tourism, to make sure the point is made with the federal government in the most effective way.

Hazardous Ornaments

MR. TAYLOR: Mr. Speaker, I believe my question is to the hon. Minister of Consumer and Corporate Affairs. A television program last night illustrated a chirping ornament from Taiwan which is not CSA-approved and is claimed as an electrical hazard. It has been banned in Ontario but is being sold by Zellers across Canada.

My question is: has this government taken any action to ban this ornament from sale in Alberta? Has any attempt been made by Zellers to recall these instruments, which may well be a hazard to life and limb?

MR. HARLE: Mr. Speaker, I would have to take that question as notice.

Camrose Area Expansion

MR. STROMBERG: Mr. Speaker, it has now been 10 or 11 days since I first raised the question in the Legislature as to the freeze on sub-development in my constituency. I was wondering if the Minister of Municipal Affairs has had the opportunity to check into what is taking place.

MR. JOHNSTON: Mr. Speaker, I marvel at the hon. member's recognition of times. I recall that it was Thursday I first heard about it.

Recognizing the tenacity with which he pursues his responsibility to his constituency, I asked my department to put together

some information for me, but at this point I have nothing further to report. However, I will get in touch with the hon. member when the information is available.

MR. STROMBERG: A supplementary, Mr. Speaker, to the minister. Would he consider or recommend that the city of Camrose go ahead with its sub-developments regardless of the current freeze?

MR. JOHNSTON: I would scarcely recommend that, Mr. Speaker. As I understand the hon. member's proviso last time, he was concerned with sour gas wells. To me that is a major condition to any subdivision.

MR. STROMBERG: A final supplementary, Mr. Speaker. If curtailment in Camrose takes place so that it can no longer develop, would the minister's department pick up the rather substantial investment concurred by the city of Camrose?

MR. SPEAKER: The hon. member has made a representation in the form of a hypothetical question.

Farm Income

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Agriculture. Statistics Canada reports show that Canadian farmers in 1976 will have a slump in their earnings of possibly 25 per cent.

My question to the minister is: what studies has the Alberta government done to predict farm earnings in Alberta in 1976? Do the studies, if any, support the Statistics Canada findings?

MR. MOORE: Well, Mr. Speaker, the hon. member would know that some of the information he refers to comes from the papers in support of the Annual Agriculture Outlook Conference being held today and tomorrow in Ottawa. We've been reviewing papers which are being presented to that conference, Mr. Speaker.

Insofar as Alberta is concerned, it is our indication that the reduction in net farm income will not be as drastic as is forecast for the rest of Canada. Two major factors are involved there: first, Mr. Speaker, the diversity of the agricultural industry in Alberta as compared to some other provinces; secondly, as hon. members would know, the decline in net farm income projected largely because of an increase in farm operating costs. Hon. members would know as well, Mr. Speaker, we've been able to keep a number of major farm operating costs, such as fuel oil, fertilizer, taxes, and agricultural credit, at a lower degree of increase in Alberta than they have elsewhere in Canada. As a result we would expect, at the present time, that the decrease in net farm income in Alberta would probably be in the neighborhood of about half what is predicted on a national average.

MR. R. SPEAKER: Mr. Speaker, a supplementary. I understand the minister is going to Ottawa tomorrow. Will he be discussing this particular item in the conference? Also, will he be discussing the stabilization program with the federal Minister of Agriculture?

MR. MOORE: Well, Mr. Speaker, a variety of things is on the agenda for provincial ministers and the federal minister to discuss. Undoubtedly all of them, stabilization and other things, relate to net farm income. So I suppose in an indirect sort of way the net income position of farmers certainly will be discussed. The major portion of the meeting will very definitely involve stabilization.

Fertilizer Prices

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. The department, in conjunction with Unifarm, is monitoring fertilizer costs. Have they given the minister or the government any preliminary estimates as to fertilizer prices in 1976?

MR. MOORE: Mr. Speaker, yes. We do have some predictions with respect to the maintenance of fertilizer prices for the coming year. I don't have them here, Mr. Speaker, but would be able to provide them to members of the House.

MR. NOTLEY: Mr. Speaker, a supplementary question. Can the minister give us a ballpark figure as to whether there will be substantial increases? Or is it the estimate of the department and Unifarm that fertilizer prices will remain generally constant?

MR. MOORE: Mr. Speaker, prior to the anti-inflation program it was our indication that we wouldn't be feeling the effects of substantial increases in fertilizer prices during 1976, such as we have in the last two years. However, I would remind hon. members that it's at least our opinion that, considering it's manufactured in Canada, fertilizer is subject to price increases that have to be approved by the anti-inflation board. So we don't expect increases to be of anywhere near the significance they have been since 1973.

MR. R. SPEAKER: Supplementary to the minister with regard to fertilizer supply. Are all indications at this point that there will be adequate fertilizer for the 1976 season?

MR. MOORE: Mr. Speaker, that's very difficult to determine at this time. The indications are that there will be sufficient supplies of nitrogen fertilizer, and that's one we're mainly concerned about. There has been some delay, however, in two additional plants coming on stream. It may not be till the end of 1976 or the spring season of 1977 that supplies in western

Canada will be sufficient to be absolutely sure there will be no shortages for farmers in western Canada.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Has the government obtained any preliminary information yet as to the impact on the price of fertilizer of so-called energy pass-through clauses -- the price of natural gas going up?

MR. MOORE: Yes, Mr. Speaker. I can't recall the figures exactly, but we do know how much the increase in an MCF of natural gas increases the cost of a ton of fertilizer. I would have to say that increases in natural gas prices are not a significant portion of the increases which have been occurring in recent years with respect to nitrogen fertilizers.

Warble Fly Inspection

MR. MANDEVILLE: Mr. Speaker, my question is also to the hon. Minister of Agriculture, and deals with the announcement indicating that from March 1 to May 30 all cattle offered for sale by auction will undergo a compulsory warble fly inspection. Was this going to be a provincewide program?

MR. MOORE: Mr. Speaker, I'm sorry, I'm not exactly familiar with the announcement the hon. member is referring to, but I'd be happy to check into it and let him know.

Agriculture Statistics

MR. KIDD: To the Minister of Agriculture, and this concerns the prediction of Statistics Canada. I would ask the Minister of Agriculture if any prediction emanating from Ottawa concerning agriculture has ever been correct in the past.

DR. BUCK: Mr. Speaker, the advice is just about as reliable as the provincial government telling the cow-calf operators to raise cows.

Fort Saskatchewan Jail Incident

DR. BUCK: Mr. Speaker, my question is to the hon. Solicitor General. I would like to ask if he can inform the Legislature of the circumstances surrounding the mini-riot and fire that occurred as a result of that small riot in the Fort Saskatchewan Correctional Institute over the weekend.

MR. FARRAN: Mr. Speaker, it was a comparatively minor incident at the Fort Saskatchewan Correctional Institute over the weekend. Unfortunately, the incident of mattress burning in the Calgary Correctional Institution seems to have induced some other inmates to follow the example. I

wish, Mr. Speaker, that the inmates themselves would understand what a frightening thing the prospect of a fire is in a correctional institution and the danger inherent for both themselves and fellow inmates.

A mattress was set on fire in one cell. When the inmates were transferred to the third tier of A Block, one of the cell blocks, there was a degree of disturbance. But the inmates were eventually transferred. There is some suspicion that the incident arises from a possible introduction of contraband into the correction. The RCMP is investigating.

DR. BUCK: Mr. Speaker, a supplementary question. Can the hon. minister indicate the number of correctional officers injured during the riot?

MR. FARRAN: Mr. Speaker, one correctional officer was hit with the leg of a chair, another was struck in the mouth, and a third had his back wrenched as the larger number of prisoners was being transferred from the location of the fire to the third tier in the cell block. Mini-streamers of tear gas were used.

DR. BUCK: A further supplementary, Mr. Speaker. Has the minister had an opportunity to estimate the monetary damage, the number of dollars it will require to get the newly renovated building back into shape? Is there a preliminary estimate?

MR. FARRAN: Mr. Speaker, fortunately the dollar cost of the damage is comparatively slight. Some part of the cubicle where the fire began may have to be replaced. Some of the paint on the ceilings is scorched, and the fluorescent light fixtures were burned. The preliminary estimate is \$5,000.

Spy Hill Jail Incident

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Has he received yet the report from the Calgary Correctional Institution with regard to a similar situation there, I believe it was two weeks ago? Has he received the report? Secondly, could the minister give us very briefly the causes for the situation which developed at Spy Hill?

MR. FARRAN: Mr. Speaker, I haven't received the full inquiry report. I understand that charges for arson have been laid against four of the inmates who instigated the disturbance. I think I told the House earlier that the disturbance arose from two causes. One was the denial of day parole or temporary absence to some of the inmates. Of course, this is a very selective process. Only the most trusted minor offenders are allowed out into the community. The other cause was restriction of visiting privileges to security visits -- through a glass panel by telephone -- because of a temporary shortage of staff

and the fear of contraband being introduced into the institution.

Mr. Speaker, I should point out that although one tries to make these places happy places as far as circumstances will allow, one has to accept that they fall far short of paradise.

Schools in Mill Woods

MR. NOTLEY: Mr. Speaker, I'd like to direct my question to the hon. Minister of Education. It concerns the Mill Woods schools question. My question is: has the minister had an opportunity to meet both with parents from Mill Woods and the school board in the city of Edmonton to discuss this matter of additional school facilities in the Mill Woods area?

MR. KOZIAK: Mr. Speaker, I have met with the representatives of the Edmonton Public School Board in connection with provision of provincial support for the construction of school facilities within the city. I have not met with a parents' group directly from the Mill Woods area.

MR. NOTLEY: Mr. Speaker, a supplementary question. Is the minister able to advise the Assembly whether the school buildings branch has assessed not only current enrolment but projected enrolment? Is he satisfied this enrolment can be handled by the schools presently planned, or will additional schools be required in the next short while?

MR. KOZIAK: Mr. Speaker, if one were to take into account all the facilities available in existing structures for students in the city of Edmonton, no new construction would be necessary. However, we're faced with the situation where parents with school age students are moving out of the central core areas of the city of Edmonton into the new subdivisions around it. Some time ago this necessitated a change in the regulations under which the school buildings branch recognizes a statement of need. In that particular case, a statement of need for a core school is then recognized in a new subdivision, either a six by six or an eight by eight community core school. Mr. Speaker, I don't have in front of me the exact number approved in the last while, but a number have been approved for that area.

Sour Gas Wells

MR. MUSGREAVE: Mr. Speaker, I'd like to address my question to the Minister of Environment. It's my understanding that approximately 1,000 acres of land in the city of Calgary have been held up for development because of sour gas wells. I also understand the government was prepared to enter into an agreement whereby the wells could be made safe.

Mr. Speaker, would the government con-

sider ensuring that the company that owns the wells would see that they are made safe so development can proceed?

MR. NOTLEY: And pass on the information to Camrose.

MR. RUSSELL: Mr. Speaker, with respect to that particular situation, the wells are outside the city limits. The land the private owners want to develop is inside the city limits. We spent considerable time in attempting to bring the parties together, and they have agreed that the developers of the land will pay for relocating the sour gas wells farther away so that the land then becomes permissible for development.

ACCESS Budget

MR. CLARK: Mr. Speaker, I'd like to direct my question to the Minister of Advanced Education and Manpower. It follows up the questions I asked the minister late last week with regard to a freeze on hiring at ACCESS, and the availability of funds for private film producers.

Is the minister in a position to indicate to the House what he has found out about both matters?

DR. HOHOL: Mr. Speaker, with respect to the relationships of ACCESS and private companies, my understanding is that there has been no break in the hiring of companies to do private production, or whatever aspect of ACCESS' enterprises that may happen to be. Within the constraints of the budget, it's conceivable that certain companies are not doing work they had previously done for ACCESS. With respect to staffing, I'm not sure, but I would gather that there would be no freeze, other than the fact that the staff permitted under the current budget has been filled. New staff, of course, is a consideration of the 1976-77 budget.

Film Industry

MR. CLARK: Mr. Speaker, a further supplementary question. I wonder if the minister would be in a position to indicate when the government plans to respond to the questions posed to the minister and his colleague, the Minister of Education, by representatives of the private film industry when they met with the two ministers, I believe in October of this year.

When do the ministers plan to respond to the people who made the representation?

DR. HOHOL: Mr. Speaker, that commitment to respond has been met through discussions with the leadership of the private industry in meetings with them and with ACCESS. Not so recently, probably about three or four weeks ago, I spoke with the president of the private film association. We both agreed that that conversation would consti-

tute the commitment to respond to their requests as they gave them to us in our private meeting.

Nutritive Processing Agreement

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Agriculture and ask whether any ceiling has been set for grant assistance under the guidelines of the agricultural processing agreement under DREE?

MR. MOORE: No, Mr. Speaker. So far as I'm aware, there is no ceiling on the grants which might be made available under the nutritive processing agreement between the Government of Alberta and the Government of Canada signed last March.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is any element of retroactivity in this agreement for concerns which were started before the agreement was signed but would come under it now -- they got the show on the road before the agreement was signed?

MR. MOORE: Yes, Mr. Speaker, there is an element of retroactivity for certain operations. I'm sorry the length of reply on that would be such that I have to provide it in written form. I might add further to my earlier answer with respect to the limits on the grants, there are no limits in terms of total dollars but, in fact, there are limits to the grant which might be applied in terms of the percentage of the total investment in that particular plant.

Malt Plant, McLennan

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister. Is he in a position today to advise the House what kind of assistance the malt project at McLennan will be receiving in terms of grants under the processing sub-agreement?

MR. MOORE: I'm not able to at all, Mr. Speaker, except to say that the principals involved in that particular company have made an application to the joint committee of federal-provincial officials with respect to receiving a grant under the nutritive processing agreement. As I understand the agreement, the joint committee has the authority to recommend grants of up to a maximum of 35 per cent of the total capital employed. It doesn't necessarily follow, Mr. Speaker, that that will be the recommendation. It could be much less.

MR. NOTLEY: Mr. Speaker, one final supplementary question. When will the minister or the principals be in a position to clarify the mystery surrounding just who is going to develop the plant in McLennan?

MR. MOORE: Mr. Speaker, there is really no mystery. It's just that the principals of the company, who have been involved in securing financial partners, have not yet concluded all their arrangements and did not wish to announce the financial participants until such time as that occurred.

Mr. Speaker, because it's a private venture and one which we've been assisting only by way of helping with feasibility and marketing studies, it was not my intention to make any announcements in that regard. As a matter of fact, Mr. Speaker, at this point in time I'm not fully knowledgeable about the various participants in the plant. They've informed me, Mr. Speaker, that in January or perhaps February of next year they'd be in a position to make that known.

Syncrude Accounts

MR. CLARK: I'd like to direct my question to the hon. Member for Edmonton Calder, once again, in his capacity as representative on the board of Syncrude. It deals with the question of the accounting manual.

Has the accounting manual been completed? Secondly, is the Provincial Auditor involved in doing the auditing on a pre-audit basis?

MR. CHAMBERS: Once again, Mr. Speaker, I'd like to thank the Leader of the Opposition for asking me a question, with the cameras here and so forth. I will once again refer it to the . . .

DP. BUCK: Answer it, answer it.

MR. CHAMBERS: . . . Minister of Energy and Natural Resources.

MR. GETTY: Maybe, Mr. Speaker, if he leans over a little bit we'll both get in this one.

Mr. Speaker, this matter was drawn to my attention by the hon. member and by my colleague, the Minister of Federal and Intergovernmental Affairs. Two questions were asked on Friday in my absence. With regard to the accounting manual, Mr. Speaker, the principles in the accounting manual have been worked out and agreed to between the government and the Syncrude participants. The accounting manual would be attached as a schedule to the agreement when it is signed.

The second question had to do with the Auditor's role. The hon. Member for Olds-Didsbury mentioned whether the Provincial Auditor is involved in pre-auditing the work being done on the Syncrude site, prior to payment of bills. The 10 per cent equity the Alberta government has in the total Syncrude project is not pre-audited in the sense that the member placed his question. However, the Provincial Auditor does carry on an almost constant audit of the cost, because he has the right within the accounting manual to challenge any costs that do not appear to be reasonable in light of the 50 per cent share of

profits as a royalty which the government has negotiated.

MR. CLARK: A further supplementary question to the member. Is the government in a position to table in the Assembly the accounting manual as has been agreed to by the existing partners? Secondly, when might we expect the agreement to be signed?

MR. GETTY: Mr. Speaker, when the agreement is signed, we'll know for sure that everybody, by signing the agreement, has agreed to the full accounting manual. Certainly it would be my intention to table it in the House.

As to when that agreement might be signed, Mr. Speaker, there is a considerable problem with three large companies, three governments, and all their lawyers [interjections] -- particularly the lawyers . . .

MR. FOSTER: On a point of order.
[laughter]

MR. GETTY: . . . getting together and agreeing that a document is now ready to be signed. As hon. members will recall, the agreement in principle was reached on February 3 and 4, 1975. I'm hopeful we will be able to have the agreement signed before the full year runs out.

AGT Security Deposit

MR. GOGO: Mr. Speaker, my question is to the Minister of Utilities and Telephones. Is he aware that Alberta Government Telephones, as a condition for supplying telephone service in the Lethbridge area, is charging a \$50 security deposit for certain people under the age of 21? Further to that, would this be a policy of Alberta Government Telephones throughout the province?

DR. WARRACK: Mr. Speaker, I would need to check to confirm that matter. Certainly, if it is confirmed, I would think there would be no doubt it would be a policy which would apply equally across the province. In any case, I would need to take that particular matter as notice and advise the hon. member.

Environmental Report -- Syncrude

MR. CLARK: Mr. Speaker, I would like to direct my question to the Minister of Environment and ask if he is in a position to indicate to the Assembly when we might expect a response to the assessment done for the opposition by Dr. Smith of the University of Alberta on some of the environmental problems [of] the Syncrude project.

MR. RUSSELL: Yes, Mr. Speaker. It's in the mail to the hon. leader now.

Spring Session

DR. BUCK: Mr. Speaker, I'd like to address this question to the Government House Leader. Now that we're getting close to the end of this fall session, can the minister indicate if the government has set any date for the opening of the spring session?

MR. HYNDMAN: Mr. Speaker, no specific date has been set, but I would think it might be sometime in the general area of early March 1976.

ORDERS OF THE DAY

GOVERNMENT BILLS AND ORDERS (Third Reading)

Bill 46 The Criminal Injuries Compensation Amendment Act, 1975

MR. HYNDMAN: Mr. Speaker, I move that Bill 46, The Criminal Injuries Compensation Amendment Act, 1975, be not read a third time, but be referred back to Committee of the Whole for a further amendment.

[Motion carried]

GOVERNMENT MOTIONS

4. Mr. Hyndman proposed the following motion to the Assembly:

Be it resolved that,

(1) A select committee of this Assembly be established consisting of the following members:

Chairman: Dr. D. McCrimmon

Members: Hon. S. McCrae

J. Butler

R. 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 seems proper.

- (2) Members of the committee shall receive remuneration in accordance with Section 59 of The Legislative Assembly Act.
- (3) Reasonable disbursements 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. HYNDMAN: Mr. Speaker, I suggest it's appropriate and timely that this select committee be established at this time. It was 8 years ago, in 1967, that this act was passed. At that time, the institution of the Alberta ombudsman was the first in North America. If the committee sits during 1976 and the Legislature considers the matter in 1977, that will be approximately 10 years, a decade between when the bill was first moved, the position established, and a reconsideration of the act commenced by the Legislature.

I think it's also timely because, in the fall of next year, I understand the first international ombudsman convention will be held in Edmonton, September 7 to 10. It's appropriate, I think, insofar as Alberta was the first jurisdiction in North America to have an ombudsman, a position which was set up by the previous government. At that convention 40 to 50 delegates are expected. They will be coming from the Pacific Rim area, the United States, and the Third World countries, as well as Europe.

Members will note that the committee is empowered to hold public hearings. The areas it might wish to examine would include the area of jurisdiction of the ombudsman, the relationship of the ombudsman's office to the Human Rights Commission, the question of the disposition of and research involving closed files, the present goals and working style of the ombudsman, potential goals, and future alternative directions. Perhaps the items of salary and pension considerations relating to the ombudsman would be appropriate as well.

It's anticipated that in carrying out its work the committee would be reviewing the act and annual and other reports that have been filed in the Assembly, inviting submissions from previous ombudsmen and the existing incumbent, from the public, various groups, organizations and associations, and perhaps also reviewing legislative approaches in the other jurisdictions.

[Motion carried]

PRIVATE BILLS (Second Reading)

Bill Pr. 7 An Act to Amend the Calgary Convention Centre Authority Act

MR. MUSGREAVE: Mr. Speaker, I move second reading of Bill Pr. No. 7, and I would bring to the attention of the hon. members that an amendment has been moved and passed by the Private Bills Committee and has been circulated in the House.

[Motion carried]

GOVERNMENT BILLS AND ORDERS (Second Reading)

Bill 58 The Motor Vehicle Administration Act

MR. TAYLOR: Mr. Speaker, the second point I would like to deal with in Bill 58 is the matter of impaired driving. I'm not going to spend very much time on it. But in my view, we could be carrying out some effective work in connection with impaired driving if our police would go to the trouble of laying a charge for a second offence, as provided for in the Criminal Code of Canada. The police relatively seldom lay a charge for a second offence even though it's the second, third, or fourth offence of impaired driving. The second offence carries penalties much stronger than when you are being charged for the first offence one, two, three, four, and five times. As a matter of fact, there's a jail term involved with the second offence.

It is my view that the legislation is there and our police officers are not taking advantage of it, probably because there's much more difficulty in getting all the facts in checking whether a person has had a conviction for impaired driving. I think it would pay off if our police would go to the trouble of checking on the second offence and laying a charge on the second offence.

I know the difficulty the minister will have, because I attempted to do this when I was in office and had some success, but relatively very small. The police had various excuses for not laying second offence charges. I call them excuses, because if a person is committing the same offence two, three, and four times, in my view he should be charged under the second offence provisions of the Criminal Code of Canada. All I'm raising here is the hope that the police will be more alert and go to the extra trouble of laying second offence [charges] where it is indeed a second, third, or fourth offence. This would bring the law home to many, many

people and to everybody, because if the police did start carrying out that procedure it would probably be carried in the press.

The third item with which I'd like to deal is the matter of gross negligence as contained in the act. I suppose I should feel a little embarrassed in raising this point, because it is the wording I provided personally several years ago. However, it provides that this is a charge a person may lay for gross negligence for gratuitous riding. If I pick up a person on the highway -- and this is really the item that was prominently in mind when this original section was passed -- and that person then sues me for giving him a free ride, it is necessary for him to prove gross negligence in order to get the case into court.

However, in the latter term in office of the Social Credit group, another case came to mind which appeared quite prominently in the press. That was a case where two or three friends were going hunting. One said, I'll take my vehicle, and the others agreed. So he took his vehicle. In one case, one of the hunters, the best friend of the driver, was killed. The widow later sued the driver for gross negligence. All had been drinking. The point came out that there's quite a difference between three or four people agreeing to take one car. They're sharing the driving and they're going through the same exercise of drinking "beverages". Then for one to sue when an accident is involved seems a little unfair.

I think that gross negligence is reasonable in some cases. But there are cases where I don't think there is any excuse for a driver being negligent.

I have the habit, I suppose maybe it's a bad habit, of picking up hitch-hikers, particularly young people who are largely university or high school students trying to get somewhere and don't have the money to pay their way. I have often thought of what might happen had an accident occurred.

Some of them have told me some interesting stories. One chap, a university student from Ontario, told me he had been picked up by a driver in Manitoba who wouldn't let him out. The driver was badly impaired. He said he was driving at 100 and 110 miles per hour. Fortunately, they had to stop for gas somewhere and the chap immediately got out. But he was trying his best to get the driver to stop because he wanted to get out. Had an accident occurred -- I think that was negligent, but whether you can prove gross negligence in a case like that is questionable.

In raising it at this time, my point is that we were getting our thinking somewhat solidified in regard to this section to making differences between gross and straight negligence charges. I think if I pick up someone, I have a responsibility to drive properly. If I am negligent, then maybe I should be charged, and so on. But whether gross negligence is the proper charge -- all I'm doing at this time is asking the hon. minister to have his department carry out a study of the various matters involved in proving gross negli-

gence under this section. I think some very useful legislation might evolve from that study.

The next item I'd like to deal with in the bill is the apparent decision of the government to prevent young people between 14 and 16 from operating small motorcycles. The regulations at the present time permit the operation of small motorcycles up to 100 cc. In my view, this is excellent training for young people. I was sorry to hear of the decision by the hon. minister, and I'm going to endeavor to show, in just a very few minutes, that the legislation in Alberta has apparently -- because nobody can be sure about this -- saved many lives and many injuries compared to the legislation elsewhere.

Before we put that into the act, I had interviews with the ministers in Ontario and Quebec, which have legislation whereby you cannot operate a motorcycle until you're 16. The difficulty I found there -- and I think their statistics bear it out, even right up to the last statistics -- is that when a young person is not permitted to operate some type of motorcycle until he's 16, many of them at that age buy a Harley Davidson or a high-powered motorcycle, with the result that there's a real harvest of deaths and injuries. I want to just look at the statistics in that regard, here and elsewhere.

For instance, in Alberta in 1972, the motorcycle accidents in regard to deaths, as outlined in the government's own figures -- which I think is an excellent procedure -- are set up in order to be comparable with those right across Canada -- from 5 to 14, 15 to 19, and 20 to 24 years of age.

In 1972, no driver of a motorcycle was killed in the 5 to 14 years in Alberta at all. You might say, why 5 to 14? Well, because some young people drive illegally; and as you'll notice in the statistics I want to deal with, some have been killed. Some, even in this province, have been killed when they've been driving under the age of 14, not permitted by law. In '72, in the group 5 to 14 years of age there were 5 killed; in 15 to 19, 5 killed; and in 20 to 24, 7 killed. In connection with injuries, 5 to 14, there were 47 injuries in Alberta, 294 between 15 and 19, and 140 between 20 and 24.

In '73 the statistics are much the same. No one was killed up to 14 years of age; 5 were killed between 15 and 19 years of age, and 9 were killed between 20 and 24 years of age. There were 251 injured between 15 and 19, 30 between 5 and 14, 175 between 20 and 24.

And in 1974, the last statistics: 5 to 14 year olds operating motorcycles, 3 were killed; ages 15 to 19, 5 were killed; and 20 to 24, 7 were killed. During the same year: in the first group, 5 to 14, 36 were injured; 15 to 19, 265 were injured; and 20 to 24, 163 were injured.

Now there isn't a breakdown between 5 and 14. In many cases, those are people under the age of 14 who are operating small motorcycles or scooters illegally. Some even operate vehicles which have not been authorized by the Department of Transporta-

tion, such as kiddie carts. A kiddie cart might be a very interesting vehicle around your yard, but I hope it's never permitted to be operated out in traffic, because it is really tantamount to murder. You can hardly see the driver, if he is a young boy, when you're sitting up in a high truck.

Every death, of course, is serious, as the hon. minister mentioned. In Canada, there are a lot of deaths and injuries every year from motorcycles. As a matter of fact, in '73, the last statistics I have from Statistics Canada, in the whole of Canada 9 drivers were killed between the ages of 5 and 14 -- a number of these were in other provinces; 15 to 19, 169 were killed across Canada; and 20 to 24, 127 were killed. The injury list is very bad: between 0 and 4 years of age, 9 persons were injured in Canada operating some type of motorcycle; between 5 and 14, 212 were injured; between 15 and 19, 5,031; and between 20 and 24, 3,490.

What I'm trying to show is that the provinces which didn't permit any operation of small motorcycles as a training period until people got to the age of 16 have a far worse record than Alberta. Let's look at Alberta's record for '73, so we will be able to compare it with the other provinces. Between 5 and 14, in '73, no driver was killed; between 15 and 19, 5 were killed; and between 20 and 24, 9 drivers were killed.

In connection with injuries, 1 driver was injured between 0 and 4 years -- we're talking about drivers only; between 5 and 14, 30 were injured; and between 15 and 19, 251 were injured. I think you have to assume a good number of those were over the age of 16. Alberta is the only province which has this training period on motorcycles, where people from 14 to 16 are permitted to operate a small motorcycle, a scooter, providing it is not over 100 cc.

Let's look at Alberta, compared to that Canada death rate of 9 between 5 and 14. Between 0 and 4, in Alberta, no one was operating. I think that's understandable. Between 5 and 14, no motorcycle operator was killed in Alberta; in Canada, 9 were killed while operating motorcycles. Even if you assume they were all aged 14 -- which they weren't -- Alberta had no deaths and Canada had 9, who were apparently operating illegally because the law wouldn't let them operate. Between 15 and 19, in Canada, 169 were killed operating motorcycles; in Alberta, between 15 and 19, only 5 were killed out of that 169 -- only 5. In British Columbia, where they have to be 16, between 15 and 19, there were 23 killed operating motorcycles. If we go to Ontario and Quebec, the picture is even worse. [In Ontario] between 15 and 19, there were 43 drivers killed. In Quebec -- apparently I don't have Quebec's [figures] -- the picture was worse than Ontario's, if I recall properly.

When it comes to that 15 to 19 group, I want to emphasize that we have Alberta with 5 operators being killed -- 5 too many, I admit. Whether these had motorcycles before they got to be 16 is questionable.

That could be checked in the record, but I think you will find many of these started at 16 with a big motorcycle. In British Columbia, between 15 and 19, 23 were killed -- you have to assume they all started after the age of 16, the legal age. I think it's logical to understand that when they start on a Harley Davidson, a high-powered motorcycle, without any training experience on a 100 cc. motorcycle, it's very easy to see how the motorcycle could go out of control. If any hon. member has ever operated a motorcycle, he will know how powerful it is. To get on one of those big, powerful machines at that age is a pretty serious thing. That was why some years ago we started the training period for small motorcycles up to 100 cc from age 14 to 16. In my view, the statistics show that was a good thing to do.

When I discussed the matter with the minister in Ontario, he said, our trouble is that when they get to the age of 16, many of them buy a high-powered motorcycle, and of course they have to try it out. They will go as fast as the motorcycle will go, which is very, very fast. That same year, on these comparable statistics by Statistics Canada, 43 were killed in Ontario and 23 were killed in British Columbia, compared to 5 in Alberta. In the years which I have checked, Alberta has a consistently better record in the 15 to 19 age group. The 5 to 14 age group, in our record, is far superior to anything else in Canada. I'm not suggesting they should be driving motorcycles under the age of 14. Some of those who have been killed in Alberta, as elsewhere, have been under the age of 14, driving illegally with the parents' consent. That part isn't very, very good.

I'm urging the minister to take another look at this matter of prohibiting boys and girls of 14. Our young people are pretty able at the age of 14. In our rural communities, many have been operating tractors with their fathers from the time they were 9 and 10. When they get to be 11, 12, 13, and 14 they are pretty knowledgeable in regard to the operation of motor vehicles. Many of them use these 100 cc. motorcycles, scooters, to very good advantage. I really think we should not make a scapegoat of our young people by banning them all, stopping them at that age from learning how to operate a motorcycle. I think it's real good training.

Now, if I could just say a word or two in connection with probationary drivers. Again, I think it's a good training period between 14 and 16. I'm glad the hon. minister has left that part in the act. When they're driving under the control of their parents, or somebody over 18, they learn many things. They learn how to become better drivers. We say to them that when you get to the age of 16 we're going to give you your probationary licence, but I'm wondering if all our licences aren't always probationary.

Let's look at the Alberta statistics in regard to this for '74. By age alone, between 16 and 19 the number of fatalities in Alberta was 123, which is bad. Under 16

there were only 14. These were driving illegally, by themselves, not under a learner's licence. The record is good for 16 to 19 compared to the group 20 to 24 where there were 150 persons killed. In my view, that age group with 3 or 4 years' experience is the one you have to watch. They get too daring. They get a girlfriend, they want to show what wonderful drivers they are. Or the girlfriend gets a boyfriend, she wants to show how wonderful she is. That's when we have a lot of these deaths. When it comes to accidents, again, there was a greater number killed in the 20 to 24 group than the 16 to 19.

All I'm trying to say is, let's not make our young people the scapegoat as the insurance companies have been doing. I've said to insurance companies many times, and I say it again, that if a young person is driving recklessly and has convictions and accidents, then throw the book at him. Double his premium. Take him off the road. But hundreds of our young people drive carefully and prudently, without accidents, without convictions. It's not right to put them all in the basket, as if they were all bad. Many of them are good.

I want to make a plea for these drivers between 16 and 18. If the insurance companies would return part of that heavy surplus premium they're charging those young people today, to everyone who didn't have an accident or a conviction during that year, it would be the greatest incentive we could provide to our young people to drive carefully and prudently. We'd be surprised how many of them would get back some of that money they're now paying -- I say illegally charged by the insurance companies -- when they're A one drivers.

Again I emphasize, if they're having accidents or convictions, charge them. Charge them a premium. Let them pay for their mistakes. But let's not charge them when they're not having accidents. The insurance companies are doing that. I'm hoping the probationary licence will not create [the idea] in the minds of our young people, as it did when we tried it once before, that they were being picked on when the accident rate and the death rate in other age groups was worse than theirs. The statistics will show that. Let's treat them according to the way they drive as individuals, and not shove them in a basket and make them all pay for the mistakes of relatively few.

I'm sorry, my time is gone. Generally, I think this act is very excellent, as I said at the beginning, and I plan to support it. But I do hope the hon. minister and the government will give consideration to the two points I have raised.

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

HON. MEMBERS: Agreed.

MR. FARRAN: Mr. Speaker, I certainly appreciate the very constructive remarks of the hon. Member for Drumheller. Perhaps I could deal with them in more detail when we

get into committee. I move second reading of the bill.

[Motion carried; Bill 58 read a second time]

Bill 59

The Highway Traffic Act, 1975

DR. HORNER: Mr. Speaker, I move second reading of Bill 59, The Highway Traffic Act. Essentially, this bill is a consolidation of those particular matters that relate to the Transportation Department as opposed to the enforcement and registration matters in The Motor Vehicle Act. In general, there have not been any changes of consequence other than that, and this essentially standardizes the rules of the road and other such matters.

I move second reading.

[Motion carried; Bill 59 read a second time]

Bill 80

The Temporary Rent Regulation Measures Act, 1975

MR. YOUNG: Mr. Speaker, on Friday last I was making some comments on this bill. Perhaps I should commence this afternoon by reiterating very quickly my concern that in this bill we have tried to meet a particular problem, the problem of relatively rapidly rising rents developing out of a situation where we have a very low vacancy rate in apartments.

I would point out to hon. members that while the bill will be useful in preventing some of the very rapid escalation which seemed on the horizon, I don't think we should look at it as solving what I regard as the two key problems, the first being adequacy of accommodation in terms of number of housing units. I'm pleased to say that, checking some statistics today, I found that we have indeed begun an uptrend, a rather sharp increase in housing starts in the last four or five months of 1975. I think this indicates that the pressure on our housing situation should grow no worse and may, in fact, begin to improve.

The other concern I have is perhaps more precisely expressed by the term "affordability". I think even though we have more housing coming on stream, the problem for many people will be whether they can afford it. That's something which concerns me with respect to this bill, because the bill itself cannot provide inexpensive housing.

Mr. Speaker, the hon. Minister of Consumer and Corporate Affairs, in introducing the bill, mentioned the rental rate increases which had been relatively modest for several years and then sharply accelerated. I think he used the percentage 11.2 for 1974 or thereabouts -- in the last year, anyway. Mr. Speaker, I did some checking on the single family dwelling

units and the price has escalated much more sharply than that.

I checked the construction trade rates and found that new housing price increases had, in fact, almost doubled in Edmonton over the period '71-75. That's single-family dwelling units. But it does reflect a basic cost which has to be considered in rental units. I checked the labor rates for the construction trades, and the average negotiated rate for 12 construction trades in Edmonton shows an increase of well over 50 per cent in the 3 years of 1971-74.

Mr. Speaker, I think the problem we have with respect to rental costs in the cities of Edmonton and Calgary can perhaps be arrived at by considering the rental rates to be more governed by the supply and demand for units than by reflection on the cost of building those units. We have had a period in which the supply outstripped demand. It gave rise to a fairly stable rental rate. Then suddenly, when the demand caught up to supply, we had a very sharply accelerating rental rate which, in my opinion, has not yet caught up to the true cost of constructing new units. Mr. Speaker, I think we must keep this in mind.

I would suggest to all hon. members that the recent sharp increase in rents has caught many people with a large proportion of their budget increasing rather dramatically. Some of those persons have had rapidly rising incomes, as a result of wage increases, and can afford it if they are prepared to commit to housing costs the same proportion of their family budget as they were committing three or four years ago. But many of them fail to realize that in fact they are still going to have to commit between 20 and 30 per cent of their income to housing accommodation. If they consider that, I think they will be able to afford housing.

Mr. Speaker, another group for whom there is a very real problem, is those on relatively fixed incomes or pensions, or in a low wage category. That group, Mr. Speaker, is not going to be helped in the long term by this legislation. We may very well have a problem of redistribution of income, of having to increase, through this Legislature or [by] some other means, pensions or social assistance for that particular group. However, we have to attack the problem. But it's going to be a problem of getting sufficient money into their hands if we get -- and I shouldn't say "if", I should say "when" we get sufficient housing units on the market.

Mr. Speaker, with those comments I'd just like to reiterate my earlier statement that it is my hope this legislation will provide what has been referred to as a form of rough justice, that it will permit rents to rise sufficiently to indicate to potential builders that there is a hope of recouping their investment, will permit rents to rise sufficiently so those people who can afford housing will continue to realize they must contribute a substantial portion of their income to the cost of housing as they have been doing over many years. At the same time, Mr. Speaker, I'm

hopeful it will prevent some of what has been described as abuse, some of the extreme increases that were discussed in the Assembly.

Mr. Speaker, one other point I like about the bill is that it provides for a maximum of two increases per year within the percentages allowed. I think that's a very useful provision in the sense that it should enable families to budget more knowingly when they know the maximum they can have is two increases, because we have had some experience with a number of increases occurring to a given family within a period of a year.

Mr. Speaker, with those comments, I commend the bill to the Legislature.

MR. CHAMBERS: Mr. Speaker, I would like to make only a few brief remarks on second reading of this bill. First of all, I would say I've enjoyed listening to the comments of all the members who have participated to date. I think the remarks have been thoughtful and constructive. This is certainly an unusual bill, and I think it's been an unusual debate. I think we all agree that Bill 80 is unusual in that it has the self-destruct feature after 18 months, and I find the debate unusual because for the most part, I think, members are not happy to see a price-control measure imposed upon our society. Therefore, I think we all view the bill with some degree of reluctance. Yet I think we're all aware there just can't be wage controls without price controls, because that wouldn't be fair.

I was interested in the statistics the minister presented, for example the 11.8 per cent average rent increase in Edmonton over the past year. I guess that number doesn't surprise me. I've had a few calls from constituents who have suffered two or three large rent increases over the past year, some as much as 50 per cent, and to the point that I would think in certain cases these increases could certainly be defined as gouging. On the other hand, I am aware of responsible landlords who have raised their rents modestly, if at all.

To be fair to landlords, their costs have gone up too. In fact, in cases where apartments have been sold at current market values or refinanced to represent current market value, there is no question that in many cases a significant rent increase would likely be required. For example, looking at, say, a 10-suite apartment that might have been built for \$100,000 a few years ago and would now probably cost in the order of \$200,000, in line with the doubling feature the Member for Jasper Place mentioned, if you looked at the interest alone on the additional \$100,000 value, that would probably amount to something in the order of \$100 a month per suite.

Also, I don't really think the argument of the Member for Spirit River-Fairview -- although I know he is convinced of it -- is particularly logical in this regard. His argument [is] that the rent should be based on what the landlord paid for the apartment and not necessarily the current market

value. Fortunately, however, many landlords have looked at it that way and are keeping the rents down. But I think one would have to ask why the landlord wouldn't either sell or refinance so he could put his money into something that yields perhaps a more lucrative rate of return.

We were very fortunate in that for many years there was significant apartment construction here, and therefore a fairly high vacancy rate. This, of course, created competition. Rents were low, and tenants generally had a good deal. I've had many people call me and wonder what's happened to that situation. What went wrong? I suppose the answer lies in large part in the high inflation rate that has escalated construction costs and raised mortgage interest rates. Also, Alberta's booming economy no doubt creates extra demand for housing.

But I think another major factor was the federal Liberal government's ridiculous a buck is a buck philosophy, which resulted in the cancellation of the capital cost allowance in both old and new construction. In my view, that was the best form of subsidized housing that has ever been devised. People earning high incomes could write off losses from apartments against income revenue they had from other sources, and they were eager to build apartment buildings as tax shelters. They were not interested in obtaining exorbitant rental rates. In fact in many cases they were content just to pay costs. They preferred to have the tax write-off and to build future equity. Since the federal government terminated that program, there just has not been the incentive for people to invest in apartments to the same extent.

I think all members would likely agree that the real solution to rent escalation lies in once again achieving a surplus of apartments, so a tenant has a choice of accommodation and there is genuine competition for his rental dollar.

Consequently, Mr. Speaker, I applaud the government's initiative in putting \$50 million plus per year at 8 per cent into the core housing incentive program where half the units are to be rent-regulated, and the \$10 million plus per year in the modest apartment program for building apartments in the smaller centres throughout Alberta.

I think the mobile home park development program should also be of considerable value. I would also like to commend the Minister of Housing and Public Works for his success in convincing the federal government to renew the capital cost allowance, at least on new construction, for a two-year period. Hopefully, this will bring once more a substantial amount of private funds into apartment construction.

Mr. Speaker, I plan to support Bill 80. I again reiterate, if wages are going to be controlled, I think it's obvious that rents must be controlled. I would also hope that landlords who took significant, or let's say adequate, rent increases prior to the effective date of this legislation will show a genuine sense of social responsibility, and not go for another 10 per

cent just because it is legal. In fact, I think that by far and away the vast majority of landlords are responsible people and will respond to this in a conscientious way.

I believe it was the Member for Edmonton Jasper Place who pointed out the other day that no matter what effective date was used for the legislation, it would be the wrong date for people who had just had their rents raised prior to that date. Furthermore, it seems to me that any earlier dates than those proposed in this act, January 1 for implementation and October 1 for notification, would be impractical from an administrative point of view.

In conclusion, Mr. Speaker, I would hope that every member in the Assembly supports this legislation, and that there will be sufficient apartment construction over the next 18 months to once again create a competitive situation in apartment rentals in Alberta.

Thank you.

MR. CLARK: Mr. Speaker, I'd like to make just a few comments with regard to the temporary rent control act, and say that I too have enjoyed the debate. I think the Member for Edmonton Calder perhaps summarized it well when he said it's been somewhat of a unique debate. I really heard no one stand in his place and say how pleased he was that we have this kind of legislation before us. The fact is that we do have it before us and, having that in mind, we have to try to make it work from that standpoint.

I think the comment has already been made that really we're dealing here with rather a rough form of justice, and whatever dates are used, whatever rates we end up with, there are people who are going to feel that they have not been protected by their members in the Legislature. On the other hand, there are going to be landowners or landlords who are going to feel that the members of the Legislature have not in fact done the job for them. I think it's been said several times, and perhaps bears repeating, that we wouldn't be in this situation today if it wasn't for the federal government's anti-inflation program, and the commitment on behalf of all members of the Assembly to in fact make that program work.

There are, I think, three parts to the bill for which the minister deserves credit or commendation. I think everyone agrees with the freeze on the conversion to condominiums. I think everyone agrees with the exemption of new construction. And at least there's some effort as far as tenant security is concerned, not as much as some of us would like to see but at least there's a move in that direction.

However, there are three areas of concern I'd like to touch upon quickly and, perhaps, to re-emphasize some of the points that have been made. It's been pointed out, but should be pointed out again, that this legislation allows for a 10 per cent increase during 1976, and 9 per cent during 1977.

I enjoyed the remarks by the Member for

Edmonton Jasper Place when he talked in terms that we only sign agreements for a full year, and implied that 9 per cent would be all that rents could go up in 1977. I think the hon. member may be hoping that's the case, but I question whether that's really what's going to happen. From the mathematics we worked out, the effective rate of increase is going to be something like 19.9 per cent over 18 months, which is very, very close to 20 per cent, and more than 1 per cent per month.

I think members have to recognize that half of the people in Edmonton live in rented accommodation. One of the real fears we have as far as this legislation is concerned is that, in fact, the maximum of 10 per cent in '76 and 9 per cent for six months in '77 are not going to be the maximums, but they're going to be the minimums also. That's going to be one of the serious problems with the legislation.

The second point I'd like to make, Mr. Speaker, deals with the comments the minister made in the House Friday last, when he was introducing the bill. I think the minister talked in terms of 11.8 per cent rent increases over the last 16 months. I'd have to say that if in fact those figures are right, if we've had an average 11.8 per cent increase over the last 16 months, the 10 per cent and 9 per cent included in this legislation are really no damper at all on what's happening. In fact, to go one step further, if the 11.8 per cent over 16 months to which the minister referred is accurate, what we're approving here in the Legislature is not a dampening kind of influence or effect on rents. It is going to allow the rents to go up more than in the last 16 months, if those figures are accurate, because we're looking at 20 per cent for 18 months, which is over 1 per cent per month.

The [consumer] price index, the shelter-cost component, indicates that during '74-75, from October to October, the Canadian average was something like 10 per cent. So we really have before the House legislation that allows the Canadian average. I emphasize to members once again that several members have stood in their place and said the only justifiable factor for this kind of program is [that] we have a freeze on wages, and we're involved in this anti-inflation program. Yet what the program really is doing is meeting the national average.

The third point I'd like to raise centres around this question of security provisions. As I understand it, the legislation before the House really forces the landlord to give the tenant notice of termination. The tenant must then refuse the notice of termination, and the thing goes to the court. I should say that it's our intention to introduce an amendment to that, and I think the minister already has a copy of the amendment we propose, that in fact would follow the principles set out in the anti-inflation legislation -- that the final decision would in fact be made by the board rather than the court, and that the responsibility for demonstrating just cause would rest with the landlord rather than

with the tenant. So that amendment will be coming up in the committee work.

The last point I would like to touch upon, just briefly, deals with the question of excessive gouging, and I think most members would admit that during the last six or eight months some of that has taken place. I think we all hope a small portion of landlords have been involved in that. Nevertheless, I doubt whether there's a member in the Assembly who hasn't had some of his constituents come to him and say, I've had a 30 or 40 or 50 per cent increase in my rent during the last six or eight months. My colleague from Bow Valley touched on this in the course of his comments when he indicated that he certainly had some concern there.

I still think this is an area we might well look at. We might well include a provision in the act that, if there has been more than a 20 per cent increase in rent over the past six months, there wouldn't be an automatic 10 per cent. The tenant would have the opportunity to go to the review board to ask for justification.

The concluding point I would make is that, if we go back to the Hansard which came out on Friday and use the minister's figures once again, if we look at the figures the minister used for the 16-month period from, I think, June '74 to October '75, the rates went up in Edmonton 11.8 and in Calgary 10.6 [per cent]. If we're looking at those kinds of increases, then we look at the kind of increases that are included in this legislation, I just say to the members once again that we're legislating an increase that is higher than the minister has said is the average over the last period of time. I think this is a rather strange way, frankly, for us to be looking at rent control. We're going to be approving legislation that's higher than the figures outlined to the Assembly [for] what's actually taken place the last 16 months, if the minister's comments were accurate.

So I look forward to the minister, in concluding the debate, to perhaps sort out this mathematical maze, because I would be surprised if any member of the Assembly wants to be involved in the approval of that kind of legislation.

MR. BATHURST: Mr. Speaker, I would like to make a comment or two. I found it very interesting listening to the members' debate on this. When the minister makes his summation, I would appreciate it if [he] would clearly explain the intention of the 10 and 9 per cent. As I read the bill, I felt that the 10 per cent for 1976 and the 9 per cent for 1977 -- the reason that 9 per cent may be looked at [is that] it is only for six months, just because this bill is intended to cease at the end of June. I think, as the hon. Member for Bow Valley mentioned, it is going to be either a 13.5 per cent increase or 1.5 per cent per month in 1977. I cannot see that landlords are going to raise their rents extensively at the end of June 1977. I think this may serve as a good lesson, that we were forced to put on rent controls because of their

gouging.

The hon. Member for Spirit River-Fairview felt this was not adequate. Whether it is adequate or not, I think it's a step in the right direction. He did mention he was going to vote for the bill, even with reluctance, and referred to Ontario, which had it retroactive as of June 1. Regardless of whether Ontario did it, it is not likely that Ontario is always in the right. The people maybe even showed it last September 18. However, it sort of amused me that he didn't mention British Columbia, as he formerly referred to Ontario. This was done in British Columbia when the tight squeeze was put on everything else. After only 38 months, the people of British Columbia showed how they liked those policies.

The speaker from Little Bow mentioned it is going to affect the poor and those on fixed incomes. I am already wondering whether there are such poor people. Today there are people on social assistance who are happy with that, and are making no effort to get off it. The senior citizens in my constituency are happy today. They say they were never better off financially. So I'm just wondering who he refers to as the poor people.

I must say that not only do we have to feel sorry for the tenants, but I think the landlords in some areas must be given some concern too. I have been residing in the same highrise for the last four years. I have noticed my rent has gone up from \$145 in 1972 to \$350 in 1975. However, there was some reason for it being escalated. The furniture was replaced, the floor coverings were replaced, television was included where before you had to rent it, the telephone is included. So there is reason.

However, just the other day there was a complete change in the highrise with the telephone system. It's not as good as it was. It's a switchboard. You have to phone the switchboard, you have to wait. I was sort of disappointed that the service was not as good as it was previously. I did speak with the manager and he said, we are forced to do this. For the month of October, the long distance calls amounted to \$4,400 and they got back only \$800. The rest was lost. One individual spent only one night [there]. He paid his \$18. When the phone bill came, he had made a phone call to Japan totalling \$400. The management of this highrise said that in the month of October they lost \$3,600. Somebody will have to pay for it with things like this. So it's not only the landlords who are sometimes bad or gouging. Maybe there are many bad tenants. As I say, here again it has to be looked at.

I was also sort of surprised when the hon. Members for Little Bow and Spirit River-Fairview said there must be leadership in this government. I am very glad to say that I think the leadership in this government has been well accepted. It was shown in the elections on March 26 and is being shown now with eastern and central Canada. They want the leadership of Alberta in Ottawa, and are doing everything they

can to get it. So, as I say, I am very happy with the leadership here.

With those few words, Mr. Speaker, thank you.

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

HON. MEMBERS: Agreed.

MR. HARLE: Thank you, Mr. Speaker.

First of all, I would like to thank all the members who participated. I know that while there is perhaps some need to keep moving as quickly as we can, I would like to respond to the various debates we have heard on this bill.

There is one set of statistics I did not refer to in the debate on moving second reading of this bill, and that is to indicate that statistics from Central Mortgage and Housing combined with information from Statistics Canada -- and I'm taking this information from a book entitled Rent Control: A Popular Paradox -- indicate that from 1961 as a base of 100, the component included in the CPI for the rent index indicates that rents have gone up to 130 in 1974. The effective personal incomes over that same period based on 100 at 1961 show that by 1974, personal incomes had increased to 355 on the index. So there was a 30 per cent increase in rents, but a 255 per cent increase in personal incomes.

I think also [from] the statistics available -- and one of the problems with statistics is that they are always out of date -- for the period up to 1972 at least, the average Canadian is spending some 16 to 18 per cent of his income on housing, whether that be rental or otherwise.

Along with the statistics I mentioned on second reading, the results really show that, by and large, people have not been increasing their spending on rent until relatively recently. Even with increases of 40 and 45 per cent -- which we've heard about -- it would indicate they still have a long way to go before they meet even the spending in proportion to what it was 10 years ago. This does not excuse the fact that we have seen large increases. We are in a period when it is necessary to slow down the rate of increases. In other words, the 40 and 45 per cent increases are not acceptable and should be slowed down.

I would point out to the hon. Member for Bow Valley that if rents do not keep pace with other costs -- and I gather his party philosophy would be that we should be out of rent control as soon as possible -- it is going to be extremely hard to get out of rent control in 1977. Experience in other countries has indicated that if rents are kept artificially low in comparison to other costs, it means there is an advantage to rent control to the extent that people spend their incomes on other things. We all really have choices. If we choose to spend less on rent and live in the sort of false hope that our rents are artificially low, then when rent controls are off, the day of reckoning comes, and there are simply massive increases. It is a fear of

that massive increase in rents which tends to encourage the persistence of controls far beyond their usefulness.

As I have indicated -- and I'm responding to the hon. Member for Drumheller -- our rents have been basically low, perhaps too low, in comparison to increases experienced in other parts of the cost of living index. Mr. Speaker, rents should keep pace with other items in the index. In that way, at the end of the period it will be more acceptable eventually to eliminate this type of legislation.

The hon. Member for Drumheller referred to trying to move the legislation back and make it retroactive to some period prior to the Prime Minister's announcement. I would suggest that in Ontario, where they have in fact gone back to a period in July, an announcement was made at that time by the Prime Minister of Ontario during the course of an election campaign, indicating that they would be getting into rent controls. I think it is perhaps more acceptable in Ontario because of the fact that statements like that were made. That was not the case here. Our statement on getting into rent controls only came following the Prime Minister of Canada's announcement of the anti-inflationary program and the request to get into rent control.

Certainly, it is not the intention of the legislation that these rent increases of 10 or 9 per cent, as the case may be, are other than permitted increases. Hopefully, landlords will -- and there are responsible landlords. In fact, in several conversations and radio programs I have been involved in, practically all of the people making inquiries have been those landlords who appear to have been responsible, and have not taken anything like the increases taken by some.

The hon. Member for Spirit River-Fairview mentioned the problem of rent control. I note that he did not put too much emphasis on the situation in our province to the west. I think it's a pretty good indication, from the vote in British Columbia, that by and large people are not happy with that type of approach to this problem, [by] interference in the rental market or by freezes generally.

The wage settlements of some 18 or 20 per cent which have occurred in this province in many cases are increases which have not yet been felt in the market place. The result of those increases in costs, to landlords who are going to need repairs done, to prices in the supply of natural gas, telephone, all of the services used by renters, is going to be considerable in the next few months.

The same applies to municipal taxes. I'm sure we are going to see some significant increases in taxes by municipalities. For that reason, it was felt that a 10 per cent rate in 1976 is realistic, keeping in mind, as we have seen from the cost of living index so far, it is not turned down significantly. In fact, if anything, it is still continuing to climb. And it will climb, because of the large increases in wages which have been the result until October 13.

With regard to the comments on security of tenure made by the hon. Member for Spirit River-Fairview, I did indicate that the institute has put out background papers. I've had a meeting with the Enough is Enough committee, and urged them to study the background papers and make submissions to the institute on their view of how a security of tenure system can operate. I think, as I indicated in the debate while moving second reading, it's necessary for all of us to become aware, because if we make any changes to The Landlord and Tenant Act affecting security, it is a very major shift in the philosophy and legislation which affects the relationship between landlords and tenants, and something which is, by most people, long overdue.

I took the comments made by the Member for Little Bow as being really an approval of the percentages contained in the legislation as it presently stands. We simply do not have a housing shortage in Alberta. We do have low vacancy rates. We do have a situation considerably different from the situation in Sweden that he described. Certainly, while there are people who must look around and perhaps spend considerable time searching for accommodation, it is nevertheless true that, by and large, people can find accommodation. The experience when you get into rent control, when it becomes simply unrealistic, means that there are large waiting lists for whatever accommodation is available and there is a long waiting time because of decisions to be made by a bureaucracy. The whole pace of life has to slow down.

Again, I think the percentages indicated in the bill show that it is a realistic level. In my view, this does not invite landlords to seek these increases unless they absolutely need them. There will be those who will take them automatically. I hope all the various tenant groups will be quick to point out that type of situation when it comes to light. Rent control only hurts the poor. De-control is much easier if rents have kept pace with other costs. Basically I read and hear the debate of the hon. Member for Little Bow as indicating a general approval of the approach we have taken in this bill.

I am convinced that the hon. Member for Edmonton Jasper Place is quite correct in his comments about senior citizens and those on fixed incomes having a very difficult time. Unfortunately, general rent control legislation cannot help them because rent control has to apply across the board. There are those senior citizens living mixed up with others who have had the 18 and 20 per cent increases. I'm sure that at some stage we must examine very carefully the type of support we are giving to senior citizens, especially those who receive the guaranteed income supplement.

The hon. Leader of the Opposition's comments about the 11.8 per cent increase in rents generally, on an average basis -- I can only refer to what I said earlier, that it is an average. There have been increases of 45 per cent in 1975. It is to slow down those types of increases that this legislation is directed. I say again:

this legislation is not directed to a general approval of landlords seeking automatic increases, but is a system to permit realistic increases if, in fact, landlords find that they have been and are subject to increasing costs.

I'd like to thank all those who took part in the debate. I look forward to further comments as the legislation goes through its various stages. Thank you, Mr. Speaker.

[Motion carried; Bill 80 read a second time]

CLERK: To correct an earlier lapse on the part of your Clerk: Private Bill No. Pr. 7, An Act to Amend the Calgary Convention Centre Authority Act, is now read a second time.

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Speaker's Ruling

MR. SPEAKER: Before we proceed, perhaps I could deal with an omission thus far with regard to a ruling that hon. members would probably expect me to make before the end of the current session.

On November 26, 1975 (Hansard page 1325), a temporary or provisional ruling was made for that occasion with regard to a unique point of order, probably raised for the first time in the history of our Legislature.

The point of order is whether oral questions may be put during the question period to members of the Assembly who are not ministers nor parliamentary assistants, but who are appointed to public boards or commissions.

Our Standing Order 7(1) provides for an "oral question period not exceeding 45 minutes". Our Standing Orders do not expressly say what rules or practices are to be followed during the question period.

Standing Order 2 says:

In all contingencies unprovided for, the question will be decided by Mr. Speaker and, in making his ruling, Mr. Speaker shall base his decision on the usages and precedents of this Assembly and on parliamentary tradition.

The "usages and precedents of this Assembly" do not provide an answer, because the situation is new and there have been no usages or precedents of this Assembly dealing with it.

Beauchesne, citation 171, indicates that the rules dealing with both oral and written questions are the same, apart, of course, from questions which, because of the detail required, should be put on the Order Paper.

Our Standing Order 32(1) says:

Questions may be placed on the Order Paper . . .

(b) to other members, relating to any bill, motion, or other public matter con-

nected with the business of the Assembly in which such members may be concerned

. . .
Relating this to 171 of Beauchesne would indicate that a similar rule ought to apply to oral questions. It then becomes necessary to interpret " . . . relating to any . . . other public matter connected with the business of the Assembly in which such members may be concerned . . . ". It would seem that since members are being appointed to boards or commissions by reason of the fact that they are members, that makes the public matters which are dealt with by those members as members of the Assembly the "business" of those members. Since such "business" is so directly connected with their membership in the Assembly, and that is the reason they are appointed, it would also seem that such public matters are "connected with the business of the Assembly".

There cannot be any doubt that the boards and commissions to which members are being appointed are dealing with public affairs of the province.

The rather narrow and restrictive interpretation in Sir Erskine May's 18th edition, page 323, is not a safe guide or precedent because of the absence in the Westminster Standing Orders of any standing order closely corresponding to our own Standing Order 32.

If there were still any doubt at all in the matter, it would be necessary to remember that where there is a doubt concerning a possible restriction to freedom of action, the doubt should be resolved in favor of greater rather than less freedom of action, and hence against the restriction.

I would therefore reaffirm that such questions are in order, but there is no authority for saying that a member is bound to answer them. A private member would, therefore, have the right to refuse to answer the question, just as he may do during or at the end of a speech in a debate in the Assembly. It would also seem to have to be a necessary implication that he have the right to suggest that the question be put on the Order Paper.

Further, in view of the text of Standing Order 33 where it refers to a minister, a question on the Order Paper agreed to by a private member could not thereby become an order of the Assembly.

MR. HYNDMAN: Mr. Speaker, I move you do now leave the Chair and the Assembly resolve itself into committee 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.]

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COMMITTEE OF THE WHOLE

[Dr. McCrimmon in the Chair]

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

Bill 46
The Criminal Injuries
Compensation Amendment Act, 1975

MR. LITTLE: Mr. Chairman, following second reading of the amendments contained in Bill 46, there was a considerable amount of objection from police organizations in this province. The original spirit and intent of this bill was to encourage citizens to assist in the cause of law enforcement, but in no way was it ever intended to be a reward system, that is, mere compensation.

Section 15 of this bill provides that there be no extra compensation, that is, no double payment. However, police officers in the province felt they were being discriminated against. The enquiries I had instituted indicated that the major forces looked after their members very, very adequately. However, it would appear that some of the smaller forces did not look after them nearly as adequately. Therefore, we are withdrawing the amendment in Section 2(b), the original intent of which was to preclude the board from making any payment under the act to a peace officer where he will obtain compensation for his injuries through other means.

It was thought that the employer should be responsible for providing any benefits, and that The Criminal Injuries Compensation Act is not the appropriate place to make such payments. We still feel this is quite correct. Payments should be made by the employer, and the employer will be encouraged to do this. In order to look after this situation of the objections, we are withdrawing it. But, we will look at the bill at a future date.

[Title and preamble agreed to]

MR. TAYLOR: Mr. Chairman, does that mean that a police officer in Calgary or Edmonton may continue to collect compensation under this act?

MR. LITTLE: The meaning of the amendment is that there shall be no payments over and above normal compensation. Section 15 of the present bill provides that there be no additional payments: "Subject to the regulations, in determining the amount of compensation, if any, to be awarded to an applicant, the board [may] deduct." The board may deduct payments over and above.

I mentioned that the senior police organizations in this province are extremely generous. We have a situation in Calgary where, approximately a year ago, a member was killed on duty. Until he would have attained the age of 60 -- that is

mandatory retirement -- his widow will receive full compensation. There is nothing in this act that prevents the application of any police officer. But the provisions do provide that he will not get anything over and above normal compensation. [Where] police organizations do not provide this, he may make claims from the fund. The reason we're taking another look at this and withdrawing this amendment is that some police organizations felt they were being discriminated against.

But the act always did provide, under Section 15, that there be no double payments. The original spirit of the bill was that it not be a reward system, but rather a compensation system -- compensation for loss. Section 15 prevented that. This particular section was introduced at the request of the board. It felt that the police officer should not be provided for, and this is the section we're withdrawing at the present time.

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

[Motion carried]

Bill Pr. 7
An Act to Amend The Calgary
Convention Centre Authority Act

[Title and preamble agreed to]

MR. MUSGREAVE: Mr. Chairman, I move Bill Pr. 7 be reported as amended.

[Motion carried]

Bill 58
The Motor Vehicle
Administration Act

MR. FARRAN: Mr. Chairman, I dealt with this bill in some detail in second reading. I think really all that's left is to deal with the very interesting and constructive points raised by the hon. member . . .

MR. CHAIRMAN: We'll go through the preamble first, if you don't mind, Mr. Minister.

DR. BUCK: Now get up.

MR. FARRAN: Referring to the points raised by the hon. Member for Drumheller, the first one I'll certainly take under advisement, that the police should more frequently lay charges for second offences, instead of taking the easier course and laying a simple impaired driving charge for a first offence without enumerating it, as is provided in the Criminal Code for the more serious charge of a second offence.

The second point was about gross negligence and the fact that the act does absolve a driver from a damage action by a gratuitous passenger except in the event of gross negligence. The problem here is in defining degrees of negligence, and I feel

we must rest on the definitions which exist in the Criminal Code.

As a matter of interest a recent judgment by the famous British judge, Lord Denning, in the British appeal court pointed out that there would be a substantial reduction in accident benefits to people who failed to use such things as seat belts. In the event of a passenger claiming damages when he hadn't fastened up a seat belt, the judge held that, though a driver may have a duty to invite his passenger to fasten his seat belt, the adult passengers possessing their own faculties shouldn't need telling what to do. If they don't comply or don't do up their own belts, then the damages to which they are entitled will be minimized. It's expected that this particular judgment will have a profound effect wherever the British justice system prevails.

On the subject of small motorcycles and the training argument which was previously applied to justify the fact that Alberta was the only province in which people under the age of 16 could drive vehicles of any sort, particularly scooters, without a learner's licence: the government has carefully reviewed all the statistics. The most pertinent ones are not those relating to the number of people killed, but to injuries as compared with accidents per se. Unfortunately, the record shows that on motorcycles the incidence of injuries and serious injuries is much higher, of course, than in motor vehicles with four wheels. Unfortunately, these injury accidents are not minor either. Many of them involve extremely serious injuries.

We have not been convinced by the possible circumstantial evidence which the hon. Member for Drumheller points to, that we are justified by the small variance in fatal statistics to continue to be the only province allowing 14 year olds to drive scooters. It's true that there is some degree of crying and anguish from the importers of Japanese scooters and their local dealers who have previously regarded Alberta as the one market in which they can sell motorcycles to 14 to 16 year olds. Most of them are based in British Columbia, where they have never had such a privilege. The B.C. climate is different from ours. They can comfortably ride a motorcycle more months of the year, because they don't have our cold climate. But a motorcycle can be equally dangerous on a wet road and on an icy road. Of course, B.C. roads are not as straight as ours, and comparisons on a provincial basis are often misleading. It's a value judgment.

We have come to the conclusion, after careful examination of the statistics, that the basis for the argument that Alberta should be the only province to allow 14 year olds to ride motorcycles is not valid.

However, we will continue to be the only province which allows learners' licences in four-wheel vehicles to youths under the age of 16. There the idea of the indoctrination, educational period, appears to be more sound.

There are always cases, as we know from our drinking laws, of infractions by

juveniles under the allowable age. When you couldn't drink until you were 21, 19 and 20 year olds would come into the bar. When the age was dropped to 18, we found infractions by 16 and 17 year olds. The same applies to motorcycles. If the age is held at 16, undoubtedly there will be infractions by 14 and 15 year olds. But when the age was only 14, there was a much greater danger of infractions by extremely young, immature people under the age of 14. The hon. Member for Drumheller himself pointed out the large number of fatalities of youngsters from 5 years old to 14 riding motor scooters illegally. Of course, the statistics for those involved in accidents between the ages of 0 and 5 really don't have any pertinence, because I would say they're probably the exceptional and unusual circumstance.

The point about the probationary licence between 16 and 18 is that we want to emphasize that driving is a privilege; that when you first begin to drive you must be even more cognizant of the fact that it is a privilege, and that with every privilege goes a corresponding responsibility. Although perhaps it doesn't have all that much practical effect, because all licences in a sense are probationary, it does draw to the attention of those who get their first licence the fact that it is a privilege, and that they are accorded this licence on certain conditions. The condition is that they show responsibility on the road.

That's all I have to say on the bill.

MR. TAYLOR: Mr. Chairman, I just want to make two more comments. With reference to the gross negligence, this has been in the act for a number of years. I do think it would be well worth while to have a departmental review of the section, because it hasn't changed for a number of years and times have changed, court decisions have changed, et cetera.

With reference to the scooter operations between 14 and 16, at the present time I think Alberta's record is the best in Canada where there's a comparable number of motorcycles. With regard to those between 14 and 16, and from 15 to 19, we have the best record now. It is my hope, since the minister is going to continue this, that we watch the statistics carefully. I hope that now we won't have an increased number of deaths and accidents in both those categories. If we do, it will be because there isn't a legal learning period to operate a motorcycle. Many, who are immature as far as operating a high-powered motorcycle is concerned, will be doing that immediately they reach the age of 16. I do think young people, particularly young people in western Canada who grow up on farms, who are mechanically inclined, need something to drive from 14 on.

We'll certainly watch the statistics very carefully, because we have the best record in Canada now, and have had for the last several years. I hope this change will not mean an increase in deaths and

accidents for young people who operate motorcycles and scooters.

[Title and preamble agreed to]

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

[Motion carried]

Bill 59
The Highway Traffic Act, 1975

DR. HORNER: Mr. Chairman, might I just offer a very small amendment, that is, in the last section of the bill: "this act comes into force on the day on which it is assented to"; to delete the words after "on" and replace them with "January 1, 1976". This will make it the same as The Motor Vehicle Administration Act, and they will both come into effect at the same time.

[Title and preamble agreed to]

DR. HORNER: Mr. Chairman, I move that Bill 59, The Highway Traffic Act be reported as amended.

[Motion carried]

Bill 81
The Temporary
Anti-Inflation Measures Act

[Title and preamble agreed to]

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

[Motion carried]

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

[Dr. McCrimmon left the Chair.]

[Mr. Speaker in the Chair]

DR. MCCRIMMON: Mr. Speaker, the Committee of the Whole Assembly has had under consideration Bills No. 46, 47, Pr. 7, 59, and 81, and begs to report same with some amendments.

Mr. Speaker, the Committee of the Whole Assembly has had under consideration Bill No. 58, begs to report the same, and begs leave to sit again.

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

HON. MEMBERS: Agreed.

MR. HYNDMAN: Mr. Speaker, I ask unanimous leave of the Assembly to move to third

reading of Private Bill No. 7, Bill 58, and Bill 59, notwithstanding Rule 63(1).

MR. SPEAKER: Does the hon. Government House Leader have the leave requested?

HON. MEMBERS: Agreed.

GOVERNMENT BILLS AND ORDERS
(Third Reading)

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

No.	Name	Moved by
58	The Motor Vehicle Administration Act	Farran
59	The Highway Traffic Act, 1975	Horner
81	The Temporary Anti-Inflation Measures Act	Hyndman
37	The Teachers' Retirement Fund Amendment Act, 1975	Chichak
38	The Hospital Services Commission Amendment Act, 1975	Miniely
39	The Alberta Opportunity Fund Amendment Act, 1975	Dowling
40	The Alberta Environmental Research Trust Amendment Act, 1975	Bradley
41	The Licensing of Trades and Businesses Amendment Act, 1975	Harle
42	The Universities Amendment Act, 1975	Hohol
43	The School Amendment Act, 1975	Koziak
44	The Northern Alberta Development Council Amendment Act, 1975	Dowling
45	The Co-operative Associations Amendment Act, 1975	Cookson
46	The Criminal Injuries Compensation Amendment Act, 1975	Little
47	The Department of The Environment Amendment Act, 1975	Kidd
48	The Coal Conservation Amendment Act, 1975	Getty
49	The Attorney General Statutes Amendment Act, 1975	Foster
50	The Alberta Insurance Amendment Act, 1975	Harle
51	The Marriage Amendment Act, 1975	Hyland
53	The Pharmaceutical Association Amendment Act, 1975	Musgreave
54	The Social Services and Community Health Statutes Amendment Act, 1975	Young
55	The Livestock Brand	Miller

Inspection Amendment
Act, 1975

Bill 56
The Public Utilities
Board Amendment Act, 1975

MR. DIACHUK: Mr. Speaker, I move third reading of Bill No. 56, The Public Utilities Board Amendment Act, 1975.

MR. NOTLEY: Mr. Speaker, I rise to speak briefly on this particular bill, and to reiterate the concerns that were expressed both during second reading, and in more detail during the committee stage, concerning the authority now granted Executive Council to exempt companies from the provisions of The Public Utilities Board Act.

In expressing my concerns, Mr. Speaker, I am willing to acknowledge, first of all, that there is a need for some latitude with respect to minor companies or minor operations. I would also point out that I accept the arguments from the hon. Attorney General that it's not the government's intention to exempt the larger utility companies.

However, notwithstanding the assurances we've received from the Attorney General, it's my view that it's hardly good legislation for the Legislature to provide the sufficiently broad authority, that a government some time in the future could exercise the authority contained within this amendment act to exempt any of the present utilities from the provisions of the Public Utilities Board. Mr. Speaker, it seems to me we could have found another way of meeting the concerns of the government. Perhaps the best approach would have been to have added an amendment which would have made it clear that this bill was not intended to apply to any of the major utilities, and perhaps outlining those utilities.

This is perhaps getting into a rehash of the discussion which took place during committee stage, Mr. Speaker, but I really feel some sense of alarm that by passing this legislation we are opening the gate unnecessarily wide.

[Motion carried; Bill 56 read a third time]

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

No.	Name	Moved by
57	The Trust Companies Amendment Act	Ashton
61	The Companies Amendment Act, 1975	Harle
62	The Agricultural Development Amendment Act, 1975	Moore
64	The Mental Health Amendment Act, 1975	Backus
65	The Optometry Amendment Act, 1975	Hyndman (for Bogle)

66	The Motor Vehicle Accident Claims Amendment Act, 1975	Foster
67	The Agricultural Service Board Amendment Act, 1975	Schmidt

Bill 68
The Attorney General Statutes
Amendment Act, 1975 (No. 2)

MR. McCRAE: Mr. Speaker, I move third reading of Bill No. 68, The Attorney General Statutes Amendment Act, 1975 (No. 2).

MR. CLARK: I would like to ask the sponsor of the bill, the hon. Mr. McCrae, if he could indicate to us, in closing the debate on third reading of Bill 68, what the projections are from the fiscal branch of the Department of the Provincial Treasurer as to what the effects will be with regard to this particular legislation. It's my understanding that the fiscal people in the Treasury have done a study in this area and, if there is maximum incorporation, they have done some projections as to what this would cost as far as loss of revenue is concerned. I've said earlier I think this is a very inopportune time to be dealing with this particular legislation, given the anti-inflation program. I just think it's very unfortunately timed.

I wonder if the hon. member, in concluding the debate on Bill 68, could confirm in fact what the lost revenue will be, projected from the Treasury people.

MR. McCRAE: Mr. Speaker, I would like to comment on that, first of all, we wouldn't be able to predict just how many of any of the four professions might choose to incorporate, and if they did choose to incorporate, what they might pay themselves by way of salary coming out of the corporation. I don't know of any fiscal projections that the Treasury Department does have. I certainly have not seen them, if it does have them. I would ask the Provincial Treasurer to respond to that.

MR. SPEAKER: Having heard the motion, are you ready for the question?

MR. CLARK: I wonder if I might ask the Provincial Treasurer: by the shaking of his head, is he indicating to us that he has not seen figures done by the fiscal people in the Department of Treasury as to what the maximum result would be?

MR. SPEAKER: Order please. Notwithstanding the possible shaking of the head by the hon. Provincial Treasurer, I think perhaps we're lapsing into a continuation of the Question Period.

[Motion carried; Bill 68 read a third time]

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

No.	Name	Moved by
69	The Water Resources Amendment Act, 1975	Russell
70	The Alberta Heritage Amendment Act, 1975	Schmid

Bill 71
The Alberta
Labour Amendment Act, 1975

MR. CRAWFORD: Mr. Speaker, I move third reading of Bill No. 71, The Alberta Labour Amendment Act, 1975.

MR. CLARK: Mr. Speaker, I'd like to make just three comments: two which deal specifically with Bill 71 and then a rather more general one which I believe has application to a number of the pieces of legislation the government's brought forward this session.

The first comment I would like to make on Bill 71 is that members will recall the discussions we had in second reading and also committee, when we asked the minister what kind of consultation has in fact gone on between the government and the affected groups as to the particular section of Bill 71 that deals with the strike application and the order in council passed by the cabinet. I recall -- and I'm sure members do -- the comment made at the time by the Minister of Labour that they didn't think the Alberta Federation of Labour or the Alberta Teachers' Association would be in support of the kind of move the government's taking here, so there was no consultation with them. I would hope, Mr. Speaker, we're not getting into a situation where the government's going to consult those groups who would rather agree with what the government has in mind, and then take for granted that because a group may not agree with what the government's going to do, it's not going to consult them.

I would go further to point out to the members of the Assembly that [regarding] The Companies Amendment Act, Bill 61, had the government consulted the groups involved prior to the legislation coming in to the House, we wouldn't have moved the legislation from third reading back to committee and made what I would concede to the minister were wise changes.

The second point I'd like to make is that in Bill 71 what we really have done now is make it legal in Alberta to have the right to strike with the approval of the cabinet.

MR. NOTLEY: Correct.

MR. CLARK: And I don't object to us having a free-wheeling discussion on who should strike and who shouldn't have the right to strike. I think that would be a very worth-while discussion for us to have. But I submit to the members of the Assembly we

should have the discussion here in the Assembly sometime on how far are we going to restrict or broaden the right to strike. In light of some of the commitments made in the past -- the Civil Service Association -- that would be an interesting debate.

I make the point that really, for all intents and purposes, after we agree to third reading of Bill 71 and it's given assent later on this evening, we find ourselves in a situation where the right to strike in Alberta is a right granted by cabinet. I think all members inside the Assembly and people outside the Assembly should really reckon what we're getting ourselves in for in that particular area -- doing it this way of not discussing it in the legislature, situation by situation, as is done in some provinces and certainly is done under some circumstances by the Government of Canada, but in fact doing it by order in council.

MR. NOTLEY: Mr. Speaker, very briefly dealing with Bill 71, I voted against Bill 71 on second reading, I intend to vote against it on third reading.

Mr. Speaker, in my view, the change in Bill 71, whereby the Lieutenant Governor in Council can now end strikes where "unreasonable hardship" is involved -- the definition of "unreasonable hardship" in my view is so broad, that as the Leader of the Opposition has already pointed out, we virtually have the right to strike in this province qualified by cabinet approval.

Mr. Speaker, I just say to the hon. members, before they vote on this piece of legislation, that they should review other provinces, and they will find that there is no precedent elsewhere in Canada for this kind of broad power given to Executive Council. I feel the best way to deal with labor management difficulties is through the proper execution of free collective bargaining, with both the right to strike and the right to lockout. Where those rights have to be taken away, the only people who should take them away are the elected members of the Legislature, or in the case of Canadian labor matters, the elected members of the House of Commons.

MR. TAYLOR: Mr. Speaker, coming from a labor riding, I can't sit here and accept the statement made by the hon. Member for Olds-Didsbury that we have now withdrawn the right to strike without the approval of cabinet. All I can say to that statement is, balderdash and baloney -- and bad baloney at that. This is not the fact; this is misleading the people of Alberta.

MR. HYNDMAN: Agreed.

MR. TAYLOR: The right to strike exists in Alberta today just as evidently as it exists in any province in Canada. But in my view, this is a reflection of the thinking of the people. People are sick and tired of strikes that are useless -- useless for the workers and useless for the economy of the country. It's high time some government in this country had the intestinal fortitude to come out and say,

we're going to end strikes that are causing needless hardship on the people, and which do no good for the workers themselves.

If this action had been taken by the Canadian government in the postal strike, we would not have had the terrible situation resulting that we did. If this action had been taken by the B.C. government a few months ago, maybe they would still be in office.

Mr. Speaker, my view is that the right to strike is still here, but the government is using its head, using ordinary horse sense, when a strike is useless and needless and is going to cause a great deal of suffering if it's carried on.

MR. SPEAKER: May I ask if the House would like to do something about the present condition of the clock?

MR. HYNDMAN: Mr. Speaker, I think we should stop the clock until this bill is completed.

MR. SPEAKER: Does the hon. Government House Leader have unanimous consent of the Assembly?

HON. MEMBERS: Agreed.

MR. SPEAKER: Are you ready for the question on third reading of Bill No. 71?

[Motion carried; Bill 71 read a third time]

MR. SPEAKER: The Assembly stands adjourned until 8 o'clock this evening.

[The House recessed at 5:38 p.m.]

[The House reconvened at 8 p.m.]

GOVERNMENT BILLS AND ORDERS (Third Reading) (continued)

Bill 72 The Alberta Uniform Building Standards Amendment Act, 1975

MR. KUSHNER: Mr. Speaker, since it's my last kick at the cat, I'll move third reading of Bill 72, The Alberta Uniform Building Standards Amendment Act, 1975.

MR. CLARK: Mr. Speaker, if the hon. member is telling us something we don't already know, we'd be pleased to hear about it.

[Motion carried; Bill 72 read a third time]

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

No.	Name	Moved by
73	The Municipal Affairs Statutes Amendment Act, 1975	Johnston
75	The Fuel Oil Tax Amendment Act, 1975	Leitch
76	The Government House Act	Schmid
77	The Surveys Amendment Act, 1975	Chambers
79	The Legislative Assembly Amendment Act, 1975 (No. 2)	Horner
82	The Election Amendment Act, 1975	Purdy
84	The Provincial Court Amendment Act, 1975	Foster
85	The Real Estate Agents' Licensing Amendment Act, 1975	McCrae
86	The Department of the Attorney General Amendment Act, 1975	Foster
87	The Alberta Income Tax Amendment Act, 1975 (No. 2)	Leitch
88	The Natural Gas Price Administration Act	Getty
89	The M.L.A. Pension Amendment Act, 1975	Leitch
90	The Credit Union Amendment Act, 1975	Gogo
92	The Recreation Development Amendment Act, 1975	Adair
Pr 7	An Act to Amend The Calgary Convention Centre Authority Act	Musgreave

MR. HYNDMAN: Mr. Speaker, I move you do now leave the Chair and the Assembly resolve itself into Committee of the Whole to consider Bill 80.

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 now come to order.

Bill 80
The Temporary Rent
Regulation Measures Act

MR. CHAIRMAN: There are several government amendments to be brought in. Does everybody have a copy, and are they aware of these amendments?

MR. HARLE: Mr. Chairman, I wonder if I might just point out that these amendments are basically rewording and improvement of wording from Legislative Counsel's office. There are, perhaps, two amendments of substance. One is on page 3 in Section 25.1(2), whereby the rent regulation officer or a board, if it appears desirable, may keep confidential the name of any person making an application, filing a statement of interest, or assisting in any inquiry or investigation. The other one that is, perhaps, of substance -- although I think it's fairly obvious from the contents of the section -- is on page 6, the amendment to Section 35, which is an addition of subclause 2, which ensures that the reference in that section is not to security deposits.

MR. MANDEVILLE: Mr. Chairman, the amendment on the first page lists the services that can be included. Then on the second page it says: "... the consideration therefor is separately identified in the tenancy agreement, or ..." With this amendment, it looks to me like a landlord could separate all the services from the landlord and tenant agreement they have. Would I be reading this amendment correctly, Mr. Chairman? I'd just like to ask the minister if it would be possible for a landlord to have a separate agreement with a tenant as far as services are concerned.

MR. HARLE: The purpose of the amendment is to improve the wording of what is "services" and to ensure that where there is a separate agreement, they will be handled under that portion of the act which deals with complaints about services, whether they're increased or decreased, rather than getting into the difficulty of services specifically covered by a separate agreement under the definition of rent.

MR. MANDEVILLE: So I've got this clearly in my mind, will the services in the separate agreement come under the guidelines spelled out in the bill?

MR. HARLE: They come under the operation of the section which relates to the services, rather than the guidelines that relate to rent increases.

MR. NOTLEY: Can I ask a question to clarify my understanding of the minister's answer? The purpose of this amendment, Mr. Minister, is for clarification. It will not be expanding the situation. Let me give you the example of Sally Jones, who has a lease. It will not be possible now for Sally Jones' landlord to say, we're going to have one lease for the services and

another lease for the basic rental unit. That's not implied in these changes.

MR. HARLE: I would ask the hon. member to go over that again so I can follow it.

MR. NOTLEY: Mr. Minister, I'm suggesting that the change would not expand the area of separate contracts. In other words, where there is an agreement for the tenancy and an agreement for services, that's one thing. But, [in] present agreements where you have an agreement for the tenancy which includes the services, it would not allow the landlord to say, all right, from now on we're going to have one agreement for the tenancy, and that's going to be the 10 and 9, but on the other hand, it's going to cost you so much for this, so much for that, and so much for the other things.

MR. HARLE: No.

MR. NOTLEY: Mr. Chairman, I have several amendments. I'll distribute copies, if the pages will. Mr. Chairman, the amendments I'm proposing are in an omnibus form, but if members would like to discuss them separately, that would be fine too.

Mr. Chairman, the amendments basically deal with five features we've discussed during second reading, but which I'm proposing specifically in committee stage. The first amendment, Mr. Chairman, would make the agreement retroactive to July 1, 1975. We would then have a two-year period, running from July 1, 1975, until June 30, 1977. The second would be to set as the permitted increases in rent the federal guideline: 10 per cent for the first year, 8 per cent for the second year.

The third is designed to make provision for a rollback between July 1 and the present time. The fourth amendment would permit the tenant to appeal any increase in rent. Perhaps, if there were a case of a 10 per cent increase, the tenant could appeal [for] a 4 or a 5 per cent increase, and that would have to be dealt with by the board. The final amendment of importance, Mr. Chairman, would be to provide on the rent regulation appeal board equal representation between tenants and landlords.

Mr. Chairman, I think basically the arguments for these proposals have been advanced during second reading. I simply reiterate the arguments for them and commend them to the committee.

MR. HARLE: Mr. Chairman, I would like to respond in this way. First of all, I would remind hon. members of the statement of the Premier, as to when the government would bring in the controls and make them effective. The Premier indicated in his statement, in accepting the anti-inflationary program, that increases given from October 1, or any increase as of January 1 would be caught by this legislation. I think any time the government of the day indicates to the public that that is going to be the period, any change of that is a very significant change. I would ask hon. members to defeat this amendment.

I think I'm rather pleased to find that

the hon. Member for Spirit River-Fairview has placed some amendments in this committee which set the 10 per cent for at least a 6-month period overlapping with ours. I find that rather strange and rather supportive of what the government has done by indicating the 10 per cent level for the whole of 1976. Again, of course, as it relates to a roll-back provision, I would ask the hon. members of the committee to defeat it.

As far as increasing the right of the tenant, in effect, to appeal increases, it was very evident from discussions at the ministerial level and at the officials' level on the rent control legislation proposed by the federal government that the federal government was anxious that we not create a large bureaucracy, and that we do it as simply as possible. If we increase the right of tenants to appeal, we merely increase the volume of work that would have to be done. We know there have been increases during the latter half of 1975. It would open the door to a considerable number of appeals and work, and just increase the bureaucracy.

The very slight amendment contained here, which relates to security of tenure, is one in which I think wiser thought should prevail. We have had the Institute of Law Research and Reform deal with it. It has been and is stated as the government's intention to submit considerable amendments to The Landlord and Tenant Act. I believe the security of tenure provisions should be dealt with in that way, with a great deal of thought and care.

Trying to place equal representation of landlords and tenants is perhaps unique, but I would suggest to the hon. member that perhaps it would not be good to have representatives of either group on that board, that they should be neither landlords nor tenants. With that comment I would ask hon. members to defeat these amendments.

[Motion defeated]

MR. CLARK: Mr. Chairman, I'd like to propose an amendment to Section 37 of the bill. I believe the minister and most members of the Assembly have the amendment, entitled Amendment No. 1. It really deals with two particular points.

First of all, it sets out the conditions under which a landlord may sever his contract with a tenant. Then, Mr. Chairman, in case of disagreement, it rests with the landlord to satisfy the rent regulation officer that, in fact, the tenant has broken the terms of the agreement, rather than as presently in the act, that in fact the thing goes to court. Admittedly, this is on a temporary basis for the 18-month period.

I would also point out that the minister has said this whole area is under review by the Institute of Law Research and Reform, and we would do well to move in this direction during this period. I made copies available to the minister ahead of time, so he has had a chance to look at

them. So I move that we move along with those amendments.

MR. HARLE: Mr. Chairman, I would reiterate what I said on the security of tenure aspect of the amendments by the hon. Member for Spirit River-Fairview. The whole area of the relationships between landlords and tenants is one that involves a complete shift, I believe, in the existing situation. Rather hurried amendments in this area involving security of tenure, in my view, would not be wise at this time. I have indicated the government is aware there is a need to review The Landlord and Tenant Act. We must come up with some bill in the future on this subject, and it is our intention to do so. I think we've indicated that intention by instructing the Institute of Law Research and Reform to do a study, to get the response of the people of the province, and to make some recommendations to us.

It's a highly technical area, and as the hon. Leader of the Opposition said in introducing it, this would be a rather temporary type of solution. But I would really suggest it would be better to deal with it in a most thorough manner and to present it in such a way that both landlords and tenants in this province realize there is a tremendous shift from what we now know as landlord and tenant law to something else. I would encourage the hon. member to discuss within his party the significance of this shift, because it is a major shift and, in my view, should be done by presenting a bill so we can get discussion on it in principle and take it through the various stages a bill goes through, rather than putting in amendments on security of tenure at this stage in this bill. I would urge hon. members to defeat this amendment.

MR. CLARK: Mr. Chairman, just before we vote on the matter, one question to the minister. Can the minister give us a kind of time line? Can we expect legislation this spring? When can we expect the report from the Institute of Law Research and Reform? What kind of time line are we looking at?

MR. HARLE: Mr. Chairman, I suppose after a few years in this Assembly I've learned that predictions probably get one into trouble more than they solve problems. It has taken since March 1974 to get to the stage we're at now with background studies by the institute. I would say that if we can bring in some amendments in this area in the spring or the fall of next year, we will be doing everything that could possibly be done. But I would suspect that for the subject matter of the material covered by the institute, it may well be the spring of 1977 before we can present an adequate bill.

[Motion defeated]

MR. MANDEVILLE: Mr. Chairman, I would like to make an amendment. It would be a roll-back feature to July 1, but it would

only affect landlords who have increased rents over 20 per cent from July 1 until January 1. If a landlord who applies for an increase on January 1, 1976, as set out in the bill, has previously increased rent, starting July 1, 1975 to December 30, 1975, in excess of 20 per cent, the tenant should be able to apply to a rent control officer for a reduction in the rent increase applied for, which will take effect January 1, 1976. This reduction equals, up to and including 10 per cent, the amount of the increase over the 20 per cent from July 1, 1975 to December 30, 1975. So this rollback, Mr. Chairman, would include only those landlords who have increased their rents over 20 per cent in the last six months, or back to July 1.

MR. HARLE: Mr. Chairman, of all the amendments presented tonight, I think this one presents the greatest challenge to understand the effect. It's a rather intriguing way to try to solve what I'm sure many members in this Assembly realize is a problem, and that is the increases which have been given since July 1, 1975.

I can say that it will be our instructions to the rent control officers and the board certainly to consider increases which have been given in 1975 in determining whether or not there should be approvals of applications which exceed the permitted increases of 10 per cent and 9 per cent. I think that achieves the general direction and purpose of this amendment. It's certainly a novel way to try to get at what is a very difficult problem for some people who have received very substantial increases in that last half of 1975. Nevertheless, I would urge members to defeat the amendment, as I believe we can provide that safeguard through the instructions by regulations to the rent regulation officers and the appeal board as to what they should consider when considering increases which exceed the permitted increases in the bill.

MR. CLARK: I'd just ask the minister one question on his comments. Is the minister then indicating to us that in the section of the act which makes it possible for the government to make regulations to the rent review officers, the government will be asking the rent review officers to take into consideration the kinds of increases people have faced in the number of months prior to this bill coming into effect?

MR. HARLE: That's right, Mr. Chairman.

MR. TAYLOR: Mr. Chairman, during the debate on second reading, one of the hon. members on the government side indicated that if the landlord had given notice of an increase after September 30, it would in fact be 90 days under The Landlord and Tenant Act, and consequently that would either be considered the increase for 1975 or there could possibly be a rollback. I wonder if the hon. minister would comment on that, then I have one further question.

MR. HARLE: Mr. Chairman, I take it the hon. member is referring to the transi-

tional part of the bill that applies to notices of increase given, say, from October on under a 90-day provision, that if they exceed the 10 per cent, they're deemed to be 10 per cent, and as two increases can be permitted in 1976, that is one increase. The landlord would be entitled to apply to get the rent regulation officer to determine whether he's entitled to any more, and just once, because he will have used up his two increases if he does so. If he can justify any increased costs, he can apply to get more than the 10 per cent. But it would be a three-month period before he could do so, because he would have to give three months' notice just as for any other increase permitted by this bill.

MR. TAYLOR: That would appear to resolve the matter to some degree for those who lived within The Landlord and Tenant Act. But some tenants tell me they don't get three months' notice. They simply get a note under the door saying, at the beginning of next month your rent is increased so many dollars. Now if that happened in October, November, or December, could the rental control officer deal with it? Because actually it was an illegal notice and otherwise would have become effective on January 1 or after.

MR. HARLE: Mr. Chairman, the difficulty in this area of things that happened prior to this bill being assented to, and prior to it really becoming effective on January 1, is that under the present Landlord and Tenant Act there is provision whereby the tenant can seek protection from the courts for that particular period. Because, of course, it's an unenforceable rent increase. The difficulty is that most tenants are timid and in many cases don't want to go to court and don't want to insist on their rights. In talking to the various tenant groups, I have urged them to make sure they inform tenants of their rights in this type of situation, as do the landlord and tenant advisory boards. But it does come back to the fact that a tenant can do something about it under The Landlord and Tenant Act, because it really is an ineffective notice. But many choose not to do so and, for that reason, it's a difficult thing to control.

MR. TAYLOR: Mr. Chairman, I would submit that the landlord who lives within the law and gave the three months' notice after October 1 then comes under the transitional part of this bill. Consequently, I would strongly urge that the landlord who did not live within the law should also come under the transitional section.

MR. HARLE: Mr. Chairman, I think in effect he does, because if the tenant chooses to object to it and appeals for an investigation from the rent regulation officers, under the terms they probably can investigate this type of situation. Certainly any increases, effective January 1, that were given in that period would be caught. But some were given notices like that in October, say, effective the 1st or the 15th, or

the 1st of December. I don't think we can do very much about those unless the tenants take it upon themselves not to pay those increases and seek the protection available under The Landlord and Tenant Act.

MR. TAYLOR: I don't want to prolong the case, Mr. Chairman, but I'm sure the hon. minister knows better than I do how reluctant most tenants are to go to court. They're afraid of courts. It seems to me only logical that if we're bringing the landlord who obeyed the law under this act because he obeyed the law and his increases are coming in effective after January 1, the landlord who disobeyed the law should not be permitted simply to go scot-free. I would certainly urge that the rental control officer at least take a good look to make sure there is some justice in the thing for both sides.

MR. HAPLE: Well, Mr. Chairman, certainly the rent regulation officers will have power of investigation and the ability to keep the complaints confidential. I hope they will be able to try to solve some of these problems. I may say I'm sure the landlord and tenant advisory boards will also be making every endeavor to ensure tenants are properly advised of their rights.

MR. TAYLOR: There's one other point I'd like to bring to the attention of the minister. I think the letter I want to read is indicative of the type of letter that probably comes to all MLAs.

This tenant lives in a rural town, actually in Strathmore. He was paying \$165 last April. On May 29, he received a notice that his rent would go up \$20 on September 1, which is a little over 12 per cent. That brought it up to \$185. On November 28, he received a further notice it would go up just under 10 per cent, \$18, bringing it up to \$203. So since last May, the tenant's rent has increased from \$165 to \$203. I assume this last 10 per cent would be the permitted 1976 increase, because it takes effect on March 1, 1976. The landlord did live within The Landlord and Tenant Act. This is the letter the constituent writes:

Dear Sir:

I would like to enlist your assistance in the matter of rent adjustments on the apartment in which I reside in Strathmore. For your consideration, I have enclosed copies of two notices of rental increases which I have received within the past nine months. The March notice followed a December change of ownership and was by some tenants anticipated; though not justified. The last notice however, was not expected at all and was very certainly unjustifiable.

In the March notice, the reasons cited for "increased costs" were invalid since there have been no appreciable

increases in the costs. Utilities are paid by the tenants and maintenance on these new buildings is non-existent except in the case of repairs to damaged suites when a tenant vacates, in which case the cost should be borne by the parties responsible. Day to day maintenance is done by a tenant on a rent reduction basis and the cost of this service has not yet increased. Taxation on this property, according to . . . the Town Secretary Treasurer, has not increased and there seems to me to be no other area of expenditure which could have increased enough to warrant these two rent increases.

It appears that all that has increased in this case is the profit motive of the landlords and parity with City of Calgary rental rates is hardly sufficient excuse for these unreasonable increases. After all, workers in the rural areas certainly are not earning parity wages and under the new wage controls and 11 per cent provincial ceilings, they are likely to fall even farther behind, yet the cost of living is increasing just as rapidly if not more rapidly in rural Alberta than it is in urban Alberta.

On my salary I have no hope of purchasing a home and with these rental increases the situation is becoming of great concern to me. The individual citizen has little hope of confronting absentee landlords and I feel hopeless in this situation. It is for that reason that I would appreciate any assistance you can give me in bringing these rental rates back into line.

The landlord is a group in Calgary. It appears [there is] some justification in the submission, and that is parity with Calgary rates. If that is the basis, it isn't too sound. However, a number of letters like this are coming in from rural Alberta. I thought I should read this for the record so the hon. minister will know how many people at the grass roots really feel.

MR. HARLE: Mr. Chairman, I'd like to respond in this way. I think it's true that by and large throughout rural Alberta rents are nowhere near parity with the city. In fact, I would say landlords would have a very difficult time trying to get rents which in any way compare with the city rents. There may be communities -- Strathmore being immediately adjacent to the east of Calgary -- where there is a certain amount of pressure.

However, the ultimate solution really is to create more accommodation of all types, including rental accommodation.

That is usually the most effective way of ensuring there aren't these arguments of parity: a reasonable vacancy rate, so if a tenant is dissatisfied with his rent and conditions, he has the ability to move. The problem right now is that with low vacancy rates it's very difficult for tenants to find alternative accommodation. But I'm sure even in Strathmore that possibility exists.

MR. TAYLOR: Yes, in many places in rural Alberta it is difficult to find other accommodation. But I would suggest that when dealing with rural Alberta there be no compunction on the part of the rental control officer, when he starts to work, that there has to be parity in rentals between places like Edmonton and Calgary and places like Strathmore, even if you are next door to a large city. That's one of the difficulties. In the case of Strathmore, it's so close to Calgary that many of the landlords in Calgary, I think, consider it as part of the city, and actually it is not.

MR. HARLE: Mr. Chairman, I would say that the whole basis of this particular bill we're dealing with is not to get into parity or economic value of rents, but purely to limit the size of the increases. In my view, there is no way applications by landlords arguing they should have a different rent, because premises over here rent for more, should have any influence with a rent control officer.

MR. MANDEVILLE: Mr. Chairman, on page 8, Section 8(2)(c) indicates that if a landlord wants to make an increase not permitted in the bill, over the 10 per cent, he has to make application to a rent control officer and give 90 days' notice. I was wondering if there is any [provision] for this application to be sent to the tenant. Under subsection (3) it says:

Where residential premises in respect of which an application is made under this section are occupied, a copy of the application shall be sent to the tenant of the residential premises.

The question is: when will it be sent? Could they wait until it's too late to show them the application to appeal it? I was wondering if there should be a period of time in there for 90 days -- that they should send the application to the tenant at the same time they send it to their rent control officer.

MR. HARLE: Mr. Chairman, I think the matter really is covered by The Landlord and Tenant Act. It provides that notice of the increase must be given to the tenant, and the time runs from when the tenant gets the notice.

MR. MANDEVILLE: Yes, I understand this is right under Section 21 of The Landlord and Tenant Act. The only thing is, they've applied for the increase in the rent, but they're applying for an additional increase, and these are the reasons for the

increase. Now the tenant still might not get the reasons for the increase. That is the point I was thinking might not be covered in the legislation.

MR. HARLE: It's my understanding that, of course, the copy of the landlord's application and the material must be given to the tenant.

MR. CLARK: Mr. Chairman, before we call the question, I wonder if I could ask the minister to point out where in the act the power, in fact, is given to the rent review officer to take into consideration rents during the six months' period of time before.

MR. HARLE: Mr. Chairman, under the regulations [interjections] . . . Yes, under Section 31(1)(f), the regulations can prescribe the matters that must be taken into consideration.

MR. CLARK: These would be matters that took place before the act comes into effect, is that right?

MR. HARLE: Yes, it's our intention to direct the rent control officers to consider increases tenants have received in 1975.

[Motion defeated]

[Title and preamble agreed to]

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

[Motion carried]

MR. HYNDMAN: Mr. Chairman, I move the Committee rise and report.

[Dr. McCrimmon left the Chair.]

* * * * *

[Mr. Speaker in the Chair]

DR. MCCRIMMON: Mr. Speaker, the Committee of the Whole Assembly has had under consideration Bill No. 80, and begs to report same with some amendments.

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

HON. MEMBERS: Agreed.

GOVERNMENT BILLS AND ORDERS (Third Reading) (continued)

Bill 80 The Temporary Rent Regulation Measures Act

MR. HARLE: Mr. Speaker, I move third reading of Bill No. 80, The Temporary Rent

Regulation Measures Act.

[Motion carried; Bill 80 read a third time]

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 session, passed certain bills to which, in the name of the Legislative Assembly, I respectfully request Your Honour's assent.

CLERK: Your Honour, the following are the bills to which Your Honour's assent is prayed:

Bill 37 The Teachers' Retirement Fund Amendment Act, 1975
 Bill 38 The Hospital Services Commission Amendment Act, 1975
 Bill 39 The Alberta Opportunity Fund Amendment Act, 1975
 Bill 40 The Alberta Environmental Research Trust Amendment Act, 1975
 Bill 41 The Licensing of Trades and Businesses Amendment Act, 1975
 Bill 42 The Universities Amendment Act, 1975
 Bill 43 The School Amendment Act, 1975
 Bill 44 The Northern Alberta Development Council Amendment Act, 1975
 Bill 45 The Co-operative Associations Amendment Act, 1975
 Bill 46 The Criminal Injuries Compensation Amendment Act, 1975
 Bill 47 The Department of The Environment Amendment Act, 1975
 Bill 48 The Coal Conservation Amendment Act, 1975
 Bill 49 The Attorney General Statutes Amendment Act, 1975
 Bill 50 The Alberta Insurance Amendment Act, 1975
 Bill 51 The Marriage Amendment Act, 1975
 Bill 53 The Pharmaceutical Association Amendment Act, 1975
 Bill 54 The Social Services and Community Health Statutes Amendment Act, 1975
 Bill 55 The Livestock Brand Inspection Amendment Act, 1975
 Bill 56 The Public Utilities Board Amendment Act, 1975
 Bill 57 The Trust Companies Amendment Act, 1975
 Bill 58 The Motor Vehicle Administration Act
 Bill 59 The Highway Traffic Act, 1975
 Bill 61 The Companies Amendment Act, 1975

Bill 62 The Agricultural Development Amendment Act, 1975
 Bill 64 The Mental Health Amendment Act, 1975
 Bill 65 The Optometry Amendment Act, 1975
 Bill 66 The Motor Vehicle Accident Claims Amendment Act, 1975
 Bill 67 The Agricultural Service Board Amendment Act, 1975
 Bill 68 The Attorney General Statutes Amendment Act, 1975 (No. 2)
 Bill 69 The Water Resources Amendment Act, 1975
 Bill 70 The Alberta Heritage Amendment Act, 1975
 Bill 71 The Alberta Labour Amendment Act, 1975
 Bill 72 The Alberta Uniform Building Standards Amendment Act, 1975
 Bill 73 The Municipal Affairs Statutes Amendment Act, 1975
 Bill 75 The Fuel Oil Tax Amendment Act, 1975
 Bill 76 The Government House Act
 Bill 77 The Surveys Amendment Act, 1975
 Bill 79 The Legislative Assembly Amendment Act, 1975 (No. 2)
 Bill 80 The Temporary Rent Regulation Measures Act
 Bill 81 The Temporary Anti-Inflation Measures Act
 Bill 82 The Election Amendment Act, 1975
 Bill 84 The Provincial Court Amendment Act, 1975
 Bill 85 The Real Estate Agents' Licensing Amendment Act, 1975
 Bill 86 The Department of the Attorney General Amendment Act, 1975
 Bill 87 The Alberta Income Tax Amendment Act, 1975 (No. 2)
 Bill 88 The Natural Gas Price Administration Act
 Bill 89 The M.L.A. Pension Amendment Act 1975
 Bill 90 The Credit Union Amendment Act, 1975
 Bill 92 The Recreation Development Amendment Act, 1975
 Bill Pr. 7 An Act to Amend The Calgary Convention Centre Authority Act

[The Lieutenant-Governor indicated his assent.]

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

SERGEANT-AT-ARMS: Order!

[The Lieutenant-Governor left the Legislative Assembly.]

MR. FOSTER: Mr. Speaker, it is the will and pleasure of His Honour the Lieutenant-Governor that the Legislative Assembly be now prorogued, and the Assembly is accordingly prorogued.

[The First Session of the 18th Legislature concluded at 9:02 p.m.]