

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Thursday, April 1, 1976 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: INTRODUCTION OF VISITORS

MR. HARLE: Mr. Speaker, I beg leave to introduce a group of 90 students from Stettler Junior High. They are in both galleries. I would ask that they please rise and be recognized by the Assembly.

MR. SHABEN: Mr. Speaker, may I introduce to you, and through you, some 15 members of the Opportunity Corps. This group operates out of High Prairie in my constituency, and other groups operate throughout the rest of northern Alberta. They are working towards improving their manual and academic skills. I would ask that they rise and be welcomed by the Assembly.

head: TABLING RETURNS AND REPORTS

MR. DOWLING: Mr. Speaker, I would like to table two copies of the Alberta Opportunity North Conference, held November 26 to 29, 1975.

MR. SPEAKER: I have the honor to table the *Alberta Hansard* report.

head: ORAL QUESTION PERIOD**Syncrude Agreement**

MR. CLARK: Mr. Speaker, I'd like to direct the first question to the Minister of Energy and Natural Resources, and ask if he's in a position to indicate whether at long last agreement with regard to Syncrude has been worked out between the participating companies and the governments of Alberta, Ontario, and Canada.

MR. GETTY: Yes, Mr. Speaker, I'm pleased to say that as a result of the seven- to eight-hour meeting yesterday of all six participants, it appears that no outstanding issues are now left among the participants. We can now have documents drawn up for signing by all six participants, I hope before the end of April.

Mr. Speaker, I might publicly congratulate the other five participants. I thought they came to the meeting displaying a remarkable desire to reach agreement, and worked very hard towards coming up with mutually acceptable terms.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. In light of that information, is the minister now in a position to indicate to the House what rate of return the Alberta government will be receiving from that money which is lent to the Syncrude group?

MR. GETTY: Mr. Speaker, I think the hon. member is referring to the debentures that are being negotiated between the provincial Treasury and Cities Service and Gulf. Mr. Speaker, that wasn't one of the issues we discussed yesterday, and I wouldn't like to give the specific terms. I think the Provincial Treasurer should do that, because I'm not fully aware of all the terms.

The hon. member will realize that those were convertible debentures. The convertible terms have been negotiated over a period of 12 months, and so have the interest rates. I think it best that the Provincial Treasurer spell out all the terms.

MR. CLARK: Mr. Speaker, a further supplementary to the Minister of Energy and Natural Resources. It may be that he'll have to give the same answer again.

Have the final details of the accounting manual now been wrapped up, and are we in a position to receive a copy?

MR. GETTY: Mr. Speaker, all the principles and details of the accounting manual have been worked out. Until they are signed, though, I wouldn't say that is it. So I think the best thing to do, Mr. Speaker, would be to assure the hon. member that as soon as the documents have been signed they'll be made available to members of the House.

Rural Government Finances

MR. CLARK: Mr. Speaker, I'd like to direct my second question to the Minister of Municipal Affairs. I'd like to ask if he'd indicate to the Assembly which local rural governments in Alberta are in danger of bankruptcy.

MR. JOHNSTON: Well, Mr. Speaker, I'm sure the hon. member is referring to some comments I made yesterday at the AAMDC meeting. First of all, just by way of preface, may I explain that I'm referring to deficits. The preliminary indication I have for 1975 is that there is an alarming number of deficits among the municipal districts and counties. In fact some total amount of \$3 million has been indicated so far.

I'd rather not make specific comments as to which counties are in danger of becoming bankrupt. Some of our investigations are now under way, and I'd rather not extend any alarming note to this Assembly at this point.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Has the minister sent out officials from his department and/or from the Provincial Auditor's department to become involved in auditing the books not only from the standpoint of some capital expenditures perhaps not being properly accounted for, but the overall financial health or lack thereof of rural municipalities?

MR. JOHNSTON: Yes, Mr. Speaker. As part of our ongoing review, we do indeed have our inspectors, as they are called, review the financial statements of all municipalities in the province of Alberta. But more specifically with those where we have some alarm at this point, I now have followed up on that work. We are sending new inspectors back to review, analyse, and come up with some causes for the financial crises now being experienced by some municipal districts and counties.

MR. CLARK: Mr. Speaker, a further supplementary question to the minister. Is the minister in a position to indicate to the Assembly what costs have been hoisted upon municipalities as a result of the order of the Board of Industrial Relations dealing with overtime, the result being that counties and M.D.s have had to hire people on a year-round basis as opposed to a seasonal basis?

MR. JOHNSTON: Mr. Speaker, I don't necessarily agree with the hon. Leader of the Opposition. But I can say that, in terms of the overexpenditures which have been experienced by those municipal districts and counties which are now reporting, the labor costs have not been the largest item. The largest item, indeed, has been overexpenditures on public works such as roads, street programs, and things of that order. In fact, more than 60 per cent overspent their capital works budgets.

MR. CLARK: Mr. Speaker, a further supplementary in light of the minister's answer. Has the minister had discussions with his cabinet colleagues who deal primarily with the municipalities and who are involved in these matching grant programs where, if the municipality doesn't become involved, it loses the money completely? That's one of the real reasons.

MR. JOHNSTON: Again, Mr. Speaker, the hon. Leader of the Opposition is probably drawing some conclusions with which I do not agree, particularly his last comment with respect to matching grants and the fact that they are lost or are causing concerns. What I can report to you is that my department alone has contributed something like \$110 per capita to the municipal districts and counties, which indeed is higher by far than the contributions made to cities, towns, and villages.

Indeed, I would have to say that if there is any concern, the concern is with the budgeting process itself and the administrative responsibilities of the elected officials.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Perhaps I didn't phrase the question properly.

Has the minister had discussions with his cabinet colleagues who are involved in these matching grant programs with municipalities, with the view of letting municipalities know in advance so they can budget on a yearly basis like we should here?

MR. SPEAKER: This could possibly be a barren field for investigation inasmuch as I would say, with respect to the hon. Leader of the Opposition, that discussions within cabinet, of course, are privileged. I'm not aware of any authority which would justify a

question on whether the cabinet was having a discussion on a specific point. Certainly, if it got at all into the area of what those discussions were, it would be clearly out of order under 171 of *Beauchesne*.

MR. CLARK: Mr. Speaker, with due respect, sir, when the minister spoke in the House, he never once mentioned this problem. Then he mentioned it outside the House. What we're trying to find here — after the minister took part in the debate in the House — is the information.

So I'd ask the question to the minister again. Has the minister made representation to his cabinet colleagues about the effects of these matching grants on the financial plight that the minister has discovered all of a sudden?

MR. JOHNSTON: Mr. Speaker, clearly I can give reference to when I have commented. In fact, I spoke on June 2, 1975 on the attitude of fiscal responsibility which clearly pervaded the entire province of Alberta. It's on record.

As to the conversations I've had with my colleagues, of course, that is privileged.

MR. CLARK: Mr. Speaker, then let me ask the minister this question. Is it the government's intention to review the concept of matching grants, and pull away from that approach so that municipalities will know what their financial abilities are going to be before they start their budgeting year, rather than halfway through it as is the situation now?

MR. JOHNSTON: Mr. Speaker, I could debate that as well. I'll merely say that we introduced the position on grants in September 1975, well in advance of the budgeting process and well in advance of the planning process.

MR. CLARK: Mr. Speaker, one further supplementary to the minister. Is the minister in a position to indicate whether his colleagues, other ministers, were able to give that kind of information to municipalities in September of last year? Because it's those areas that are causing municipalities the major problems. It's the matching grant areas, not the unconditional grants from your department.

MR. JOHNSTON: Mr. Speaker, I can't accommodate the hon. leader in that area. I can't really say what other ministers have done.

MR. CLARK: Perhaps you'd check on that.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. In light of the minister's answer that the major area of extra spending appears to be in capital works, has your department given careful consideration to the unusual climatic conditions which have forced a much higher capital expenditure in many rural municipalities and counties than would otherwise have been the case?

MR. JOHNSTON: Yes, indeed, Mr. Speaker. We have carefully reviewed the reasons for overexpenditures in the public works sector. I have to agree that part of that expenditure was caused by two things:

the fact that good weather did prevail, and the extent to which road programs were under way; secondly, the municipalities and counties were caught in a heavy inflationary period.

I would clarify that by saying that while they find themselves in a deficit position this year, in accumulation, some of these municipal districts and counties are still in good financial shape.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister. With respect to the suggestion that in the event that an M.D. or county goes bankrupt, the minister would consider suspension of that council under The Municipal Act, my question to the minister is: has this matter been formally discussed with the Provincial Municipal Finance Council? If so, what was the opinion of that council?

MR. JOHNSTON: Mr. Speaker, the hon. Member for Spirit River-Fairview touches on what is spelled out in The Department of Municipal Affairs Act. Should a municipal district or county or, for that matter, any other urban area get into financial difficulty, a couple of solutions are available to me. One is to appoint an administrator to concern himself with the financial responsibilities and still keep the board intact; or, if it becomes severe enough, to discharge the entire town council.

As to the kinds of discussions, that is again privileged information at this point.

MR. NOTLEY: Mr. Speaker, a further supplementary question for clarification. I'm not asking whether there have been privileged discussions in the cabinet.

Mr. Speaker, my question to the minister is whether this option, in light of the concern expressed by the minister about the finances of local government, has been formally discussed with the Provincial Municipal Finance Council. If it has, are there any recommendations relating to that point?

MR. JOHNSTON: I can answer that specific question, Mr. Speaker. No, it has not been discussed with the Provincial Municipal Finance Council.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister. In light of the potential controversy over this sort of situation, is it the minister's intention to refer this matter to the Provincial Municipal Finance Council for early assessment?

MR. JOHNSTON: Indeed, Mr. Speaker, as has been pointed out, in the Provincial Municipal Finance Council we are now working on those fiscal arrangements which concern the areas of the province and the municipalities in terms of revenue sharing, assessment review, those kinds of things.

More specifically on the crisis of those several municipal districts or counties which could be in difficult shape, this could probably be left to our municipal inspection branch, because it would have to move much more quickly. It has the expertise and knowledge to effect changes and remedies if necessary.

MR. CLARK: Mr. Speaker, I would like to direct a further supplementary question to the minister, and

ask if he has been involved in discussions with specific municipalities regarding their financial plights and the possibility of the Department of Municipal Affairs assuming the responsibility of the duly elected officials in those areas. Have there been specific discussions with specific municipalities?

MR. JOHNSTON: Yes, there have, Mr. Speaker.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister. Is he in a position to advise the Assembly whether it's the view of the government that local municipalities or counties should always balance their operating budgets, even if they have an accumulated surplus?

MR. JOHNSTON: Again, a very difficult question, Mr. Speaker, and one which would encourage debate. I would merely state that the general policy is that we would hope for a balanced budget, because these other kinds of difficulties, such as overexpenditures which are not programmed for, are then engendered. Indeed, it puts the municipal district or county in very difficult shape, because it has to pick these up in subsequent years since these cannot be funded on a long-term basis.

MR. BRADLEY: A supplementary to the Minister of Municipal Affairs, Mr. Speaker. Would he be in a position to indicate to the Assembly whether other cities, towns, or villages in the province are in financial straits similar to those of the rural municipalities and counties?

MR. JOHNSTON: Mr. Speaker, generally I cannot say that. I've been very careful to talk about municipal districts and counties, since, first of all, these have reported to date. Secondly, my general observation is that the cities and the larger urban areas are very careful in the budgeting process and generally end up with a surplus. I think nine out of the 10 cities will probably have a surplus in 1975. To explain that, it is generally because of their more advanced budgeting techniques, the information processing, and the fact that they use the budget as a planning guide.

MR. NOTLEY: And they're bigger and can fight back.

MR. COOKSON: Mr. Speaker, I'd like to ask the minister whether he would make a comment on the tax arrears in the municipalities across the province. Has there been a trend upward in the amount of arrears in specific areas over the past year?

MR. JOHNSTON: I haven't got a specific answer on that technical point, Mr. Speaker. I really can't comment.

Dodds-Round Hill Project

MR. STROMBERG: Mr. Speaker, I'd like to direct a question to the Minister of Energy and Natural Resources, and ask if he could inform me if the government will allow the strip mining of 25,000 tons of coal for a test burn from the Dodds-Round Hill area before the ERCB hearings.

MR. GETTY: Mr. Speaker, the request for a test sampling of the coal reserve has not come to me, although I would expect that all hon. members would appreciate that the best possible way to have a hearing would be to have it with all the information before those interested. Therefore, all might want to have a sample tested to determine whether in fact it is worth while to develop the project.

MR. STROMBERG: A supplementary, Mr. Speaker. The application has been made by CanPac to the CPR. I know that it can be done. It has been done in the past. What I want to know is: is the government going to allow it, yes or no.

MR. GETTY: As I said, Mr. Speaker, it hasn't come to me yet as a request. I'm not sure whether the hon. member is now advocating the request. If he'd like to, I would then consider it and respond. It would not be a strip mine as I understand his description of it. It would be the taking of a sample and testing how that sample might burn, I imagine, in order to develop a process for converting the coal to electrical energy.

MR. STROMBERG: One further and last supplementary to the minister. In removing 25,000 tons, what method would be used for a sample, apart from the shovel?

Coal Testing — Bow City

MR. MANDEVILLE: A supplementary question, Mr. Speaker. I see where the Alberta Energy Resources Conservation Board has an ad in the *Edmonton Journal* with regard to testing some coal at Bow City. I was just wondering if the minister could indicate whether this is for feedstock for the petrochemical plant at Bow City.

MR. GETTY: No, Mr. Speaker, I'm not aware of either the ad or the future use of the coal. But I can assure the hon. member I intend to take the opportunity to visit the metropolis to which he continually refers.

Syncrude Agreement (continued)

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Energy and Natural Resources. Is he in a position to advise the Assembly if the province of Alberta agreed to abstain from any voting on the Syncrude board as a result of certain concern expressed by several other parties prior to yesterday's meeting?

MR. GETTY: No, Mr. Speaker, the province would not do that. We would feel it would be irresponsible on our part to abstain from voting on the large responsibility we have in a project like this.

MR. NOTLEY: A supplementary question, Mr. Speaker. I might just point out that the questions I'm asking are really supplementaries to those of the Leader of the Opposition, but I decided to put them in the form of a question. They deal with yesterday's meeting.

Is the hon. minister in a position to advise the House what the final decision was with respect to the Atlantic Richfield leases?

MR. GETTY: Mr. Speaker, we probably shouldn't get into a lot of detail on various items, because I agreed with the other participants that we would say we resolved the issues satisfactorily for all concerned, but not try to point out who attempted to get a certain point and failed.

Nevertheless, since we've discussed Atlantic Richfield in the House before, I would say that the Alberta government has agreed to assist the other governments in every way possible to obtain an interest in the Atlantic Richfield leases.

Mr. Speaker, I also wanted to say on the Syncrude matter that inasmuch as the terms agreed to in Winnipeg have essentially stayed the same and the members will all want to assess the Syncrude project in those terms, I'd like to table in the House today a copy of an independent research institute's evaluation of the Syncrude project from the point of view of Alberta and other governments. It might help all members of the House. I draw their attention particularly to pages 16 and 17 in which they assess Alberta's position and benefits. I've arranged to make a copy available to all members of the House.

MR. NOTLEY: Mr. Speaker, another supplementary question to the hon. minister. Will the Atlantic Richfield leases be allocated to the participants in the project in relationship to their equity position in the plant?

MR. GETTY: The Atlantic Richfield interest in the leases will be allocated, should it be possible, among the three governments in relation to their interest in the plant.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. minister. Is the minister in a position to advise the House what mechanism has been agreed to among the participants with respect to Alberta Energy Company rates for the power plant and the pipeline once the plant is in operation?

I believe there's to be an arbitration procedure. Is the minister in a position, Mr. Speaker, to advise the House what that procedure in fact will be?

MR. GETTY: Mr. Speaker, there will be an arbitration procedure if they're not able, by negotiating, to arrive at an acceptable rate of return. The arbitration will essentially cover a five-year period, in which there will be a base of 15 per cent and a top of 22 per cent. After that five-year period, provision again is made for a reopener, at which time it will be a wide-open arbitration, if arbitration is necessary.

DR. PAPROSKI: A supplementary, Mr. Speaker. Would the minister confirm that Alberta's position in participation is in fact as secure and sound as it had been prior to the negotiations, and that it continues to optimize benefits to all Albertans regarding dollars, jobs, energy, and environment?

MR. SPEAKER: Perhaps under the circumstances, the Assembly will have to accept that announcement on the authority of the hon. member.

DR. PAPROSKI: Thank you, Mr. Speaker.

MR. CLARK: Some authority!

MR. GHITTER: My question will be more for information, Mr. Speaker. I'm wondering if the hon. minister would advise whether the federal government continues its assurance that the Syncrude product will receive world prices.

MR. GETTY: Yes, Mr. Speaker, that was a part of the agreement in Winnipeg, and that has continued to be in force.

MR. NOTLEY: Mr. Speaker, I just have one final supplementary question. I'm not sure — the minister may have answered it. But I take it the final, definitive agreement will be reached at the end of April.

Mr. Speaker, my question is: will that agreement be tabled in the House once it is completed?

MR. GETTY: Yes, Mr. Speaker, as soon as possible after it's been signed.

MR. CLARK: Mr. Speaker, one further supplementary question to the minister. In the course of the discussions which took place, did the question of environmental control authority come up? Is it still a position of the province of Alberta, following the meetings of yesterday, that in the end the province will continue to maintain responsibility for the establishment of environmental protection as far as the Syncrude operation is concerned?

MR. GETTY: Mr. Speaker, it wasn't a matter that was discussed yesterday. The plant is in the same position as any other project in Alberta. In that regard it must meet all the laws and regulations that are the responsibility of my colleague, the Minister of the Environment.

CHIP Guidelines

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Housing and Public Works. What are the guidelines used in allocating the low-rental portion of the suites to tenants under the core housing incentive program?

MR. YURKO: Mr. Speaker, the guidelines are fairly extensive, and it perhaps would be more appropriate if the hon. member put such a question on the Order Paper. Basically, they're related to people whose incomes fall between approximately \$8,000 and \$12,000 per annum.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Can developers give priority to their employees on these projects or these suites?

MR. SPEAKER: Might I respectfully suggest to the hon. member that any supplementaries he has may be included with the question, if and when he puts it on the Order Paper.

Fine-Option Program

MR. TAYLOR: Mr. Speaker, my question is to the hon. Solicitor General, in connection with the excellent program the hon. minister tabled yesterday, the Pilot Alberta Restitution Centre. Is this program confined to offenders appearing in adult court?

MR. FARRAN: Mr. Speaker, at the moment, yes. It's directed at adult offenders over the age of 16. Under the present system, juvenile offenders are handled by the juvenile courts as juvenile delinquents, or turned over to the child welfare authorities as neglected children under The Child Welfare Act.

DR. PAPROSKI: A supplementary, Mr. Speaker. [Inaudible] the minister indicate to the House whether such a program exists outside the province, or is he aware of that?

MR. SPEAKER: Order please. With great respect, the hon. member might perhaps do his research in a different manner.

DR. PAPROSKI: Mr. Speaker, then may I reframe the question? I think it's important because it's a pilot project, and it would be interesting for the members to compare. Would the minister then indicate if we are the first in Canada?

MR. SPEAKER: With regard to the principles that govern the question period, the Chair is unable to distinguish the present question from the previous one.

MR. TAYLOR: Supplementary to the hon. minister. Is a program being considered where persons appearing in juvenile court will also have an opportunity to make restitution?

MR. FARRAN: Mr. Speaker, I'd certainly like to see the principle extended to the juvenile court, but it doesn't fall within my jurisdiction.

This excellent program is a first in Canada. The work for fine program is the second — Saskatchewan was ahead of us in terms of the work for fine option — but restitution is a first.

Northland School Division

MR. FLUKER: Mr. Speaker, my question is to the Minister of Business Development and Tourism. I've had an inquiry from my constituency in regard to the reported difficulty the Northland School Division is having recruiting teachers in the north.

I'd like to ask the minister, who is chairman of the Northern Alberta Development Council, whether the council is doing anything about trying to rectify this situation.

MR. DOWLING: Mr. Speaker, some time ago, during the last session of the Legislature, the then chairman of the Northern Alberta Development Council and the Council examined this matter very extensively with the student advisory board and at that time came to cabinet with a proposal to develop a bursary system. I'm not in a position to tell the Legislature the magnitude of that system at the moment, but I can

say that last year approximately 115 bursaries were allowed.

They are allotted on the bases of need and the particular type of course taken by the student. For married students it's up to \$4,000; for single students, \$2,500.

The students obtaining the benefits of that bursary are required to sign an agreement that they will serve a year in the north country for each year of bursary they receive. As I said, there were about 115 last year. As I recall, very close to 60 of those bursaries were in the field of education.

MR. APPLEBY: Supplementary, Mr. Speaker. I wonder if the minister could indicate who these types of bursaries are being made available to. Are they graduates of Alberta high schools?

MR. DOWLING: Yes, primarily graduates of Alberta high schools. We are not selective with regard to the location in Alberta these students come from. In other words, a student from southern Alberta is eligible for the bursary as easily as somebody who now resides in northern Alberta. What is being attempted, of course, is the stimulation of young Albertans to move into the north country and provide needed technological abilities.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister, as chairman of the Northern Alberta Development Council. In light of his answer concerning the bursary program, is the minister satisfied that the bursary program is in fact sufficient to deal with the problems of the Northland School Division, as raised by the hon. Member for . . .

MR. SPEAKER: Order please. The hon. member is clearly asking the minister for an expression of opinion of the sort which, in this Assembly, is limited to a time set aside for debate.

MR. NOTLEY: Mr. Speaker, a supplementary question. Has the Northern Alberta Development Council done an assessment of the bursary program as it relates to the Northland School Division?

MR. DOWLING: Mr. Speaker, it's a little early to tell. I do know, for example, that almost 40 of the students who received a bursary the first year, received a second bursary the second year. Until those students are out in the work force and actually participating in the development of better than half our province, it's very difficult to assess the value of the program. But I can see it will have a significant input into that development as time goes on.

MR. APPLEBY: A further supplementary, Mr. Speaker. I was wondering if the hon. minister could indicate if the Northern Alberta Development Council is considering any incentives other than the bursary program to try to recruit teachers for the Northland School Division.

MR. DOWLING: No others than the usual promotional schemes we undertake at various times. As you know, we do have the Opportunity North Conference report out today, of which every member will receive

a copy. I would suggest that all hon. members read the document at length and indicate to their constituents the value of participating in the development of that great part of our province.

DR. BUCK: A supplementary question to the Minister Without Portfolio responsible for rural development. Mr. Speaker, has the hon. minister been looking at any type of bursary program for prospective medical doctors and dentists to go into the outlying rural areas?

MR. KING: Want to make it retroactive, Walt?

MR. SCHMIDT: Mr. Speaker, I am sure that the ministers responsible for both the dental and medical areas have taken a long look at the program whereby, through pointing out the attributes of rural Alberta and the north, we are getting a large number of people who graduate from the universities in both the dental and the medical professions to move to rural Alberta and the north and to accept both as locations for their lifetime vocation.

MR. DOWLING: Mr. Speaker, might I supplement the answer of my honorable colleague. The bursaries from the Northern Alberta Development Council fund are not only for education. Several have now been awarded for nurses, veterinary and medical students, and so on. In addition to that, the regional development branch of the Department of Business Development and Tourism is in fact actively pursuing recruitment of dentists for various areas of the province. I can recall one area in particular which has been reasonably successful.

I might add that we are not at the moment recruiting in Fort Saskatchewan.

DR. BUCK: It's quite obvious, Mr. Speaker, the minister doesn't want the best.

VS Services Ltd. Contract

DR. BUCK: I'd like to ask if the hon. Minister of Social Services and Community Health has considered placing a moratorium on the signing of the government contract with VS Services Ltd., in light of the report by the CSA, the green paper?

MISS HUNLEY: No, Mr. Speaker, I have not.

DR. BUCK: Mr. Speaker, since this information has become available to members of the Assembly, can the minister say if the saving that the minister indicated was going to be \$1 million is, in actual fact, only \$400,000, as indicated by the CSA?

MISS HUNLEY: I don't have the exact figures. I've always said approximately \$1 million. Until the final contract is drawn up and we know the number of people who will be moving into VS Services, and the way the contract will develop, I can't give the exact figures. I'm prepared to table the contract when we have it negotiated.

DR. BUCK: Mr. Speaker, a supplementary to the hon. minister. In light of the fact that additional

information has been presented to the members of the Assembly, has the minister now changed her position on looking at other firms that can provide the same services as VS Services?

MISS HUNLEY: No, not in this particular instance, Mr. Speaker. We felt that the request for proposals we'd put forward had been circulated to a number of firms which would give us a good cross section of opinions and bids, and we've accepted the one we think is the most desirable.

MR. CLARK: Mr. Speaker, I'd like to direct a further supplementary question to the minister. I'd like to ask if she's had the opportunity yet to review the document entitled *The Red Deer Issue 1976* put out just in the last two or three days by the Civil Service Association, regarding the situation at Deerhome as they see it.

Has the minister had a chance to look at that document in some detail?

MISS HUNLEY: I've had a chance to look at the document, yes, Mr. Speaker.

MR. CLARK: Mr. Speaker, then a further supplementary question to the minister. Despite the number of questions raised by the CSA in its position paper, the green paper, is the minister still of the impression that the department is going to go ahead?

MISS HUNLEY: I didn't notice in the paper, Mr. Speaker, anything particularly new or startling that hasn't already been alleged. As I've said before in this House, I felt that a fair, adequate, and competent assessment had been made. I agree with the assessment and the recommendations.

MR. CLARK: Mr. Speaker, just one further question to the minister. Was the minister involved in the assessment?

MISS HUNLEY: No, Mr. Speaker. I really don't consider myself one of the experts who should be involved in assessment when we have people who are competent in that field within the department.

MR. CLARK: Mr. Speaker, then a further supplementary question to the minister. Did the government call upon any outside consultants to be involved in that assessment, or was it a completely internal assessment?

MISS HUNLEY: To the best of my knowledge, Mr. Speaker, it was an internal assessment. The review was done by officials in my department who are competent in that area. I have not asked them whether they sought any outside advice, although I doubt it.

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

DR. BUCK: A supplementary to the hon. Deputy Premier, Mr. Speaker. Can the Deputy Premier indicate if this is a change in direction of the government, that we're now not going to be using public tendering? We're going to be using invitational

tendering, and the minister just gives the tender to whoever she sees fit.

DR. HORNER: Mr. Speaker, the hon. member is well aware that this government is going to use proper tendering practices as it has in the past.

MR. SPEAKER: Perhaps if there's time we could come back to this.

DR. BUCK: On a point of clarification, Mr. Speaker. Did the hon. minister say "proper tendering" or "public tendering"? Just for the record, Mr. Speaker, I'd like to know what the hon. minister said.

DR. HORNER: I said "proper", Mr. Speaker.

Welfare Statistics

MR. KUSHNER: Mr. Speaker, I wish to direct this question to the Minister of Social Services and Community Health. I wonder if the hon. minister has any statistics or studies — I know we have quite a few preventive programs — on if there is an increase or a decline in our welfare people in the province of Alberta.

MISS HUNLEY: Well, of course, we have statistics, Mr. Speaker. We base our estimates on the estimated number that will require assistance during the coming year. We will also, at some point in time, know exactly how many there were on the rolls as of today. In some categories, the numbers are decreasing. In some categories, the numbers are increasing. It fluctuates from time to time.

MR. KUSHNER: A supplementary question to the hon. minister. Maybe I didn't understand it clearly.

Did the hon. minister say that we will have this information soon?

MISS HUNLEY: If the hon. member wants the information, Mr. Speaker, I'd suggest he put his questions on the Order Paper. I'd be pleased to provide exactly what he'd like to know.

Calgary Parole Centre

MR. GHITTER: Mr. Speaker, my question is to the Solicitor General. It arises out of the concerns of constituents in south Calgary relating to a parolee lodging centre which is presently being mooted in that area.

I'm wondering if the Solicitor General could advise whether his department has any powers with respect to the selection of sites of this nature.

MR. SPEAKER: With great respect to the honorable and learned member, he seems to be asking a question on a proposition of law.

MR. GHITTER: With the greatest respect, Mr. Speaker, not at all. I'm raising a question of great concern to my constituents as to whether this province has any powers or authority to select sites for parolees as a drop-in matter. It's not a question of law, it's just a matter of clarification, with the greatest respect, Mr. Speaker.

MR. SPEAKER: If it relates to a federal-provincial agreement or arrangement of some kind, I would have to say the question is in order. But if it relates to the powers of the province, constitutionally or otherwise, I would have to re-emphasize that it's a question of law.

MR. GHITTER: May I rephrase the question, Mr. Speaker, to the hon. minister? Could the minister advise whether any representations have been made to his department for the financing of a parolee lodging centre in southwest Calgary?

MR. FARRAN: Mr. Speaker, the Seventh Step Society is a recognized society in the community residence corrections field. It offers half-way shelter to parolees, convicts who have been recently discharged and are looking for employment, and people perhaps released on temporary absence for rehabilitative training. The only part my department would play is that we would be prepared to enter into a contract with this Seventh Step Society if it happened to be successful in its zoning application to the municipal authority for the establishment of the residence. If it happened to be successful, we would enter into contract arrangements whereby clients of my department's correctional branch could be housed there on a fee-for-service *per diem* basis. The fee would be in nature of \$12.50 *per diem*.

MR. GHITTER: A supplementary, Mr. Speaker. Have there been any meetings of members of the Department of the Solicitor General with representatives of the Seventh Step Society, with respect to entering into such an arrangement?

MR. FARRAN: I don't know if there were any meetings as such, Mr. Speaker, but certainly there has been correspondence. As I said, the department is willing to enter into a contractual arrangement, should a development permit be granted by the city of Calgary. We have pointed out to correspondents from south Calgary that the question of establishment of a facility in any particular location is beyond the jurisdiction of my department. We wouldn't recommend in favor or against. If it happened to establish there or somewhere else, it would be suitable for a *per diem* contract.

MR. GHITTER: A supplementary, Mr. Speaker, to the hon. minister for clarification. I'm wondering then if your department is actually committed to funds, in the event that the development appeal board ruling is upheld.

MR. FARRAN: Well, Mr. Speaker, we have a continuing appropriation for this type of community residence. At the present time in the province, I think we have around 60 people on day parole or temporary absence staying in the disciplined environment of a community residence where they have to go back at night, the lights have to be turned out at 10:30, and so on — run under rules and regulations of which we approve.

MR. MUSGREAVE: A supplementary, Mr. Speaker. Is the minister not concerned that there is already a similar government institution in this area that's

funded by the province and is contributing to the zoning problems?

MR. SPEAKER: The hon. member has made a representation which we would have to assume the hon. minister has noted.

MR. FARRAN: Mr. Speaker, I'd just like to point out that I noted it, but it was not correct. In terms of capital or operating funds, we don't directly fund any of these places — just on a fee-for-service basis.

MR. GHITTER: A supplementary, Mr. Speaker. Is the minister aware that across the street from this project there is a provincial AADAC detoxification centre?

MR. FARRAN: Mr. Speaker, that's not a similar type of institution. That comes under a different department. It's for a different purpose. I didn't take it from the hon. member's question that he was referring to an AADAC facility which is in an entirely different field.

MR. GHITTER: Mr. Speaker, a further supplementary to the hon. minister. Have any representatives of the hon. minister's department had any meetings with concerned community groups about the overemphasis of institutions of this nature in that community?

MR. FARRAN: Mr. Speaker, I've got to say it again. We have no authority in this regard. The location of the site or the facility is entirely up to the local authority. It has nothing whatsoever to do with my department. We're not for it, we're not against it. If it happened to be established, we would be prepared to send the odd client there at \$12.50 per day.

Rent Regulation — Public Housing

MR. YOUNG: Mr. Speaker, I think my question is best directed to the Minister of Housing and Public Works. It concerns whether the temporary rent regulations have application to public housing.

Do they apply in full or in part? Has a portion of public housing been exempted from the rent regulations?

MR. YURKO: Mr. Speaker, the rent regulations . . .

MR. SPEAKER: Is the hon. member asking the minister to recite the contents of some regulations? We've been on similar points in the past few days. Surely the way to get that information would be by reference to the regulations.

MR. YOUNG: With respect, Mr. Speaker, my concern revolves around the fact that the rent in public housing in many instances is geared to income, whereas rent regulations have, as I understand them, a different basis. I'm wondering what kind of compromise is being reached.

MR. YURKO: Mr. Speaker, public housing has not been exempted from rent regulations under The Temporary Rent Regulation Measures Act. I should like to indicate there has been some concern in this regard, and some agitation for the removal of public

housing from the rent regulation process. Some of us in government have resisted this concern.

Governments provide subsidies in housing varying from a great deal to very little. Public housing is at the low end of the scale with respect to subsidy. Public housing is supposedly geared to the most needy in society. As a result it was felt unjust, if you wish, in this period of rough justice to permit increases above the 10 per cent in the lowest level of housing.

I should indicate the housing authorities have indicated that because their rents are related to income, when a person of low rent leaves a unit, a person coming in at a higher income would pay lower rent. I've advised the housing authorities that if they have difficulty in finding somebody with low income to fill these particular units in public housing, I would be very much prepared to assist them in finding people with low incomes.

In fact, the act requires that at least 10 per cent of public housing units be directed toward senior citizens. I have the Alberta Housing Corporation investigating whether this condition is being met in the public housing program of Alberta.

MR. SPEAKER: We've actually run over the time. But since I've already recognized the Leader of the Opposition, if the Assembly will agree, perhaps we could deal with one more question.

HON. MEMBERS: Agreed.

IPSCO Hiring Practices

MR. CLARK: Thank you, Mr. Speaker. My question really flows from comments made by the Minister of Business Development and Tourism with regard to hiring practices in the province of Saskatchewan as far as Alberta is concerned. My question is to the Minister of Energy and Natural Resources. I note that IPSCO has hired a certain Mr. Parker and a certain Mr. Keys. I was wondering if the province of Alberta was helping IPSCO in its hiring practices with regard to this particular situation.

Seriously, is the minister in a position to indicate to the Assembly if he's aware of the role the two above-mentioned gentlemen are playing with regard to IPSCO and the Alberta Energy Company?

MR. GETTY: I'm not sure of the two members he's referring to, Mr. Speaker. Perhaps he could give me some information.

MR. CLARK: I'd be pleased to. Two former colleagues of the hon. member, a certain quarterback by the name of Mr. Parker, and a certain coach by the name of Mr. Keys.

AN. HON. MEMBER: It's the first of April.

AN HON. MEMBER: It's a political football.

MR. GETTY: Are they now the responsibility of the Alberta government?

Mr. Speaker, if I follow, the line of questioning is whether I was involved in obtaining their positions with the Interprovincial Steel & Pipe Corporation. No, not at all, Mr. Speaker. I now understand you're

referring to the part in the newspaper having to do with them. Well, Mr. Speaker, it is inaccurate in some parts. Nevertheless I was not involved with regard to their employment.

ORDERS OF THE DAY

head: MOTIONS FOR RETURNS

MR. FOSTER: Mr. Speaker, I move that the motions for returns listed on the Order Paper stand.

AN HON. MEMBER: Which ones?

AN HON. MEMBER: The whole works?

AN HON. MEMBER: You've got to be kidding.

MR. CLARK: Mr. Speaker, before we have the question, I just want to make the point that we made about 10 days or a week ago, when we agreed to this kind of practice, that the minister would get up and move that one stand. I would say to the minister that it makes it difficult for us on this side, as far as the budget and the estimates are concerned.

I would hope we're not in a situation of having all the motions for returns stand, because it then becomes a situation where one of these Tuesdays or Thursdays, private members' day, we in fact will likely end up spending the whole day dealing with motions for returns, especially the more contentious ones which seem to be sitting on the Order Paper for a longer period of time.

MR. FOSTER: Mr. Speaker, if I may respond . . .

MR. SPEAKER: May the hon. minister conclude the debate? This is a debatable issue.

HON. MEMBERS: Agreed.

MR. FOSTER: In concluding the debate, I'll bear that in mind. I'm not impressed that there are very many motions on the Order Paper that have to do with the budget, Mr. Speaker. A good number have to do with studies and reports and correspondence. I said in the House earlier that it was not the intention of me or my colleagues to obstruct or delay the interests of the opposition in getting this information.

The simple fact, however, is that a number of ministers were absent from the House in the last 24 hours. It was not possible to consult with them adequately on the returns requested. Moreover, we want to be precise and careful that the information the opposition is asking for is readily obtainable at reasonable cost, and that the motions are in proper form. Perhaps, in the circumstances, we can be excused for exercising an abundance of caution.

[Motion carried]

head: **MOTIONS OTHER THAN
GOVERNMENT MOTIONS**

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

Be it resolved that a committee be appointed, to be called The Special Program Review Committee, consisting of three MLAs to be nominated by the Government House Leader and one by the Leader of the Official Opposition, such MLAs to further appoint such other representatives of the public as they deem advisable, up to seven in number, with the purpose of inquiring into and advising the House on ways and means of restraining the cost of government by examining

- (1) the continued usefulness of existing programs,
- (2) alternative lower cost means of accomplishing existing program objectives,
- (3) such other matters as the Committee deems appropriate to further its purpose; and

that the committee shall submit to the Provincial Treasurer a report by October 1 of each year, containing recommendations pursuant to its deliberations during the 12 months ending the period August 1, and may also submit interim reports at any time. The Provincial Treasurer shall table any such report at the earliest opportunity in the Legislative Assembly.

MR. CLARK: Mr. Speaker, I'm pleased to have the opportunity today to designate the motion on the Order Paper. I think it's fair to say at the outset, Mr. Speaker, that really the operational portion of the motion calls for the establishment of a committee, made up of members of this Assembly and seven people from the public sector of Alberta, to become involved in a review with regard to the expenditures of this government.

I would have to say at the outset, Mr. Speaker, that we think this is an appropriate time to raise this type of motion. I say that, Mr. Speaker, because we are in a situation now where we have finished the budget debate and commenced study of the estimates. When we look now at the estimates, rather than the government having made some very difficult, hard decisions about priorities within programs this year, basically what we've done in this budget, Mr. Speaker — what the government has done in this budget — is really not make hard decisions about priorities. They really haven't dealt with an overall assessment of a number of the programs now functioning in this province.

I want to say, Mr. Speaker, that the kind of approach we're talking about here this afternoon is an approach that is not strange in Canada at all. Members of the Assembly will be aware, and I'll be referring to it later in my remarks, of a study done in the early 1960s, more properly referred to at that time as a study of revenue and expenditures. It got to some of the same points we believe it's important that this committee really look at.

We're suggesting, as far as the make-up of the group is concerned, that there be four members of the Legislature and seven people from various areas of the public sector. I think it's important that we have some people from the public sector involved in this reassessment of government programs and spending, because it's important that the public sector be convinced that we're not going to be able to

continue to increase our expenditures in this province at the rate we have over the past number of years.

I'd remind my colleagues in the Assembly that in the first nine months of this year we've had something like a 33 per cent increase in government expenditure and, according to the Provincial Treasurer, perhaps a 10 per cent increase in revenues. Now we're going to have a \$2 increase per barrel of oil, we hope, in June or July, but once that's over, we're getting closer to a world price, and we can't expect \$2 per barrel of oil increases to come along and bail us out year by year.

So what we're really calling for today is a group to be set up of four members of the Assembly plus seven people from the public sector in Alberta. This committee would be able to look at government programs; to get input from the public across this province and, yes, to hold public hearings; and then to report to the Provincial Treasurer, who would then table in the Assembly a report from the standpoint of ways and means of restraining government expenditure, yes; but I'd have to add, Mr. Speaker, to look at those areas where there's perhaps a need for some greater priority.

Perhaps one of the hardest things members of any Assembly face is the question of what programs should be hacked out, what former priority areas should be revamped and perhaps [made] more in keeping with the priorities of the late '70s and the 1980s. This committee would have to be involved in a review of the continued usefulness of some of the existing programs in this province. This review committee also would have to look at program alternatives. Some of the areas that would have to be looked at would be alternatives that perhaps could provide the same type of service to the taxpayers in this province, but perhaps in a different manner or from a different approach. In the long run that could quite conceivably be a benefit for the taxpayers.

One the areas that I think, Mr. Speaker, we should mention is the whole question of home care. I recognize that during restraint the government cannot become involved in a home care program on a provincial basis. But I'd have to say, Mr. Speaker, that when we're looking at program alternatives, one of the areas this committee should look at is the concept of home care and its benefits, as compared to the costs of operating active beds in the hospitals or of operating nursing homes or some of the other facilities available for the more senior citizens. It's those kinds of program alternatives, perhaps to oversimplify the situation a bit as far as home care is concerned — when we can think of visits being able to be made by people involved in a home care program here in the city of Edmonton at perhaps \$8 a call, and perhaps making the call once or twice a week, as compared to a person having to be in an active treatment hospital at \$75 or \$80 a day. That's the kind of alternative a group like this should be looking at, Mr. Speaker.

We raise the issue at this time, early in the discussion of the estimates, because to date we've really seen nothing in this budget that indicates the government has looked at those kinds of alternatives. Now, if the government has, we'd be pleased to hear about it. But from looking at the budget to date, from hearing the comments and the speeches made by a variety of ministers during the budget debate itself.

there's little to indicate we've really looked at some of the program alternatives available to us.

As members of the Assembly, we should recognize that we can't continue the kind of expenditure pattern we've been following. I've already indicated a 33 per cent increase in expenditures during the first nine months of this year, and perhaps a 10 per cent increase in revenues. One doesn't even have to understand new math to reckon that we can't continue along that line of endeavor very long, especially when we remember that we were told in the subcommittee on estimates the other night, our crude oil production is starting to decline and our revenue base — something like 55 per cent of our total income in this province — is tied to non-renewable natural resources. We're doubly blessed. We're very fortunate. But let us not bury our heads in the sand and simply say we can continue along on that basis.

Mr. Speaker, I think it's also fair to say there is a considerable amount of agreement in the Assembly about the principle that a portion of non-renewable natural resource revenue should be invested so that that investment will be able to feed money back into general revenue of the province in the years down the road, when our non-renewable resource revenue starts to decline.

It appears to us, Mr. Speaker, that the government either hasn't wanted or wasn't prepared to come to grips with some of the alternatives it could have looked at. It appears to us, Mr. Speaker, that in virtually no place in the budget has the government decided to end or severely cut back a program. It doesn't seem to us, Mr. Speaker, when we talk of the new program budgeting mechanism, that the government really has gone the route as far as program budgeting is concerned. Basically the budget, from our standpoint, has additional expenditures in most every area, with very, very few priorities.

For a moment or two, Mr. Speaker, let's look at it from this standpoint. I indicated that in 1963 we had a committee concerned with public expenditure and revenue review in this province. They were involved in some very difficult areas of endeavor. The members of the front bench, especially the members who sat on this side of the House some years ago, will recall very well the report of the Public Expenditure and Revenue Study Committee, because they used to use it on numerous occasions. In fact, on a number of occasions it was, shall I say, the sole document for some of the debates at that time. That's why the suggestion is likely very appropriate today. It's high time we looked at some of the program priorities. It's high time we looked at some of the options open to us as to this question of how far we go in providing public service during this period of time.

Some of the questions which the old Public Expenditure and Revenue Study Committee looked at were such basic questions as: what service should the provincial government be providing; what services should be eliminated, reduced, expanded, and continued at the present level? These are questions members of the Assembly have to address themselves to in the course of the budget. But let me say also that when we look at this budget, and when we look at the budget of a year ago, we see precious little of that kind of analysis going on.

I have to say, Mr. Speaker, having sat on both sides of the House, that that isn't the easiest process for members of the Executive Council to go through. Members of the Executive Council — I think it's a rather well-recognized fact — regardless of their political affiliation or what province or federal government they're involved in, tend to become very closely aligned with those things going on in their department. It becomes difficult to see the trees for the forest. I should say, frankly, that one of the interesting things I am sure is going on at the deputy minister and assistant deputy minister level now, with the program budgeting situation, is some scrambling as to who's going to end up getting a bit more of who else's area. Invariably that kind of thing happens at the departmental level. Invariably it becomes difficult for ministers to become involved in the kind of assessments that need to take place here.

So I think it's appropriate that we look at this question of what services the provincial government should in fact be providing, what areas should be eliminated, reduced, expanded, and so on. I plan to become involved in some of those areas in just a moment.

We have to look at the question of capital works and our priorities there. We have to look at the grants paid to various branches of local government across the province. I cite these as just two or three areas such a committee certainly can look at.

It would be our hope, Mr. Speaker, that such a committee would be concerned about three basic concepts: first of all, the value for money spent or the value for money invested. There are now some fairly sophisticated ways by which we can arrive at those kinds of assessments anyway. I think the concept of value for money spent, or value for money invested, would certainly be one of the criteria such a committee should use. Also, Mr. Speaker, we should be looking at the question of quality control and quality assessment. I recognize that's difficult to do within departments, by people within the departments. That's just one of the problems of the growing governments we have all across this country today. I think the third criterion this committee must keep in mind is the question of the need for restraint, demanded of us today nationally, and certainly provincially. So the concepts of value for money spent, quality control, quality assessment, and the need for restraint would all have to be part of the guidelines such a committee would function under.

It seems to me, Mr. Speaker, that I would not be fulfilling my responsibility in leading off the debate on this designated motion if I didn't point to perhaps half a dozen or a dozen areas in government programs that seem to me to be the kinds of areas we should be looking at, not solely from the standpoint of hacking every one of these out, but from the standpoint of a re-establishment of priorities within the program, from the standpoint of assessing what that program is really doing and how successful it's been over a number of years.

I don't know how many members of the Assembly were here in Public Accounts yesterday morning during the discussion on ACCESS. It may be a bit unfair for me to take one or two of the comments the chairman of the ACCESS board made and use them on this occasion; but two of the terms that hit me squarely between the eyes were when the chairman

of ACCESS talked about the "big bite" approach and also that the big bite approach, as far as ACCESS'S budget went, was somewhat out of rhythm with the government's commitment to restraint. I thought that was perhaps the most unique way I had ever heard anyone say they didn't get what they wanted but still felt they needed what they wanted.

I'd have to say, as far as ACCESS is concerned — I've been critical of ACCESS in the past and I continue to be critical of ACCESS. We have an organization that was set up something like three or three and a half years ago. We've now got well over 200 employees in the organization. We were advised by the chairman yesterday that two years from now we may be looking at something like an \$8 million budget. In my judgment anyway, this organization is having a negative effect upon the private film industry in this province. There's no question about that. For us to be told that the corporation wanted to move for a big bite — which I interpret to mean a big increase in the budget this year, but they found that thinking was out of rhythm with the government — I thought was stretching it, to say the least. I think CKUA should remain. But as far as the rest of ACCESS is concerned, that's one of the areas I think we have to look at very seriously as far as program priorities are concerned. Frankly, it's one of the areas in which I would see hacking back a very, very sizable amount.

On another issue, Mr. Speaker, another consideration one would have to look at in the course of this review committee's work would be programs in the preventive social services area. I use the preventive social services program because it's now been in operation in this province for about 10 years. I don't believe we've really had the taking stock of the preventive social services program that we might well have had. I dare say there isn't a member in this Assembly who isn't committed to the concept of preventive social services. But I think a review committee such as we're suggesting would not only be helpful to the minister and to the government, but to the Legislature, in trying to put a handle on some of the successes — and I believe there are a number of successes in the preventive social services program — and perhaps to pinpoint some of the areas we might well stay away from in future funding.

I use the preventive social services program as an example, not in the same way I used ACCESS, but from the standpoint of a program we've had for 10 years, that many of us believe has the potential of having a significant positive impact down the road. Those were the kinds of things we talked about when that program started. Perhaps this is an appropriate area, and an appropriate time, to be looking at what we've done there. It may well be that this committee will come back and say, indeed, here's an area we should be giving higher priority, and at the same time saying to us, these are some of things we should be watching as we become involved in that area.

A third area that, it would seem to me, would commend itself to the study of such a review committee — and from somewhat the same vantage point as the preventive social service program — would be the allocation of funds to native people. In this province, I think it's fair to say that the native people themselves have given leadership to the native organizations across Canada. It's indeed a difficult area — the federal-provincial funding

involved. This province, over a period of years, has given leadership in funding and working with native organizations. It's perhaps time now that we should be looking at the benefits, and where that money has been ending up. It would seem to me that one of the people who might very well sit on this review committee would be a member of the native community. I haven't talked to the individual involved, but I see someone like Harold Cardinal, who has given leadership in native affairs across this country, could, I think, provide significant input to this kind of committee.

I'd like to touch upon another example, Mr. Speaker, and that's this question of computer services. I'm sure there aren't many members of the Assembly who haven't had discussions with various people in the field of computer sales over a number of years. We've got a very elaborate computer centre in the government. Alberta Government Telephones has moved in this area recently. The University of Alberta has very extensive computer facilities. Other agencies in the government, colleges and so on, have also moved in these directions. One of the things that alarms me about this area is that I'm told by some people that we have enough computer capabilities, if they were properly linked together, to meet the demands of the Alberta government, plus an awful lot of others, if we were using the thing properly.

It seems to me that again this is one of the areas a group which has developed a certain amount of expertise might just very, very well look at. I would say to the Minister of Government Services that that really isn't the kind of thing his department or the computer centre can look at itself, if for no other reason than the vested interest situation that does develop. It's another area that I think could be very usefully served by a committee such as this.

I would like to touch upon the area of government co-ordination. One of the most difficult problems any government faces is this question of co-ordination within government departments, co-ordination within government activities. Another area is decentralization. This government's been involved in a priority area of decentralization for something like four to five years now. This would be an appropriate time to have a look at the success, or lack of it, of that kind of program. We can look at the question of the Bureau of Public Affairs.

We can look at the area of the Export Agency. On more than one occasion I've raised the matter of the Export Agency, and the work of the Department of Agriculture and the Department of Business Development and Tourism. A review committee would be able to look at these areas and, I believe, make some realistic and sensible suggestions to this Assembly and to the government. It's the kind of review that I think is necessary if, in the long run, we're going to be able to look after the best interests of the taxpayers in this province, whether it's during the time we have significant natural resource revenue, or whether it's after that period of time when, in fact, our resource revenue starts to decline.

Mr. Speaker, I'd like to make one other comment. I would hope that when members of the House become involved in this particular debate — if I might be so presumptuous to ask — they would be concerned primarily with that concept of the resolution that calls for the review committee. I

would hope we wouldn't spend all our time dealing with the make-up of the committee, as to whether it should have five MLAs, one MLA, no MLA, or cabinet ministers, or not. I think the important point for us to keep in mind here is the kind of review that is necessary at this time.

I've alluded to the revenue and expenditure committee. Members, I'm sure, are also aware that the province of Ontario, within the last year and a half, has been involved in a type of budgetary review on an outside basis once again. I believe there's an advantage if we do it not as a completely outside review, but one that does involve members of this Assembly also. It's for that reason we raise this matter at this time.

I look forward to the contributions by various members.

MR. GHITTER: Mr. Speaker, in participating in this debate, I would like to say at the outset that it is always useful for members of this Assembly to look at the continuing usefulness of existing programs, and to look for methods and means whereby Albertans, taxpayers, all of us, get the maximum value for the dollar spent.

I've looked with interest at the report given in 1963 by the Public Expenditure and Revenue Study Committee. I notice with interest that they went on for many, many days. It wasn't an all-party group. It was strictly a government group: three government members and a number of individuals from the private sector. They travelled around the province and sat for 72 days, at a total of 51 meetings, all of which were held in Edmonton. I guess in those days, Mr. Speaker, they didn't believe in travelling around the province. You had to come to Edmonton to meet with the government. I don't know what the expense was, with respect to the conduct of this report, but if one looks at the conclusions in many of the recommendations, oddly enough, or not so oddly, the main conclusions were that further committees should be appointed.

Mr. Speaker, it seems that whenever governments, or individuals, look at a problem, the solution always seems to be that beautiful old panacea used by politicians wherever they go, and that's very simple: let's appoint another committee. Let's get four MLAs, let's get seven people in the private sector, let them travel around the province, let's pay them \$50 a day, and expenses, and let's have transcripts, and let's make up very nice publications, and then let's recommend — after spending \$75,000 to \$100,000 of the taxpayers' money — that more committees be structured to look at the problem.

I think things have changed a little since 1963, Mr. Speaker. I think, really, that citizens expect the decisions that have been suggested in this resolution to be made in this Legislature by the individuals they elect, not [to have] decisions and policy made by groups, select committees, and the like, to travel around and merely postpone the inevitable and postpone the decisions that ultimately are going to have to be made in this very House.

I think really, Mr. Speaker, we as politicians in this House have never had it so good, from the point of view of our ability to try to determine the usefulness of our programs and whether we are getting full value for them. From the point of view of the

members of the opposition, if they are looking for information or if they need assistance to determine what they wish to say in this Legislature, it seems some \$238,420 is budgeted for members of the opposition this year to do this very research.

I would like to know where this money is going, Mr. Speaker. Each member of the opposition now receives, I would assume, some \$39,730 for research — if we were to divide this number by six — and for the operation of their offices and the like. Surely some of this money can be reflected in this type of research, so that we in this Legislature can hear the views of the opposition members with respect to what programs are useful. What programs should be disbanded? Should we, in fact, get involved in cutbacks?

It's one thing, Mr. Speaker, to stand proudly forward in this Legislature and in a responsible way say, we're spending too much. We must cut back. We're not getting value for our money. But where, Mr. Speaker, are these cutbacks to be made? Do we hear the members of the opposition coming forward and saying let's cut back here and here and here? Or are we merely hearing the verbiage of the situation, that cutbacks should be occasioned by the government?

I agree, Mr. Speaker, that there are many areas where we, in assuming our responsibilities, should well consider the nature of the cutbacks we should get involved in. But I think we have tremendous material available to us, and individuals who will help us in determining these policy decisions, so we can stand forward in this Legislature and say where we feel we are not getting value for our money. After all, Mr. Speaker, these are very subjective policy decisions. Where I might think we have a program that should be cut back, I'm sure many of our rural members might disagree with me.

When I see a member taking, say, a cheque for \$150,000 to a community centre in Calgary for a swimming pool, and maybe I see that we're cutting back on our health services, I say, well, is that really the right priority? I think many members in this Legislature would say yes, it is; that that aspect of our function that we pass on to our citizens is very important and we must do it. There are arguments there, but those arguments should be made here, in this Legislature. Those arguments and that research shouldn't be done by some expensive group running around the province, filing a report that probably nothing would ever be done on.

If one were to look at this report — I would like to know really just how much money was ever saved by the fact that this report was written. As I look through these recommendations, I would really like to know if it could ever be assessed whether money was saved for the taxpayers of this province. If the honorable mover of this resolution could advise me in that regard, I'd be very happy, because as I look at the material, as I run through it quickly, it seems to me it's just a review of government programs.

Section after section is merely talking in terms of reviewing and applauding the government. Then, when you get to the section relating to conclusions and recommendations, those conclusions and recommendations applaud the government or [go] on for a few pages in terms of what they think should be done. I wonder how much of this was really followed

by the government. I wonder what the cost was to the citizens of the province when that happened.

Mr. Speaker, if we were to really analyse the reasons of the concern over increased government spending, I think probably all of us would have to look into our attitudes and our approaches to the political system in our province to decide really what is happening. What is happening in this province and across this continent is that citizens are requesting more and more and more from their governments. Politicians are requesting more and more from their governments as a result of that. Members in opposition are standing up and requesting more and more from governments. As a result, governments are responding and responding and responding, until finally we are spending ourselves right out of the picture.

If we're going to deal basically with the problem, we don't need any fancy studies or fancy committees. What we need, Mr. Speaker, is some honesty of politicians to stand forward and say that maybe the time has come when we have to start saying "no" to people. Maybe the time has come when we must realize that government doesn't operate as well as the private sector — and there are reasons.

I don't think government was ever designed to operate as well as the private sector. There are different criteria. Different parameters must be considered in the operation of government. You must be concerned with human needs. The profit motive is not the sole motive in the operation of government. As a result, Mr. Speaker, when we have more and more government, we are going to have more and more cost.

That goes without saying, Mr. Speaker. We have seen examples across this country of what happens when you end up with governments with the philosophy that governments should do more and more. We only need look over the mountains to the west to see what happened to that economy when a government came into office with the philosophy that they would do everything for everybody.

One of these years, just once in this Legislature, Mr. Speaker, I would like to see us come forward with no bills, with no legislation, say that we have enough legislation . . .

AN HON. MEMBER: Agreed.

MR. GHITTER: . . . and deal with the matters and the problems of this province, but not with pieces of paper we call legislation. Just once, Mr. Speaker, I would like to deal in this House when the judgment of the opposition and the judgment of the media weren't predicated upon how many bills you passed. It seems that at the end of every legislative session what we hear is: it was a good session; they passed 105 bills, ergo that was a good session.

That is not how you judge good sessions. You judge good sessions by whether or not those bills have meaning, whether or not those bills are really moving services to people. Probably we've had enough bills. We have probably legislated people to death, Mr. Speaker, to the point where we can no longer even explain the rapidity of the change of bills as they're coming forward. It might be great for my profession, Mr. Speaker, but it's confusing enough for those who are trained in legislation and law, let

alone people on the street who are trying to determine just what we are really doing in this House.

Mr. Speaker, I think those really are at the fundamental base of the problems we have when we talk about spiralling expenses. We proudly stand forward in this Legislature and say to the citizens of the province of Alberta, you are the lowest taxed citizens in Canada; you have no sales tax; you are in a situation where we have a state tax rebate, where the cost of living in Alberta is less than anywhere else, where you have this and that; you have the highest pro rata education; you have — name it. We have it in Alberta.

Maybe the time has come when we should say that we can no longer afford some of these luxuries. Maybe the assessment of these programs should well be considered by this Legislature. But as they say, Mr. Speaker, the buck stops right here. Those are decisions that must be debated in this Legislature. With the greatest respect to the hon. Leader of the Opposition, I really regard motions that say, appoint committees, do studies, carry on, travel around the province, as really nothing but political cop-outs. I really think all we do is take an issue and move it out.

You have reports after reports on various topics gathering dust.

MR. CLARK: One about alcohol.

MR. GHITTER: That's a perfect example. A perfect example, Mr. Speaker. But the reports are given to stimulate thought and idea, and just because you have reports, it doesn't mean people must act upon them. The reports are not government policy. The reports are merely recommendations. I would much prefer to see government, within caucus, and opposition standing forward and saying: this is what we believe should be cut back. These are programs we cannot tolerate any longer. This is how you get value for your money.

The area the hon. Leader of the Opposition placed within the second portion of his resolution, "alternative lower cost means of accomplishing existing program objectives", is an interesting one. But in this day and age I would think the only individuals who could give proper input, from the point of view of suggestions which could deal with that particular topic, are really specialists who can come into departments, examine the departments, talk in terms of efficiencies in those departments, and make recommendations as to how you can restructure the departments to become more efficient.

I highly doubt that four MLAs, the wisest in this House, and the seven wisest select people you can find out on Main Street, Alberta can really be of much assistance in respect to that proposal. I think that proposal deals with such a highly specialized area that you can only go to specialized people in specialized professions who can give that advice to government. I know that is happening now in certain departments of government. I don't believe this government is that immune from looking, in terms of their own policies, to bring in outside experts who can assist in creating more efficiencies within the department.

The last one worries me. The last one is the one which suggests that this committee should have the

power to do "such other matters as the committee deems appropriate". Now that is the catch-all clause, of course, and that tells the committee they can go out on Main Street and do whatever they want to do. I don't think that is a very appropriate clause. I think that from the point of view of this Legislature, what we should really do is make these decisions ourselves and not give these broad objectives to committees, to go on fishing expeditions throughout the province.

Mr. Speaker, although I am as concerned as anyone else as to efficiencies in government, as to having the most meaningful programs you can possibly enjoy within this House and in this province, I must suggest that I cannot support this motion, as I don't think it deals with the problem. I don't think it deals with it honestly. I think the problems are obvious to all of us, and in dealing with those problems we should be entering into the debate here.

Mr. Speaker, I wonder why it is, then, that we spend hour after hour in debates on the budget, in committee and elsewhere, talking of where money is being spent, how it should be spent, who is going to spend it — and we go on and on and on — if we're just going to transfer these duties to a committee to move out into Alberta to find the answers.

Mr. Speaker, in conclusion, I would much prefer that the matters contained in this resolution be dealt with in this House, where we can see them and where the citizens of the province can see them, rather than couching the problems, at great cost to the citizens, under political statements and fancy booklets which in the end do nothing but applaud the government in any event.

MR. YOUNG: Mr. Speaker, I welcome the opportunity to speak to this resolution this afternoon, for several reasons. The first is that the resolution tries to get at a problem which is of great concern to me, and that is the efficiency, if you will, of the way we in government use funds, the trade-offs we make with different government programs. Secondly, Mr. Speaker, I'm interested in it because it reflects upon the role of the members of this Assembly. If I might be permitted to make some remarks on this particular aspect of the resolution first, perhaps that's where I should begin.

Mr. Speaker, the hon. Leader of the Opposition has just told us about his concerns. He has enumerated, by my count — and I may not have listened closely enough — some six or seven areas where he questions the effectiveness of our programs, whether we're getting good value for our money. Mr. Speaker, I ran for office here because I was concerned about the former government and what I considered a lack of opportunity and good management, a lack of understanding of where that government was going. Mr. Speaker, the performance I have observed since coming into this Legislature makes me convinced that my concerns of that day, some five or six years ago, were very well grounded. The performance yesterday morning in the Committee of Public Accounts, in this very room in this Legislature, confirmed again to me that my worries and concerns of six years ago were well founded.

Mr. Speaker, the hon. Leader of the Opposition gets up this afternoon, and he talks about ACCESS. He talks about a number of concerns he has with

respect to that area. Mr. Speaker, he quoted the chairman's expression of the "big bite" approach. I too was somewhat aroused by the use of that expression by the chairman of that board. But the chairman of the board also acknowledged that in fact the big bite had not been permitted. Surely that indicates the government has recognized the aspirations, or perhaps the need to do some sorting out in priorities, of that corporation.

Mr. Speaker, the hon. Leader of the Opposition then went on to talk about the negative effect of ACCESS on the private film industry in Alberta. Now, yesterday morning, in Public Accounts, not one question was asked about that aspect of the operations of ACCESS. Not one question, Mr. Speaker. Now, if the hon. leader is that concerned, why was he not questioning ACCESS with respect to the impact of that body? He didn't ask what the future plans of the ACCESS operation were. Was ACCESS going to concentrate on in-house production of videotape and film, or was it going to concentrate its efforts farming out this type of work to private industry? Mr. Speaker, not one question along that line. The only question I recollect the hon. leader asking about ACCESS was, what will its budget be in three years' time, or two years' time, or five years' time, on a very global, large basis and in the aggregate. No details at all.

Mr. Speaker, I have seen the Public Accounts Committee as having a very vital role in government and for members of government, if those members wish to make that committee a vital committee. I have to say that in my time in this Legislature, in five years, I do not believe the members of the Legislature have acquitted themselves as effectively as opportunity has afforded itself to them in that committee. Mr. Speaker, until the hon. leader opposite and his worthy band can focus their attention upon those opportunities which afford themselves without any new committees, I don't see the need for any new committees.

We have a Public Accounts Committee, a very open committee, a committee which has the power to draw before it officials of whatever agency or department is under consideration, to demand and to receive the minutest detail, with respect to both expenditure and activity, very full and complete reports. My experience with that committee is that when we bring a group before us, as indeed we did yesterday, it can be very educational. We asked rather general questions Mr. Speaker, about the activities, in this case, of ACCESS. The normal routine is that a body of departmental officials or a corporation and its representatives are before the Public Accounts Committee for a maximum, in my experience, of two days.

Mr. Speaker, that committee used to meet twice a week when I first came into the Assembly. The lack of interest in that committee has now meant that instead of meeting twice a week, it meets once a week. Now, I believe that the major value of that committee is to the opposition. It's very important to government members, but I think it is really fashioned to be a tool for opposition members. I believe that it is not being effectively utilized.

Mr. Speaker, for that reason I cannot see spinning off yet another committee, a committee which, in many respects, would do a similar activity, but would

have outside people on it. Mr. Speaker, the challenge presented in this motion by the hon. Leader of the Opposition is a challenge which, according to the Ontario Committee on Government Productivity, to which the hon. leader referred, demands imagination, inventiveness, foresight, adaptability, and willingness.

Mr. Speaker, maybe the reason the hon. leader opposite suggests we have outsiders on this committee is that he feels members of the Assembly don't have these qualifications. I don't know. Mr. Speaker, from the point of view of government members, I disagree. I challenge the opposition to prove that they really are as concerned as they suggest in this resolution, and to demonstrate that concern by their actions on the Public Accounts Committee. Let's put that committee to work, if the hon. leader feels as inclined as he suggests in this resolution.

Mr. Speaker, the hon. leader mentioned a number of areas of special concern, and I've alluded to one, the ACCESS operation. A second area was preventive social services. Mr. Speaker, I know that people are concerned about where we're going in the preventive social services area. I have correspondence, as he does. This year, when we're endeavoring very rigorously to control costs and to try to make some of the decisions that are requested in this particular resolution, there is bound to be some difference of opinion among the members of the public who are affected. I agree that that's going to happen, and that it should happen.

Mr. Speaker, one of the areas that concerned me — and I have reference to the Ontario Committee on Government Productivity report — is that that report suggested we need experimentation, that government needs to look at different ways of doing things. In particular, it was suggested that the Ontario government might consider farming out certain governmental activities to private enterprise to get them out of the government bureaucracy as much as possible, to let some fresh air blow into the situation.

Mr. Speaker, we've endeavored to do precisely that sort of thing at ASH/Deerhome. What's happened, Mr. Speaker? We heard it in the question period today. We've heard it for three weeks in the question period. Criticism. Uncertainty. Wish you hadn't done it, sort of thing.

DR. BUCK: If you don't like the way the government does it, don't ask any questions.

MR. CLARK: Don't be non-Albertan. Do what the government wants.

AN HON. MEMBER: Just get your facts right.

MR. YOUNG: Gee whiz. We're going to have a speech from the hon. Member for Clover Bar before the afternoon's out.

AN HON. MEMBER: No, no. Not the Member for Clover Bar.

MR. YOUNG: Well, in a sitting position, at least.

AN HON. MEMBER: Stand up, Walt.

MR. YOUNG: Mr. Speaker, to get back to my point, there has to be an opportunity for experimentation. If I read the questions right from the hon. members opposite, they're very loath to do any experimenting or to see the government doing any experimenting. Very concerned about it.

MR. CLARK: Cut out public tendering.

DR. BUCK: PCs will do that all right.

MR. YOUNG: Read the report. I suggest the hon. member read this report. I know the hon. member hasn't read it, unless he's looked at it in the library, or unless he has it in his own private collection, because until I took it out today, it hadn't been taken out of the government library since April 15, 1975.

AN HON. MEMBER: Shame, shame.

MR. GHITTER: They bought their own copy with the research money.

MR. CLARK: Mark it on the wall.

MR. YOUNG: Is that where the research money went?

MR. GHITTER: That's where it's going. That and comic books.

DR. BUCK: Go ahead and look after them.

MR. GHITTER: Where are you spending the money, Walter?

MR. YOUNG: Mr. Speaker, the reason I took it out of the library is that one of the executive assistants in the Executive Council office is using the report, or one of the reports he has.

Mr. Speaker, I'd like to refer to another aspect suggested in this resolution. The resolution is really getting at what I consider to be the most fundamental, vital issue before this Legislature; that is, whether there should be new programs; whether there should be discontinuance of old programs. The hon. leader opposite mentioned that very issue.

Mr. Speaker, there is no way yet devised by any science or form of art to weigh this type of decision. If the hon. members opposite read the work done by the Economic Council of Canada and Dr. Sylvia Ostry who worked for Statistics Canada, they will realize the complexity of that particular issue. If they read any basic economics text dealing with welfare economics, they will recognize that you can have all the welfare economics, you can do all the analysis you want, and you cannot arrive at a method of making a decision — the most important decision of all — that is the trade-off of one program or another program.

The only way to do that sort of decision-making that any learned discipline has arrived at so far is the democratic scheme of things. Mr. Speaker, that's exactly how this Legislature came to be and why we're here. We can examine the efficiency, given the objectives of a program. There are ways of examining the efficiency of the delivery of that program. But that's quite a different question, Mr. Speaker, from

determining whether it should be program A or program B, whether it should be home care or hospital care. Quite a different matter, Mr. Speaker.

I think the hon. members opposite, in making the suggestion that we should establish a committee and bring in outsiders, are simply admitting to a feeling on their part of incompetence to meet that very major and fundamental challenge which is a responsibility of this Legislature.

Mr. Speaker, I notice that the hour is moving on and that the hon. Member for Clover Bar is very anxious to enter into the debate. Since it is, in fact, the resolution proposed and designated by the loyal opposition, I feel they ought to have an opportunity to get back into the fray once more this afternoon. I accede to their needs.

MR. TAYLOR: Mr. Speaker, I'm not going to take very long, because I, too, would like to hear some of the other comments. But the main reason I'm not going to take very long is that I think it's a waste of public money to discuss this type of resolution. I think it's one of the worst wastes of money we've seen, the money going down the drain with all the hon. members sitting here taking an hour on this type of resolution. Even worse than paying the *Edmonton Journal* for blank space.

I want to mention just four points in this resolution, Mr. Speaker. The resolution talks about restraining the cost of government. The first item then is to increase the cost of government by what could be \$100,000 and maybe \$200,000. Eleven people chasing around the country at \$50 a day plus expenses, plus hotels and meeting places, could very well amount to \$100,000 or \$200,000. I hear the hon. Member for Spirit River-Fairview laugh. He apparently thinks \$100,000 isn't very much. Well, I think \$100,000 is a lot of money to waste on this type of thing. I don't want to have any part in appointing a committee like this to do something that we, as MLAs, are elected to do. We've seen too much of this type of thing through the years, where we appoint committees because we don't want to do the work ourselves.

Every MLA in this House is appointed to look into the budget. That's one of our major items. Why do we have a budget debate, if we're not there to suggest that things come out or things go in, or why things are there? That's why I hold pre-session public meetings at my own expense, not at public expense, to find out what people want taken out of budgets, what they want put in budgets. I come with the wishes of the people who sent me here. They certainly didn't send me here to set up a committee of 11 people to chase around the country to do the job I'm supposed to be doing. That's why I think this is a waste of money. We're adding cost instead of restraining the cost of government.

I'd like to ask, why do we have a budget debate, if we're going to set up a committee to do this type of thing? We talk about leaving things to the Legislature. Here we are taking things right out of the Legislature. The Legislature should be advising the government on items that should or shouldn't be in the budget, according to the people who sent us here.

This is taking it out of the Legislature, appointing a majority of people who aren't even members to tell

us, as if they have some untold wisdom. I like to take the wisdom from the people who elected me, not some of these people who are appointed to a committee and who are probably there with ulterior purposes.

Thirdly, item 3 gives a blank cheque. I have yet to see a committee that has such a blank cheque to take onto itself — not in the premises upon which they are set up, or predicated upon the things they have to do, but they are given power to do anything they want to do: "such other matters as the Committee deems appropriate ...". Not as the Legislature deems appropriate, not as the government deems appropriate, not as the people deem appropriate, "as the Committee deems appropriate". They're going to tell us what is good for us. Mr. Speaker, it is a disgrace to bring a resolution like this to this Legislature.

The fourth point is, it's appointing a committee to do the job we, as MLAs, are supposed to do. Surely to goodness we haven't got to the place where we want to get paid our indemnity. At least some members are paid to be in Edmonton to attend the session. To appoint another committee that's going to cost the government another \$100,000 or \$200,000 to do the job we were elected to do: I can't support this type of resolution.

MR. R. SPEAKER: Mr. Speaker, in making some remarks with regard to this resolution, I think one of the motivating forces behind a resolution such as this, to get the people of Alberta involved, is, number one: this government closes its doors, feels it has all the answers, and the people can't talk to it. One of the responsibilities we have as an opposition is to open up some of those doors so the people of Alberta can talk to their government. That's the thing that's necessary.

I think that any time we talk about ways of promoting that avenue to this Legislature, it's good. It's not bad. Then people standing up in this House and members of the government saying, man, the committee is going to spend more money. It never does anything. The members of the Legislature can do the work. That's right. But when we assess that particular thing — sure, we have so much money to spend on research. That's right. The hon. Member for Calgary Buffalo did very fine mathematics. I must advise him it doesn't always work out to \$39,000 per person. However, when I examine this government that is responsible for co-ordination, that talked before 1971 — I remember when the Premier was on this side of the House talking about how he was going to co-ordinate. He was going to set up priorities. He was going to do great things.

MR. CLARK: Cut down the public service.

MR. R. SPEAKER: Cut down the public service.

DR. BUCK: Cut out the fat.

MR. R. SPEAKER: But immediately, when he got into government, when you examine what happened in the first year he got into government, what did he do? [He] increased the Executive Council expenditure by 25 per cent to supposedly co-ordinate. As you go across the years, you notice a 25 per cent increase; the next year it was 12 per cent; the next year it was 21;

the next year it was 10; the next year it was 10. This year it looks like it's down to near 5. But you can imagine how much money that is over the years, to co-ordinate the government.

The other day I raised with the Minister of Agriculture the question of how he co-ordinates with the Minister of Recreation, Parks and Wildlife. Oh, they get together informally and one phones the other. Well, I spent months trying to get two of the departments together, and through the assistance of the executive assistant of the Minister of Agriculture — and with the co-operation of the Minister of Agriculture, I must say they did an excellent job of co-ordinating the program — pulled the two departments together, got them all into one room, and got an application that was being delayed through very quickly. They did an excellent job of co-ordinating. I must say that was one of the best executive assistants I've ever seen for a long time in government, doing a good job. There must be other people around who can do that kind of work. But it wasn't a thrust of government. It was a getting together of people because of frustration.

MR. CLARK: By yourself.

MR. R. SPEAKER: A lot of things in government have to be done like that. But there isn't a tool in this government that talks about priorities or co-ordination or eliminating programs. This government is an instrument of expansion. We can just pick up the last few statutes. In 1974, over 85 new statutes were brought in. We can pick up the 1973 statutes and as we look in the index, 104 have been brought in. We look at the 1975 statutes, and we've got 93 pieces of legislation brought in, all to intervene in the lives of Albertans.

Nobody in this House ever asks the question, what legislation is intervening in the lives of Albertans? What legislation can be eliminated? The hon. Member for Calgary Buffalo raised it today. It is a priority in his thinking. I appreciate that. There was grand applause from the Member for Macleod. But I haven't heard one speech from any member on that side of the House who said, we have to eliminate some legislation because it intervenes in the lives of Albertans. Not one speech. That's the kind of thing that's done. Through our frustration, we have said as an opposition, maybe it's time we had somebody else helping us look at these things. The people of Alberta are going to speak about it. Maybe they'll take four or eight years to speak about the lack of co-ordination, the lack of setting priorities, the lack of eliminating programs in this government. They'll speak to this government and most of you people won't be in the House at that time. But somebody else will be. Maybe I won't be here either. That's going to be a foregone conclusion.

But those are the responsibilities we have to take. We try to say in this Legislature, this resolution is not important. We try to downgrade its importance. It is important because it's raised one of the basic issues of the Legislature, a priority of programs, looking at what we're really doing and where we're going. It's becoming very easy for us as an opposition to make this comment about the Conservative government — and I'm going to close on that — that we can see the Conservative government continually moving to what

that old cliché is, to the left. We can support that by looking at legislation that intervenes in the lives of people. We can look at expansionary budgets that bring about intervention. As long as that continues, we may need more than the members of the Legislature to look at this government.

Mr. Speaker, I beg leave to adjourn the debate.

MR. SPEAKER: May the hon. member adjourn the debate?

HON. MEMBERS: Agreed.

head: **PUBLIC BILLS AND ORDERS
OTHER THAN GOVERNMENT ORDERS**
(Second Reading)

Bill 211

**The Temporary Non-Resident
Farm Ownership Act**

MR. NOTLEY: Mr. Speaker, I move second reading of Bill No. 211, The Temporary Non-Resident Farm Ownership Act.

Mr. Speaker, if I may say, on a partial point of privilege, how much I appreciated the remarks of the hon. Member for Calgary Buffalo, the hon. Member for Edmonton Jasper Place, and the hon. Member for Drumheller during the last debate. I'm sure that when we reviews *Hansard* we'll be able to keep those remarks in mind when we discuss the heritage trust fund, especially as it relates to making decisions in the Legislature.

In any event, Mr. Speaker, the purpose of Bill 211 is, first of all, to establish a temporary method by which the problem of foreign investment in land can be dealt with in the province of Alberta. Temporary, because I think most of us on both sides of the House recognize that the best long-term approach is to see changes made in the Canadian Citizenship Act which would allow the provinces to restrict land in the province to Canadian citizens or landed immigrants.

Mr. Speaker, I just want to make one comment about the bill itself. Government members will certainly appreciate this, because during the discussion of all government bills, we have to spend half our time in committee looking at amendments. I would simply advise the members, if they peruse the bill, that there would be an amendment to permit exemption from land transfer by inheritance of any kind, not just to the sons and daughters of Albertans, but any kind of transfer due to inheritance.

In any event, Mr. Speaker, the basic principle of the bill is to provide legislation to restrict land to residents of the province, with the exception of land which is transferred as a result of inheritance.

Mr. Speaker, I need hardly remind members that the reason this particular bill is presented is that, at this stage of the game, the only route that provinces have to deal with this problem is to bring in a non-resident type of bill. Until the final amendments to the Canadian Citizenship Act are made, we do not and will not have the power to restrict land to Canadians or landed immigrants within the province of Alberta. So this is a temporary measure which is designed to run for a period of 15 months. At the end of the 15-month period, by resolution of the

Assembly, the bill could be extended if need be. It is then clearly, Mr. Speaker, an effort to deal with a stop-gap situation before we have what most of us will look forward to as the final solution, once the agreement between the province and the federal government is arrived at.

Mr. Speaker, before getting into a number of the reasons I think we should go ahead with this sort of legislation now, I want to review briefly the debate that took place last week on the hon. Member for Clover Bar's resolution. It was a resolution in a somewhat similar vein to the proposed bill that I've presented to the Legislature. I believe it did not restrict land to non-residents in total. I believe there was an exemption — I'm not sure if it was 640 acres. Nevertheless, it also was an effort to deal with an interim situation.

In reading over the debate of that time, Mr. Speaker, a number of arguments were presented by hon. members across the way as to why that sort of resolution didn't meet with their approval. The first I'm going to refer to was the suggestion by the hon. Member for Edmonton Highlands that, since the federal government has already introduced Bill C-20, any move by us to restrict land to non-residents would interfere with an agreement between the province and the federal government. In response to that argument, I simply say that may well be true, if what we're looking at is a permanent piece of legislation. But we're not in this particular instance, Mr. Speaker. Bill 211 is really set out not as a permanent feature of the political landscape in this province, but merely as a temporary matter until that very agreement can be reached between Ottawa and the province of Alberta. So the complaints that the hon. Member for Edmonton Highlands raised with respect to the resolution last week would not really apply here.

Mr. Speaker, I was also interested in reading over several of the comments made by other members on the government side, relating to that particular resolution, pointing out the argument drawn from the Land Use Forum that non-residency would in fact be discriminating against other Canadians. I would have to say, Mr. Speaker, I am pleased to see, after spending four years in this House listening to the quasi-separatist rhetoric which one has heard so often against the rest of Canada, that it's nice to see some of the members back in Canada. At least from that point of view, it's an encouraging departure from some of the rhetoric we've heard in the past.

Mr. Speaker, again I think the argument that has to be tackled is: what do the provinces do in the meantime? The province of Saskatchewan, the province of P.E.I. did not choose to bring in legislation, as first choice, dealing with non-residents. That was not what they wanted to do. Their objective was to restrict the purchase of land to Canadian citizens or landed immigrants. The reason they took that route, as members will know, is that the only constitutional course either province could follow was to take the non-resident route. Members would also know, notwithstanding that fact, there was still a case which eventually was settled by the Supreme Court of Canada.

Mr. Speaker, the fact of the matter is that this Legislature has to address itself to the question: are we going to bring in temporary legislation, for a

15-month period of time, to deal with the problem? Now, there are going to be certain difficulties if this legislation is passed. Difficulty number one, obviously, is that it would be, in a sense, discrimination against other Canadians. One has to balance that off against the problem of foreign ownership of land. I suppose, Mr. Speaker, it really becomes a question of how serious you consider the problem of foreign ownership of land — in the trade-off, where you draw the line.

From that debate, I want also to deal with a comment or two raised by the hon. Member for Lacombe. I noticed the hon. Member for Lacombe seemed to spend most of his time talking about Isabella Peron in Argentina, which was very interesting but not very relevant to the question of land ownership in Alberta, although about as relevant as most of the comments from the hon. Member for Lacombe.

One of the points he did attempt was to tackle the Government of Saskatchewan for instituting the land bank, suggesting that this is going to lead to all sorts of terrible things, huge increase in public ownership of land, and what have you. Well, Mr. Speaker, I have some interesting statistics which I'm going to leave with the hon. members for their information.

If you look at the amount of arable farmland in [Saskatchewan] which is leased by the Crown to farmers or organizations, you find 13.3 per cent. That's in socialist Saskatchewan. On the other hand, if you look at free-enterprise Alberta, the amount of arable farmland held by Crown lease, leased out to farmers, is 13.25 per cent. The difference, Mr. Speaker, between 13.3 per cent and 13.25 per cent is not very substantial. So I suggest, Mr. Speaker, that some of the comments made in this House in years past about the Saskatchewan government [being] in reckless pursuit of collectivization are in fact complete and utter nonsense. What the land bank does, Mr. Speaker, is offer farmers in Saskatchewan an option. For a period of five years, they can lease the land. At the end of the five years, they can either continue to lease the land indefinitely, or they can purchase the land. The choice is up to them.

I think it's very interesting, Mr. Speaker, when I read over most of the submissions of the Western Stock Growers' Association, that a good part of their discussion deals with Crown leases. Most stockmen are well aware of the fact that Crown ownership of land is certainly not inconsistent with free enterprise when it comes to the cattle business, especially the large cattle business.

Mr. Speaker, I'd also like to remind the hon. Member for Lacombe that despite his predictions that the land bank would be dropped by the people of Saskatchewan, there is, in fact, strong support for the land bank. And the land bank concept has attracted interest outside of Saskatchewan. For example, at the present time, there is a bill presented before the United States Senate, which is sponsored by Senators Humphrey, McGovern, and Mike Mansfield — who, most of the members would know, is the Senate majority leader. He is the senior senator from the state of Montana. They have presented a bill to the Senate which would establish for the United States a land bank modelled on the Saskatchewan legislation.

Someone mentioned over there that he's retired.

He hasn't retired yet. He's not running again this fall. Mr. Mansfield is one of the leading forces in the American Senate. He feels strongly enough about the problem and admires the Saskatchewan experiment sufficiently that he has put his name to a bill which is now before the Senate. What the disposition of that bill will be, we'll wait and see. But consider that among its co-sponsors is a man who was a presidential candidate in 1972, the Vice-President of the United States from 1968 to 1972, and the Senate majority leader. It seems to me, Mr. Speaker, a lot of people are looking at the concept of the land bank, not as a substitute for private ownership, but as an option to make it possible for young people to get into agriculture.

The main purpose of this bill is not to deal with the land bank, Mr. Speaker, because it really can be dealt with at other times and places. I raised that because many of the comments of the hon. Member for Lacombe, when this matter was last debated in the House, dealt with the land bank. I thought it was important to bring a few facts to his attention and to the attention of other members.

Dealing specifically with Bill 211, it seems to me the place to start is with the statement made in this House on December 11, 1975 by the hon. Premier. The Premier made a point which I think is extremely valid:

From an investor's point of view, investment in such . . . in an area of political stability, such as Alberta is, . . . attractive and logical prospect for non-Canadian investors.

Then he goes on to say:

We must be aware, . . . of the large funds of petrodollars in the world seeking a safe haven.

Mr. Speaker, the Premier is absolutely right in his statement. No question about that. The Arab countries now have huge surpluses on account. They're looking for a place to invest money. And any area which has an open sesame situation is going to be indeed a safe haven for petrodollars.

Now, Mr. Speaker, I think we have to look at this matter from a pretty blunt assessment of the situation in Alberta today. We have a large number of willing sellers. To conclude any agreement, you need a willing buyer and a willing seller. It's pretty obvious, as the Premier has pointed out, that there are large sums of foreign capital looking for a place to invest. On the other hand, as members of this House know, we have a large number of retiring farmers, or older farmers who want to retire, who are ready to sell. We have that explosive combination of the willing buyer and the willing seller. Mr. Speaker, I suppose if the average age of farmers in this province were 30 or 35, it might not be that big a problem. But when the average is closer to 60, it is indeed a rather serious problem.

I often think of the little district west of Olds where I grew up, because for a number of reasons this district is almost unique in Alberta. A little four by four square mile school district. It's the only district I know of in Alberta, in all the travels I've taken in this province, where every farm which existed in 1945 exists today, every single farm. In most places in the province, you see empty farmhouses throughout the countryside. But in this little four by four square mile area, every operation that existed in 1945 still exists.

The interesting thing though, Mr. Speaker, is that

the average age of the district is now close to 70 years. The fact of the matter is that while these people have hung on all their lives — and there has not been any rapid changeover — they are now almost in total, as a district, ready to sell out.

Who's going to buy at the prices now west of Olds or Didsbury in that particular area of the province? You know it's pretty difficult for a young man to go to the Agricultural Development Corporation and borrow money. What's it going to buy him, because of the price of land in that particular area? There are young men and women from that area who have journeyed north and pioneered in the Peace River country because they simply cannot even begin to put together the capital necessary to buy land in that district.

Mr. Speaker, the fact of the matter is that we have large numbers of farmers in Alberta who are ready to sell. While it's nice that foreign capital is available in substantial amounts so the price of land will be pushed up, we also have to look at what's going to happen to that land after the sale is completed. Who's going to own it? What will the conditions of ownership be? Who will be farming it, and how will it be farmed in the future?

Now I know most of the moves by foreign capital have been in the better soil zones of the province. But just before Christmas — as a matter of fact, it was just shortly after the Premier made his announcement in the House — a real estate firm was shopping around Worsley, a little community 60 miles northwest of Fairview, offering to buy land at approximately \$30 or \$40 above the prevailing price in the area. Of course, many people were quite ready to sign options with this firm because it would mean more from the sale of their land than they would obtain if they sold it to Farmer Brown down the road.

The only problem was that this was a foreign concern which was going to buy the land, not to farm it, but in fact to lease it back to the people they bought the land from. In other words, they were simply investing in land. Particularly in view of the fact that people in Worsley came to Alberta and to Canada 50 or 60 years ago to get away from having to deal with landlords, to own their own little parcel of land, I thought, how ironic, in a sense, that another generation of Albertans is going to sell the land to a foreign concern where, in turn, they will become sharecroppers and work on a lease basis for that concern. In a sense, it sort of proves the truth of the old adage that the more things change, the more they remain the same.

Mr. Speaker, I say to the members of the House that foreign ownership of land is undesirable. We all know that. But, in my judgment, it is a serious enough problem that we as a Legislature have to come to grips with it.

I'm particularly concerned about pressing this issue now. When the Premier spoke last December, and I read his remarks very carefully, he says on page 7 of that ministerial statement:

However, we have not . . . reached a final conclusion and will . . . await the recommendations of the Land Use Forum, expected early in 1976.

Then he goes on to say:

We felt that hon. members would want to be fully acquainted with the current developments

so that they could consider the possible nature of restrictions upon land acquisition and what exceptions might be valid in contemplation of the government introducing legislation in the House after we reconvene in 1976.

I want to read that again, Mr. Speaker, because it's important that it be underlined:

... what exceptions might be valid in contemplation of the government introducing legislation in the House after we reconvene in 1976.

I read that, Mr. Speaker, because in yesterday's [unofficial] Hansard, the hon. Member for Innisfail, who is not in his place, asked the following question of the Minister of Agriculture:

Mr. Chairman, I'd like to ask the minister if he anticipates any legislation on the Land Use Forum coming out of this session, or if the government is likely to make a stand on foreign ownership.

That's the question. Mr. Moore answered:

Mr. Chairman, we don't expect any legislation with regard to land ownership or foreign ownership at the current session of the Legislature. Some areas within the 180-odd recommendations might be included in legislation this fall. I'm not aware that there are any substantial ones.

Well, if the province were going to move on the question of foreign ownership, I am sure that would be considered a rather substantial move.

So what we see, then, is a rather serious conflict between the statement of the Premier, page 7 of the Premier's statement dated December 11, 1975, which certainly led me to believe, as I listened to his statement then and as I reread it now, that there was going to be legislation during this session, perhaps the fall session of 1976, and the Minister of Agriculture's statement of yesterday that no, there isn't going to be any move. Under these circumstances, Mr. Speaker, it seems to me we have to ask ourselves, can we justify a delay?

I know hon. members are going to pounce quickly on the recommendations of the Land Use Forum and say, look we had the Land Use Forum. It cost \$600,000. When I hear all the members complain about the hon. Leader of the Opposition's suggestion of a committee, there wasn't much opposition to the Land Use Forum. As a matter of fact, I think it was passed unanimously. And rightly so, because the Land Use Forum focussed a lot of public attention and discussion on the entire issue of land-use policy in Alberta. It's been a long time since we did that.

But before we get carried away with the figures contained in the Land Use Forum, I think we have to recognize that those figures come from Technical Report 6A, *An Investigation into Rural Property Ownership*. Mr. Speaker, I am going to deal with that issue. Part of it, as members may know, came as a result of a survey conducted in close co-operation with students working under STEP. That's fine, but the fact of the matter is that only 7.9 per cent of the Alberta farmland was surveyed, and to a large extent the method was to use tax rolls.

Well, Mr. Speaker, let me just comment on what the technical report itself says about municipal tax rolls:

There are serious drawbacks to using current

municipal files for an ongoing data [band] for information on ownership. This is to be expected, since the files were designed for property taxation purposes and not as a monitoring system on the citizenship of the owner or the type of business organization he employs in producing goods and services from the land he now owns.

Then it goes on to outline some of the problems. I'd just like to cite one or two:

- (2) Information on crown lands by municipality would require more effort than the STEP program had available.
- (3) Inasmuch as mailing addresses are different from place of residence of the owner, study results will vary from the reality of the situation. . . .
- (5) No information is available on the citizenship of the owner.
- (6) Statistics on non-resident owners were probably underestimated. . . .

So, Mr. Speaker, when one reads the technical report, which was the basis on which the Land Use Forum came to its conclusion that foreign ownership isn't a problem, one can at least quarrel with the methodology they used. In my judgment, the final recommendation of the report, that foreign ownership is not really a problem, is based on pretty faulty assessment. We had a lot of members in the previous debate getting into high-flowing oratory about knowing what we're talking about. Well, Mr. Speaker, when I read over this technical report and I see the basis on which they came to the conclusion that foreign investment is not a problem in Alberta land today, I simply say that this report is not adequate; that no one, including the three members of the Land Use Forum, is going to be able to convince me that we have enough information to stand up piously and say, don't worry about foreign ownership.

As some members will no doubt try to point out, we also have The Land Titles Amendment Act, which was passed in this House in 1974. However, I hardly need thresh over the ground we went over in 1974. As members know, there is a clause in The Land Titles Amendment Act which allows the Attorney General to exempt corporations. I don't know to what extent corporations have been exempted from that act, but I do know, in reading the Land Use Forum report, that even the Land Use Forum says The Land Titles Amendment Act didn't give them any information because it wasn't in place long enough. So at this stage of the game, I simply say that the argument of those who are saying we don't have a problem — and this is a very widespread comment around the province — is not backed up with any real basis that can be accepted without challenge.

Mr. Speaker, the question is, why the rush now? I'm sure members will say, why should we go ahead? Well, at last we have the federal government moving, and I'm glad to see that it is moving. But I would not be so hopeful that we will reach an agreement, because again, if one reads the Premier's comment — and I don't know how many members have carefully read over his statement — it reviews a letter he received from Prime Minister Trudeau, outlining five major conditions which would have to take place for the federal government in fact to confer upon the

provinces the power contained in the Canadian Citizenship Act. One of those conditions was:

- (5) apply in respect of any acquisition of land effected in the course of a transaction considered and subsequently approved by the Governor in Council under the Foreign Investment Review Act.

Well, Mr. Speaker, what does Premier Lougheed say about that in his statement of December 11? He says:

Our initial reaction is that such a limitation is unsatisfactory for a number of reasons, including unnecessary interference by the federal government in the disposition of property rights in the province. However, we have not . . . reached a final conclusion, and we will now await the recommendations of the Land Use Forum . . .

Well, Mr. Speaker, the point I'm making at this stage is that I would hope this question can be settled quickly, and will not become the subject of a long, protracted confrontation between the federal and the provincial governments. I would say to the members across the way that while I've had differences with federal policy too, I don't believe it's unreasonable, as the Prime Minister has suggested — and quickly focussing this comment to members of Executive Council — to ask that one of those conditions be that any firm which has been approved by the Foreign Investment Review Act should be able to have the land in which that firm wants to set up its operation. It seems to me that that condition is so eminently reasonable that I really question why we have to debate it at all. Mr. Speaker, the longer we get into debate on this matter, of course, the longer it is before we get some action taken.

Mr. Speaker, in the two or three minutes I have left in introducing this subject, I want just briefly to review what other jurisdictions are doing.

Again, if we read *Rural Land Ownership*, Technical Report No. 6 — the first report I commented on was Technical Report No. 6A. Technical Report No. 6 deals with rural land ownership, and it talks about the examples of land ownership control elsewhere. Mr. Speaker, I'm just going to read this into the record, because I think it's important.

- (1) Acquisition of agricultural land is generally dependent on residency on the land [in these countries]: Denmark, New Zealand, Switzerland.

So in those countries residency is clearly a factor, and it also has to be related to residency on the land.

- (2) Aliens are required to obtain permission to acquire land in certain areas of the country . . .

And here there are a number of countries:

. . . Germany, Jamaica, Mexico, Sweden, New Zealand, and Switzerland. . . .

- (4) Aliens may acquire an interest in urban land but not in non-urban land, except in special cases of non-agricultural use . . .

This is the situation at the present time in Ireland.

- (5) Only those aliens that are employed or in residence in the country may acquire land . . .

This is the case in Japan and Switzerland.

When one reviews the general purport of American legislation, it would appear that the emphasis in the

United States is also on the residency question.

So, in general summary, the purpose of Bill 211 is first, to provide authority to deal with what, in my judgment, is a growing problem, a problem because we have a large number of older farmers who want to retire, and therefore are easy people to deal with in terms of real estate firms acting for large foreign syndicates of one kind or another.

Mr. Speaker, the information we've obtained, both from the Land Use Forum and otherwise, that this is not a problem is based, as I say, on information which is not really valid. Therefore this becomes the question members have to resolve: is it proper to bring in, for 15 months, legislation which I agree is restrictive in a sense? Is the problem of potential foreign ownership of land in that 15 months serious enough to bring in this kind of temporary legislation until an agreement can be reached with Ottawa? I suggest to you, Mr. Speaker, that it is. Therefore I feel that, as implied in the Premier's statement of December 11, we should make some moves during this session to deal with this problem.

MR. COOKSON: . . . the Member for Spirit River-Fairview? In view of the fact that you only won the election last time by 15 votes, I'm just wondering whether you think you represent the people?

AN HON. MEMBER: Oh, Cookson sit down.

AN HON. MEMBER: Ridiculous.

MR. NOTLEY: Mr. Speaker, I'd be glad to answer that and take any amount of time to answer the silly question by the hon. Member for Lacombe. I suggest he might want to look at the statistics of the election. But I would also suggest to him, if he knew anything about parliamentary or legislative tradition, whether one is elected by one vote — it was Winston Churchill, a much greater Tory than the hon. Member for Lacombe, who once said, "One vote is enough". Whether it's by one vote, 1,000 votes, or 10,000 votes, the person who is elected is a representative of that riding. That is something we in the opposition must know, and that's something, Mr. Speaker, that members on the government side should know too.

SOME HON. MEMBERS: Hear, hear.

MR. LYSONS: Mr. Speaker, I would like to address Bill 211. In speaking to the bill for the second time, I don't believe the mover has really done much thinking on the ramifications of a bill like his. In the first place, he said that no one has been able to clearly establish whether or not there was any problem with foreign ownership. Certainly the Land Use Forum couldn't establish that, and several other people have tried to establish that foreign ownership was a problem.

In his act — really it's an act, because there's no substance to it. One of the conditions in this bill [is]: for anyone to buy land, he must be resident. Well, certainly if business people from a foreign country are going to be buying, they can do that through agents. As long as an agent is a resident, there's no problem.

There's another feature of the bill that would concern me, as far as the farmers who are living on

the land and using the land these days [are concerned]. I would wonder how mortgage companies, like the Farm Credit Corporation and those mortgage companies outside the province, would view a bill where they couldn't acquire land if they weren't a resident. I think something that so many of us overlook, and certainly the hon. Member for Spirit-River-Fairview, is the things that are down the road. When he comes up with a bill, I think he should be doing some more research [rather] than talking back to the Member for Lacombe and indeed to our Premier.

I notice he has changed 3(1) in the act, about inheriting land. The way it was drafted in the act, it certainly wouldn't have been a very comfortable situation for anyone to ever have to leave home for any length of time [who has] some land he'd like to pass on to his children.

This business of non-resident — I think of an incident in the House the other day, when he talked about certain legislation we have in this province about how we treat people, talk to people, and handle people. Then he comes up with a bill where, as far as purchasing land is concerned, we call people non-resident who are living in Saskatchewan or B.C. or other places in Canada. I'm just really surprised the man can change so quickly.

I believe there are people who are absolutely paranoid about this business of foreign ownership. We've lived with it — certainly with the non-resident portion of it — for many, many years, with the railroads owning a great deal of the land. I really see no great problems. I could certainly see problems if the government owned it all. He mentioned how well it was going in Saskatchewan with the land banking and how close we are, but Saskatchewan has just started the land banking situation over there. If it goes through all the bureaucracy that it most certainly will, in time we will have exactly or very close to the same situation we have in our national parks. You ask anyone who lives in the national parks how it is to deal with government in relationship to land. That is only business and residential land.

He goes on to say in his bill that we should set up a board. At the same time, he says the board should be under the minister, responsible to the minister, and in Section 4 he says the Land Titles Office or the Registrar of Land Titles shall not do the registering. I would question the balance in there, having had some considerable amount of experience in transferring land and some of the problems.

Mr. Speaker, I would like to finish by saying that I think we have far more important problems to deal with in this province, very important problems as far as ownership of land. I think we have to study the Land Use Forum [report] very, very carefully and take some of the good parts out of that [report] — and there are some good parts — and deal with this in a mature, responsible, and well-considered manner.

MR. STROMBERG: Mr. Speaker, in speaking to Bill 211, I would have to mention to the Member for Spirit River-Fairview, who introduced Bill 211, that it is a concern of people in my constituency. It is a concern, I think, of the farming community in Alberta. But to me, personally, it's a far greater concern. I think the problem of more magnitude is this problem of land in

this province now owned by major national companies.

Mr. Speaker, I made some inquiries as to the size of land holdings of the CPR in the name of Marathon Realty. The policy of this single largest landowner of Alberta farmland is to lease farmland for cultivation according to a formula that is probably conceived in their boardroom offices in Montreal, with rental amounts payable in advance and all-risk. Mr. Speaker and hon. members know what risks are when you're in the farming business, but all these risks are transferred by contract to the farmer-lessee.

This multinational company presently owns approximately 27,000 acres of our Alberta farmland. It's presently leasing this 27,000 acres to approximately 1,000 Alberta farmers, or an average of just under half a section to a farmer. As a point of interest, Mr. Speaker, there are between 40,000 and 45,000 farmers in Alberta who are dependent upon farm revenues for their major source of income. This group of farmers who are currently leasing from Marathon Realty represents roughly 2.5 per cent of all the farmers here.

Mr. Speaker, some members may recall the time when as much as 50 per cent of the farmland in the three western provinces was leased from the CPR by farmers. Thank goodness this is no longer the case. But a lot more companies are around today. For example, major food processing companies and alfalfa processing plants are but a few major companies buying farmland in order to control the price — not only the price, but the amount of their agricultural input.

Mr. Speaker, in his 1974 annual report, the Farmers' Advocate mentions a file of some 40 complaints, strongly objecting to increases by Marathon Realty in lease-rental prices for farmland from 45 per cent to 240 per cent per quarter section. In its defence, Marathon Realty claimed that the company as a landowner is permitted by law to deal with this property as it may choose, and no one should attempt to interfere with its right. I think this case provides ample illustration of the effect of external pressure on land costs in Alberta. Mr. Speaker, precise statistics are hard to come by. But it is no secret that many large corporations are diversifying their holdings by acquiring farmland.

Mr. Speaker, I was surprised the hon. Member for Spirit River-Fairview did not mention in his remarks the concerns of large multinational companies that own far more land today than any of our non-resident landowners or people from Europe. I am really surprised that the hon. Member for Spirit River-Fairview did not see fit to raise concern as to the proposed biggest land grab Alberta will ever see — this is CanPac Minerals, which by the way is owned by the CPR, and Calgary Power — to purchase approximately 40,000 acres of No. 2 soil at a minimal price, and not even farm it.

MR. STEWART: Mr. Speaker, I'd like to take an opportunity to join the debate on Bill 211. In studying the bill, I came to the conclusion it was trying to accomplish something that is uppermost in the minds of most rural Albertans: the higher cost of farmland for young farmers to get into the industry today. One problem is that foreign ownership seems to be creating an inflation in land values. I'm quite con-

vinced that it is a problem, to a degree. But as mentioned by some of the other members, a lot of other factors affect the value of agricultural land in Alberta today.

I think we've taken the right step in having the Land Use Forum study this problem. Their findings have just come to us. We haven't had the opportunity to get public reaction to all the things stated there. I think a program to control the ownership of land in this province will have to evolve from the findings of the Land Use Forum. This bill is premature. I think a much more studied approach has to take place before we get involved in restricting the ownership of land, especially agricultural land, in Alberta.

At the present time, the provincial government is controlling the ownership of Crown land. The sale of Crown land to Albertans is being controlled. I feel that until we have a sound program to put in place, we should not be making piecemeal efforts to control the ownership.

I for one would feel very upset, if I were in a position of selling out and were told that such a restriction had been placed here, and that the sale of my land could not take place at today's value. This has been a fact, this increased value of land in some areas. But, I know in the particular area I come from, the land values have escalated as fast as anywhere else in Alberta. I don't know of any foreign ownership of land in that area.

I think we've got to realize that in the last period of years, inflation has done some queer things to our economy, and land has suddenly become a very attractive place to invest money. I think the increased size of farms is one factor, where farmers owning a section of land or possibly one and a half sections, can go out and pay more than we feel is a fair market value for an additional half section in order to round out their farm program. But with high labor costs, I'm quite sure the escalating size of our farms has got to reach a limit where the average family can handle it properly, because labor costs competing on the market for farm labor is almost a thing of the past.

I feel that until we have a complete overall look at the Land Use Forum, and try to come up with an overall program to control land ownership that is going to be fair to all, we should take advantage of the knowledge we can gain from the Land Use Forum. I think a hasty decision may be the wrong one. For that reason, I can't support this bill.

MR. HORSMAN: Mr. Speaker, I welcome this opportunity to participate once again on the subject of non-resident farm ownership on a slightly different approach than I took last week during the debate on the resolution sponsored by the hon. Member for Clover Bar.

At that time, the mover of that motion made no qualifying remarks with respect to the question of the amendments proposed to the Canadian Citizenship Act, as the mover of this bill did today. I was rather pleased, as a matter of fact, that the mover of the bill indicated he really doesn't mean what he says in his act as to what a non-resident, or a resident of Alberta, means. I assume what we would have to do if this act were passed would be immediately to turn around and amend it when the federal government proceeds with the amendments to the Canadian Citizenship Act.

I think it is a useful clarification of the proposal in view of the fact that the federal government — and all provinces, as I understand, having participated in the federal-provincial committee on foreign ownership of land — have analysed the problem over the last few years, and have indicated that by and large they wish no restriction to other Canadians on land ownership. I think that's an important distinction between the debate today and the debate which took place a week ago.

In reviewing Bill 211, I note that the terminology with regard to "resident" is identical to the terminology found in the Saskatchewan legislation, which is An Act to Regulate the Ownership and Control of Agricultural Land in Saskatchewan. I spoke about this act last week in regard to my particular experience in practising law in Medicine Hat near the Saskatchewan border, and I noted that the mover of this bill today rather glossed over, I think, the true intention of the Government of Saskatchewan when it passed this particular piece of what I consider to be rather obnoxious legislation. He said, well, really the only reason they did it that way is that they knew the courts would throw it out if they put it in any other form.

I recall reading about the debate in Saskatchewan when this piece of legislation was introduced, and perhaps the news media didn't cover the true intentions of the Government of Saskatchewan. But I don't recall that being a particularly important item in any of the news reports I read, and I don't recall the socialist Government of Saskatchewan indicating that to be one of their main concerns. As a matter of fact, I looked upon it at the time as just a play on the sentiments of the socialist legislature and a play by the government of the day to satisfy a group in that particular party known as "wafflers". I think he might have tried his best to do it today in glossing over the true intentions of the Government of Saskatchewan of the day, but I think we have better memories than that, Mr. Speaker. [interjections] I don't want to get involved in that question because I share the distinction with the hon. Member for Spirit River-Fairview in regard to the size of my majority. But it'll be better next time.

Mr. Speaker, the important thing about this piece of legislation is this: the mover says well, it's just a temporary bill, and when the government has completed its review of the Land Use Forum and the review of the federal legislation that the Premier mentioned in his statement on December 11, 1975, and has brought forward legislation to deal with these problems, then we'll take it off. Then it will cease to be an act.

In typical socialist fashion, Mr. Speaker, the mover doesn't indicate any concern for the owners of land today who wish to sell the land to people who come from Saskatchewan — they're coming here from Saskatchewan but, I suspect, not so much from British Columbia as they were in the past three and half years. They're coming here and are wanting to buy agricultural land in Alberta to live here, or to live in Saskatchewan and farm land on this side of the border — more than 20 miles. That 20-mile thing has always puzzled me as to how one government in one province could legislate what happens 20 miles outside the border.

But the farmers in Saskatchewan, my good friends

from Maple Creek and area who live more than 40 miles from the border, want to be able to buy land in Alberta to add to the economic units they have in Saskatchewan at the present time. But they will be restricted from doing so. Mr. Speaker, I suggest that that typical socialist intervention in the free market economy is something the mover of this bill is proposing, and I reject that.

I think before you bring in this type of legislation you have to be absolutely clear that you are not affecting the rights of people in other provinces in this country to own agricultural land. I suggest that this type of intervention on an *ad hoc* basis, a piecemeal, half-baked approach, is the last thing this Legislature needs in dealing with this very important question, as indicated by the Premier on December 11 last year.

Mr. Speaker, I was rather interested in reviewing this report to the first ministers. I thought I might have had a little disagreement going between the leader of the NDP in Alberta and the leader of the former NDP government in British Columbia. In the report, and I may quote from it briefly:

Premier Barrett, in speaking at the federal-provincial first ministers' conference in May 1973, indicated that the province was considering policy options with a view to appropriate legislation, but he felt legislation prohibiting Canadian residents in other provinces from owning land in British Columbia was not desirable.

When I read that, before I heard the Alberta NDP leader speak today, I thought, my goodness, for once

the socialists in Canada haven't got the same tune. They're not singing the same tune. Usually when you want to get a reaction from a socialist, you just press the right button and the answer comes out the same. So I'm glad to see that the leader of the NDP in Alberta is now singing the same tune as his counterpart across the border, because it would be certainly upsetting to me not to get the same socialist reaction that one automatically expects on every question, no matter what socialist you speak to.

Mr. Speaker, I beg leave to adjourn the debate.

MR. SPEAKER: May the hon. member adjourn the debate?

HON. MEMBERS: Agreed.

DR. HORNER: Mr. Speaker, prior to moving the adjournment, I would remind the House that the subcommittees will be meeting tonight, I expect in the same rooms they met in previously, at 8 o'clock.

I beg leave to adjourn the House until tomorrow at 10 a.m.

MR. SPEAKER: Having heard the motion by the hon. Deputy Premier, do you all agree?

HON. MEMBERS: Agreed.

MR. SPEAKER: The Assembly stands adjourned until tomorrow morning at 10 o'clock.

[The House rose at 5:29 p.m.]

