

**LEGISLATIVE ASSEMBLY OF ALBERTA**

Title: **Wednesday, October 20, 1976 2:30 p.m.**

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

**PRAYERS**

[Mr. Speaker in the Chair]

head: **PRESENTING REPORTS BY  
STANDING AND SELECT COMMITTEES**

MR. HORSMAN: Mr. Speaker, the Standing Committee on Private Bills has had under consideration the undermentioned private bill and begs to report the same with the recommendation that it not be proceeded with: Bill Pr. 3, An Act to Incorporate the Certified General Accountants Association of Alberta.

head: **NOTICES OF MOTIONS**

MR. LOUGHEED: Mr. Speaker, I would like to give oral notice of motion for next Wednesday to propose to the Assembly as follows:

Be it resolved that the Legislative Assembly of Alberta, while supporting the objective of patriation of the Canadian constitution, reaffirms the fundamental principle of Confederation that all provinces have equal rights within Confederation and hence directs the government that it should not agree to any revised amending formula for the constitution which could allow any existing rights, proprietary interests, or jurisdiction to be taken away from any province without the specific concurrence of that province.

Mr. Speaker, I wonder if I could have the unanimous concurrence of the House to table an attachment to that notice of motion, the letter I have written to the Prime Minister as the chairman of the annual council of premiers, and the response, and to read the two letters into the record of *Hansard*.

HON. MEMBERS: Agreed.

MR. LOUGHEED: Mr. Speaker, the letter sent to the Prime Minister with copies to all premiers, is dated October 14. We will attempt to provide copies to all members of the Assembly. The letter is directed to the Prime Minister, and I will quote it. It is lengthy, but I think its nature is such that members will agree it should be in the record of *Hansard*.

Further to my letter of September 2, 1976 and my telex of October 4, 1976, I wish to inform you of the outcome of the deliberations by the ten Canadian Premiers on the issues raised by you in your letter of March 31, 1976 relative to patriation of the Constitution from Westminster to

Canada.

Your letter of March 31, 1976 outlined three possible options and served as a framework for our deliberations. The provinces agreed in May 1976 to proceed with an examination of all three options. You will recall that your option 3 includes patriation, an amending formula and a number of other substantive changes to the British North America Act which were contained in the draft proclamation appended to your letter of March 31, 1976. You will also recall that when the premiers had private discussions on this matter at your residence during the evening of June 14, 1976, you indicated that you would be prepared to accept any proposal which had been unanimously agreed to by the provinces.

At the same time, you indicated that you hoped we could consider the matter over the summer and report to you early in the fall as to the outcome of our deliberations and discussions.

As Chairman of the Annual Conference of Premiers, I would like to now deal with the matters as they were outlined in your letter of March 31, 1976.

**Patriation**

All provinces agreed with the objective of patriation. They also agreed that patriation should not be undertaken without a consensus being developed on an expansion of the role of the provinces and/or jurisdiction in the following areas: culture, communications, Supreme Court of Canada, spending power, Senate representation and regional disparities. Later in the letter I will endeavour to give you some idea of our discussions on the above matters.

**Amending Formula**

Considerable time was spent on this important subject and the unanimous agreement of the provinces was not secured on a specific formula. Eight provinces agreed to the amending formula as drafted in Victoria in 1971 and as proposed by you in your draft proclamation. British Columbia wishes to have the Victoria Formula modified to reflect its view that British Columbia should be treated as a distinct entity with its own separate veto. In this sense it would be in the same position as Ontario and Quebec. Alberta held to the view that a constitutional amending formula should not permit an amendment that would take away [any] rights, proprietary interests and jurisdiction from any province without the concurrence of that province. In this regard, Alberta was referring to matters arising under Section 92, 93 and 109 of the British North America Act.

**Matters Unanimously Agreed To**

A number of matters were dealt with and unanimously agreed to. Specific texts were considered and given approval, subject to revision by draftsmen.

- a) A greater degree of provincial involvement in immigration.
- b) A confirmation of the language rights of

English and French generally along the lines discussed in Victoria in 1971.

- c) A strengthening of jurisdiction of provincial governments of taxation in the areas of primary production from lands, mines, minerals and forests.
- d) A provision that the declaratory powers of the federal government to declare a particular work for the general advantage of Canada would only be exercised when the province affected concurred.
- e) That a conference composed of the eleven First Ministers of Canada should be held at least once a year as a constitutional requirement.
- f) That the creation of new provinces should be subject to any amending formula consensus.

As already mentioned under the remarks on patriation, the provinces were of the view that while patriation was desirable it should be accompanied by the expansion of provincial jurisdiction and involvement in certain areas. The Premiers believed that discussions on these matters should be held with the federal government because they involve the federal government to a significant degree.

- a) Culture — You will recall that culture was referred to in Parts IV and VI of the draft proclamation. The interprovincial discussions on culture focused on the addition of a new concurrent power to be included in the Constitution. This power would refer to arts, literature and cultural heritage and would be subject to provincial paramountcy. On this matter, there was a high degree of consensus on the principle and considerable progress was made with respect to a solution. There was also, however, firm opinion from one province that the provinces and the federal government should have concurrent jurisdictional powers in the area.
- b) Communications — In the draft proclamation, communications was referred to in Part VI. Discussions on this subject related to greater provincial control in communications, particularly in the area of cable television.
- c) Supreme Court of Canada — In general, discussions on this topic developed from those articles found in Part II of the draft proclamation. The provinces unanimously agreed to a greater role for the provinces in the appointment of Supreme Court judges than provided for in the draft proclamation. In addition, a number of other modifications were suggested to the provisions found in the draft proclamation.
- d) Spending Power — Discussion on this matter focused on the necessity and desirability of having a consensus mechanism which must be applied before the federal government could exercise its spending power in areas of provincial jurisdiction.
- e) Senate Representation — Discussion on this subject related to British Columbia's proposal that Senate representation for that

province be increased,

- f) Regional Disparities and Equalization — In the draft proclamation, Regional Disparities was referred to in Part V. The discussions on this topic focused on the expansion and strengthening of this section to include a reference to equalization. There was unanimous agreement on the clause contained in the draft proclamation and a high degree of consensus on incorporating clauses in the Constitution providing for equalization.

Other matters were discussed, but it was felt by the Premiers that their deliberations had been of a preliminary and exploratory nature. As such, in any future meeting it is possible that individual provinces may [make] additional suggestions for consideration.

The Premiers were of the view that significant progress on this complex matter had occurred. It was felt that further progress would require discussions between the provinces and the federal government. It was concluded by the Premiers that the next step should be for you to meet with the Premiers and develop the discussions reflected in this letter. The Premiers felt that it would now be appropriate for them to accept your invitation for further discussions in the near future, at a mutually agreeable time.

Given the importance of this subject and the reference to it in your Throne Speech of October 12, 1976, the other Premiers may wish to join with me in tabling this letter before our respective provincial legislatures or otherwise making this letter public on October 20, 1976. If you have any objection could you please advise me forthwith.

Signed by me with copies to the other nine Premiers.

Yesterday we received, and I also table, a letter from the Prime Minister which goes as follows — I should correct that. It was a copy of a telex from the Prime Minister which was retyped. Directed to me, it states:

Thank you for your letter of October 14th advising me of the outcome of discussions on the Constitution by the Premiers of the provinces at the meetings in Edmonton and Toronto.

As I am leaving on an official visit to Japan tomorrow, I thought it desirable to send you a short reply forthwith, although, as you will appreciate, I have had no opportunity to give detailed consideration to the far-reaching matters that are raised in your letter or to discuss them with my colleagues in any way. I note, however, that you, and possibly the other Premiers, contemplate making your letter public on October 20th. That will be during my absence in Japan but I have no objection whatever. I shall ask Mr. MacEachan, as acting Prime Minister, to table your letter in Parliament on the same day along with this reply.

I have noted the conclusion by the Premiers at the Toronto Meeting that the desirable next step would be to meet with me. I would be glad to join in such a meeting and hope it can be at an early date. I will be in touch with you and the other Premiers after my return in order to suggest an appropriate time.

Without attempting at this time to deal with the

matters referred to in your letter, may I say I am disappointed that the meetings of Premiers do not seem to have brought matters much closer to a solution. We have agreed in April 1975, that we would see if "Patriation" with an amending formula, could be achieved without getting into the distribution of powers. Your letter suggests to me that the Premiers, at their meetings, seemed to have turned the process upside down and to have concentrated on increasing provincial powers *without* agreeing either on a basis for "Patriation" or on a procedure for amendment. Beyond saying that the objective of "Patriation" is a desirable one, your letter merely states circumstances where "Patriation should *not* be undertaken".

My comment at our dinner last June, to which you refer, about being prepared to accept any proposal unanimously agreed to by the provinces was, of course, made in the context of what we were trying to achieve — "Patriation", with an amending procedure, without becoming deeply entangled in the distribution of powers. As you, yourself, put it in the second paragraph of your letter, the "substantive changes" referred to in "Option 3" in my letter of March 31st were not to stand alone, but were to be part of a whole which "includes Patriation (and) an amending formula". I make this point without attempting to limit the kind of things we might wish to discuss at our forthcoming meeting. You will appreciate, however, that I cannot consider myself to be committed in advance to anything the Premiers may seem to have agreed upon, when the points of agreement are entirely apart from the central objective of the entire exercise.

Finally I note on Page 4 of your letter, you indicate that "in any future meeting it is possible that individual provinces may present additional suggestions for consideration". May I suggest, in return, that our future meeting may prove of little purpose if the provinces merely seek to gain powers rather than return to our central pursuit of "Patriation" and an amending formula?

Sincerely,

Pierre Elliott Trudeau

#### head: **INTRODUCTION OF BILLS**

##### **Bill 81** **The Metric Conversion Statutes** **Amendment Act, 1976**

MR. CHAMBERS: Mr. Speaker, I beg leave to introduce Bill 81, being The Metric Conversion Statutes Amendment Act, 1976.

This bill provides for the conversion of imperial measurement to metric in those acts of this Legislature that refer to speed, distance, and area. Mr. Speaker, I'm sure that members are anxious to proceed with using metric units. With this in mind, I believe that a kit supplied by the federal Metric Commission comprising a 150 cm tape, a 20 cm rule,

and a metric ball-point pen has been placed on each member's desk.

AN HON. MEMBER: How does a metric ball-point pen work?

[Leave granted; Bill 81 introduced and read a first time]

##### **Bill 53** **The Corrections Act, 1976**

MR. GOGO: Mr. Speaker, I beg leave to introduce Bill No. 53, being The Corrections Act, 1976.

The purpose of the new act, Mr. Speaker, is to modernize The Corrections Act for current conditions. For example, prior to 1970 it was illegal in institutions for inmates even to speak without being spoken to. Also, Mr. Speaker, it will clarify the definitions and duties of personnel in all the Alberta institutions so they may function in a similar manner.

[Leave granted; Bill 53 introduced and read a first time]

MR. HYNDMAN: I move that the following bills be placed on the Order Paper under Government Bills and Orders: Bill No. 81, The Metric Conversion Statutes Amendment Act, 1976, and Bill No. 53, The Corrections Act, 1976.

[Motion carried]

#### head: **TABLING RETURNS AND REPORTS**

MR. HARLE: Mr. Speaker, I would like to table the new Introductory Text in Real Estate. I am having copies of the index circulated to members.

MR. YURKO: Mr. Speaker, I am privileged to table the answer to Motion for a Return No. 191.

MR. GETTY: Mr. Speaker, I would like to table two documents required by the Legislative Assembly: the financial statements of the Natural Gas Pricing Agreement Act Fund for the fiscal year ended March 31, 1976, and the annual report of the Alberta Oil Sands Technology and Research Authority for the year ended March 31, 1976.

MR. RUSSELL: Mr. Speaker, I'd like to file two copies of a report done by Woods, Gordon & Co. dealing with the review of the beverage container handling charges.

#### head: **INTRODUCTION OF SPECIAL GUESTS**

MR. JAMISON: Mr. Speaker, it's my pleasure today to introduce to you, and through you to the members of this Assembly, 50 Grade 9 students from Vincent J. Maloney Junior High in the town of St. Albert. They are here today to watch the proceedings of the Legislature. Mrs. Kaminski, their teacher, has

interested them in studying federal and provincial politics and governments. They are seated in the members' gallery and I would ask that they stand and be recognized by the Assembly.

#### head: ORAL QUESTION PERIOD

##### Pollution Charges — Hinton

MR. CLARK: Mr. Speaker, I'd like to direct the first question to the Attorney General. It flows from the proceedings in Hinton this morning with regard to court action taken by STOP against the North Western Pulp and Power mill in Hinton for certain alleged polluting activities. Will the Attorney General's Department be taking over the prosecution from here on?

MR. FOSTER: Mr. Speaker, I gather from what the Leader of the Opposition has said that an individual has laid a private complaint against the company for violation of provincial legislation. That is quite in order. I'm not personally aware of that individual prosecution. I'd be happy to look at it.

The question is whether or not the Crown would intercede and take over the action now that the proceeding has been brought. Without knowing more about it, I couldn't see anything at this time that would cause the Crown to intervene in the sense of pursuing the prosecution. We have the capacity to stay the proceeding, but I couldn't imagine we would do that either. I'd like the opportunity of reviewing it.

MR. CLARK: Mr. Speaker, a supplementary question to the Attorney General. In the course of that review, would the Attorney General report back to the Assembly as to whether officials of his department have been involved already with officials of the STOP organization, which led to the charges being laid this morning in Hinton?

MR. FOSTER: Mr. Speaker, before giving any commitment as to what my officers may have done by way of advising others in prosecutions, I think I should review the file first and then make that decision. I would like to make as much information public as possible, but I wouldn't want to prejudice the interests of any person. I'd like a chance to review it in that light first of all.

##### Public Service Code of Conduct

MR. CLARK: Mr. Speaker, I'd like to direct the second question to the Premier. At what stage is the development of a code of conduct for members of the public service?

MR. LOUGHEED: Mr. Speaker, I'd refer that question to the hon. Attorney General, who is assisting me in the matter.

MR. FOSTER: Mr. Speaker, a draft code of conduct is being discussed with several members of the senior public service. No decision has been taken yet as to whether it will be regulations or legislation, but it's in draft form. It's a little too soon to tell when that will be concluded. I would expect later this fall.

MR. CLARK: Mr. Speaker, a supplementary question to the Attorney General. Is it the target of the government that legislation hopefully, but if not legislation, regulations would be in place by the spring session 1977?

MR. FOSTER: Mr. Speaker, I think that's a reasonable expectation.

MR. CLARK: Mr. Speaker, one further supplementary question to the Attorney General. Is the Attorney General in a position to indicate what interim guidelines have been relayed to officials in the Department of Agriculture following the Provincial Auditor's report and the recommendations handed down by Mr. Justice Legg? Have guidelines been set out for officials in the Department of Agriculture in light of the Purnell inquiry?

MR. FOSTER: Mr. Speaker, I'd like the opportunity to check on that and report back.

##### Lotteries

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister of Government Services also responsible for culture. Has the government made any decision on running or participating in an Alberta lottery?

MR. SCHMID: Mr. Speaker, there have been discussions regarding the continuation and/or what kind of lottery should be run after the present Western Canada Lottery draw has been completed. However, no specific conclusions have so far been established.

##### Industrial Development — Slave Lake

MR. SHABEN: Mr. Speaker, a question to the hon. Premier. It concerns a recent meeting between the Premier and some cabinet ministers and representatives of the town of Slave Lake. I was wondering if any action had been taken regarding the request from the community for some expert assistance to assist them in their industrial development problems.

MR. LOUGHEED: Mr. Speaker, I would refer that question to the Minister of Business Development and Tourism.

MR. DOWLING: Mr. Speaker, since the inception of the Department of Business Development and Tourism we have had a regional development officer who represents everything from Edmonton to Slave Lake. His name is Tren Cole, and he has made a number of trips into the Slave Lake area. As a matter of fact, he is in Slave Lake today investigating the problems the community indicates exist.

We have identified two problems, Mr. Speaker. First of all, rather than designating Alberta as a

special area, the former government designated particular parts of the province as special areas. That's the first part of the problem.

The second is that the federal government in getting 17 companies involved, five of which still exist, has created great expectations in the community. Now, when they are needed, they are not there.

MR. SHABEN: A supplementary question, Mr. Speaker, to the Minister of Municipal Affairs. The community is having some financial difficulties, and I was wondering what sort of action the minister was taking in response to these.

MR. JOHNSTON: Mr. Speaker, I'm not altogether sure as to the financial condition of the town itself, although I have had reports through the MLA and members of the town council that indeed they are seeking some assistance.

One of the specific requests they have is for new town status, which would allow them to participate perhaps in a more direct way with the provincial government to meet some of their needs and demands. At this time we are considering the request very carefully, and we hope to have a decision to them within the fall period.

MR. NOTLEY: A supplementary question to the hon. Minister of Business Development and Tourism, concerning problems in the Slave Lake area. In view of the concern expressed by the previous questioner, is the minister in a position to indicate where things presently stand on the Alberta Aspen Board operation in the Mitsue Industrial Park?

MR. DOWLING: Yes, Mr. Speaker, I can in part. Mitsue Park is a piece of land the town has taken on to develop in an industrial way. They are having some difficulty finding takers for parcels of land there that are not occupied.

The second part of the question is Alberta Aspen Board. Over the past number of weeks and months, this company has attempted to find financial input by other investors, both in and outside Canada. Those negotiations are still in progress. We have attempted to assist Alberta Aspen Board in putting packages together. That's where the matter rests at the moment.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is the Alberta Opportunity Company going to become directly involved by way of loan to Alberta Aspen at this time?

MR. DOWLING: I can't answer that question, Mr. Speaker. I can answer that the Alberta Aspen Board company has every option to make a presentation to the Alberta Opportunity Company for assistance, for a loan. That, as I understand it, has not been accomplished at this state. No formal presentation has been made.

MR. NOTLEY: Mr. Speaker, one final supplementary question to the hon. minister, flowing from his comments about the federal government not being there. Can the minister advise the House whether or not Alberta Aspen received any assistance in the way

of an incentive grant for part of its capital costs in developing the company?

MR. DOWLING: Mr. Speaker, they received both grants and guarantees from two federal departments of government, the Department of Regional Economic Expansion, and the Department of Indian Affairs and Northern Development.

MR. SHABEN: One supplementary question, Mr. Speaker, following along the same line, the closure of the businesses. I would like to ask the minister responsible for native affairs what effect this closure has had on the native relocation program in Slave Lake.

MR. BOGLE: Mr. Speaker, in response, the question might more properly have been directed to the Minister of Advanced Education and Manpower, as the relocation program falls under his jurisdiction.

I would comment briefly on the program that there are approximately 65 families in the area at the present time. An excellent job has been done on the whole program by the department and its co-ordinator in the area.

If the minister responsible wishes to supplement that . . .

#### Postsecondary Institutions — Fees

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to the hon. Minister of Advanced Education and Manpower. It's a follow-up to a question posed on Monday by the hon. Member for Drumheller concerning the two-tier system.

Mr. Speaker, in view of the opposition of the Federation of Alberta Students, University Coordinating Council, University of Alberta Senate, University of Lethbridge General Faculties Council, University of Calgary Faculty Association, the Calgary Council of United Churches . . .

MR. SPEAKER: If the hon. member's litany is going to extend much further, I would ask him to come directly to the question.

MR. NOTLEY: Mr. Speaker, just one further addition: the president of the Alberta Progressive Conservative Party.

In view of the opposition expressed by these various groups, Mr. Speaker, my question is: has the minister met with the groups, and is there any consideration at this point in time of delaying introduction of the two-tier system somewhat further than originally anticipated in the minister's announcement last spring?

DR. HOHOL: Mr. Speaker, I think there are two parts to that question. One is the representation on the subject by the university community, regardless of how many constituent groups one can name within the area of institutions in advanced education. I've had many, many meetings and will continue to do so. As a matter of fact, I believe we have a meeting scheduled next week with the Federation of Alberta Students, from whom I will hear directly on this subject.

Secondly, there is no consideration for an extension of the time that has been indicated for implementation of the two-tier program, which is September 1977.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Is the minister in a position to advise the Assembly whether any of the boards of governors of existing universities in the province have formally, by vote of the board of governors, agreed to the proposition of a two-tier system for foreign students in the province?

DR. HOHOL: I don't know that they have agreed. I think their position as university people is that a one-fee approach might be appropriate. But sometimes when you talk about someone like the University Coordinating Council, that council may have the view the hon. Member for Spirit River-Fairview says it has. But I met with them personally, and what in fact happened was that one of the members of the council read from a prepared set of notes. I didn't feel at all that he was speaking necessarily for the council, though the council may well feel that way. But it didn't represent itself in that way. I'm not saying this for the fees, but I'm saying it's inaccurate to say that the University Coordinating Council has gone on record as a council on the matter of fees for foreign students.

So no, I don't believe any board of governors has gone on record as supporting it, but they will soon have to go on record as to what their recommendations are with respect to what the fees ought to be next September.

MR. NOTLEY: Mr. Speaker, a supplementary question to follow up. In view of the minister's comments about the program proceeding, has the government developed any procedure to enforce the two-tier system on universities in the province? Have there been any procedures such as withholding funds, or any mechanism which the government has considered at this point in time?

DR. HOHOL: In a sense that anticipates the result. I am confident that the institutions will recommend a secondary fee for foreign students. Until that is not the case, my position has to be that I will have a positive and favorable response from the institutions. As required under the statutes, they will recommend and I shall approve. That's the situation at the present time.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Has there been any preliminary planning on enforcement procedures?

DR. HOHOL: Mr. Speaker, I just have to be candid and repeat that I don't anticipate. I anticipate the same kind of relationship, though probably a little more strenuous than we had last year when we worked on the matter of increasing student fees. We finally came down on one set of fees, an increase of 25 per cent. Recommendations are coming into my office now from various institutions. These recommendations are different in some respects, in amounts of money, in proportion of increase. But I think that as we work together on this we will be of a

mind.

If I may, Mr. Speaker, I want to recall that we are anticipating three sets of fees: a common one at the universities, a common but lesser one at the colleges, and a common but lesser one at the technical institutes.

MR. NOTLEY: Mr. Speaker, I have one final supplementary question for the minister. Has the government been able to evaluate the claims that the cost of administering a two-tier split fee schedule may match or exceed the increasing revenue, particularly if there is a drop in the number of students? Has there been an evaluation of that claim?

DR. HOHOL: There hasn't been, because that formal claim hasn't been made to me. It was mentioned in one piece of correspondence to me. I want to be reasonable, and I don't want to overstate the case, but I would say that if this kind of thing would tax the administrative costs of an institution more than it got in the way of fees, I would have some real question about the capacity of the administration to run the institution.

MR. COOKSON: A supplementary, Mr. Speaker, to the minister. In the decision to go to the two-tier system, could the minister advise the Assembly whether he had taken into consideration what is happening in other institutions in Canada outside Alberta?

DR. HOHOL: I have, Mr. Speaker, in the sense that the Council of Ministers of Education has had this on the agenda for at least the last two meetings. We discussed it as long as a year ago.

The position taken is in the full knowledge that raising fees, whether it is for the general body or for foreign students, will have a movement or mobility effect within a province and across the nation. But on the proposition that education is a provincial matter under Section 93 of the British North America Act, each province feels, rightly, that it has to move in this area on its own determinations.

#### Sour Gas Fields — Guidelines

MR. CLARK: Mr. Speaker, I would like to address my question to the Minister of the Environment. The question flows from the guidelines established by the ERCB with regard to sour gas and the acceptance of those guidelines by some planning commissions in the province. What is the status of those guidelines, and what procedures are being followed within government departments to work around problems that a number of communities now face because of the guidelines?

MR. RUSSELL: Mr. Speaker, my understanding of the situation is that the guidelines developed by the ERCB are being administered, or at least being used for advice by regional planning commissions when they are faced with applications for subdivision. It's in those kinds of applications that the guidelines apply. As for development in areas that have already been subdivided, that's a matter for the local municipality and the local planning jurisdiction.

As most hon. members are aware, the conditions respecting the possible dangers resulting from physical development adjacent to sour gas fields have given a number of us a great deal of concern. It's being reviewed, not only through the ERCB, but with some municipalities and the Department of the Environment.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. It really flows from the previous discussion the minister and I had, specifically with regard to the village of Crossfield. In light of the fact that they can't move ahead with any more development in that centre until the problem has been resolved, is the minister in a position to give an update of their situation?

MR. RUSSELL: That matter was brought up during the cabinet tour to Crossfield very recently, Mr. Speaker. I presume by now the hon. leader has seen the letter that went to the mayor of Crossfield. It doesn't really deal with the broad aspects of the problem as I have just described them, but deals only with the matter of current applications for subdivision. We've only been able to give the mayor, and other communities like that, the commitment that we're going to work toward as speedy a resolution on the broader problem as is possible.

MR. CLARK: Mr. Speaker, a further supplementary question to the minister. Is the minister in a position to outline the situation on the east boundary of the city of Calgary and the problem as it stands there right now as a result of the sour gas situation?

MR. RUSSELL: The city of Calgary, on the advice of the Department of the Environment, the ERCB, and its own legal department, held in abeyance any further approvals for subdivision, or for development in existing subdivisions as far as that goes, in those areas which lay inside of what's called the 100 isopleth line. There's been a great deal of consideration with respect to determining where that line should be and what measures might be taken to protect people located within the line. The last I heard was that agreement as to a program of relocating the wells had been reached among the city of Calgary, the land developers, and the operators of the two sour gas wells that were causing the problem.

MR. CLARK: Mr. Speaker, one last supplementary question to the minister. In light of the problem that a number of rural communities face, namely that they can become involved in no more subdivision within their own corporate boundaries, is the minister prepared to establish a task force within his department and the ERCB to go and deal specifically with the number of rural communities that at this time are really high and dry, because they can't move ahead with any further development until a solution is worked out?

MR. RUSSELL: Well, Mr. Speaker, I wouldn't want to leave the Assembly with the impression that this is an unsolvable problem. It varies according to density of population. Although from Okotoks well up toward Red Deer there are extensive sour gas fields, we're confident it is not necessary to stop all development,

as some people have perhaps interpreted. The question of whether or not the special task force suggested by the hon. Leader of the Opposition is necessary at this time is one I can't answer, but it's certainly a suggestion we would keep in mind and be willing to consider.

#### Public Affairs Bureau

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Government Services, with regard to the Public Affairs Bureau. I'd like to ask the minister if the Public Affairs Bureau adheres to the general policy of equality of opportunity for the private sector in obtaining government accounts, as outlined in its manual. Is that the criterion at the present time?

MR. SCHMID: Mr. Speaker, very much so, as compared to the former government which had no arrangements at all to place advertising and in fact specified the advertisers or agencies who received advertising from the former government. We have a system established even in Calgary where for instance printers come in, pick up the forms for tenders, and tender on the printing contracts. As well we have established an office, Mr. Speaker, within Public Affairs which tries, according to certain criteria, to decide which of the advertising agencies of Alberta should receive certain work from the Alberta government. I think it's working out very well and of course much better and much fairer than done by the former government.

MR. NOTLEY: Virtue himself across the way.

MR. R. SPEAKER: Mr. Speaker, supplementary to the minister. Is the minister aware of any one firm receiving over half the printing contracts put out by the Public Affairs Bureau?

MR. SCHMID: No, Mr. Speaker, I'm not aware of that. Of course it's very possible. If according to tender the printing firm happens to be the lowest, that printing firm would probably get more contracts than others who are higher.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the Premier. Has the Premier been contacted about the concern in the way the printing contracts have been handled by the Public Affairs Bureau?

MR. LOUGHEED: Mr. Speaker, I have no recollection of that, although it could well have occurred. I would be happy to check into it and report back to the House.

#### Dairy Quota

MR. PURDY: Mr. Speaker, I'd like to address a question to the Minister of Agriculture and ask if he's had an opportunity to study the announcement by the federal Minister of Agriculture in regard to the increased dairy quota and what effect it will have on Alberta producers.

MR. MOORE: Yes, Mr. Speaker, I've had an opportunity to review the announcement and have some understanding of what it apparently means.

The federal Minister of Agriculture has indicated an additional quota allotment to provinces which will agree to distribute that quota on the basis of need, as I understand it to those individuals in dairy production who, for some means or other, do not have the kind of quota they require for the commitments made earlier. The facts of the matter are that this action was taken at my direction by the Alberta Dairy Control Board some weeks ago, and this province has already, Mr. Speaker, distributed additional quota to those people who were in the same category as that announced by Mr. Whelan yesterday. We're hopeful, however, that the federal government will recognize what we have done as being consistent with the directions they want us to follow in the distribution of this new quota. In that case, we will be able to add our share of the national to our global quota.

MR. PURDY: A supplementary question to the minister, Mr. Speaker. At the time of the news conference the federal minister stated that the increased quota was to help the people who have been "ripped-off", as the news release stated. Is it the opinion of the minister that the rip-off was caused by federal cutback of last April?

MR. SPEAKER: I think perhaps we've gone far enough in the direction of eliciting ministers' opinions.

#### **Rural Electrification Associations**

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Utilities and Telephones. Could the minister indicate to the Assembly when the report of the committee of rural electrification associations will be made available to him or to his department?

DR. WARRACK: Mr. Speaker, I understand the member is referring to the five-member caucus committee chaired by the hon. Member for Whitecourt Mr. Trynchy, which also includes the Member for Vegreville Mr. John Batiuk, the Member for Athabasca Mr. Appleby, as well as my colleague the hon. Graham Harle, Minister of Consumer and Corporate Affairs, and me.

A number of meetings have been initiated by the chairman of that committee, and those meetings will be forthcoming. I suspect the chairman will be making some decision as to the nature of follow-up deliberation and discussion from those initial meetings. This would not in any way be a commitment to a report as such. I am not sure that's ever been envisaged. In any case, the overdue review of this area is going forward at the present time.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Has the minister had or heard reports from any REAs that are going into bankruptcy or receivership?

DR. WARRACK: Well, not into receivership or bankruptcy. I certainly had some reports, and met during the course of the summer with Rochfort REA, which

indicated to me they were very concerned about the condition of their system going into the winter coming upon us. There may be others in a similar circumstance; that would be a matter for evaluation to determine. But certainly that particular REA which met with me indicated those concerns for their system.

MR. MANDEVILLE: One final supplementary question, Mr. Speaker. What is the policy of the government with regard to allowing REAs to purchase bulk energy and to service all customers within an area?

DR. WARRACK: Mr. Speaker, those matters that are important have not been changed during the last five years. That is, the circumstances are the same as prior to 1971, that the purchase of power is reviewable by the Public Utilities Board during the rate regulation process and provided to REAs on a kind of bulk basis that they then distribute to their membership. In terms of the users of electricity in rural areas and who they get their power from, this is a provision in the master contract. That has not been changed since 1971.

MR. TRYNCHY: Mr. Speaker, a supplementary to the minister. Can the minister advise the House on the progress of the Rochfort REA repairs? Are they being constructed now, and if they are when will they be completed?

DR. WARRACK: Yes I can, Mr. Speaker. That rebuilding will be completed this week.

MR. TRYNCHY: A further supplementary, Mr. Speaker. Can the minister advise the House how the funding is being handled on this rebuilding project?

DR. WARRACK: Yes I can, Mr. Speaker. It has been the subject of a number of meetings, because the deposit reserve account of that particular REA was insufficient to do the reconstruction job necessary in order to be structurally sound in the coming winter. As a result, an arrangement has been struck as a conditional agreement between the power company and the REA, whereby the work is going forward at the present time in order to assure its safety and continuity of service provisions in the coming winter. The financial details of the matter between the REA and the power company will be resolved during the coming year.

#### **Beef Imports**

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister of Agriculture. Has the government made or received any representations to or from the federal government, on reducing beef and veal imports from Australia and New Zealand?

MR. MOORE: Mr. Speaker, we have made a number of representations to the federal government. I've made some myself directly to the federal Minister of Agriculture Mr. Whelan, in particular with regard to the reduction of offshore beef. Most recently I made representations this morning with respect to not only



the importation of offshore beef, but as well some understanding from the Government of Canada as to what the quotas will be for the shipment of Canadian beef into the U.S. market.

I'm not able to say, Mr. Speaker, that we've had any results by way of those representations. I believe members are aware, though, of yesterday's announcement that a limitation of 17.5 million pounds has been placed on the importation of beef from Australia, New Zealand, and the United States into the Canadian market for the balance of the 1976 calendar year. While we're still of the view that that 17.5 million pounds is in excess of what should be allowed into the Canadian market, considering the price our producers are receiving for beef and the supplies available, we do think it is a step in the right direction.

MR. TAYLOR: A supplementary to the hon. minister. Is the federal government not going to have very severe difficulty in reducing the import of beef to Canada from Australia over last year when we already have more than a 55 per cent increase over last year?

MR. SPEAKER: With great respect to the hon. member, that would appear to be a representation which has served its function. In any event, the minister should not be required to explain the difficulties of the federal government.

AN HON. MEMBER: Which are quite a number.

#### **Citizenship of Public Servants**

MR. NOTLEY: Mr. Speaker, in the absence of the hon. Provincial Treasurer, I'd like to direct this question to the hon. Premier. It concerns the motion for return tabled yesterday regarding citizenship of senior civil servants. Mr. Speaker, is the Premier in a position to tell the Assembly the reasons why the citizenship requirement under the regulations was rescinded in September 1976?

MR. LOUGHEED: Mr. Speaker, I think the nature of that question [is such] that it would be better to take notice of it. The hon. Provincial Treasurer is chairing a meeting of finance ministers in Toronto. When he returns, I'll inform him of the hon. member's question so he can respond.

#### **Public Affairs Bureau (continued)**

MR. SCHMID: Mr. Speaker, further to the question posed regarding Public Affairs and printing, the Alberta government deals with about 70 to 80 printing firms out of a total of 200 printing companies in the province of Alberta. The largest firm, the one receiving a great amount of business because of its low tenders, amounts to approximately 20 per cent of the

total business of printing of the Public Affairs Bureau.

#### **Day Care Centres**

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Social Services and Community Health. I would like to ask the minister if she's giving consideration to a change of funding for day care centres. At present, I understand it's all under preventive social services. Is there any consideration of a change of funding in that area?

MISS HUNLEY: No, Mr. Speaker, not at the present time.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Has the minister received any representation from Drayton Valley with regard to day care financial support? I understand they are not in a preventive social service area.

MISS HUNLEY: My correspondence is quite heavy, Mr. Speaker. It's possible I may have, but I couldn't say. I'd have to check and advise the hon. member.

#### **Highway Accident Rate**

MR. LYSONS: Mr. Speaker, I'd like to ask a question of the Solicitor General. In view of the increased enforcement on our highways this year, are traffic accidents and deaths up or down?

MR. FARRAN: Mr. Speaker, I can give good news in that the trends for the first seven months of this year show a remarkable reduction in the accident rate of some 40 per cent in overall accidents, about 23 per cent in injury accidents, and 43 per cent in property accidents without injuries being involved. The fatality rate, however, is only down about 5 per cent.

#### **ORDERS OF THE DAY**

##### **head: GOVERNMENT MOTIONS**

2. Mr. Lougheed proposed the following motion to the Assembly.

Be it resolved that this Assembly approve in general the operations of the government since the adjournment of the spring sittings.

[Adjourned debate: Dr. Webber]

[Dr. McCrimmon in the Chair]

DR. WEBBER: Mr. Speaker, I'm very pleased to take part in the debate on Motion No. 2. I think we've had good debate up to this point. I hope I can continue that. We also had some entertaining remarks from

the hon. Member for Clover Bar the other evening. However, in listening to his remarks, I got the feeling he really didn't believe all the things he was saying. Unfortunately he's not here today. On the other hand, when the hon. Member for Spirit River-Fairview made his remarks, he seemed to believe almost everything he was saying, although I'm not sure too many of the other members of the House did.

Mr. Speaker, I too would like to congratulate the hon. Dallas Schmidt on his additional responsibilities. Indeed, I think it was a wise decision on the part of the Premier to make that appointment.

I think the Premier gave an excellent review of the events for the past five months with discussion on the five priority areas for the second session. I would like to relate my comments to two of those areas: one dealing with housing, and the other with education. These two areas are of particular interest to my constituents. They were well discussed at four pre-session community meetings I held this fall and last spring in Calgary Bow. In addition, Mr. Speaker, as a result of having visited some 400 homes in my constituency in the past eight months and also conducting a survey, I know these are two important issues as far as the citizens of Calgary Bow are concerned.

Mr. Speaker, it would be amusing if it wasn't so sad that the opposition, after approximately five months, have really so little to bring to the attention of this Assembly that they talk about such things as the inaccessibility of this government. They say no information is coming from the grass roots. I've spent a great deal of time with my constituents, as I have already indicated, and I know other members are doing the same. I know that Calgary members have also been meeting frequently with different groups, special interest groups if you like, and these meetings have generally been co-ordinated by the hon. minister from Calgary Foothills.

In addition, ministers of this government are frequently available at the Premier's office in Calgary at well-publicized times, and interested citizens or groups who want to make appointments can certainly do so. In fact, I know of no case in my constituency where a citizen has been unable to make contact with any of the ministers of this government. I think the remark made by the Member for Clover Bar indicating that the Premier of this province should sit by his telephone in order to answer calls from Albertans with concerns was certainly ludicrous. I think he had to be kidding. It couldn't have been otherwise.

Getting back to the point of the debate, Mr. Speaker, as a result of contact with my constituents I can say that they are generally pleased with the policies and objectives of this government. In particular, a very favorable reaction has come from the many senior citizens in Calgary Bow who were eligible for the \$1,000 home improvement grant. As the Premier stated in his address, our senior citizens want to be self-reliant and want to maintain their own homes as long as they're able to do so. I think this program has enabled them to do just that.

With respect to the restricted development area around Calgary, I've had generally favorable reaction from citizens I've run into, as there was I think even more favorable reaction a year ago to the decision that the cabinet would have final approval of the Local Authorities Board annexation approvals. I think

they favor the RDA if it will result in co-ordinated and planned growth in Calgary and the surrounding area. In fact, I attended one of the meetings the Minister of the Environment had with some of the landowners in the RDA, and I think it's fair to say that, while there were some concerns, there was general agreement with the objectives of establishing the RDA.

As I have already said, Mr. Speaker, two areas that were well discussed at our pre-session meetings were education and housing and land costs. The main educational concerns were related to the teaching of the basics, or the three Rs, and the business of Grade 12 and Grade 9 exams. There was almost one hundred per cent support for the establishment of some form of standards or bench marks so that we can refer to these in the evaluation of our students. In fact, many of them wanted to bring back the old Grade 12 and Grade 9 exams. But I spoke on this particular issue yesterday.

With respect to the basics, I think most people agree that we should concentrate on giving students, especially during the earlier years of their education, the essential linguistic, computational, and work skills they will require if they are to give full scope to their creativity and individuality later in life. The stressing of basic skills, along with an inculcation of those values which we hold to be basic in our society, I think are too critical to be left to the discovery of these children. I think our schools are essentially good, with many excellent teachers and programs, but I think we may benefit from a greater emphasis on core subjects at all levels.

With regard to educational financing, I believe I mentioned yesterday that in recent years educational spending has increased almost twice as fast as our gross national product, and that on a consolidated local and provincial basis Alberta ranks first in Canada for education expenditures on a per capita basis. *Statistics Canada Daily*, September 1, 1976, put out by Stats. Canada, indicates that for the year 1975 the average per capita expenditure on education, including basic and postsecondary education, is the highest in Canada. Thus, Mr. Speaker, the statement made in this debate by the hon. Member for Spirit River-Fairview that Alberta ranked third is simply not true.

I'd like to turn to the area of housing and land costs, Mr. Speaker. This is an area where there has been a great deal of public confusion, I think. The public does not understand why the cost of land and housing is so high, and they don't know who to blame. What they do know, though, is that young couples today just cannot afford the current housing prices. As has been pointed out in the House before, this year we've had a tremendous increase in the number of housing starts, particularly in the area of multifamily accommodation. This was one of the recommendations of the Land Use Forum, that the government put funds into programs which emphasize multifamily accommodation. But in spite of the progress, I feel the public is primarily concerned with the affordability of housing. If I may, Mr. Speaker, I would like to review the housing situation, particularly as it relates to Calgary.

Over the past five years, new housing prices have increased on an average of 25 per cent per year in Edmonton and Calgary. Housing prices did stabilize around June of this year at an average price of

between \$60,000 and \$66,000 in both Edmonton and Calgary. Land costs have increased from approximately 20 per cent of the total housing costs in 1965 to upwards of 35 per cent in 1976. Apartment vacancy rates are the lowest in the nation in Edmonton and Calgary at 0.2 and 0.4 per cent respectively, as of April this year. There has been a 45 per cent rise in the price of existing homes in Edmonton over a 12-month period ending in April this year, which has been attributed to high demand and speculation.

With regard to the demand for housing, it is expected that with the continued high immigration rate into this province for the next several years, the demand will certainly continue. I think the immigration rate reflects the economic activity and opportunities we have in this province today, and hopefully over the next few years.

On the matter of affordability of housing — in spite of the strong demand existing for new homes, on the basis of certain assumptions which I think are reasonable, under 36 per cent of the families in Edmonton and Calgary can afford a home worth \$60,000 or more. Under 40 per cent can afford to rent a newly constructed three-bedroom apartment unit. In fact the situation may be somewhat worse than this, and housing costs are predicted to rise more quickly than family incomes.

With specific reference to Calgary, I would like to point to other factors which relate to the cost of housing. One is land supply. There are approximately 18,000 acres of potential residential land remaining in Calgary, which represents 13 to 15 years' supply. That is gross land availability. There is a problem, though, with respect to net land availability; in other words, the amount of land that can be serviced economically, that is approved for residential development and actually in the hands of a developer. This 18,000-acre figure then reduces to about 6,000, which some estimate to be a four- to five-year supply of land.

Mr. Speaker, the cost of developable raw land in Calgary has doubled over approximately the last 18 months, and costs now are in excess of \$30,000 per acre within the city boundaries. In fact I know of one large tract of raw land in the city of Calgary which is priced at \$50,000 an acre.

Servicing costs have increased at a rate of 40 per cent per year over the last three years, and are now approximately \$8,200 to \$11,000 per lot. Serviced lot prices now range between \$15,000 and \$25,000 for modest 55-foot lots in Calgary and Edmonton, as compared to \$6,000 to \$10,000 per lot in 1973.

Going on to construction costs, these have risen at approximately half the rate of land and servicing costs over the last four years. However, Mr. Speaker, the market price of a new house today no longer reflects the actual cost of building that house, plus a reasonable profit, primarily because of strong demand and because of what I consider to be close to a monopoly situation in the land development industry. Certainly financing and planning requirements have had a significant effect on the development industry. The heavy financial burdens on developers because of funds required for front-end financing have certainly added to their load. Of course this also favors the larger firms, as does the slow planning process which results in high holding costs. Interest rates are high.

Thus front-end financing is an excessive burden, particularly on the small developer or builder.

With regard to the structure of the housing industry itself, currently it is dominated by relatively few large vertically integrated companies holding large tracts or banks of land. Going on with some more figures: 75 per cent of the lots produced in Calgary over the past three years were produced by four companies — BACM, Carma, Daon, and Kelwood — and 87 per cent of the lots were produced by six companies. Of the companies I mentioned, BACM and Kelwood are part of the Genstar conglomerate, as is Abbey Glen, apparently recently purchased by Genstar. Also, Mr. Speaker, each of the developers appears to have concentrated its land holdings in one or more areas of the city: for example, Nu-West, Carma, and Melcor in the northwest section of the city.

I think both provincial and municipal governments have assisted in the agglomeration of the industry by instituting costly and complex subdivision approval processes and land dedication policies. Also, federal taxation policies permitting substantial tax deferrals and write-offs have helped the large corporations grow — in fact, a deferral of up to 88 per cent in the case of Daon last year. Also, I think the federal anti-combines legislation has been ineffectual.

Getting to the question of profit levels, I want to prelude my remarks by saying I certainly believe profits are essential and good in a competitive environment. But I think excessive profits in a monopolistic situation are bad. Profit levels for the large developers have soared over the past five years. Some of the figures I have, which are available from annual reports, are for three companies: Nu-West, Carma, and Genstar. These are profits after taxes: Nu-West, \$1.2 million in 1971, \$14 million in 1975; Carma, \$1.2 million in 1971, \$7.3 million in 1975; Genstar, \$10.6 million in 1971, \$47.2 million in 1975.

Now I realize it is misleading to look at profits alone, especially for those like Genstar, as diversified as they are. On the other hand, profits for the other two companies I think come almost totally from the development and housing industry. In fact I think it has been said, and I tend to agree, that profits at this point are where they have almost a licence to steal.

There are probably other factors worth considering when talking about land developers and housing, and even though it's difficult to get a clear picture of all the factors that have resulted in high land and housing costs, it's even more difficult to find appropriate solutions or steps to alleviate the problem. We've had a great many suggestions, and some have already been instituted. First of all, there are those who advocate public land banking or land assembly. Currently the Alberta Housing Corporation and the Department of Housing and Public Works are involved in land assembly projects primarily outside Edmonton and Calgary and in places like Red Deer, Lethbridge, and Grande Prairie.

[Mr. Speaker in the Chair]

Secondly, there are those who suggest that we should remove many of the existing development regulations. Currently we see The Planning Act continuing to be overhauled in this regard. I also

understand, Mr. Speaker, that the regional and municipal planning commissions are attempting to accelerate their subdivision approvals. However, these bodies can only approve. A development industry which tends to be monopolistic in structure ultimately controls the pace of development.

Thirdly, it has been suggested that the federal government should be more aggressive in its investigations and in break-ups of potential cartels. Fourthly, the Alberta Land Use Forum recommends a speculation tax. We've had some debate in the House on that. Fifthly — this has not been recommended by very many, but some have suggested selective expropriation procedures aimed at particular locations and at particular companies in the industry.

Sixthly — we have this one already — provincial funding in housing programs. This year, we have already heard over \$400 million is going into the area of funding housing programs. Seventhly — we've already seen the creation of the RDA around Calgary. Hopefully it will result in better future planning.

Mr. Speaker, I am sure many other points could be raised as suggestions to alleviate the housing and land cost problems we currently have. But my intention this afternoon has been to relay to members of this Assembly what my constituents have been telling me and what the real issues are today as far as they are concerned: education, housing costs, and land costs. These issues happen to be among the five priorities of this government as outlined by the Premier in his address.

Thank you.

MR. TAYLOR: Mr. Speaker, I also want to take the opportunity of speaking in this debate. I want to deal with some constituency matters, some matters of interest throughout Alberta, and possibly some throughout Canada.

The Premier should be commended on initiating this type of debate at the fall session; otherwise we would have no opportunity of dealing with a variety of items that cannot, do not, and could not possibly come up in resolutions and bills.

The first item I would like to deal with is coal gasification. I have been interested in coal gasification for a number of years. I want to commend the government and the Research Council on establishing an experiment in the Forestburg area. I would like to have seen the experiment in the Drumheller area, but after visiting the plant site I can well understand why it would not have been advisable. As a matter of fact, I thank the hon. minister and the Research Council for not putting the experiment in the Drumheller area.

In the first place it's a pilot project, and my visit to the project took several hours. The researcher in my office accompanied me. Mr. Al Roehl, who is in charge of the project there, spent a great deal of time going over every aspect of it. I appreciate this very much indeed.

The theory is to put compressed air around a solid seam of coal, to ignite it — as long as the oxygen is there, the fire will burn — and then to collect the gases from another tube. The difficulty that would have arisen had this been done in the Drumheller valley is the fact that there have been so many mines in that area throughout the years that the space between the various seams is greatly reduced, and if

a fire ever got away, it could have some very serious results. So I think the difficulties are sufficient without having an extra responsibility of trying to control the fire in an area where there are many seams.

I don't think the pilot project is going to be finalized in a hurry. I hope the government and the Research Council will continue the work, because it looks to me like it's going to take some time to get all the information we want on this coal gasification scheme.

By the same token, I think we are very wise in getting the basic experimentation done at this time, while there is ample natural gas and before we are up against the wall requiring the production of synthetic gas from the gasification of coal. I believe it will play an important part in the future of Alberta, but I think it will be probably a few years down the road before it is needed. When we start running out of natural gas, synthetic gas is going to be one of the alternatives, and I think it is going to be a very useful one.

I like the way the people at the plant are monitoring it, keeping tab on every aspect of the experiment. I think this is going to prove very, very valuable. We have to remember that this is the first experiment of this kind in Canada and on the continent. It's very important indeed.

The next point I would like to deal with is the matter of cabinet tours. We heard some comments from the hon. Member for Olds-Didsbury and the hon. member from Fort Saskatchewan that were somewhat critical of the cabinet tours for not accomplishing what they thought cabinet tours should accomplish.

I did not attend the cabinet tours except in the Drumheller constituency, and I have to speak from what happened there. The cabinet tour went to four centres in one day. One group of ministers went to Strathmore for a luncheon meeting. Anyone was invited to the luncheon, or if they didn't want to go to the luncheon they could come in afterwards. The mayor of Strathmore was the chairman of that meeting, and everyone was given an opportunity to ask whatever question they had or to make any brief they wanted to make.

Several very important briefs were made. For instance, the mayor of Cluny was very concerned about certain aspects of town planning. He voiced that, and was able to secure a sympathetic and excellent reply from the ministers who were there.

That same group went on to Old Sun College at Gleichen. There was a little disappointment in Cluny as 20 or 30 people had gathered because a newspaper advertisement had announced Cluny as one of the stops. That was an error: whoever put the newspaper ad in didn't realize that Old Sun College is at Gleichen and not at Cluny. The people waited for two hours and were somewhat disappointed. They tell me they didn't have a submission to make; they simply wanted to have a welcoming group for the cabinet ministers who went there. However, although I was not there, I understand the meeting at Old Sun College was very excellent too.

Another group of ministers went to Carbon. Again I was not able to be present, because I was at Strathmore and then at Drumheller. As the ministers finished in Carbon, they too went to Drumheller and

met the ministers who were there having interviews.

More than 100 or 150 people from the entire constituency gathered in the composite high school that afternoon to make submissions on various items, so many submissions that the ministers had to divide into two groups in order to even begin to hear all the representations. It wasn't the representations that the people thought the ministers wanted to hear, as suggested by the Member for Olds-Didsbury. It was the things that were bothering the people. They were given every opportunity to voice their views. The ministers had an opportunity of hearing their concerns, responding to them, and trying to get more detailed answers later.

There were 14 submissions made in all. I'm not going to deal with all of them. I'm going to deal with one or two. But they included a submission from the mayor and council of the city of Drumheller. That would be expected. It included a submission from the Hussar area. It included a submission from the Weather Co-op, the Drumheller Chamber of Commerce, the Canadian Legion, a delegation of individuals in regard to Fish Lake provincial park. The ministerial association turned up in full force. I believe every church in the area was represented, and one spokesman gave reasons why they oppose the proposed changes in The Marriage Act. The Weather Co-op dealt with hail suppression and so on. The Tourist Association, the library group, the people from the Aerial Flats presented a submission that's been bothering them for years.

I simply want to say it wasn't a tour made for the convenience of the ministers. It was made for the convenience of the people. Another thing, they were given at least two or three weeks' advance notice that they would be able to make submissions. The submissions in my view, and I think in the view of everyone who heard them, were very excellently prepared. The ministers who were in charge — in one room, the hon. Mr. Hyndman and in the other the hon. Dave Russell — along with the other ministers gave everyone an ample opportunity to speak, to ask questions of the ministers and of each other. There's a general good feeling about the whole thing.

As a matter of fact, the feeling was so good that the mayor of Drumheller, who throughout the years has certainly been no supporter of the present government or the Progressive Conservative Party, and his council were so impressed with the way this was done that they have now decided, as noted in the last week's papers *The Drumheller Mail* and *The Big Country News*, to carry a similar meeting for the city voters, so they can voice their views in regard to the civic administration. That's how much they thought of the method that was used.

I believe in giving credit where credit is due, and I want to commend the government for this type of exercise. That night there must have been 300 people gathered to hear the Premier and half the cabinet there. Again there was an open question period and anyone could get up and ask a question. It wasn't curtailed. Even after the Premier left, which was some time after the questions started, there were still further questions. It seemed as if the ministers didn't want to go home; they wanted to stay and talk about affairs in the valley. That was the impression people received. I appreciate that as the

member for the area.

There are a number of problems. You say, what are the results? Did they just talk about it? Well no, there's already been one very concrete result because, as noted in the Drumheller papers last week, the hon. Minister of Transportation has replied to the submission from Dalum, Hussar, the Chamber of Commerce, and the city of Drumheller regarding the continued construction of secondary highway No. 956 from Drumheller through Dalum to Hussar to the Trans-Canada. They have been very heartened, and it has been a feather in the cap of democracy for these people to say, we made representations, they found our representations sound and now we're getting results. And I want to thank the Minister of Transportation for committing that project to be completed in the next few years.

I want to deal with another problem for a moment. It's been a serious problem, one that's been serious for a number of years. That is what is known as the Aerial Flats where people have been living for the last 40 years but can't get title to their property. It was owned and operated by the old Star Mine for many years, and the Star Mine, running a closed camp, refused to give title to the property. It was sold to an individual who wanted to do it, but then the flood plain came into being, and it is in the flood plain. As a matter of fact, I walked through the area when I was in charge of the flood committee in 1948, and the water was well over my knees. But the people continue to live there, and they want to live there. They say they'll take their chances. They have their homes there. Their savings are put into their homes, but they would like to get title in their own names so they can put in waterproof basements, raise the buildings, and do something concrete for themselves and their families. But they're not permitted to get title to this land. I would say it's a flood plain. The Department of Environment engineers have gone through their records carefully and I know it's a flood plain; there's no question about it. But just to say no, no, no throughout the years, as has been done, is certainly not satisfactory to these people.

I would like to see a number of things done in that regard, and I believe the hon. ministers are studying that particular prospect. Number one, several years ago we had a similar problem in the East Coulee area. The Department of Highways built a dike along the river, not at any great expense, and there's been no problem of flooding in that particular area since. I would like the department to take a look to see if it's economical to construct a dike by the swinging bridge in the area of the old Star Mine in order that those people might have a better chance of avoiding the next flood. Or if they want to put in conditions that you can get control of your lot by putting a caveat on your title that you know it's a flood area, fine.

I'd like to suggest two other things. The people would have no objections if we said to them, you have to raise your buildings to a certain height and put in waterproof basements; then it's going to be one of the nicer places in the valley to live. But I hope the government would put some pressures on the Calgary Regional Planning Commission which will not simply sit there and say no, no, no for the next 20 years as they've done for the last 20 years. I think the people deserve to get title to that land when they realize that across the road in the very same area

they had title because it was subdivided before all the new conditions came in. But they're subject to the same flood, the same waters, the same river, the same creek, so I think it's a problem that can be resolved. The flood plain in Drumheller that did not have water in those years, which may be subject to flood once every hundred years, is a little different proposition. With the co-operation of the hon. Minister of the Environment, the city of Drumheller and others, we are hoping we can get that subdivided very shortly because we do need land in the Drumheller valley.

I want to say frankly that, in my view, the cabinet tour in the Drumheller valley was excellent in regard to finding out what the people want, what's bothering them, and an honest endeavor on the part of the government to try to meet those needs. I appreciate that as the member, and if, as one of the opposition members said the other day, it will enhance the government, so what? I'm not worried if it does enhance the government. If the people's needs can be met, that's the important thing. If we're simply going to try to play politics with everything, we're certainly not going to help many of our people.

The next point I'd like to deal with is this matter of natural gas rebates. The natural gas rebate, in my view, is one of the best policies that this government or any other government has brought into being in this country during the last several years. It's an excellent method of giving some of the benefits back to the people.

I want to review just two projects in my constituency, and to express my appreciation to the hon. Minister of Utilities and Telephones for going the second mile and trying to enable people to have the use of clean fuel. This is what has been done. The people of Wayne and Cambria, two hamlets in ID 42, didn't have a hope of getting gas within the next 20 years, not a hope. They thought it was away beyond their economic means that they just couldn't meet the thing at all. In discussing it with the hon. Minister of Utilities and Telephones, the minister went to the trouble of working out a program under which every one of these people, from the poorest up, could take advantage of the program of getting natural gas. The bill to take the natural gas throughout the Wayne and the Cambria area is probably close to a quarter of a million dollars.

In the first place, we had to make a difference in the co-op area, the jurisdiction. Prior to that Wayne and Cambria, which are at the bottom of the valley, were tied in with co-op companies on the top of the hills. It would have been a very, very costly thing to try to bring gas down those coulees. When the hon. Mr. Farran was minister, he recognized that point and made the change. As a result, we were able to form a valley co-op called the Waycam Co-op, after Wayne and Cambria.

A large meeting was held and the people were jubilant because, through the grants of the government and the program of the government through the co-ops under which the people could pay their \$500 contribution by paying only 10 per cent down, they were able to get natural gas. That gas should be turned on within days, and the people of that area have asked me to express appreciation to the hon. Dr. Warrack and to the government for making it possible for them to enjoy the natural resource of this

province. For years they saw it being exported to other places. Now they are going to be able to enjoy it themselves, and I want to express appreciation for that help in getting gas for the Waycam people.

Last Friday I attended a flare celebration in the Gleichen area. The Bow North Gas Co-op, the town of Gleichen, and the village of Cluny were celebrating with Canadian Western Natural Gas the turning on of gas in that area. Some important items came out at that ceremony.

The Western Canadian Natural Gas Company made it very clear to the people who were present that they had been in business since 1911, incorporated in 1911, and they expressed appreciation for the policies that enabled them to extend the gas lines to all the people in Bow North Co-Op area, which is one of the largest in the province, including the town of Gleichen, which had been trying to get gas since 1910, and the village of Cluny.

One of the things that stood out prominently in my mind during that celebration was the fact that the cost of natural gas to the company was 83 cents per thousand cubic feet. But what are the people of that area required to pay? Just 56 cents a thousand cubic feet, 56 cents. Immediately we say, who is paying the difference. That 27 cents is being provided by the provincial government as a shelter under The Natural Gas Rebates Act, a tremendous assist to the people of that area to get natural gas. When we look at what this is going to mean to almost every household in that entire area north of the Bow River contained in the Bow North Co-op, it is going to amount to almost \$50 per household per year in savings on what they would have to pay if the full price were charged to them.

When we were discussing this matter, it became very evident that it was only possible because of one or two items: one, that the government charged a higher price for the gas in order to get some income for the shelter plan from some of the other places, and a flowback of 21 cents to the producers from export gas.

Maybe the hon. Member for Spirit River-Fairview will call that a gift to the gas company, as he does in many of his of speeches across the country — give the wrong impression entirely, as if the government is handing them millions of dollars and they are doing nothing for it. This is providing the means whereby the company can give the gas to the people at a more reasonable price. And every contribution like that is leaving more money in the pockets of the people in order that they can buy the things they want to buy. As a matter of fact I might say to the hon. members to my left, it's the closest we have gotten in this province to the idea of a dividend that the late Premier Aberhart had in the last 25 years. The closest we have gotten is leaving more money in the pockets of the people, money that is coming from the natural resources of this province.

Somebody in the press said to me the other day, you seem to be supporting the government on a number of items. I said, yes, why shouldn't I support the government in something like this, a program that is taking gas to the people, giving it to them at a reasonable cost, a program that is bringing back from outside the country and into the coffers of Alberta, a fund from which we can build a heritage fund.

Yes, these are good policies. If I had to stand up

and oppose that, I would not be in the Legislature. This is good, sound administration and good, sound legislation, and I don't care who hears me say it. I am not going to condemn things that are good for the people and good for this province simply because I am not a member of the party that is bringing them in. I want to commend the government on that gas rebate policy.

This morning in Public Accounts we heard some questioning on whether or not it will be continued. I am getting representations from my people too, the hope that this excellent program will be continued. The hon. Minister of Utilities and Telephones pointed out this morning that it was \$170 million last year and will probably be much more in the coming years because of the anticipated increases in the price of gas.

But I would urge the government and the Provincial Treasurer to check carefully in regard to this program, because this is a bread-and-butter program that is going right into the homes of every family that has the opportunity to use natural gas throughout this province. And that number is increasing widely every year. As a matter of fact, I believe the minister mentioned this morning that through that program of taking gas to the people, more than 29,700 families have been served, a tremendous record.

I compare that to the time I brought a delegation to one of the ministers when I was a member of the government to try to get natural gas into the Starland municipality. That minister talked for 30 minutes to tell them why they couldn't do it. They went home despondent and disappointed because they thought we should be trying to find ways and means of doing it, not trying to find ways and means of telling them why we couldn't do it.

Well, the government here did take the bull by the horns and said, we will find ways of getting gas to the people. And I want to commend them for doing that.

Now, Mr. Speaker, I want to say a word or two in connection with the anti-inflation program. A lot of people are concerned, and I'm concerned about some items too. I'm concerned about some of the increases that are being put upon the people when their own wages are frozen. I think we're all concerned about that. We don't have to go very far. Just look at what's happened in the cities the last few weeks. The cab fares are up 33 per cent; the parking meters are up 100 per cent; things that people are using day by day. Power is up, telephones are up, yet we say to the people, how come you're not happy with the program.

I think if this thing is going to be continued, the guidelines should be put on every item that affects the pocketbook of the working people, the people who suffer the most under an anti-inflation program. I have to say a great many of us have not suffered under the anti-inflation program. We've eaten the same way; we've driven the same way; we've dressed the same way. But there are families who are not able to do that. They just don't have enough to make ends meet at the end of the month. Those are the people we should be directing our legislation to, and I hope the hon. Minister of Federal and Intergovernmental Affairs will keep that point in mind when discussing this program with federal officials.

Last week we saw this protest march, these protest people. I think the government has gone the second

mile, the third mile, in providing just a little tap on the hand for people walking out. In my view, those guards who walked out of our correctional institutions without even telling the head man or the Solicitor General they were going to go, should have been completely fired. They are irresponsible, and they could have had another wreck of the jails or correctional institutions like they had in B.C. We can just be thankful that the prisoners had more sense than some of those guards.

In some of the institutions, in Calgary and Peace River, I understand they gave notice they would not be coming. At least they had some sense of responsibility. But in Fort Saskatchewan they simply walked off — and this is from good authority — without saying boo to anybody. We could have had terrific havoc and destruction there. If that's responsibility, if that's the kind of people who are guarding our prisons, no wonder we're having so much trouble in our jails. We need to take a second look at that.

While I believe the government wanted to be as kind as possible to those who walked out in an illegal strike, I have no sympathy at all with the MLAs who stand up and support that type of thing. No sympathy whatever. That's a disgrace to this country.

When we have the postal workers walking out, and the union people saying, we won't negotiate until they're forgiven everything, what kind of country are we running? The prisoners are now telling the guards, we'll kill everybody or we'll kill the people we're holding unless you forgive us for everything we've done. They do a million dollars' damage in one of our prisons that the people of Canada have to pay for, and they're forgiven. I don't mind forgiveness, but we're going too far. Far too far.

When the hon. members of this House stand up and support that type of thing, I say democracy is just going too far altogether. It's not representing the thinking of the people on the street. The people on the street are getting fed up with this type of thing. No wonder they were only able to draw 300 or 400 people in their parade out here.

They talk about employers and industry threatening the people. I heard Mr. Broad, the president of the civil service say, we didn't get very many because the government's threatening the people. Talk about threatening. Some of the unions threatened our people, and I've got a letter to show it, saying they were not worthy members unless they went out. Well what kind of nonsense is that? I want to pay a tribute to the good sense, responsibility, and dedication of those people who looked the labor leaders in the eye and said, I'm not going to become illegal, I'm not going to break the law simply to stay inside a union.

Mr. Speaker, I realize my time is gone. I want to thank you for giving me the extra half-minute.

MR. GHITTER: Mr. Speaker, I'm sure all hon. members will be happy now to have the calm after the storm when they hear a much more quiet dissertation, not being an expert on natural gas, and the firing of civic employees, and matters that were so well expressed by the hon. Member for Drumheller. I certainly will not try to get into areas of that type of discussion today. I'm sure a very calm dissertation for the next 20 minutes, Mr. Speaker, will be appreciated. So you can all relax, sit back, put your

heads down, grab your centimetres in your hand, and we'll just have a nice chit-chat for a few moments, Mr. Speaker.

Mr. Speaker, I had intended at the outset to talk in terms of accessibility of government. I don't think anything need be said further than what the hon. Member for Drumheller has already stated. I hear the hue and cry from across the way about the non-accessibility of this government, and I say that's just utter nonsense. I think this government has gone as far out of their way as any government I have ever seen, from the point of view of being accessible. When I hear members of the opposition talking about non-accessibility or not paying attention to certain pressure groups, I just don't get overly concerned with that, Mr. Speaker, and I really don't intend to deal any further with that.

I do wish to comment generally about a few of the remarks made by the hon. Premier in his address. Then I wish to embark on an adventure of trying to educate some of our rural members in what happens in our cities. I hope they'll listen, and I'll get on with that in a moment.

Mr. Speaker, in the 1970s and in the twentieth century, possibly one of the most important things governments can do, one of the most important things they can display to the people who vote for them, is the fact that they have integrity and the fact that they have responsibility. You may not always agree with the decisions made by whatever the government might be. But if that government can present itself in a manner of honesty, integrity, and responsibility both fiscally and otherwise, I think that government is probably doing one of the most important things governments can do in an age of scepticism and cynicism that pervades many of our citizens and communities today.

I think we probably spend a lot of time trying to talk in terms of individual problems and individual issues. But one of the messages I don't think the Premier alluded to — to me it is probably one of the most important aspects of what has happened with this government; there were many examples of it over the summer — is that this is a government, I would submit, of honesty, of integrity, and of responsibility. That is what governments are all about in this day and age. On that basis and that basis alone, I'm sure the citizens of this province are very happy to have the type of government they enjoy.

Mr. Speaker, if one were to look in terms of a number of things that happened throughout the summer, I think probably the highlight would be the position this government has taken relative to our constitution. I know this is going to be dealt with in greater detail on the Premier's motion presented today. But know that Albertans fully support the position this government has taken. They support it not as Albertans but as Canadians, and they support it in a way that will be expressed I'm sure by many of the hon. members very shortly.

The hon. Premier stated that five priorities were expressed in the Speech from the Throne. Those five priorities were referred to by the hon. Premier and were dealt with in a more specific way relative to the accomplishments of this government over the past summer. I would like to deal with two of those priorities which concern me greatly, two of those priorities that I believe are now in conflict to a degree

from the policies of our government. I would like to present some challenges that I think are very important and that we must come to grips with as a government, and they relate to our cities.

The two priorities I wish to deal with, Mr. Speaker, are the priorities of this government relative to land-use planning for people and to housing. Before I get into it, I think it's very important, from our rural members' point of view, that they sit back and try to understand what a city is all about.

Those of us from the urban areas who have sat in this House for the last number of years have listened *ad nauseam*, I might say, about cow-calf programs, bees, rapeseed, fertilizers, and all those things. We have sat patiently, we have enjoyed it, and it has been very instructive. We have heard it and we have heard it and we have spent a lot of taxpayers' dollars, probably worth while. We have accepted the judgment: the hon. Minister of Agriculture gets on his feet and says, we need \$40 million. Out of respect to him, we give it to him. That is the attitude of the urban member, one of complete faith in the approach and the advice we have from such hon. members as the former Minister of Agriculture, who has such a high degree of credibility with all of us, and the present hon. Minister of Agriculture.

But I don't think enough time is spent in the minds of our rural members as to what a city is all about. You know, just because you come to Edmonton for a few months and sit around the big lights and high-rise buildings doesn't mean you understand about a city. It doesn't mean you understand the problems of a city. Today I have given myself the responsibility of educating you on what cities are all about. It's more than Jasper Avenue as you walk over to the Mayfair and back here every day.

Mr. Speaker, I think it must be understood right at the outset that no matter what this government does, no matter what we do to decentralize, no matter how we endeavor to encourage the growth of our rural communities — I think that that is probably one of the finest programs this government has performed. Twenty years from now, when they look back at the accomplishments of this government, I think one of the highlights, one of the big stars, will be what this government has endeavored to do to decentralize, and encourage the growth of our rural communities.

In that sense, I recall some time I spent with the hon. member from Brooks this summer, looking around his area. I recall, with a smile, that when we got before the city council of Brooks that night, they didn't have a quorum. We had to get one of the members of the city council out of the local bar to come and make a vote. I thought, now that is what democracy is all about. That's to be encouraged. If that's what rural Alberta's for, I'm all for it. I think that's just great. The fact that he voted the right way didn't affect my judgment in any way at all, of course.

That is to be encouraged. The fact that it is happening — the growth in Brooks, the development there, the development I saw when I went up to Fort Vermilion with the hon. Minister of Recreation, Parks and Wildlife and talked to the people there. What is developing is tremendous.

But against that scenario, whether we like it or not, no matter what this government is going to do, this country, the whole of North America, is an urbanized society. No matter how we try to spin things, no



matter how we try to readjust our policies and reassess what we are doing, by the year 2001 we know that the population of the city of Edmonton will be over a million people. We know that by the year 2001 the population of the city of Calgary will be over a million people. We must come to the reality of what that means from the point of view of our cities, and what we are creating in our cities. What policies are we as a government working on to assist our cities to meet this tremendous demand that is occurring and pressures that are occurring upon our cities?

The province of Alberta is more heated up than anywhere else in Canada. All of us speak glowingly about our province. In his remarks, the Premier rightly states, and goes through the statistics, there's basically no unemployment here, there's jobs and there's good income, and we're not as affected by the economic ups and downs as they are elsewhere in Canada and North America. We say that here, we say that when we go to Bay Street, and we say that when we talk to Canadians wherever we go. We say, hey, the province of Alberta is a great place to be.

So when someone who is on welfare in the province of Ontario goes into an office in Ontario and says, I hear Alberta's pretty good, they give them a one way ticket to Alberta and say, go there. They're coming, and they're coming strong. We need good people. We need people who will contribute to our province.

But they're coming to our cities. They're heating up our cities and creating immense difficulties from the point of view of the administration of our cities, from the point of view of the housing demands in our cities, and from the point of view of not taking away from the importance of the quality of life we have all enjoyed so much in our cities.

There are reasons people live in cities. There are many, many advantages to being in cities, for those of you in our rural areas that aren't quite certain what they are.

AN HON. MEMBER: Name one.

MR. GHITTER: Name one. Mr. Speaker, that is a typical, isolated, rural Alberta attitude. Name one. They come to Edmonton for a few months. They take in a couple of restaurants. They don't even know where the library is. They don't know where the Citadel Theatre is. They don't know where the Jubilee Auditorium is. They come in, and what do they do. They walk back and forth and figure, that's fair enough, that's what a city's all about. Mr. Speaker, a city is worth more than that.

Cities are viable, interesting, challenging places to be. Cities are places where the cultural pursuits can be achieved inexpensively, where schools are fine, and where all the great advantages our society has to offer are within walking distance. Cities are places to be enjoyed. Cities are places to live in, and must remain places to live in.

MR. ZANDER: And demonstrations.

MR. GHITTER: And demonstrations. You can demonstrate too if you like. Do you wish to demonstrate, Mr. Zander? We don't mind. You can demonstrate.

Mr. Speaker, as that is developing, there are also some ominous signs on the horizon as to what is

happening in our cities. One need only look south of the border, to the inner decay of the cities and the movement to suburbia, the fact that the largest cities are becoming dumping posts for people who are following welfare and are not moving in and contributing. As a result, you find the horrendous things that are developing by the inner core destruction that one sees in the central communities of the larger areas in the United States. We are not immune from that happening in Alberta.

We are not immune from the possibilities — and we can see it now, I can see it in my own constituency — of the slow deterioration in areas, both residential and with many of the buildings and commercial enterprises, as more people are moving out into suburbia and are less inclined to want to live in the central core of a city. Within that backdrop, Mr. Speaker, I believe it behooves us as a provincial Legislature and as individuals who have the power to help our cities, to do so. With the greatest respect, Mr. Speaker, I think we are falling down in our job of working with our cities and municipalities to meet these problems.

Mr. Speaker, I look in terms of housing, annexation, and restricted development areas, and it brings to mind the conflict in our priorities that I wish to deal with.

We talk in terms of housing. All of us, I'm sure, are great fundamental believers that anyone who possibly can should own their 50 by 120 and have their house. We were born with that concept, we believe in it, and we should do it wherever we possibly can. But to do it requires land. In order to accomplish this we must say: where are we going to put these houses? Because individuals within the communities the hon. member for Bow mentioned this morning want to have housing, but they don't necessarily want to have that housing in their areas. The end result is that there's that inward pushing out that you will always have in a city.

All right, we then look in terms of the attitude of a city dweller. You know, the governor of Oregon says in a speech: come to Oregon, visit Oregon, come back to Oregon, but don't live here. The attitudes in California and in many of the states in the United States is that they don't want any more people. The attitude of the city dweller is: we don't want our cities to get any bigger because when they get bigger, the crime and all of the other things are necessarily going to flow with it.

As a result we heat up our economy in Alberta. We have people coming from everywhere. Our cities are pressing outward, but once they're there the people don't want it to happen. They don't want the city to get any larger. We as a provincial government are reluctant to know what to do about it.

We don't have a planning act. For three years we've been stating we should have a planning act, which is just crucial to giving guidelines to cities so they know what we as a provincial government feel should occur within our cities. I know planning acts are complex. I know they're complicated pieces of legislation. But from the point of view of our cities, the present status of our planning act administration is just futile. There's no certainty to zoning. There's no certainty to the flowthrough in decision-making processes.

We heard the hon. Member for Drumheller talk

about the Calgary Regional Planning Commission with their approach towards things. That is not just there, it's everywhere. What our cities need from us are guidelines. They don't need more controls. They don't need more stripping away of their autonomies. They don't need speculation taxes and all those other nonsense things that people who can't come up with decisions decide are the way to do it. They need guidelines from us.

They want to know our attitude towards annexation in the city of Calgary, for example. The power is within our cabinet, and I'm happy to see it there. But instead of just spurring out little pieces of land and saying, okay, put some houses and we'll worry about next year, the time has come when we must rationalize what we are doing with our cities. We must try to level out the movement of land on stream so it doesn't come out in fits and spurts. That's what's happening, and that's why you have profits. That's why you have a 'big four' around the city of Calgary. The little guy can't stick around long enough. He's squeezed out. The only ones who can stay there are the big guys. So they stay, and they move on.

What happens even with them now in the context of Canada? A company like Carma, which started off with some 60 to 70 small builders in the city of Calgary to create houses and lots for the citizens of Calgary, a very responsible company — where are they turning their profits now? They're going to Seattle. They're going to California. Nu-West, a local Alberta company — where are they going to buy land, where are they going to develop? They're going south of the border. ATCO Industries — the Premier quoted from Mr. Southern — is going south of the border. Why?

Why are they moving away from us when there's so much challenge right here in our own province? Why is it that millions of dollars are leaving our country, as the hon. Premier stated, when in fact there are such fantastic challenges in Alberta that can well be met by aggressive entrepreneurial skills?

They're going because individuals like you and I think we know better than they do. We think that if they're making a profit, the answer is a speculation tax. That's the answer. They're making profits, so we'll dampen it. We'll do the speculation tax so they'll go further south, and those that stay will pass the speculation tax on to the consumer anyway. I've yet to see a tax that wasn't passed on to the consumer in one form or another.

Why don't we sit back for a moment and just say that the answers really lie more in giving guidelines and understanding and working with these people rather than threatening them with more controls.

We all know that in the city of Calgary there are 56 different agency steps you've got to go through to bring land on stream. Why should that be? We've got duplication, we've got bureaucracy, we've got a lot of people with good intentions. But, Mr. Speaker, what is happening is that we've got so many people with good intentions that all we're doing is slowing it down and allowing these profits to occur for the simple reason that the only people who can stick around are those who are big enough.

Anyone, for example — I'm alluding to speculation tax again, Mr. Speaker, because lately I've heard so much about it throughout Alberta — who has looked in terms of the speculation tax that was administered

in the province of Ontario will come to the simple conclusion that all it did was make the big bigger and the small smaller. All it meant was that the little guy got squeezed out more and the big guy was able to stick around and pass it on to the consumer.

Mr. Speaker, I think this is just so very fundamental to what we are talking about from the point of view of where we're going with our cities that we must now come to grips with the necessity of rationalizing some policies and guidelines, and we must tell our cities what it's all about.

Mr. Speaker, I have no objection to the restricted development area. It may be a well-reasoned approach to help rationalize the co-ordination, as the hon. Minister of the Environment stated in this House. I might question the fact that it was a little unilateral in dealing with the cities, and it made them wonder what was happening. But I don't mind that. What I do mind is the fact that there is a five-mile belt around the city of Calgary, and I don't know what's going to happen with it. The city doesn't know what's going to happen with it. The aldermen who are making the decisions in the city of Calgary see that around the city, and they don't know what's going to happen with it. How can they make decisions?

If we're going to do that, I believe there's a responsibility on us to go to the cities and say, this is what we have in mind, this is our policy on annexation, this is our policy on transportation, and then let's do it. But you cannot have our elected municipal officials working in a void. They must have some direction from us, and they're entitled to have some direction from us. Only in that perspective, Mr. Speaker, will we be able to have our cities operating properly, looking in a futuristic way rather than battling with little day-by-day problems they are not able to respond to.

Mr. Speaker, a considerable amount has been stated relative to our housing programs. I want to congratulate our Minister of Housing and Public Works for doing yeoman work in many areas from the point of view of providing housing. Our starts are laudatory. Our apartment starts in rural communities is something we've never seen before. But with the greatest respect to the hon. minister, the one area where I believe our provincial housing policies are falling down is rental accommodation.

In total frankness, Mr. Speaker, I believe there is no way this government will be able to rationalize its position to move out of rent controls in June of next year unless we have an adequate supply of rental accommodation. It's just got to be a simple political fact. And I think that's too bad. I think it's too bad we won't be in a position to move out of rent controls next year. Hopefully we can, and hopefully it's not too late. But what is needed now in this province is an immensely accelerated provincial government program relating to the construction of apartments, particularly in Edmonton and Calgary.

Mr. Speaker, if one were to analyze the rental assistance program for construction in the province of British Columbia, they would find a very clever, very successful approach, not to subsidies, not to giveaways, but merely to assisting the private sector from the point of view of the development of apartment accommodation.

Mr. Speaker, the private entrepreneurs who traditionally constructed apartment blocks in Calgary and

Edmonton aren't doing it anymore. They're doing it in condominiums. They're doing it there because that's basically not rental. They do it because they can take their multi-family land, construct, and get out. But they're not putting up apartment blocks, Mr. Speaker, and it's obvious why they're not. The numbers don't work. If it costs you \$23,000 a unit to construct an apartment block and you look in terms of all the additional costs, for any rate of return you're going to have to get \$450 to \$500 a month rent. And you're not going to get it. And the spectre of rent controls doesn't help either.

But if the provincial government, by an incentive program, said to those developers, we have a program you can dovetail with Central Mortgage and Housing. We will take a secondary position and grant you X dollars per unit that you put up. On that basis you will find apartments going up all over the place in Edmonton and Calgary, just like it's starting to happen again in British Columbia. Yet this money is paid back in British Columbia. This is not a subsidy, not a grant. This is merely a loan, and it allows the numbers to work. It's at lower interest, but so what? We need housing and we need rental housing.

Over 50 per cent, I believe is the statistic, of our population are renters. In my constituency of Calgary Buffalo, where probably 75 per cent are renters, there's not one crane putting up rental accommodation. And that's the most desirable place for rental accommodation. That's where we want our senior people, where they can walk to the downtown area. That's where we want the convenience of being able to walk to if you don't have a car.

But where are the cranes? There's lots of land still there — all kinds of it, Mr. Speaker, that with a little ingenuity could be brought on. But the developers aren't doing it. And until they come back and until they start to do it, Mr. Speaker, we will not be able to get out of rent controls because our citizens won't let us. Until we get up to that magic number of 4 per cent that the hon. Minister of Housing and Public Works stated, and I totally agree with him that we have to get up . . .

MR. YURKO: Three.

MR. GHITTER: You're happy with three? I'd be happy with three. It's a lot better than .5 per cent, Mr. Speaker, where we are now.

Whatever it is, we've got to get some apartments up. That must be our first priority. I don't care what kind of apartments, be they high-rise, town house, whatever. It's just essential. It's the most essential part of one of our priorities of housing that we must follow on to now, Mr. Speaker, because I believe we have to get out of rent controls. I believe the negatives of rent controls far outweigh any positive factor. In June next year I would love to see us in the position of doing that. But I think, Mr. Speaker, that what we're going to have to do is encourage by many policies the actual creation and incentive so that the private sector gets back.

Mr. Speaker, my time is up. In conclusion I merely wish to say to our rural members that the cities are nice places and they can become nicer places. The cities are really always going to be where the majority of Albertans will live. I think it's incumbent upon us as provincial legislators to sit back now and say, it's

time the cities got some priority, it's time the problems of the cities got some priority, and it's time this government provided guidelines for the cities and gave our cities more information as to what we intend to do with them so they can get about their work and maintain the nice form of life we enjoy in our cities.

Thank you, Mr. Speaker.

MRS. CHICHAK: Mr. Speaker, I really don't choose to follow the Member for Calgary Buffalo in a debate at any time. I feel somewhat at a disadvantage, because I believe the Member for Calgary Buffalo rehearses weekly in the Calgary halls of justice. I'm not exactly afforded the same opportunity. It would be much easier to follow a member from the loyal opposition, but that is not the situation today. So we'll follow the eloquent hon. Member for Calgary Buffalo and do what we can to stress some of the points of view this member takes as a rather important message to convey on behalf of the citizens of Edmonton Norwood.

Before I begin my remarks I have to say that what the hon. member who has just spoken has related, insofar as the housing situation, the problems on housing, the problems with regard to land development, and the guidelines he indicates are so necessary for our municipal governments — although I agree in part with some of his remarks, I don't think they are altogether accurate. I think that to some extent some of our elected members in the city governments wish to have us hold their hand a bit too much. I think we have left open the ability, by way of our legislation, to use some ingenuity and to take some bold steps which they are hesitant to take, or so it appears.

I would just like to refer to the Premier's message of Wednesday, October 13, and read one of his initial comments. It is with regard to the purpose of the fall session, wherein the hon. Premier stated:

I look upon the fall session, which was an innovation initiated by this government . . . for an opportunity for us to respond to questions by the legislators . . .

I think the key words in that phrase are "occasion for accountability". I have to agree, and I am sure all members would have to agree, that this is an occasion for accountability. I think the citizens of Alberta look for this time and have expressed to me and I am sure to many other members that they feel this in fact is a very good plan and a very good course of action.

Whether the opposition members agree with the report given may, of course, depend to some extent on their ability to comprehend the text. Nevertheless, they may not agree with what our Premier has reported on the effectiveness. However, those are the remarks, a report of what has taken place over the past months. I think some of us can elaborate on certain areas, and either be critical or suggestive of further steps to be taken in resolving some of the problems we face.

I think it would be wrong to interpret the Premier's message that all our problems would have been resolved through the summer. Indeed, I would say it would take some kind of magical wand to turn Alberta into an isolated, independent Utopia. I don't believe that is about to happen, at least not for a time. Pierre

Elliott may have a few words on that, and perhaps would like to send us out into independence and into Utopia. But we are here and we will continue to struggle for what we feel is a great country.

I would like to direct my comments briefly to the topic of land development costs. I think it is essential to recognize, as has been stated time and time again, that much of the cost is related to the long delays on the part of our city councils in the process of subdividing and servicing new lots for building homes. It is a fact that to a great extent supply determines cost. When there is a lack of supply, certainly all kinds of advantage is being taken on the part of those who develop these lands, leaving disadvantages for the consumers of these lands and developments.

I think the argument which has been put forward by city councils that the provincial government has kept their hands tied insofar as being able to speed up the process is artificial. Surely we have moved a long way in amending the legislation in this area, which leaves open the capability on the part of our elected city members to use initiatives in which they can shorten the time of processing and making new subdivisions available for development.

We have criticized the profits of developers, and rightly so. I'll not paraphrase again some of the statistics that have been put forward in this House and by the public, as well as the unhealthy situation of the monopolistic positions held by many of the large developers. But here again I think we have not only the large developers to blame. We must go back to the problem of having the subdivided land available for servicing, and encouraging the process in this area. At some point or another in a free enterprise society we will always have what we might call unfair and unduly high profits. However, those can be controlled without necessary legislation to control profits, but simply by devising various programs that would allow for surpluses or excess supplies, which give an opportunity for the citizens to shop around, as we might call it, and not have to pay an inordinately high price to obtain a need such as housing.

The rental situation in the city of Edmonton is, of course, a very difficult one. I think that criticism must be rightly directed at many of the apartment owners who find ways to evade the legislation that has been put in place and the controls that are put on them. Some of the tenants' complaints that have come forward to me are appalling — the means to which some owners will go to try to get approval for excessive rental increases. I think the public needs to become more vocal in this area.

Some of the areas I think are important to stress: although we have made great strides in providing necessary services, we must place a higher priority in the areas, certainly in education, particularly for the disadvantaged and the handicapped in a very broad meaning of that term.

Mr. Speaker, I think that some of the benefits being realized by the citizens of Alberta from the 70 per cent of the natural resource revenues are perhaps not fully appreciated or understood. Time and time again we have approaches of criticism as to the high cost of natural gas and petroleum in the province. Citizens constantly remark that because we are resident in Alberta and because we own these resources, we should be paying a great deal less. I think we really are. But it appears to be difficult to

convey the message that although we are initially paying a price close to that [paid] by citizens in other parts of Canada, we really are paying less by the benefits we are receiving in our educational programs, our health services, our social services, and in the innovative programs in the area of housing, just to mention a few.

Albertans use approximately 16 per cent of the total natural gas and petroleum produced in this province. The balance of it goes elsewhere; a high percentage of it to other parts of Canada and some small percentage exported to our neighbors to the south. If our prices were considerably lower than in other parts of Canada, we would have an influx of people which would be much greater than it currently is. I think this would have an impact on the number of employed in this province.

It is important to recognize that we do have a reasonably healthy economy. But we have it because of very effective management of our economy in the province.

Mr. Speaker, the matter of Alberta's position on the constitution was alluded to by the hon. Member for Calgary Buffalo. Of course, we will be debating that matter by a motion in the next few days. However, I feel it is necessary to remark very briefly on this point at this time.

Alberta took a unilateral position. I think Albertans have not truly realized or understood what we are fighting over or arguing about or taking such a strong position on. To put it in the simplest and briefest terms, I think the whole matter before us is the basic rights that each province had given to it as part of the founding agreement when it entered Confederation. To leave open the possibility of any of those rights being taken away from any province, not only Alberta but any province, can alter the entire situation with regard to control over our destiny.

Very simply, if other provinces could unilaterally say that Alberta shall not continue to own its natural resources, I think Albertans would very quickly recognize that they no longer could enjoy the standard of living, the healthy economy, and the destiny we are currently embarked upon. Perhaps only at the time such an event took place would they realize what our Premier is trying to protect today, not only for Alberta but for each and every province in this vast domain.

Mr. Speaker, these are only a few of the points I wish to put forward in this debate. I hope other members will take the opportunity to express their views on behalf of their constituents and put forward some of their ideas and suggestions with regard to the complexity of the issues we must deal with at this time.

Thank you, Mr. Speaker.

MR. DIACHUK: Mr. Speaker, I beg leave to adjourn the debate.

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

HON. MEMBERS: Agreed.

head: **GOVERNMENT BILLS AND ORDERS**  
(Second Reading)

**Bill 65**

**The Lloydminster**

**Hospital Amendment Act, 1976**

MR. MILLER: Mr. Speaker, it is a pleasure for me to move second reading of Bill 65, The Lloydminster Hospital Amendment Act, 1976.

I would point out, Mr. Speaker, that the Lloydminster active hospital board is composed of members from both Saskatchewan and Alberta. The board is in the unique position of having to deal with the governments of both Saskatchewan and Alberta. They need corresponding legislation, which has to be approved by both legislatures.

They have many different problems that are not encountered by other hospital boards, one of the primary ones being the level of financing for health care services. For example, this year in Saskatchewan they had a decrease of 5 per cent in health care allotment, whereas the Alberta government, due to the restraint program, limited their increase to 11 per cent. This resulted in their having to close down some active treatment beds. In some cases it has put them in the position where they have not been able to give to the public the sort of service they ordinarily would.

Also, we find that whereas Alberta has last dollar financing for health care costs, the Saskatchewan government believes that the local authorities should be requisitioning some of the local contributing bodies. This is also one of the problems they have run into.

Mr. Speaker, this bill provides that the minister establish the rate of debenture interest instead of a set rate, not greater than 6 per cent, which is not realistic at this time.

[Motion carried; Bill 65 read a second time]

**Bill 69**

**The Alberta**

**Labour Amendment Act, 1976**

MR. CRAWFORD: Mr. Speaker, I take pleasure in moving second reading of Bill 69, an act to amend The Alberta Labour Act. I think my remarks in respect to the bill today, Mr. Speaker, will relate to the generalized area of labor relations and the need that is seen, probably with a greater and continuing sense of importance as the industrial scene develops as part of the future of the province of Alberta, to heighten the concern we have and the interest government itself has in the whole area of labor/management relationships.

Critical to the question of labor/management relationships and, of course, the satisfactory operation of those relationships is the feeling that, as between the parties, the legislative framework provides a sense of equity, balance, and justice. What we find, of course,

in areas of the law that the people who administer the act are familiarly working with is that from time to time matters come up where it appears that some change will contribute to that equity. That is what is being done in the amendments in Bill 69. The rights and obligations of labor and management are each authentic interests that represent important and large concerns on the part of the respective parties.

One of the basics I always like to refer to directly is that no person, certainly no legislator, should ever doubt the legitimacy and authenticity of the large interests represented by employers' organizations and employees' organizations. With a slightly greater degree of specificity, Mr. Speaker, the amendments proposed in Bill 69 come into the area involving unfair labor practices. The amendments provide a more equitable series of rules improving upon previous legislation in regard to how unfair labor practices are handled between the parties.

One of the things that comes up where unfair labor practices are alleged, of course, is the frequent need to give testimony. Because of the nature of the conflict that is usually involved at times like that, there is always the possibility of some intimidation or some — I don't like to use the word "threat", but some . . . Well, it's in the act. It's one of those unpleasant facts of life that threats are occasionally involved when a person is considering giving evidence in a proceeding relating to an unfair labor practice. Frequently these have to do with the right of a bargaining unit to be certified.

The amendment that is involved in Bill 69 at the present time expands the requirements for the conduct of people who might otherwise intimidate or threaten a would-be witness. It assures the would-be witness of the protection of the act both before and after the event, and extends the protection of the act into the field of grievance arbitration as well as in hearings in legal proceedings or proceedings before the board.

Also of importance in overall labor management relations, Mr. Speaker, is the need that the legislative framework provide opportunities for conciliation and accommodation of the parties before the event of dispute. So some change has been proposed in regard to the conciliation procedure, in particular the consequences of filing the report, publication of the report, and the rights of the parties following acceptance of a conciliation report.

Mr. Speaker, I believe the two points I mentioned are the principal ones, although a couple of others are involved in the bill. On that basis I would conclude my remarks and urge hon. members to support the bill.

[Motion carried; Bill 69 read a second time]

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

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

HON. MEMBERS: Agreed.

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

[The House rose at 5:21 p.m.]