

LEGISLATIVE ASSEMBLY OF ALBERTATitle: **Thursday, April 14, 1977 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF SPECIAL GUESTS**

MR. LITTLE: Mr. Speaker, may I introduce to you, and through you to the members of the Legislative Assembly, 15 students from Sir John Franklin junior high school situated in the Calgary McCall constituency. They are seated in the public gallery. They're accompanied by their teachers Mr. Sam Gas and Mrs. Klanssen. At this time I would ask them to rise and be recognized by the Legislative Assembly.

MR. RUSSELL: Mr. Speaker, I'd like to introduce to you today, and through you to members of the Assembly, visitors from the constituency of Calgary Elbow: a grade 9 class from Milton Williams junior high school, accompanied by their teacher Mr. Keith Hansen. I would ask that they rise and receive the welcome of the House.

MR. McCRAE: Mr. Speaker, it is my pleasure today to introduce a group of grade 6 students from Collingwood elementary school in the Calgary Foothills constituency. They're accompanied by their vice-principal Mr. Patrick Sproule and teacher John Drysdale. The students will spend the evening with fellow students from Braemar school in Edmonton, journey to the museum tomorrow, and back to Calgary Friday afternoon. I'd ask that the students stand and be recognized by the Assembly in the traditional fashion.

DR. HOHOL: Mr. Speaker, a class from St. Vladimir elementary school is again visiting from the constituency of Edmonton Belmont. I should like to ask them and their teacher to rise and be welcomed by the Assembly.

head: **ORAL QUESTION PERIOD****Justice Review**

MR. CLARK: Mr. Speaker, I'd like to direct my question to the Attorney General and ask if he's in a position to indicate to the Assembly whether there's an investigation into the broad field of administration of justice in this province. I raise the question in light of the comments by the Deputy Attorney General today, when he alluded to the Attorney General's department probing the broad field of justice in this province.

MR. FOSTER: Mr. Speaker, I'd just like to draw the attention of the House to a press release I issued

some time ago upon the stay of proceedings in the Anderson case. In the course of that I said we had recently uncovered evidence of criminal conduct and other improper conduct that was still the subject of investigation. For that and other reasons we stayed the Anderson prosecution.

The question has been the subject of considerable comment in the news media in the last several weeks. I think my position at this time is that it would be inappropriate for me to make any specific further comment on the matter. I recognize that at some point in the future it would be entirely appropriate and proper that I do comment, but I don't think anything is served by having discussion in this Legislature while the matter is being reviewed.

MR. CLARK: Mr. Speaker, a supplementary question to the Attorney General. I would like the liberty of the House to make this point if I might. I think it's important that the House know whether the comments that are alluded to the Deputy Attorney General are in fact accurate. It is for that reason, Mr. Speaker, that I persist in asking the question.

A supplementary to the Attorney General. What agency is responsible for the investigation now going on?

MR. FOSTER: Mr. Speaker, I am.

MR. CLARK: Mr. Speaker, is either the RCMP or the city of Edmonton police force involved in the investigation at this time?

MR. FOSTER: Mr. Speaker, I think we should be clear that the responsibility for the administration of justice rests with the province, specifically with the Attorney General, and that implicit in the administration of justice is the matter of criminal investigations and criminal prosecutions. Therefore criminal investigations are the direct responsibility of my office and of agents of this office. I think it would be inappropriate to discuss in this Assembly any stage of investigation while it may be under way, or even to acknowledge that an investigation may be under way.

The hon. leader yesterday asked a question concerning confidentiality of criminal intelligence and whether that should be made public. My response then and now is that I think nothing would be served by making criminal intelligence public, to the point where the Crown has to determine whether or not appropriate legal proceedings are in order. Until that determination is made, I don't think there should be further public comment by me on any specific detail of that. Following an investigation if a decision is taken not to so proceed, I would be quite willing to discuss details. I would prefer it on a confidential basis, but I would be prepared to discuss it publicly in certain circumstances. But we are not at that stage, and may not be for a while, in the matter in which I am now involved. Therefore I would like to reserve any further comment until that time.

If the hon. leader intends next to ask me when that time is, I can only say that the matter is being looked into and reviewed by my office and by a small group of people, and I don't want to be in a position of having to rush or hurry things. At the same time I realize that continuing uncertainty in this area is not good. Therefore I will move as expeditiously as pos-

sible to deal with the matter before me and report later, but not immediately.

MR. CLARK: Mr. Speaker, is the Attorney General in a position to indicate or confirm to the House that instructions have gone out to the chiefs of police in Edmonton and Calgary and the RCMP that they are to make no comments with regard to any investigations going on?

MR. FOSTER: Mr. Speaker, neither the commanding officer of the RCMP in Alberta nor the chiefs of police in either Edmonton or Calgary have, to my knowledge, made any comment on the matter. It is my understanding that none of those gentlemen will be making any comments on the matter. Whether or not there has been any specific instruction by me to any specific police officer on this matter I think must remain confidential for the moment.

MR. CLARK: Mr. Speaker, a further supplementary question to the minister. Is the minister in a position to give us a commitment that when an announcement is made the minister will in fact make the announcement in the House, on the assumption the House is in session, rather than making it outside the House or having it made by such people as the Deputy Attorney General?

MR. FOSTER: Mr. Speaker, if the matter under consideration is determined while the House is in session, it would indeed be quite appropriate for me to indicate the disposition of the matter in the Assembly, which I would do. Frankly, both the Deputy Attorney General and I are trying very hard to say nothing. The news media, particularly the *Edmonton Journal*, are very aggressive in their pursuit of more facts. That's only appropriate. I don't want to add more fuel to the fires of speculation by commenting. As a result I'm trying to say nothing, without being disrespectful either to the House or to members of the news media.

So I will endeavor to continue that posture until it's appropriate that some comment be made, and if the House is in session to make some comment here.

MR. NOTLEY: A supplementary question to the hon. Attorney General, in light of the Attorney General's answer. Is the Attorney General in a position to advise the Assembly whether or not the reports, and I say reports advisedly, attributed to the Deputy — that "he would be surprised if the public didn't find the disclosures 'shocking'" — were authorized by the Attorney General?

MR. FOSTER: Mr. Speaker, I don't want to be unfair to the hon. member, to the members of the House, or to the news media. At the same time I don't want to be put in the position in this Assembly of responding on this matter to news reports about who said what, what this meant, and did you authorize that, et cetera. I simply ask for the indulgence of the House for the moment, and give them some assurance, as the hon. leader has asked, that if the House is in session and I'm in a position to make any comment, I will do so here.

SOME HON. MEMBERS: Agreed.

Press Coverage

MR. CLARK: Mr. Speaker, I'd like to direct the second question to the Premier as a result of the statement yesterday by the Solicitor General. I'm paraphrasing what he said: the government wouldn't want to bring any undue pressure on the media in Alberta. Did the Premier write the publisher or editor of more than one daily paper in the province of Alberta following the Conservative convention recently held in Edmonton, indicating his displeasure with the coverage the Premier's remarks at that convention received, especially those dealing with the Quebec situation?

MR. LOUGHEED: Mr. Speaker, I think I sent about 20-odd letters, enclosing my address. I felt it was important that the citizens of the province and citizens in various other parts of the country be aware of the views I held with regard to the matter of Confederation relative to Quebec.

I was somewhat disappointed that the coverage of my remarks was obscured by other events, and there were some good and valid reasons why that occurred. I felt it was the first time I had the timely opportunity to present views of this nature. For that reason I thought it would be useful if they were communicated in other parts of the country, as well as here in Alberta. I think it is important for Albertans to have an awareness of the position the leader of government takes in this province on an issue of that nature.

MR. CLARK: Mr. Speaker, a supplementary question to the Premier. In the course of sending the letters to senior officials of the media in Alberta, did the Premier indicate his displeasure at the kind of coverage his remarks had received?

MR. LOUGHEED: Mr. Speaker, I don't recall the exact wording. I wouldn't have used the word "displeasure". "Surprise" I would think is what I said.

MR. CLARK: Mr. Speaker, a supplementary question to the Premier. Would the Premier be prepared to table in the Assembly a copy of the letters he sent out?

MR. LOUGHEED: Mr. Speaker, I don't see any purpose served by tabling the letters. I think that's a matter of my office's communication. I think I've explained what the letters said. In fact I'd reiterate them from memory, subject to checking: I enclosed a copy of my speech to the Progressive Conservative annual meeting, I thought it was an important address, I was surprised at the lack of coverage given to it, and I thought the recipient of the letter would be interested in reading the full text.

MR. CLARK: Mr. Speaker, a supplementary question to the Premier. Is the Premier prepared to table a copy of the letter that went out?

MR. LOUGHEED: Mr. Speaker, I don't think I am under any obligation to table that sort of correspondence. I have told what's in it. Who I correspond with is surely the business of the leader of government. I am not obliged to communicate who I send the letters to. I have sent these letters out. If the hon. member is disappointed that this sort of coverage is granted,

that's his business. But as far as I'm concerned, I think it's extremely important that the citizens of this province know the position, which I think is well endorsed and well supported across this province, of this government toward Confederation.

MR. CLARK: A complete and absolute red herring.

MR. SPEAKER: Order please.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the Premier. In light of the fact that we had a budget debate in which there was indication about a position of this government, and in light of the fact that there was a throne [speech] debate, could the Premier indicate why this announcement or this position of the government was not made clear in those two debates in this Assembly? Or isn't this Legislature important enough for that?

MR. LOUGHEED: As I said, Mr. Speaker, the answer to that is that I thought it was an extremely timely opportunity. Fortunately we did have some degree of national coverage at our convention. We thought it was important to communicate not just within Alberta and outside Alberta. I took that position because I thought I was speaking to an extremely representative and broadly based group in the province, which is what the convention represented. I think it's clear that on a number of occasions we've had the opportunity to debate in this Legislative Assembly. In fact I've still been waiting for some positive responses from the opposition.

MR. R. SPEAKER: A supplementary to the Premier. Is the Premier prepared to put a resolution on the Order Paper and debate the issue in this Assembly? Then we'll hear about our positions.

MR. LOUGHEED: Mr. Speaker, I think the reference was in the Speech from the Throne. I've read and heard some of the responses from the opposition. I haven't gained a great deal from reading it, but I'm reading it and listening to them.

MR. R. SPEAKER: Mr. Speaker, to the Premier. Certainly there was nothing in the throne [speech] debate to react to — two statements about . . . [interjections] . . . airy-fairy things. [interjections]

MR. SPEAKER: Order please. Order please. The hon. Member for Little Bow has the floor quite properly. It was not my intention to interrupt him. It is an example perhaps of getting beyond the scope of the question period. We have had an answer given by the hon. Premier which was clearly in the nature of debate in favor of a position he had taken, and it's impossible for the Chair to prevent the hon. Member for Little Bow from responding in kind.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Premier. In light of his concern about his speech not being given proper coverage, in light of his concern about the importance of the speech, and in light of his position as Premier of all Albertans and not just the Progressive Conservative delegates, my question very directly is: is the government at this point in time going to present a resolution, as sug-

gested by the hon. Member for Little Bow, so the entire issue of Alberta and Canada can be debated in the Legislature and the Premier can make his views known as the leader of government in the Legislature?

MR. LOUGHEED: Mr. Speaker, I think it's quite clear. If anybody wants to ask me any questions with regard to the matter, do so. There was adequate opportunity for this Legislature to debate the issue through the entire Speech from the Throne debate. Some members agreed to participate. I was interested in their comments. I took cognizance of them. I think as far as the resolution is concerned, the hon. member can place his own. But he had full opportunity in the Speech from the Throne debate, and I think he did in part participate in that matter. The resolution was there as part of the Speech from the Throne debate.

MR. CLARK: Mr. Speaker, a further question to the Premier. Is it the practice of the Premier and the Premier's office to send letters lamenting the lack of coverage some of the Premier's remarks get to senior people in the daily press in the province?

MR. LOUGHEED: Mr. Speaker, I'm sure the answer to that is pretty obvious. It has been my view since 1965 that if there are occasions when I need to communicate and don't think communication has been adequate, I will use whatever ways to communicate I think are in the best interests of Albertans. I think it's absolutely essential that we have the broadest possible communication of the leader of government with regard to these matters.

Mr. Speaker, I also feel this is a subject I will be speaking on on a number of occasions in a number of interviews, and I don't want to have any impression left with this House that when this House is in session I in any way feel I am precluded from raising subjects at any time on any particular occasion. I will not. I will make the remarks I think are my responsibility either within the Legislature or outside that are necessary to communicate to the people of Alberta.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the Premier. Would the Premier consider, first, possibly elaborating on the position at the convention through ministerial or Premier's announcement, or, secondly, possibly tabling the speech as a token indication? At that point I could read it, since I'm not carrying a blue card and was not within that select group a few weeks ago. I wonder if the Premier would consider that little thing for us as Albertans.

AN HON. MEMBER: Would you like one?

MR. LOUGHEED: Mr. Speaker, of course I'd be glad always to keep our open party open and would be very pleased to welcome to the open public meetings that I attend with regard to the party or otherwise on the issue.

I'd be delighted to file a copy of my speech in the Legislature since renewed interest has been created here today about our convention. Having filed the letter, if the hon. members in the opposition wish to have a chance to ask me questions about it, I'd welcome the questions as well.

MR. TAYLOR: A supplementary to the hon. Premier. Would the remarks the hon. Premier made come under Bill 207, An Act Establishing The Right To Public Information?

DR. BUCK: A supplementary question to the hon. Premier on a point of clarification. Did the Premier say it is common practice that the Premier sends these letters to influential members of the media? Or was this just an isolated case?

MR. LOUGHEED: Mr. Speaker, I use any of the various ways open to me to improve communication with our citizens. I think it's extremely important. For example, I've been troubled lately with regard to the heritage savings trust fund. I don't think there's an adequate awareness or understanding by our citizens as to the nature of the investments in the fund. I'm trying to consider . . .

MR. SPEAKER: With great respect to the hon. Premier, I'm somewhat fearful we're going to extend the scope of this debate. Perhaps we might go on to another topic.

MR. NOTLEY: A further supplementary question for clarification to the hon. Premier.

MR. SPEAKER: A supplementary question on the same topic? In view of what has occurred it certainly is going to have to come strictly within the requirements of the question period.

MR. NOTLEY: Mr. Speaker, it will come strictly within the requirements of the question period. [interjections]

Mr. Speaker, my question to the hon. Premier is: will it be the intention of the Alberta government to table a position paper of the government itself in the Legislature on the question of Alberta in Confederation? Or will the Premier's speech suffice in that particular case?

MR. LOUGHEED: Mr. Speaker, first of all I think it is possible that we will limit our position to the tabling of the speech at this stage. I have a copy here that has been passed to me that I can table. I'd be delighted to do that.

I'd just like to add if I could, though, because I think it's important: I recall being urged to make a speech with regard to the issue relative to Confederation, and to go to Montreal to make it. I thought it was pretty important to make it here in Alberta. I think that's what Albertans wanted.

Utility Rates

MR. NOTLEY: Mr. Speaker, I'd like to change the subject slightly and direct this question to the hon. Attorney General in his capacity in charge of the Public Utilities Board. In view of the fact that Calgary Power has posted a rather phenomenal increase in profits — 44.4 per cent, from \$29 million to \$42 million — can the Attorney General advise the Assembly whether he or other government officials have had an opportunity to review with the Public Utilities Board the instructions that AIB guidelines be applied to rate hearings?

MR. FOSTER: Mr. Speaker, I have not had the opportunity of reviewing Calgary Power's financial statements or that matter with the board. My colleague the Minister of Utilities and Telephones may be able to add something to that, however.

MR. NOTLEY: Mr. Speaker, in that case I'll direct the question to the hon. Minister of Utilities and Telephones.

DR. WARRACK: Mr. Speaker, the function of the Public Utilities Board is to review all financial data pertinent to costs and revenues that flow to a utility. In fact that is what they do in making their determinations, which both protect the public interest by way of control on such matters as net revenues received, and assure continued development in the capacity for utilities to borrow for future expansion requirements in the capital market.

MR. SPEAKER: Order please. The Chair is having some difficulty in relating the answer to the question.

MR. NOTLEY: Mr. Speaker, perhaps I could rephrase the question to the hon. minister so he understands it. The question basically is whether the AIB guidelines are going to be applied. To comment further before putting the question to the minister for his information, we've been given to understand that . . .

MR. SPEAKER: Order please. The hon. member has in fact put the question.

DR. WARRACK: Yes, and I have just completed my answer.

MR. NOTLEY: Mr. Speaker, to the hon. Minister of Utilities and Telephones. Will the AIB guidelines, which in fact are based on per unit profits . . .

MR. SPEAKER: Order please. The hon. member is now putting the same question for the third time.

MR. NOTLEY: Mr. Speaker, to the hon. Minister of Utilities and Telephones or the Attorney General. In light of the fact that the AIB guidelines are designed to maintain a constant or nearly constant per unit profit during this time of restraint, is the minister in a position to advise by what mechanism Calgary Power was permitted such a large expansion in their profit picture?

DR. WARRACK: Mr. Speaker, I hesitate to repeat what I've already said, so I won't. But the kinds of considerations I mentioned, including that financial data, are in fact the responsibility of what the Public Utilities Board considers. Now, if the hon. member is unhappy about the mechanisms and scope of the AIB purview in Canada, he should make those representations in the appropriate place.

MR. NOTLEY: Mr. Speaker, to the hon. Attorney General. In light of the minister's answer, is the government giving any consideration to reassessing its position vis-a-vis previous statements made in the House concerning the application of the AIB guidelines to the PUB and making decisions on rate increases?

MR. FOSTER: Mr. Speaker, I think my colleague the Minister of Utilities and Telephones gave an adequate response to the question.

MR. NOTLEY: Mr. Speaker, a further supplementary question to the hon. Attorney General. At this point in time, is the provincial government prepared to re-evaluate the recent 15 per cent increase to Calgary Power, in light of the very substantial increase in profits of 44.4 per cent?

MR. FOSTER: Mr. Speaker, the work of the Public Utilities Board can either be carried on in this Assembly by the members or it can be carried on under law before the Public Utilities Board, a highly independent quasi-judicial body designed to consider all circumstances — the performance of the company, et cetera — and make a judgment on behalf of the public interest of this province.

I don't want to get into a debate on the merits of certain decisions that the Public Utilities Board, or indeed in my case the courts, arrives at. I think the role of the Public Utilities Board in its capacity is a sound one and should be preserved and maintained. I think it's fair to say the government has confidence in the concept of a public utilities board and in the people who staff that board.

So [if] the hon. member wants to propose amendments to The Public Utilities Board Act that would remove that jurisdiction and place it somewhere else, or otherwise impose legislatively on the board certain constraints in terms of what they can consider or not consider, fine. He's free to do so. But I doubt that the government would be anxious to proceed in that fashion.

MR. NOTLEY: Mr. Speaker, one final supplementary question to the hon. minister. Can the minister advise the Assembly whether any discussions took place or any representation was made by the government to the Public Utilities Board that in fact the AIB guidelines should be applied in making rate determinations?

MR. FOSTER: I think that question has been put and responded to several times in the House. My memory is that we indicated the Public Utilities Board was aware of the guidelines and the whole AIB program. But as my hon. colleague has already pointed out, they themselves are the regulating mechanism. Simply put, Mr. Speaker, that seems to answer the question.

Rent Control

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Consumer and Corporate Affairs. I wonder if the minister could indicate to the Assembly the target percentage of vacancy rates that will be used in the determination of whether or not the government stays in rent controls.

MR. HARLE: Mr. Speaker, I'm not prepared at this time to answer that question. When certain decisions have been made by the government I propose to make an announcement in this House and would prefer to leave the matter until that time.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Could the minister indicate what percentage levels will be considered in the government's determination as acceptable rental increases by landlords?

MR. HARLE: Well, Mr. Speaker, I can only repeat what I said on the previous question.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister. Could the minister indicate in a general way whether targets or that kind of framework is being used in the consideration of whether or not to continue rent controls?

MR. HARLE: Well again, Mr. Speaker, I think the matter should be dealt with when the government has made its determination.

MR. R. SPEAKER: Mr. Speaker, a supplementary to the minister . . .

MR. SPEAKER: The difficulty is increasing, in fact it has passed the bounds of impossibility to conceive a true supplementary to seek clarification, which is the purpose of a supplementary, to an answer which has not been given.

MR. CLARK: That's the whole problem.

MR. R. SPEAKER: Mr. Speaker, I have just about got that message over the last three weeks, but I still want to work on it.

DR. BUCK: The people of Alberta have it.

MR. R. SPEAKER: To change the direction of the question then, Mr. Speaker, but still with regard to rent controls, can the minister indicate what schedule he has established in meeting with various groups in the province to discuss this question?

MR. HARLE: Mr. Speaker, a certain amount of mail has been received. I'm not aware of any groups who have requested the matter be discussed on a personal basis, except for one in the last few days. I will be making arrangements to meet with them.

MR. NOTLEY: Supplementary question to the hon. minister. In the minister's determination, is it the intention of the minister to assess the British Columbia program, which this year is providing only a 7 per cent increase for the entire year?

MR. HARLE: Well again, Mr. Speaker, I can only repeat what I've said on a number of occasions. When the decision has been made the announcement will be made, I hope with sufficient detail to satisfy hon. members. At that time I'm sure the matter could be discussed more fully.

MR. R. SPEAKER: Mr. Speaker, supplementary to the minister. Could the minister indicate whether he has met with tenant associations, housing groups, or HUDAC as such?

MR. SPEAKER: Order please. We really are getting beyond reasonable bounds in asking supplementaries to supplement an answer which is not being given.

Vehicle Licences

DR. BUCK: Mr. Speaker, I'd like to address my question to the hon. Solicitor General. I'd like to know if he can indicate if it's going to be continuing government policy to have licence plate renewal extended for a month every year?

MR. FARRAN: Mr. Speaker, prior to this year the policy was that the period was a month. Then it became something of a custom to give another month's grace. This year we have tried the experiment of giving a clear two months from the beginning of the licence sale season. Two weeks ago I was worried that the volume of transactions was down some 19 per cent across the province. I'm happy to report today that it's up 7 per cent compared with the same period last year.

DR. BUCK: A supplementary question to the minister, Mr. Speaker. Has the minister been made aware that other jurisdictions are in fact looking at Alberta drivers? In essence the licences of some who have been stopped by police in the States and other jurisdictions have expired. It's a little difficult explaining this to a police officer when he says, sir, your licence is a month out of date. Has the minister been made aware of this? [interjections] Well it's a fact. The thing expires on March 31. Even you can understand that, Horner.

MR. FARRAN: Mr. Speaker, if the hon. member has a case where some hardship is involved, I wish he'd draw it to my attention with specifics. I heard the same apocryphal sort of story from the same member last year, and it didn't prove accurate.

DR. BUCK: Well the minister can make any accusation he . . .

MR. SPEAKER: Order please.

DR. BUCK: But I'm asking the minister: has this been brought to his attention? Because an Alberta constituent phoned me and said this is exactly what happened to him. If he wants to call that constituent . . .

MR. SPEAKER: Order please. I must say this is not a supplementary, since the supplementary is the same as the question, which was really asked twice the first time.

Brucellosis

MR. MANDEVILLE: Mr. Speaker, my question is to the hon. Minister of Agriculture. Has the minister had any discussions with federal officials with regard to the effect of the announcement by the state of New York that a two-tier blood-testing program will be started to screen Canadian cattle which may have brucellosis?

MR. MOORE: Mr. Speaker, I have had no direct discussions with federal government officials. How-

ever, so far as the restrictions applied by the state of New York are concerned, I would say they would have very little effect on the province of Alberta in that the major importation of Canadian cattle into New York state is from the eastern part of our country.

We do have a concern that such restrictions as have been placed by the state of New York may spread to other parts of the United States. Indeed the veterinary services division of the Alberta Department of Agriculture has been and will continue to be in contact with the federal health of animals branch in regard to the whole matter of brucellosis and the conditions which might exist with regard to the movement of breeding stock in particular to the U.S.A.

MR. MANDEVILLE: A supplementary question, Mr. Speaker. Is the department carrying out any investigations with regard to whether the recent outbreak of brucellosis in Alberta is traced back to imported cattle?

MR. MOORE: Mr. Speaker, when brucellosis is detected in a new herd, the matter of tracing it to where it may have originated is generally carried out by the federal health of animals branch in co-operation with the veterinary services branch of the Department of Agriculture. Indeed, on every occasion when a new herd is infected by brucellosis, an effort is made to determine where in fact that came from.

MR. MANDEVILLE: A final supplementary question, Mr. Speaker. Has the minister given any consideration to a brucellosis testing program on cattle imported into Alberta?

MR. MOORE: Mr. Speaker, to some extent at least, that program is already in place. We have been urging the federal health of animals branch to increase the amount of testing done in the movement of cattle both through terminal markets and from one province to another. My understanding is that the testing has increased over the last six to eight months in particular. As I indicated earlier in this Legislature, Mr. Speaker, it may well be that the increased incidence of known herds infected with brucellosis is possibly largely due to the increased testing that has occurred.

MR. CLARK: A supplementary question to the minister. It alludes to comments he made about investigation and detection of the herds brucellosis was coming from. As a result of this investigation, is the minister in a position to confirm that the majority of new cases of brucellosis in Alberta have emanated from animals being brought into the province of Alberta?

MR. MOORE: No, Mr. Speaker, I am not in any position at all to confirm that. As a matter of fact, I'm not aware that that is the case.

MR. CLARK: Mr. Speaker, then a supplementary question to the minister. Is the minister in a position to check with his officials who are doing this ongoing evaluation of the herds responsible, and report their findings to the Assembly?

MR. MOORE: Mr. Speaker, yes I could do that. I should say, though, that in recent weeks some of the herds which have been put under quarantine are fairly large. I can say we have traced the infection there to other herds in Alberta, not outside the province.

Hearing Aid

MR. KUSHNER: Mr. Speaker, I wish to direct my question to the Minister of Utilities and Telephones. Could the minister inform this Assembly if his department has apparatus or equipment that would assist people who are hard of hearing or possibly those who can't hear at all?

DR. WARRACK: Mr. Speaker, that is an important question. I understand this matter has received attention from a group of concerned citizens in Calgary who have raised the matter with some of the Calgary area MLAs, who have in turn raised it with me. We have done some preliminary review and learned that some apparatus can be used if there is at least some degree of hearing capacity. There is a debate about its effectiveness. In any case, we are exploring that. When we have some additional detailed information on its effectiveness, I intend to take the opportunity to discuss it with my colleague the Minister of Social Services and Community Health.

Native Police Officers

MR. TAYLOR: Mr. Speaker, my question is to the hon. Solicitor General. With reference to the Indian special constable program which the RCMP reports has been unanimously proclaimed a success, what steps are being made to secure more of our Indian people in this special police force?

MR. FARRAN: Well, Mr. Speaker, we have an establishment of 36 possible vacancies over the three-year period of the experiment. As of the present time, I believe we have 12 on staff and another 11 either in training or in the middle of the selection period where they've almost qualified and are waiting for vacancies at Regina.

The RCMP recruiting officers have visited all the bands in the province, have consulted with band councils and chiefs, and appropriate advertisements have been run in the native newspapers, such as the *Kainai News* and so on.

MR. TAYLOR: One further supplementary. Is there an educational requirement?

MR. FARRAN: Mr. Speaker, we're pretty flexible in that regard, taking the position that their expertise and knowledge of the Indian people — in many cases knowledge of a special language — compensates for any small deficiency in regard to educational attainment in the other sense.

Highway Clean-up

MR. COOKSON: Mr. Speaker, I'd like to ask the Minister of Transportation whether he's received a response so far to his announced program to assist in

work programs for 4-H clubs and young people across Alberta with regard to clean-up on highways.

DR. HORNER: Mr. Speaker, through the joint co-operation of my colleagues the Minister of Agriculture and the Minister of the Environment, we have arranged with 4-H clubs in Alberta to do what I hope will be a major clean-up of highway ditches on May 7 of this year. It's going ahead rain or shine, and I hope all members will assist. The total cost will be in the neighborhood of \$40,000. We think we'll save that in two ways: one in repairs to tires of departmental vehicles used in those ditches; secondly, and more hopefully, that we can get the farmers in the adjacent areas to cut the hay and make it more useful. So I hope all members will support the program.

Crown Leases

MR. R. SPEAKER: Mr. Speaker, my question is to the Associate Minister of Energy and Natural Resources. I was wondering if the minister could report on the progress being made with regard to 10-year leases on Crown lands.

MR. SCHMIDT: Mr. Speaker, as announced in this House during the question period some time ago, the establishment of the 10-year lease was temporary, pending total review of the system of leases. It would be difficult to place a time when the total review would be completed, but it is our hope we will have completed it in early fall.

ORDERS OF THE DAY

head: MOTIONS FOR RETURNS

MR. NOTLEY: Mr. Speaker, after discussing this matter with the hon. Attorney General, and having the matter set over now for a number of days, I think we've found a way in which we can deal with it. I would request permission to withdraw Motion 101. I will resubmit both parts of it — we'll divide it in two parts — and deal with it appropriately at that time. But for today's purposes, I would request permission to withdraw No. 101.

MR. SPEAKER: The hon. member doesn't require permission since the motion hasn't been moved. He's therefore entitled to withdraw it.

I should perhaps take this moment to mention that, as hon. members may recall, when we had our last private members' day before Easter it was suggested I might check the situation with regard to an hon. minister answering a written question by reading an answer and then tabling it. As a result of a review made in the interval, it would appear that under our Standing Orders the answer to a written question should be tabled in writing and not given orally, as might be done in Ottawa, for example, where it could be put in as a starred question. We have no provision in our Standing Orders for starred questions.

MR. FOSTER: Mr. Speaker, I move the following motions for returns stand and retain their place on the Order Paper: 115, 139, and 140.

[Motion carried]

135. Mr. Clark moved that an order of the Assembly do issue for a return showing:

A copy of each study prepared by or commissioned by a government of Alberta department, board, agency, or commission respecting the Lamb Processors Co-op Ltd.

MR. MOORE: Speaking to the motion, Mr. Speaker, I've had an opportunity to review some of the studies and reports prepared with respect to the Lamb Processors Co-op Ltd. I find that a great number contain memorandums and interdepartmental communications, and documentations from the Department of Agriculture, the Agricultural Development Corporation, and to some extent other departments as well.

On that basis, Mr. Speaker, I think it's been clearly indicated in the House that it is not in the public's best interest for this government to be tabling . . .

DR. BUCK: That's what the government says.

MR. MOORE: . . . internal interdepartmental documents which are used in decision-making. Of course it's important to communicate that decision, and we have done just that with respect to the Lamb Processors Co-op.

In addition, Mr. Speaker, I want to say that some of the studies done with respect to the operation of the plant after it came into being, as well as some done prior to its development, were done by consultants who were able to obtain some commercially confidential information with respect to similar types of operations. Again, Mr. Speaker, I think it's appropriate that we recognize the availability of commercially confidential information as long as we're prepared to keep it that way.

Finally, Mr. Speaker, the motion asks for studies prepared by a commission. I can only conclude that the reference there is likely to the Alberta Sheep and Wool Commission. I would say to hon. members, Mr. Speaker, that in my view this government does not have the authority to table or make public without their permission reports done by various commissions which operate under provincial legislation, nevertheless from time to time quite independent from government.

With those remarks and because of those three factors, Mr. Speaker, I would ask that members of the Assembly vote against Motion No. 135.

DR. BUCK: Mr. Speaker, speaking to Motion 135 I would say that, to put it quite mildly, I'm disappointed that this information could not be made to the members of the Assembly. If the government in its wisdom has the information available, surely it should be available to the members of the Assembly. It's fine to say that there are so many interdepartmental memos and intradepartmental memos that the information cannot be available. But surely when the former Minister of Agriculture and the Department of Agriculture were encouraging the setting up of this lamb processing plant, there must have been information available [so] that the minister would encourage the Lamb Processors Co-op to go ahead. That's basically what we're asking for.

Mr. Speaker, I would like to inform the Minister of

Agriculture that about five or six years ago I had the opportunity to take in a seminar at the Banff School of Fine Arts. It was called a sheep symposium. You know, it's quite interesting to have a dentist go to a sheep symposium.

MR. NOTLEY: It's woolly like the answers of the Attorney General.

DR. BUCK: Everybody asked me what I was doing there. I said, well I have a wife who is a daughter of a sheepman, therefore I got there through breeding. [laughter]

Seriously, Mr. Speaker, at that sheep symposium there was an owner of a private packing plant in Victoria who indicated that six years ago there was just no possible way a sheep processing plant could be set up in this province and be viable — six years ago. But I realize the former Minister of Agriculture with his usual amount of enthusiasm said, we're going to build one, therefore it will become feasible. So what we really want to know is: was the information the minister used to make that decision *bona fide*? Now that we see the plant is not able to make it on its own, that we have to put public moneys into the plant, surely we as members of the Legislature charged with the expenditure of public funds should have that information available to really know if the minister goofed or didn't goof. It's basically that simple.

I feel that information should be made available. Any way the minister wants to stonewall us, that's fine. We're used to that. It's just unfortunate that we don't have the federal Member of Parliament from Peace River in this Legislature, because then we would have the authority on the public's right to know, possibly open the eyes of some of the Tory frontbenchers and backbenchers, and really indicate to this Legislature, especially the government side, that we are conducting public business and it should be conducted in public. So it's fine that we go along with the idea that the minister has to have the permission of the commission. If that information is not available to us, okay, that's fine. But let's have the information that's available to the Department of Agriculture. That's basically what we'd like to know.

If the minister can give us that information, at least we will have some basis to see if the minister's decision was right or wrong. Especially now that we're putting more public money into it, I think it's that much more important that we have that information available.

The former minister, now the Minister of Transportation, is notorious for these feasibility studies. I like to think the minister has better studies than just saying, go and do it. I think there should be a more rational way of spending the taxpayers' money than just the minister deciding he wants to go ahead with a program. Certainly we on this side of the House are interested in the sheep industry. But at the same time — and the hon. House leader may baa if he wishes to — we are spending taxpayers' dollars. Therefore I believe it's incumbent upon the minister to make that information available to the Legislature.

DR. HORNER: Mr. Speaker, I don't think the hon. Member for Clover Bar would really want to get away with what he has just said. I want to point out to him

that a great deal of this information is already public, that they're getting substantial research assistance. And I can tell him where he can get the information, because it is generally public documents.

The first document is one issued by the federal Department of Agriculture in 1959. I'm sure it's available in any library. In addition to that, Mr. Speaker, the sheep symposium the hon. member attended wasn't the first, nor indeed was it the last. At each of the annual symposiums on the sheep industry in Alberta voluminous reports are put out. They are all public documents, available in any agricultural library, that my honorable friend could look at.

The suggestion by the hon. member that one packer objected to a sheep facility: of course they objected to the sheep facility. The packers didn't want to see it going ahead and are spending a great deal of money right now trying to kill it.

So, my honorable friends on the side of the big packers, that's fine.

DR. BUCK: Oh, come on . . .

DR. HORNER: That's what he's saying, Mr. Speaker. He doesn't want to approach the matter as a research and development thing. But I point out to him that in announcing the plant, we made it very clear it was going to be in financial difficulty for at least five years. That was said before.

So my honorable friend should do a little more research that's available to him. He should learn how to use a public library a little better. There are specialty libraries in this city and in the government that he has open access to. I suggest he address himself to that particular research project. He'll find all the information he requires.

AN HON. MEMBER: In a phone book too.

DR. BUCK: All I can say is, the minister is unreal, Mr. Speaker.

MR. GHITTER: On a point of order, Mr. Speaker. If the hon. member wants additional information, he could always ask Mary because she had a little lamb.

MR. CLARK: Mr. Speaker, in closing the debate very briefly, I don't really think the Deputy Premier expected to get away with what he said either. When we talk in terms of this being announced by the government as a research and development project, that's true. The government said it may be in financial difficulty for five years. But the government hasn't had the intestinal fortitude to release the research work substantiating that. If the research work done by the government was made public and tabled in this Assembly, Mr. Speaker, we could see what the government based that five years on. That's really what's being covered up here this afternoon. And that's the long and the short of it.

For the Minister of Agriculture to rise in his place and say it isn't in the public's interest for this information to be made public, and then the Deputy Premier, the former minister, telling us it's all available now — you almost wonder who's calling the shots in that department.

DR. BUCK: And who wrote the speeches.

MR. CLARK: You really wonder if it's in the public's interest to know what's going on, or if it's in the government's interest not to have this information become public.

MR. NOTLEY: The minister says it's secret.

MR. CLARK: Secondly, the Minister of Agriculture talked about confidential information, memos, and so on in some of the reports. You know, we in this Assembly have heard of ministers rising in their places and asking for amendments to motions for returns to get around that kind of problem if they really want to. That was just a very, very flimsy second argument.

Thirdly, with regard to the comment made by the Deputy Premier: I think we know very well who's having the wool pulled over their eyes in this case. It's the taxpayers. They're going to end up paying \$2.5 million. It isn't a matter of being on the side of the sheep raisers, the packers, or anyone else. In this case it's a matter of being on the side of the public so they know what's going on. On the side of the taxpayer — that's where we should all be on both sides of the House.

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

[Three minutes having elapsed, the House divided]

For the motion:

Buck	Clark	Mandeville
Notley	R. Speaker	

Against the motion:

Adair	Harle	Paproski
Appleby	Hohol	Peacock
Ashton	Horner	Planche
Backus	Horsman	Purdy
Batiuk	Hunley	Russell
Bogle	Hyland	Schmid
Bradley	Hyndman	Schmidt
Butler	Jamison	Shaben
Chambers	Johnston	Stewart
Chichak	Kidd	Stromberg
Cookson	King	Taylor
Crawford	Koziak	Tesolin
Diachuk	Kroeger	Thompson
Doan	Kushner	Topolnisky
Donnelly	Leitch	Trynchy
Dowling	Little	Walker
Farran	Lysons	Warrack
Fluker	McCrae	Webber
Foster	McCrimmon	Wolstenholme
Getty	Miller	Young
Ghitter	Moore	Yurko
Gogo	Musgreave	Zander
Hansen		

Totals:	Ayes - 5	Noes - 67
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DR. BUCK: Mr. Speaker, I'd like to move motions 141, 142, 143, and 144. The minister and I have had some preliminary discussions, and I believe the min-

ister has some information he would like to give the Assembly before we move this. So if it's okay, Mr. Speaker, I'll move the four of them in that manner because they're basically the same, except different sections. The minister can indicate to the Legislature some of the problems arising.

MR. SPEAKER: It seems to be a somewhat buckshot approach to . . . [laughter] But I suppose it could be done, as long as it would be understood that we would have to vote on the motions individually.

MR. FOSTER: Mr. Speaker, the difficulty is . . . perhaps they should stand until we can either propose an amendment or have them withdrawn and rewritten. But for the information of the House, the Solicitor General and I of course have the total number of charges under Sections 234, 235, 236, and 238 of the code. I have the total number as it relates to the Stop Check program. I've got all the prosecutions for all of Alberta but not identified program by program. So if the hon. member would be content with the total number of charges under these various sections of the code as it relates to the Stop Check program, that information is readily available. Since it relates to all four, Mr. Speaker, perhaps the best way of handling it is to have them stand for now. My colleague or I will simply propose an amendment, if that's acceptable to the mover, and we can dispose of it next Tuesday.

HON. MEMBERS: Agreed.

MR. HYNDMAN: Perhaps, Mr. Speaker, we should adjourn debate insofar as the motions have already been moved. I will therefore adjourn debate on all four motions, but I think in future we should move them separately.

MR. SPEAKER: I should explain to the House that the apparent play on the name of the hon. Member for Clover Bar was not intended.

AN HON. MEMBER: But accurate.

DR. BUCK: Mr. Speaker, I was just trying to save the time of the House.

MR. SPEAKER: Does the Assembly then agree, after this somewhat informal procedure, that debate on all four motions has been adjourned?

HON. MEMBERS: Agreed.

head: **MOTIONS OTHER THAN GOVERNMENT MOTIONS**

1. Moved by Mr. Clark:

Be it resolved that the Ombudsman be requested to appear before the Legislative Assembly to answer any questions that any Member or Members of the Legislative Assembly may wish to put to him with regard to the Special Report of the Ombudsman's Investigation Dealing with the Calgary Remand and Detention Centre.

MR. CLARK: Mr. Speaker, in moving Motion No. 1 today, I would like to start off by saying that I move

this as a designated motion. Obviously it flows from the special report of the Ombudsman which was the result of an eight-week investigation the Ombudsman commenced, and was finalized when the Ombudsman released the Special Report of the Ombudsman's Investigation Dealing with the Calgary Remand and Detention Centre.

Mr. Speaker, I'd like to go quite directly to the point, so a number of members have an opportunity to participate in the debate. The reason I raise the motion this way is that when hon. members read the special report the Ombudsman made available to all members, I'm sure they have some concerns not only about the recommendations the Ombudsman makes but also about some of the situations he uncovered in the course of his investigation.

It certainly is not my intention to paraphrase the Ombudsman's report. But his recommendations with regard to compensation to one of the inmates he felt had been abused by guards, the recommendation with regard to qualified medical persons being present to dispense any prescription drugs; improvement to, and less use of, the drunk tank at the remand centre — in addition to that, two other comments that I think it's fair to take out of the report. I quote one of them:

I am satisfied that there is overwhelming evidence establishing several isolated incidents of unnecessary force used by correction officers directed against inmates.

This is with regard to the remand centre and the detention centre in Calgary.

The other area I think it's important for members to keep in mind is the deep concern expressed by the Ombudsman about obvious attempts by certain officers to hide allegations of excessive force. The Ombudsman goes on to make the point that this is the first time his office has ever been obstructed in this way.

Mr. Speaker, I raise these matters before the House this afternoon from the point of view that hopefully the House would agree to have the Ombudsman, who is an employee of this Assembly, come before the Assembly — which was done on one other occasion — and be available for members of the Assembly to ask questions with regard to the report on the remand centre in Calgary. I suggest that approach because we must remember that society has not made a judgment on whether or not people in a remand centre — be it the remand centre in Calgary or the one to be constructed here in Edmonton — are guilty of the charges laid against them.

It's very easy for the public — and I'm sure all of us as members also — to lump together the remand centre and the provincial correctional institutions. I think that's a serious mistake. My understanding of the situation is that at the remand centre people are being held, that society has not yet arrived at a decision as to whether or not they are guilty of the charges against them.

Also, Mr. Speaker, it would be extremely helpful to the members of the Assembly to have the opportunity to ask the Ombudsman questions, as a result of his report, not only with regard to the alleged brutality. I think we must also recognize that many correctional officers in the remand centre in Calgary find themselves somewhat on trial as a result of the report. I think the report certainly casts somewhat of a sha-

dow over the correctional officers at the remand centre in Calgary. It's obvious from the report that some of the guards there perhaps don't suit the job. On the other hand let no member underestimate what a difficult job it is to be a guard at one of the correctional centres or at the remand centre itself.

After looking at the report, Mr. Speaker, I attempted to visit the remand centre in Calgary in the early part of January. It should be pointed out, Mr. Speaker, that when the Ombudsman dropped in to the remand centre in the course of his investigation, he first of all advised the Deputy Solicitor General, then arrived at the remand centre late in the evening — if my memory is accurate, in the vicinity of midnight. It was in that kind of atmosphere that the Ombudsman looked at the remand centre in Calgary. The report was a result of concerns that had been laid with the Ombudsman previously, and of what he saw on that occasion.

For that reason, Mr. Speaker, I attempted to visit the remand centre in the middle of January. I arrived there at something like 11 o'clock in the evening. I was refused admission. I was told by the guard in charge that he had received instructions — and I believe he used the term "from higher up" — that without approval of his superiors no one was to visit the remand centre. He advised me that the only way we could get that kind of approval would be from the Solicitor General.

So the next day I wrote to the Solicitor General, asking that I be permitted the opportunity to visit the remand centre on the basis that it wouldn't be well known when I was coming. I was advised by the Solicitor General that that would not be possible. He had laid down rules with regard to when MPs, MLAs, and others could visit the remand centres. In essence you would go during normal hours and advise the Solicitor General. He in turn would advise the officials of your coming.

Mr. Speaker, really what we have here is a situation where neither the Leader of the Opposition nor any member of the opposition or the government — any MLA — can go and look at the Calgary Remand Centre in circumstances similar to what the Ombudsman saw. No member of this Assembly can go into the remand centre and get his assessment of the circumstances there. Frankly, Mr. Speaker, I wanted to be able to arrive unannounced. The Solicitor General, for whatever reasons he had, indicates that is impossible.

That being the case, Mr. Speaker, the provincial Ombudsman is the only person we as MLAs can rely upon to give an assessment of what was going on at the remand centre. For that reason I think it's in the best interests of the Legislature, the Calgary remand centre, and of the Solicitor General's Department that the opportunity be afforded the Ombudsman to come before the committee and we have the opportunity to question him on various aspects of his report.

Mr. Speaker, I don't expect that the Ombudsman will, if I could use the term, drop any bombshells here. I'm sure he's put virtually all the information he has in his report. But some very logical questions flow from that report. I for one am extremely concerned about that portion of the report where he indicated his investigation was hindered. It seems to me that by bringing the Ombudsman to this Assembly we are really saying to the public service in this

province, we expect you to co-operate with the Ombudsman in the course of an investigation he is carrying out.

Secondly, it seems to me that by having the Ombudsman come before the members of the Assembly, we're also once again placing on the Ombudsman the high degree of importance that is very appropriate. Also, Mr. Speaker, I think members of the Assembly have the right to know; the right to ask the Ombudsman, in front of the committee, what the situation is. I don't want to make too much of the fact that I was turned down from being able to go into the remand centre unannounced. Frankly I think most any member should have that opportunity, as long as it isn't during a time when there's unrest in the particular institution.

I do recall — and I regret the Premier and the Government House Leader aren't here — that when those two gentlemen sat on this side of the House, they visited the Bowden Institution, also Spy Hill in Calgary, unannounced. The officials responsible for the administration of the institution let them in, then phoned the Deputy Attorney General. The Deputy Attorney General then phoned the Premier, and the Premier advised the officials, against their recommendation, that the Leader of the Opposition and Mr. Hyndman should have the opportunity to look through the institution. The government had nothing to hide.

MR. KING: And don't let them out.

MR. CLARK: And there was no comment about don't let them out. Perhaps if the Member for Edmonton Highlands had been along it would have been more appropriate. But that was the position of the government at that time. It can be verified, if hon. members would like to speak to Mr. Fred Oswin who was in charge of corrections for the province at that time.

What we are dealing with here today is, one, asking the only man who has been able to get into the remand centre unannounced to come before us and be available for questioning. Secondly, we're saying to the Ombudsman, we are concerned that in the course of your investigation you didn't receive the full co-operation we think appropriate. That to me is a major factor.

Thirdly, Mr. Speaker, the Ombudsman's report or the way the Solicitor General responded to that report aren't concerns held only by a few members of the opposition. We will perhaps have more opportunity to deal with that when we get to the Solicitor General's estimates. But such daily publications as the *Red Deer Advocate*, *The Calgary Herald*, the *Edmonton Journal*, and the *Calgary Albertan* all commented on this matter in their editorial pages stressing the importance of the Ombudsman's job, stressing the need for us not to try to sweep this under the rug but to get down to the bottom of the situation and deal with it from there.

Mr. Speaker, I place the case before the members of the Assembly, genuinely hoping the members will agree with this resolution and that before long the Ombudsman will be asked to come before the Assembly to deal with this question of his report; but also to re-establish beyond any question of doubt that this Legislature frowns upon members of the public service not co-operating with the Ombudsman in the course of his investigations. In addition, the Om-

budsman is the only person who has been able to get into the remand centre under these circumstances, so he is really the only person who can report to us.

Thirdly, Mr. Speaker, I think it's important that members have the opportunity to ask the Ombudsman about his recommendations and findings. There are a number of guards at that remand centre in Calgary who I think have done an excellent job under difficult circumstances for a number of years, and members deserve the opportunity and have the right to question the Ombudsman in those areas so that some of that shadow is removed from those particular individuals.

So, Mr. Speaker, I rest the case, saying to members of the Assembly that I think it would be a stroke of good business as far as the Ombudsman's office and the public's right to know are concerned, if we agree to this resolution and have the Ombudsman come before this committee.

MR. FARRAN: Mr. Speaker, in this game we must keep our sense of balance and I suppose our sense of humor. Even at the risk of sounding flippant or being accused of firing buckshot, I have to confess that I have at least a wry smile, if not a giggle, at the opposition's choice of the most important subject they would like to debate this afternoon.

Her Majesty's Loyal Opposition is an important part of parliament. It's their duty to oppose and criticize, and to propose alternatives. One always hopes they have the best interests of the people in mind as they see them. One way of judging how well they are performing is to examine the priorities of the subjects they choose, recognizing in all fairness that there is no perfection outside Heaven and certainly no perfection on either side of this House.

But in the year 1977, when Canadians are concerned about the future of their country, their security, threats to national unity, the nation's sick economy, the future prospects for their children in the national context; in this province where they recognize a combination of factors has given us a better present position than other parts of the country, they are worried about how long our preferred position can last and what may happen when the oil and gas is depleted. Even in the envied present position of Alberta, the government has faced problems: shortage of affordable housing, high rents, national inflationary pressures, high federal tariff wall, and unfair freight rates which are reflected in the cost of living. All these important issues and the success or failure of the government's attempts to diversify the economy are of paramount importance to Alberta.

But the opposition chooses this particular subject — which I thought had been exhaustively dealt with several months ago — as their topic for this afternoon. I think they have failed to identify with the major march of events. They devote their time to the petty failures where risks have properly been taken by the government in the interests of attempts to diversify. Not suggesting the government is not doing enough but always suggesting the small percentage of failures, indicates they are doing too much, taking too many risks. Really I suppose it's ancient small-town politics. They follow the tactics of saying, let's submit we can't find any alternative policies of any consequence, so let's dig for dirt, and if we can't find it leave an atmosphere of suspicion by using smear

and innuendo.

We have an Ombudsman who in my opinion does a pretty fair job. He doesn't pretend to be perfect either, but he works hard. He scores a high percentage of goals. He reports to the Legislature in an annual report and on occasion sends in a special report when he feels it's warranted. He also communicates directly with the people by releasing such reports to the media and making statements to the media.

Now the opposition would like to turn this non-political, quasi-judicial position into a stick with which they hope to belabor the government. They are not satisfied with written judgments which they are quite at liberty to criticize, debate, or comment upon. Under our system, they are even able to distort, and they don't hesitate to do so. We have had one example this afternoon.

They want to drag this highly respectable and neutral watchdog before the House for cross-examination. He presumably thought carefully over every word he put in his report, as any respectable and responsible person in that position would weigh every word carefully. The opposition would like to grill the Ombudsman in public, thus demeaning his office, all in an attempt to trap him into saying something they can distort into an insinuation he never intended to imply. Having been baffled by the report, having failed to find enough mud to sling, they want to dig deeper, to use semantic traps.

MR. CLARK: Mr. Speaker, on a point of order. The hon. Solicitor General should address his remarks to something constructive rather than trying to allude all sorts of innuendo to the opposition.

AN HON. MEMBER: Including motives.

MR. CLARK: It should be pointed out, Mr. Speaker, that the hon. Premier, the hon. Government House Leader, and four other members were instrumental in having the Ombudsman come before the Legislature. That time, neither side of the House was involved in the kind of mud slinging that apparently only the Solicitor General would be involved in.

MR. SPEAKER: Order please. The remarks of the hon. Leader of the Opposition with regard to mud slinging don't make the situation any better. I must say I have been listening with increasing concern about the remarks of the hon. Solicitor General in attributing to the opposition such words as "smear" and "innuendo".

While I am somewhat doubtful at the moment whether the language used on either side has gone to the point where a retraction should be required, I would respectfully suggest that that language be avoided for the remainder of the debate.

MR. FARRAN: Well, Mr. Speaker, I'll attempt to restrain myself. I was merely pointing out the strange posture of holding up a judge to elaborate on his written judgment because the opposition doesn't find it satisfactory or damaging enough to suit their purpose. I will therefore operate with as much restraint as I can, remembering that the hon. Leader of the Opposition used the word brutality.

The word brutality is mentioned nowhere in the Ombudsman's report. It's a very hard, cruel word.

The Ombudsman has gone out of his way to use the words excessive force. Brutality conjures up images of clubs, chains, and every sort of horrible medieval instrument. There's no mention of the word brutality in this report, Mr. Speaker.

I have no quarrel with the Ombudsman's report. He had no criticism of the department's actions. I'm critical of the distortions that have been placed on his report, where a single sentence has been taken out of context, perhaps not where the hon. Leader of the Opposition didn't mean to take it out of context to smear, but I have a feeling some of the media elsewhere in the province have done just that. They've taken out of context four isolated incidents and used them to smear an entire service of nearly 800 correctional officers. Maybe it's happened outside this House; it's happened all right. The basis of four isolated incidents over a period of almost two years has been used to insinuate that brutality — a word that's never used anywhere in the report — is widespread in a very honorable service.

The recommendations of the Ombudsman are constructive and helpful. The department has and is following through with them. Nowhere — nowhere — did the Ombudsman say he found evidence that the use of excessive force was widespread. So I leave it to you, Mr. Speaker, if I'm not telling the truth when I say that such an insinuation is false if it has been made. The Ombudsman certainly didn't make it. Who made it then?

Of the four cases, only one appeared not to have been clearly provoked. Of the other three, two young men mistakenly used a water hose to quell a fight in a drunk tank. The other was a case of an officer coming to the rescue of a matron who was having difficulty with a struggling prisoner.

The fourth case — the one which didn't appear to have been clearly provoked — resulted in charges in court and has now ended in an acquittal. My department took strong action and dismissed this particular man before the case was heard in the court. Understandably, he is now filing a grievance. It's probably unfair and improper for me to comment any further, but we felt we dismissed him for cause. It's quite proper that he should have the opportunity of just and legal appeal against our action.

The life of a corrections officer, Mr. Speaker, is no rose garden. I'm personally proud of the dedication with which the men generally perform their onerous and dangerous duties. Unlike the opposition, I feel I have an understanding of what the real world is like, the real world they have to work in. It's true that crime rates in North America are at a record high level, that the prisons are full, that I am rapidly approaching a position in the Fort Saskatchewan Correctional Institution where — yesterday there were 650 prisoners of two to a cell — they're beginning to have to contemplate three to a cell.

It's true that the probation service is taxed to the limit, that the courts are jammed, that the whole system is laboring under very severe strain not only in Alberta — everywhere in Canada, everywhere in the United States, and probably everywhere in the western world. Everything that can be done, or can be thought of to be done to improve the situation is being tried. I for one would welcome any suggestions from the opposition. There's more violent crime and less respect for females; tension is running high in

penitentiaries and prisons. I wonder if the hon. Leader of the Opposition really understands what's going on.

Now the former government was wise enough in 1970 to introduce the regulations which are in force today. I have copies of them here. I presume the hon. Leader of the Opposition, who was a member of Executive Council in those days, was aware that the Executive Council had recommended to the Lieutenant Governor in Council that these regulations be passed. They became law in 1970. August 31, 1970 is the date in the *Gazette*.

In my opinion the regulations placing cautionary conditions on visits and tours of prisons are prudent in the interests of the visitors and public alike, with the current state of tension that runs in our correctional institutions. All it provides is that there should be some notice and permission from the department on proper identification of the visitors. Even The Ombudsman Act, Mr. Speaker, provides that the Ombudsman shall first notify the department. I don't want the Ombudsman to be a hostage any more than the Leader of the Opposition. We have to be warned, and we have to be able to cancel these visits at a moment's notice if the situation changes, if something explosive occurs.

Other members have visited the correctional institutions in recent days. They've been respectable enough and law abiding enough to abide by the regulations and go through the proper channels. The hon. Member for Drumheller has been to Fort Saskatchewan Correctional Institution. There must be 11 other members who went about two weeks ago. The hon. Member for Spirit River-Fairview did visit the Peace River Correctional Institution. He hadn't notified the department. He didn't make a great fuss and complain when we said, look would you mind coming back on an arranged day if you've been through the proper channels. I would hate to have to make value judgments as to how much I should bargain or concede for the release of the Leader of the Opposition if he were taken hostage.

AN HON. MEMBER: Five dollars!

MR. FARRAN: Perhaps he'd be upset if I placed his worth too low. Would I refuse to negotiate, or would I be accused of placing minimum value on his life if I ordered the tactical squad to quell the incident by force?

Late one Friday night the Leader of the Opposition, accompanied by our old friend Albert Ludwig, a former MLA, arrived unannounced at the Calgary Remand Centre expressing a desire to tour the cells. Nighttime is not the most desirable time for making acquaintanceships with prisoners. In any case, it's not a very thoughtful thing for a visitor to consider himself so important that the director has to be pulled out of bed to check whether it's okay with the rest of his staff for them to go into the dangerous cells in a remand area, or even into the admission area where new prisoners are being brought in by the police, and that the director should in turn get the Deputy Solicitor General out of bed, who in turn — believe it or not — might have to get the Solicitor General out of bed. I think that's very inconsiderate.

DR. BUCK: Is he so important to you?

MR. FARRAN: I called it — when I was questioned about it in the newspaper — an unheralded nocturnal raid, and that's exactly what it was. Taking the Ombudsman's report as unsatisfactory for the purposes of the Opposition, the visitors were seeking ammunition. If I'm not allowed to say dirt, what were they seeking? They were seeking ammunition then. Any concern for prison security or the morale of the guards didn't cross their minds. Mr. Speaker, they didn't give a — I'll have to think of a parliamentary word: not buckshot, hoot — hoot for the further insinuation against the integrity of the civil service, a very fine civil service.

I'm sure they'll argue that they were really concerned about the welfare of the prisoners. Just heard that — most of them innocent till proven guilty, somebody's refused them bail, but some of them had been brought in from federal penitentiaries on appeal on very serious crimes. Some of them are brought in as witnesses in cases against accomplices. There are all types there. But I get the impression that some people think they're more important than the correction officers. They gave that as the reason — more consideration than they give to the police or the staff. Whatever their motives, Mr. Speaker, any MLA, MP, Leader of the Opposition can visit the prisons at any convenient time. Arrangements could even be made for them to stay there for a more lengthy period under certain circumstances. The only proviso is that they conform to the regulations signed by the Lieutenant-Governor in 1970 and not altered since:

26. Except as authorized by statute, these regulations or by the Minister or Director, no person shall be allowed to visit the institution except by permission of the chief executive officer.

A sensible regulation, even though it was introduced by the former government.

Other members have done it, have been there. There's been no difficulty. The law is the same for all. I cannot accept the proposition that the Leader of the Opposition is any different from anybody else. I don't believe I should discriminate in favor of the wishes of any single member.

I maintain that this is a dead issue. The Ombudsman has reported. The department has acted. Only yesterday I had further correspondence with the Ombudsman regarding his amplification of a suggestion for psychological testing for new recruits to the corrections service. We'll continue to explore this very novel suggestion which is not used in penitentiary service or the penal system anywhere else in Canada. They've got a sort of a question-and-answer attempt at the same objective in New Brunswick and Quebec, but nothing as extensive as the Ombudsman envisages.

I suggest, Mr. Speaker, that we should treat this resolution with the contempt it deserves. The Ombudsman had no quarrel with the disciplinary action taken in the four isolated incidents of excessive force. A copy of his report went to all MLAs, to every newspaper in the province, and all those tremendous exponents of editorial page literature in papers throughout the province have had their field day. They can have another one tomorrow. So I think we've pretty well exhausted this subject.

The Ombudsman made some general recommenda-

tions which have been accepted: a vandal-proof water fountain in the drunk tank. We've set up a study into the whole problem of chronic alcoholics and whether it's feasible to have some sort of farm facility that they could be sent to, a correctional institution perimeter and maybe AADAC giving them some treatment inside. That's for the regular customers of drunk tanks, the poor, decrepit, old winos and so on from the east ends of our cities.

Compensation to the one female offender who was allegedly roughly handled was referred to The Crimes Compensation Board which informed us that they have jurisdiction in this area.

Psychological testing: the Ombudsman has agreed to amplify and we have it under review.

So far as the trained nurses were concerned, I'm not absolutely certain from the report that the Ombudsman was not under the same misapprehension as a couple of the correction officers in the Peace River CI, where they were mixing up dispensing with distributing. But in any case we have sufficient trained nurses on staff at the Calgary Remand Centre. All prescriptions are legally dispensed and all drugs are legally distributed. And if any members of the opposition want to volunteer for the night shift to distribute drugs and to see what's going on, all they have to do is go through the proper channels.

I therefore suggest to my colleagues, Mr. Speaker, that they treat this resolution with the contempt which I believe it deserves.

MR. NOTLEY: Mr. Speaker, in rising to take part in this debate I'd like to separate some of the arguments — some of which, quite frankly, I concur with — that the hon. Solicitor General has made with respect to the report itself from the absolute nonsense we got for the first 10 or 15 minutes of the speech, with respect to whether or not the opposition should be bringing in a motion of this nature.

Mr. Speaker, as I listened to the hon. Solicitor General, I was astonished to hear him lead into a matter of this importance by talking about every other possible issue under the sun. I almost thought he was looking for a shopping bag of political issues, most of which have from time to time quite properly been discussed in this Legislature. But to suggest that because we're concerned about Confederation somehow having the Ombudsman in to answer questions on an important report which he made is wasting the time of the Assembly, Mr. Speaker, is just absolute nonsense.

In addition to that the hon. Solicitor General made a couple of points that I took down. He suggested that the opposition was attempting to take a non-political position, namely the Ombudsman, and make that into a stick to belabor the government. I believe those were the words the honorable gentleman used.

First of all, Mr. Speaker, let us remember that the Ombudsman is a servant of the Legislature. The Ombudsman is chosen by the Members of the Legislative Assembly. But rather more important in discussing this issue is to review a little history.

Members may recall — the hon. Solicitor General was not in the House at the time, neither was I, but I've taken the trouble to go back and obtain the *Journals* of this Legislative Assembly for the year 1971 — there was a dispute over a report made by the then Ombudsman, Mr. McClellan. It concerned the so-

called Philipzyk case. The government at the time had appointed Mr. Justice McLaurin to examine the Ombudsman's report and Mr. Justice McLaurin had concluded that the Ombudsman had erred.

Now that became a very acrimonious political issue in the province. What happened? On April 20, 1971 the Conservative caucus in the Legislature moved this amendment:

... and that Mr. McClellan be requested to appear before the Legislative Assembly to answer any questions that any Member or Members of the Legislative Assembly may wish to put to him

Mr. Speaker, after debate the vote was carried 42 to 17 with, I might add, all the members of the Conservative caucus voting in favor of the Ombudsman appearing before the Legislative Assembly. The hon. Member for Drumheller was among the 17 who voted against that particular motion. But the members of the Conservative caucus at the time unanimously supported bringing Mr. McClellan before the Legislature in a very controversial issue where a justice had taken issue with the Ombudsman's report.

I remember at the time, Mr. Speaker, sitting in the gallery and listening to that particular debate in the afternoon. The Leader of the Opposition at that time, Mr. Lougheed, led off the questioning. They raised a number of questions that quite frankly had very obvious political overtones — as they had every right to do. And the Legislature had agreed they had every right to do it because they had voted 42 to 17 to grant that decision.

So for the Solicitor General to come here today and say, this should be treated with contempt, I am just amazed. One can argue the merits of the issue, but if the day ever comes when this Legislative Assembly is not in a position to call the Ombudsman before it and not have the government say, oh that's just an attempt to make a semi-judicial person into a stick to belabor the government: Mr. Speaker, in my judgment that's a shocking attitude of mind for a minister of the Crown to display.

Mr. Speaker, I want to move on and deal with the report itself. I've read the report. I agree with the hon. Solicitor General: it doesn't mention the word "brutality". I don't think I would want that kind of insinuation to be conveyed as a result of this report. That's one of the reasons, Mr. Speaker, we might well be advised to have the Ombudsman before the Legislature, so that certain inferences which have been left in this province could be cleared up. I agree with the Solicitor General when he says, when one reads the report there is no suggestion of the kind of brutality one might see in the southern prisons where people are brought in with chain gangs and what have you. Certainly some people in the media tended to exaggerate what was in this report.

But, Mr. Speaker, I've read this report. I've also taken the trouble to talk to certain people representing the public servants involved. I have concerns about some of the inferences left in the province as a result of the report. I believe the only way we can clear the air is not for the hon. Solicitor General to stand up and make a speech but to have the Ombudsman in the Legislature to answer questions.

Let me make it very clear, so there's no attempt to misinterpret what I say: I have the greatest respect for Dr. Ivany in his capacity as Ombudsman of this

province. I think he's doing an excellent job. But having said that, certain nuances in this report trouble me. As a Member of the Legislative Assembly along with the other members of the Assembly, we should be taking the time to ask questions and clear the air.

Now, the Solicitor General pointed out that one of the incidents had led to a dismissal. An assault case had been brought to court, and the individual had been acquitted. I'm glad he mentioned that. That's an important thing to point out. I'm not sure whether that has been carried in the media, but it should have been. I think it's important for us to keep in mind that a person is innocent until proven guilty. When the charge was laid and the court heard the evidence, the individual correctional officer was acquitted.

I suggest as well that some of the concerns I've had brought to my attention by correctional officers are not unlike the concerns the Solicitor General has mentioned today: not enough room, not enough staff. We can talk about psychiatric testing, but how practical is that in terms of obtaining staff and undertaking that sort of program? Where are we going to start? We can talk about many things. But, Mr. Speaker, when one looks at the reality of the budget at this stage of the game, quite frankly I think we as members of the Legislature probably have to ask ourselves: should we not be making more funds available so we can do more of these things; provide better training and better facilities?

The suggestion has been made to me by some of the correctional officers that the use of the drunk tank — as much as it is used in various centres — indicates we're not doing enough work in the whole area of detoxification, and that AADAC isn't doing enough work. The argument from the AADAC people can be just as strong: Mr. Member, we haven't got the funds to do the job. The net result is that sometimes we have people going into the drunk tank when they shouldn't.

So, Mr. Speaker, for most of the reasons cited both by the Leader of the Opposition when he proposed the motion, and quite frankly by the Solicitor General when he opposed the motion, there's only one way to clear the air. That, Mr. Minister, is to have the man who has taken the time and has done the report . . .

I'm glad to see that the hon. Minister of Energy and Natural Resources is back, because I'd hate to conclude my remarks without pointing out that the person who should get full credit for having Mr. McClellan before the Legislature on April 20, 1971, was the Member for Strathcona West at that time, I believe, one Mr. Getty, who moved the motion.

MR. R. SPEAKER: Oh, dear.

MR. NOTLEY: The hon. Member for Strathcona West was absolutely correct in 1971.

In the remaining two or three minutes, I would want to give all the members of the Legislature, including the hon. Minister of Energy and Natural Resources, an opportunity to vote in favor and be consistent in 1977 with the position they took in 1971.

MR. KIDD: Mr. Speaker, considering the time, I would like to move that we adjourn debate.

[Motion carried]

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

Bill 207

**An Act Establishing the Right
to Public Information and the
Protection of Individual Privacy**

MR. NOTLEY: Mr. Speaker, I welcome the opportunity of leading off the debate on Bill 207, An Act Establishing the Right to Public Information and the Protection of Individual Privacy.

Mr. Speaker, may I begin by looking back over the last year and bringing members of the Assembly up to date on some of the important developments that have occurred in the 12 months between our last debate and our debate today in this whole area of freedom of information.

Mr. Speaker, as I read the *Hansard* transcript, I was intrigued with some of the views expressed. We had the hon. Member for Edmonton Ottewell waxing eloquent about how awful it was that anyone should bring Watergate into the discussion. I say that, Mr. Speaker, because I was rather amused to learn that at the Conservative convention — I believe we had a little meeting recently — the hon. Member for Peace River is reported to have said that if Watergate had taken place in Canada, Mr. Nixon would still be President today. Now I don't know, but if it's somehow wrong to bring in Watergate if you're talking about freedom of information in Alberta, but right to bring it in if you're talking about the Liberals in Ottawa, I suppose that sort of double think may attract some of the backbenchers but it's not really an example of consistency.

Mr. Speaker, I understand that Mr. Baldwin has even offered to testify if the Alberta government would agree to committee hearings. That's a suggestion which, frankly, I would certainly support. Let me say at the outset that no one has worked harder in Canada to promote the concept of freedom of information than the hon. Member for Peace River. He fought the case inside the Tory caucus when the Conservatives were the government, and he has continually battled for freedom of information, travelled across the country. At least I think it's in large part due to his unending efforts that there is widespread support today for freedom of information legislation.

In the last 12 months we've had some interesting converts to the cause of freedom of information. For example, in August 1976, in a speech before the fifty-eighth annual meeting of the Canadian Bar Association, John Turner endorsed the principle of freedom of information legislation. I'm not sure what Mr. Turner's ultimate political landing place will be, or whether or not he will become Prime Minister. But certainly he is an important Canadian public figure, one who from his years of work as a minister of the Crown would know the dangers of lack of access to important public information as a major barrier to full public participation in the decision-making process.

In November 1976, the British government announced it was going to scrap the 1911 Official

Secrets Act and reform the whole freedom of information policy in Great Britain. In February 1977, the Library of Congress in the United States released its report on its monitoring of the U.S. Freedom of Information Act. I'd just like to take a moment on that, Mr. Speaker, because the Library of Congress survey came to a critically important conclusion. It found:

The legislation has led to greater openness in government without unduly disrupting the day-to-day operations of government.

Now, Mr. Speaker, the argument one hears most often about freedom of information legislation is that you would disrupt the day-to-day activities of government. You would suddenly have people requesting all sorts of irrelevant information. You would have a backlog, and it just wouldn't work. Well, the survey conducted by the Library of Congress indicates that in actual fact it has not affected the day-to-day operation of government in that country at all.

In Canada, as members may know, as a result of Mr. Baldwin's continual prodding there is a joint Senate/House committee. A green paper is expected in the fall on the question of freedom of information.

Elsewhere in Canada, other provinces are beginning to move, not as quickly as we'd like to see. But I notice that in the Speech from the Throne delivered March 10, 1977, the Prince Edward Island government indicated they too were going to move in the area of right to information. They call it An Act to Give the Public Access to Government Information and Public Documents. Legislation has not been presented yet, but at least it is contained in the Speech from the Throne.

Similarly, the province of New Brunswick — which I believe has a Tory government — has indicated on page 9 of its Speech from the Throne that:

Because of the increasing complexity and variety of government activity . . . the need for all citizens to effectively understand public programs [is important]. My Government will place before you at this session a White Paper concerning the need for access to government information by the public. It is my hope that this paper will generate informed discussion, and possibly lead to the introduction of legislation affecting the rights of individuals to obtain government information.

Noting some of the problems of the New Brunswick government in the last several months, I might say that probably no better place could be found in Canada to start a freedom of information campaign than in that province.

In any event, Mr. Speaker, we see that in the last year important strides have been made in Canada, in Great Britain, and elsewhere in the world. We've seen that the United States, after reviewing freedom of information legislation, finds it is working well and not unduly disrupting government.

Mr. Speaker, I want to summarize very briefly several arguments for freedom of information legislation, so I can allow as many people to participate in the debate as possible.

It seems to me the case for a right to information bill is based on a number of important basic assumptions. The first assumption has to be a recognition that if parliamentary democracy is to function, it must generate a large degree of public participation. Public participation is not something which occurs every four years when people vote in an election. It is

something which involves a day-to-day interest in public affairs, where people can make value judgments and form opinions. Mr. Speaker, in order to make that concept of democracy operable, it's necessary to have as much relevant public information as possible.

Mr. Speaker, for those people who argue essentially the plebiscitarian argument of democracy, that we have an election every four years and then sit back, shut up, and let the government run things in between, I suppose it's not necessary to have this kind of freedom of information act. But for those who argue the participatory concept of democracy, it certainly is.

Now, Mr. Speaker, a number have made the argument that right to information legislation is going to go overboard and infringe upon another important right; that is, the right to privacy. Mr. Speaker, that should not be the case. I think we have to distinguish clearly on the one hand the kind of information which is necessary to form judgments on public policy, and on the other, information which is clearly of a private nature.

I used this example last year, but I think it's worth repeating, Mr. Speaker. I don't believe it is necessarily in the public interest for us to know who is receiving public assistance in the province of Alberta. Mrs. Jones is receiving X dollars a month in public assistance: that's essentially private, confidential information. I don't believe we should go into the files and display that hither and thither across the province. On the other hand, if an organization of people — either a private consulting group, or for that matter an organization such as Humans on Welfare, representing welfare recipients — does a study for the government of Alberta and comes up with statistical information on which government policy is based, then that sort of information should be made public.

So I think we have to make the distinction clearly. One of the changes I've incorporated in the bill before the Legislature today draws that distinction as carefully as possible to the attention of the members.

Now, we heard many arguments last time, that we have mechanisms which we can use. Certainly we can introduce a motion for a return. We saw how effective that was today in a House where you have a large majority, or for that matter in any legislature where you have a majority of any kind, even a majority of one. The use of motions for returns can be effectively blocked for whatever reason the party in power chooses.

So in Alberta the major mechanism we have for really getting at public information is one which is almost exclusively at the good will of the government in office. If they choose not to make the information available, Mr. Speaker, that information just isn't made available.

Now, reviewing some of the arguments I heard last year, I think the hon. Member for Edmonton Ottewell made essentially three basic points. One, if we brought in this legislation, we'd be removing decision-making from the Legislature. Number two, legislation of this nature would denigrate the role of the MLA. Number three, there was no need for this legislation in Alberta.

I'll deal with the last point first, because that's the easiest to rebut. I am sure that even among a group

of tried and true Tory members for 50 years, it would be hard to make the argument that we don't need this in Alberta, that we're such an open government here that we don't need a freedom of information act. Somehow that's not going to sell, Mr. Speaker. It wouldn't even sell to the true blue in the province.

So let me take the other two more serious arguments: that somehow this removes the decision-making from the Legislature, and it denigrates the role of the MLA. I didn't agree with much of what the hon. member said last year, but I think these arguments have to be answered.

First of all, does it really remove the decision-making from the Legislature? Is the fact that under freedom of information legislation an individual can go to a judge and obtain information suddenly going to make the Legislature and the government irrelevant? Far from it. It seems to me what it will not do, Mr. Speaker, is alter anything in terms of the ultimate responsibility for leading and governing. That rests with this Legislature. However, what it will do is: it will mean more information will be made available. As a consequence, both the government and the MLAs will be more accountable, because they will be dealing with a public that has access to information which at the present time it wouldn't receive.

But I just don't accept the argument that because an individual can obtain public information, somehow that is going to remove the decision-making process from the Legislature. That just doesn't follow at all. Nor frankly does it denigrate the role of the MLA.

Members raised the point that many motions for returns come from individuals who want information. No question about that. I would say that probably nine out of ten motions for returns come from individuals or groups or what have you wanting information on certain subjects. They are still going to come to the opposition MLAs, Mr. Speaker, or sometimes occasionally even to government MLAs, because it's an awful lot cheaper to go to an MLA and get the information through a motion for a return than to go to a lawyer and try to get a judgment from a judge.

But, Mr. Speaker, when the government turns the information down, they have recourse. Unfortunately at this stage of the game, when that vote is 67 to 5, the information on Lambco remains in the files of the government and there's no way it can be released. The freedom of information act? Perhaps some of that information, as long as it met the conditions set out in the act, could be released to the public.

The other argument made a year ago I believe by the hon. Member for Edmonton Kingsway . . . he had horrendous examples of all sorts of information people would be asking for. People would have to spend all their time preparing reports. It would be the most terrible imposition on the public service, and hundreds of thousands of dollars, maybe millions, even billions — maybe we'd have to use the heritage trust fund to supply all the information. It was a heart-rending story indeed, as I look over . . .

DR. BUCK: He didn't have to go to Sweden to get the information.

MR. NOTLEY: Mr. Speaker, I put it to the hon. member. Check the survey done by the Library of Congress in the United States. They've monitored it, because that was one of the concerns in the United

States too. They found it did not in fact affect the day-to-day operations of government.

In addition to that, many other hon. members in the course of debate brought up little ifs, ands, or buts about certain wording. Let me just say, Mr. Speaker, that if we were to worry about every clause and phrase of a government bill, we would never get through second reading. The question at this point is whether or not you are in favor of the principle of freedom of information.

I suggest what Bill 207 does is clearly set out for the members of the Legislature: the option of leading in this province in an important area and one that has been pioneered by one of the most prestigious members of the Canadian House of Commons, the member for Peace River. There is some suggestion that the member for Peace River may be retiring from active politics. I can't think of a finer way to commend him for his work than his native province moving first to actually have a right to information act on the statute books.

MR. ASHTON: Mr. Speaker, again this year I congratulate the member for Spirit River-Fairview for bringing this bill before us because it deals with a very important issue. In fact there are really two issues in the bill. My memory of the bill last year would indicate he has expanded it beyond the right to public information, to include a rather unrelated issue: the protection of individual privacy.

But I congratulate him for being consistent on this and bringing the bill before us again. It is rather refreshing. We are more used to him flapping around on both sides of the issues. On this he is consistent, although I will submit, Mr. Speaker, that he is consistently wrong.

He refers to the federal member for Peace River. Again I accept his submission that there is no more respected member in the House of Commons than the member for Peace River. But I don't have any difficulty in disagreeing with the member for Peace River, if in fact I am. I don't have the same allegiance to the Toronto-based federal arm of the NDP that the hon. Member for Spirit River-Fairview has, so I have no difficulty in disagreeing at times with some of the federal members.

There may be special problems in the House of Commons. I don't know; I have never sat in it. From some of the comments I've heard, they have special difficulties with the government in office in Ottawa. But I submit to the hon. Member for Spirit River-Fairview that those problems are exaggerated when you attempt to relate them to Alberta.

Literally wheelbarrows of information come through this Assembly, tablings every day. I checked a year ago when this topic arose. As I recall, out of 129 questions and motions for returns put on the Order Paper by the members of the opposition, only 13 were defeated. I assume the same applies for last year. That's a pretty good track record.

If the majority of members of the Assembly do vote down a question or motion for a return, the reasons are given. We have to take those reasons back to our constituents and justify to the people who elected us to represent them, the reasons it is not in the public interest to have some information tabled. To downgrade the electoral process by suggesting that in some way the public doesn't have recourse at elec-

tion time if they disagree with our judgments — I just don't accept that.

When one sees a bill such as this from the opposition in this Legislature, one suspects the members are trying to get even more wheelbarrows of reports to keep their rather large research staffs busy. The opposition likes to throw around questionable figures re the growth of the civil service; I would suggest the opposition civil service growth during the last few years has been rather astronomical compared to the government's. Comparing the rather paltry sums the opposition received before 1971 and the hundreds of thousands of dollars that they are receiving now — it is almost becoming an issue in my constituency. Looking at the priorities of education, day care, and many of the other things my constituents want, they say, look Mr. Ashton, we elected you to provide services for us and you're spending all this money on research for the opposition. Then they have the rather unbelievable audacity to ask the government to do even more research for them after they have these large research staffs, saying bring in more and more and more reports.

I haven't changed my objection to the bill with respect to the fact that it removes the decision-making from the elected representatives. If all members haven't read the bill, I think they should. It takes a rather staggering and horrendous approach by suggesting that decision-making on these issues is going to be done by the appointed judiciary. Now no one has more respect for the appointed judiciary than I. But I reject out of hand that somehow this should replace the responsibility of elected representatives to the people. In fact it might be suggested that if this bill were passed, a large number of the questions and motions for returns accepted by the members of this Assembly and tabled by the government following the direction of the Legislative Assembly would be rejected by the judiciary.

Several reasons are listed in the bill that the government can refuse to table information: where a law provides that the record or part thereof shall not be made, where it's a matter of disclosure of legal opinions or involving the administration of law, or providing information on record elsewhere or that is trivial, or information requested for frivolous or vexatious purposes.

Now of course many of those reasons are the very same reasons the government in fact gives when a motion for a return is defeated. But I suggest, Mr. Speaker, that in my judgment some of these motions for returns require information that is so trivial compared to the rather exorbitant costs of producing them that in fact judges would reject them. So in fact we may have a restriction on the amount of information tabled in this Assembly.

However, there is some merit in the bill. I should note that I notice a few drafting amendments pursuant to my recommendations last session. I don't know whether I'm entitled to submit an account for that. I'm pleased to see that legal advice is sometimes accepted, even by opposite parties.

The bill has some merit in that it introduces a new issue. In fact it's an issue that shouldn't be in the same bill; there should be a separate bill. That is the issue of the protection of individual privacy. I suggest that during the coming year or two we should re-examine this particular issue. Unfortunately the hon.

member has thrown it in with the other bill and attempted to cloud the issue by trying to present something in there that everybody in the province will agree with, thereby sneaking in by the back door something that they don't agree with. So I suggest we continue to examine that particular issue.

One aspect of it that rather horrifies me is of course the basic concept presented by the bill on the second issue: that individuals can go to the government and ask for the records of their private business. We have to continue to look at that. This is a concern expressed, I think, by many Albertans. They don't have access to their personal records kept by government agencies. We should have a look at that. But when we look at one particular section of the bill which suggests that where that information can only be available where it is mixed in with information on other individuals, the act provides that the whole record not only of the individual's private information but that of other individuals has to be supplied to him, the abuse that type of provision could be had rather staggers the imagination.

However, notwithstanding some of the inadequacies of the bill on the second issue of the protection of individual privacy, I do recommend to hon. members that they give further consideration to that second issue.

My conclusion on the first issue, as last year, is that it not be accepted, at least at the present time.

MR. MUSGREAVE: Mr. Speaker, I would like to engage briefly in this debate. The hon. member behind me brought out what I too thought was a conflict in the act between the right of the public to be informed and the protection of individuals. I certainly agree with the hon. Member for Spirit River-Fairview that individuals have rights to information. But I would suggest all members of the House should bear in mind that we're elected to govern the people by the people. We are sent here to collect taxes and spend their money. We're sent here to be the good stewards of this money and the resources of the province. Whether we like it or not, we have to be responsible for the direction of the lives of the people of the province, particularly our young people in education or the elderly in the care of themselves or in their living accommodations, health concerns, and recreational needs.

Mr. Speaker, the money we collect from the citizens is clearly set out in the budget. During estimates there's ample opportunity for the members of the House to do a very detailed analysis of government spending, programs, operations of the departments, movement of personnel, every other factor relating to government that they would like to bring up.

Mr. Speaker, I think we're all not impressed — a better word would perhaps be "deadened" or "insensitized" — by the tremendous volume of annual reports and returns that flow over our desks. It's a huge, huge volume. For anyone who wants to set up as a consultant in financial affairs I would highly recommend buying common stocks in paper companies, because the way this government and other governments are proliferating in paper it's going to be a good investment, particularly for old age, because I can't see any sign of it stopping.

Mr. Speaker, I too would like to comment on the

wording of Section 2(2) of the bill. I think the bill is making a very serious proposal: that if a person wants a particular item of privacy, it's tough luck if it happens to be involved in another part of a report involving other people. In my view, sending a copy to the injured party is a rather strange way to redress an injury caused by the request of someone else.

I think that in the case of medical records it's most important that their use by professionals has to be allowed. Otherwise why should we as a province be paying for medical services if medical officers are not going to have access to information on individuals that may be available in other parts of the province?

More important, Mr. Speaker, I think that perhaps when issues come up that involve other professions or opinions of professions, these are matters that it would not be in the interest of the people of Alberta to divulge. Because quite often these are opinions given by professional people in a private manner. Quite often they are matters involving strategy vis-à-vis other governments, other agencies, or even companies in our community. I would suggest that it would be a great disservice to the people of Alberta if some of this material were released.

Mr. Speaker, I'm also concerned that the member suggests our government is not open. I think it is open. There's lots of available information. I agree that perhaps the people of Alberta would be better served if there were more opposition MLAs. But unfortunately for the opposition, and fortunately for the members of the government, the people of Alberta don't happen to agree with you. They sent us here, the whole 69 of us.

MR. NOTLEY: Next time.

MR. MUSGREAVE: They must feel this government is open and it's prepared to put its actions on the record. For example, it was this government that brought in *Hansard*, television, cabinet tours, and also The Individual's Rights Protection Act. I'm very pleased the hon. Member for Spirit River-Fairview should use the gracious remarks he did regarding the federal MP for Peace River. I'm glad to see the Member for Spirit River-Fairview recognizes quality no matter on which side of the House it appears.

But I'm a little concerned when he mentions John Turner and his sudden support for the right for information act. I would suggest that Mr. Turner occupied a very powerful position in this country for many, many years. I understand he was one of the most secretive cabinet ministers who ever lived on the Ottawa scene. I would suggest that perhaps his sudden interest in this is more to strengthen his bid for leadership of the national Liberal party than out of any concern for the rights of individuals.

I'd also like to suggest that the Member for Spirit River-Fairview is being more than optimistic in thinking that a joint committee of our Senate and our Commons is going to produce anything fruitful, when we bear in mind the unstable state of our nation, and particularly the federal government. As he mentioned, studies the government conducts should be made public. I think generally they are. But as I mentioned earlier, I don't think studies that weaken the position of government in serving people should be. I agree there are times when requests for information should be turned down.

I'd like to suggest that Mr. Baldwin is fighting against a government that was long in power and was entrenched with a feeling of godliness. I understand they file everything down there under "Top Secret, Secret, Eyes of Canadians Only, Confidential". They have all sorts of categories they can put these in. The net effect is that everything is kept from the public. But as Mr. Baldwin said, the federal government "was in deep trouble because people no longer had trust in it and are cynical about its motives and fed up over being kept in the dark." I agree with Mr. Baldwin. Too many politicians are being too many things to all people all the time. They preach economy in Ottawa and they spend like drunken sailors.

There has been a worldwide loss of faith in the democratic system with the dredging scandals in eastern Canada, the Sky Shops affair, Watergate, and our latest issue in Israel where the Premier of the country is accused of having money in the United States, which is against the laws of the country. When we see these kinds of situations that have developed throughout the world, it's no wonder that people are concerned about government action and are not trusting politicians.

But when we look at the huge number of returns requested and granted, to suggest that this government is not providing open government I find hard to accept. I would suggest that perhaps I agree the best way of getting information out to the public is through the MLA. I can be sympathetic to the feelings of the Member for Spirit River-Fairview. But I do hope that of the 69 members still in the House, none of the people residing there has the misfortune to elect a member from the opposition. Because I feel the providing of information, as the member has requested, would be rather hard.

MR. KUSHNER: Mr. Speaker, at this time I have to congratulate the Member for Spirit River-Fairview for bringing this bill up. I honestly believe it has a lot of merit. On the other hand there are just as many arguments against it as there are for it. I am sure it is not easy to draw the line on how far you go with information. Of course if you get quite specific and realistic about it, you take one position when you are in government and another when you are outside government.

MR. NOTLEY: There's an honest man.

MR. KUSHNER: As far as I'm concerned, information should be available to elected officials as much as possible. A lot of times, good information means good decisions. Therefore in due time I hope that apparatus or procedure will be reviewed, to supply information in much better ways than it is today.

I don't mean this only as far as an MLA is concerned. My experience has been that it was hard to get information as an alderman on city council. It was hard to get information from bureaucrats. Even on school boards — I happen to be one of the bureaucrats today — it is not an easy job. I know it must be improved, and much work has to be done in that area. I think we must take it much more seriously than we ever have before, because of the complex society we are living in today and demands required for any elected official to perform properly.

As far as public information, or right to information, or freedom of information and better communications between elected officials and the citizens at large, certainly this is necessary. The only thing that bothers me at this time is that that bill is premature. There is no doubt of that in my mind. In due time I hope our government will be prepared to correct the situation. I don't know if the word "correct" is the proper word, but maybe improve the process of information to elected officials — be they in opposition or in government — or to the public in general.

Sometimes I feel that maybe the public is not getting the kind of direction it should. Possibly we as MLAs are not doing a good enough job of supplying information as to the way information can be obtained from government — some of you may call them bureaucrats, or whatever. I would hate to think, or even believe, that bureaucrats would be creeping in, beginning to run governments and making decisions. Sometimes it's very, very hard to distinguish between policy-making and interfering with administration. That is not easy to do.

Mr. Speaker, I know this bill will not be carried. But I think it serves a good purpose of soul-searching or doing some serious thinking along these lines. Some day I hope that bill will be a reality, in a form that would be acceptable. I don't think it would be a good idea that anyone be able to walk into the welfare department and get information about who is on welfare and who isn't. Nor would it be very good to be able to get information by walking into the police department, whatever the case may be, good or bad. Even negotiations between different governments are, I think, quite confidential. I think it's very complex.

Therefore, in my opinion the exercise today was worth while.

MR. GHITTER: Mr. Speaker, if I closed my eyes and reflected for a moment, I'd swear I was back in the same Legislature approximately a year ago when the same broken record was started and whirled around, and we heard the same motherhood and the same popularity desire espoused by the honorable mover of this bill. It all sounds so great, Mr. Speaker.

What could be greater than standing on the street corner in Edmonton, Alberta, yelling to the people, you're not getting any information. I will stand forward and tell the government how you can get your information. I'm the man who's going to do it for you. You're not getting the information, and everything is just terrible. It's a great issue to chat around and play games with and run back at us and waste our time, year in and year out. I'm sure the same thing will be coming in 1984. It sounds great. It's like selling parks and motherhood and all those other things, Mr. Speaker. But let's look at it honestly for a minute and see who is really suffering, who in our province isn't getting information, what the effect of this legislation would be, and where we would end up from the point of view of any kind of realistic approach.

Now I'm the first one to agree that the individual, the taxpayer, is entitled to all reasonable information that can possibly be given, so that the government can well communicate its policies, its principles, its judgments, or whatever it might be. I'm sure there is not a member in this House who wouldn't concur in the importance of the very basic principle that infor-

mation must be available.

But I wonder what kind of information, Mr. Speaker, and whether or not that information is not readily available at the present moment. We've heard from the hon. Member for Edmonton Ottewell and we've heard from both my colleagues from Calgary. Clearly, as I sit here day in and day out and see the Minister of the Environment leaping up to the ceiling with his documents that nobody ever reads, and as I see the Minister of Housing and Public Works doing the same thing — in fact, as I remember in 1974 or so, the then minister of business, the hon. Member for Calgary Currie, after much discussion got up and filed all that information on Pacific Western Airlines.

I remember him coming in, and it was this high. Once that information was tabled I don't remember one question being asked from the point of view of the opposition, I don't think anybody ever read it, and I wonder what the cost was to the taxpayer for that business of coming in with that heap of material to be read. Just how much did that cost the taxpayer because someone thought the government was hiding something? Then to the dismay of the opposition, when they found out we weren't hiding anything, they didn't even bother to read it. I would be happy to hear you stand up in the opposition to say you did read it, because I've said from that moment you never read that material. You cried, and you yelled, and you screamed . . .

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

MR. GHITTER: Sorry, Mr. Speaker, but every now and then I just get carried away. I apologize.

So now what is going to be expanded, Mr. Speaker? Not only are we going to have to tolerate the aspect of the opposition, which has every right to ask for information, coming forward asking for this at great cost and never using it. Now we're going to open it up to everybody. Now everyone in the province of Alberta, Mr. Speaker, can come forward for whatever reason, and ask for whatever information at whatever cost, whether they read it or not, and there's no control.

Now, Mr. Speaker, surely the point was made by the Member for Edmonton Ottewell. What is happening to all the research money? Where is it going? If you need research, spend some of the money instead of giving it to other people who are probably not doing what they should be doing with it.

Mr. Speaker, it seems to me that if information is reasonably required, you have every opportunity to get it. But today was a perfect example of areas where information should not be properly given out; where information — if it's of a confidential nature that would not be in the best interests of the people of Alberta for it to be given out — was being asked for. And I notice that the hon. member, probably recognizing the error of his ways, withdrew Motion No. 101 from the Order Paper. Because clearly — if one were to look at some of the information that was requested — if that information became public it could have dire consequences from the point of view of the bargaining position of this government in dealing with other governments, other business enterprises, with the petrochemical business, the coal business, the natural resource business generally.

You just cannot operate a government *carte blanche* and say: everything is here for everyone to see. It would be nice to think that that happens, Mr. Speaker, but it doesn't. Let's look, for example, at some of the studies on the Order Paper the hon. Member for Spirit River-Fairview wanted. He wanted the studies relating to coal in world markets; he wanted the analysis of our petrochemical business; he wanted to get the information with respect to our position vis-a-vis the federal government in matters of energy and very tight negotiations. He wanted to have that in his hand and wave it for the whole world to see, so that when our hon. Minister of Energy and Natural Resources goes to Ottawa, they know our bargaining position; they know what we're going to do; they know our research. Then we go in and we're going to be able to accomplish anything? This is what the hon. member wants to do.

Mr. Speaker, I can see the government of Ontario calling out to an agent in Alberta and saying: hey, you've got that legislation in Alberta now. We want to know what the Alberta position is going to be. Would you mind, under the right for information act, putting in a demand for those reports, so we can know the Alberta position?

Now, Mr. Speaker, that is ludicrous. It is ludicrous to suggest that this government or any government should be placed in the position where important confidential information . . .

MR. KROEGER: [Inaudible] or even ridiculous.

MR. GHITTER: Pardon me, sir? Are you still here? I'm sorry, Mr. Speaker, I was surprised the hon. member was beside me. I didn't realize he was here.

Mr. Speaker, if I have ever been contacted by a constituent who wanted information, I have never had a problem with this government in obtaining that information. And I am sure the hon. members across the way can say that very same thing. If I have ever had a request for information where a person was honestly desirous of acquiring information for whatever purpose, I have never experienced that difficulty. Of course I would anticipate difficulty obtaining confidential information, and so it should be.

I would suggest, Mr. Speaker, that although this legislation sounds great, and to some, the uninitiated maybe, a great piece of paper and a great piece of workmanship, I would suggest in the scenario of Alberta that is not a problem with this government.

I can understand the difficulty of the hon. member, Mr. Baldwin, in dealing with the government in Ottawa. I would submit that is probably one of the most secretive governments Canada has ever known. I can understand that situation when the decisions in Ottawa aren't made in Parliament but in the East Block across the way by non-elected people. I can understand his frustration in not being able to get information.

But in the province of Alberta, I would submit that the decisions are still made here, Mr. Speaker. And if information is required, it is still obtainable here. I would also submit that probably every major piece of legislation this government has passed since 1971 has had in it the reporting requirement whereby the government must report on the affairs of the department, must provide that information. Of course if the research money were being spent properly, then I

would think that information could be obtained in the estimates or in all the debating opportunities that we enjoy here as well.

Mr. Speaker, with respect to the few other aspects of this bill, it seems to me that built within it are the very elements that can defeat it. If the hon. member is serious about this bill, if he looks at the exemptions, it would seem to me that if a government didn't want to pay any attention to this bill they could merely raise the exemptions. There are sections here that say it's exempt if "the application therefor is made for a frivolous or vexatious purpose". Well, Mr. Speaker, who's going to decide that? If the government has the right to say no, we're not going to provide you that information because if it's frivolous or vexatious, you don't get it. Or it says:

where the information on record is so trivial in public interest that the cost to provide or to make the record available is not in the public interest;

Any government can say that as well.

Mr. Speaker, is it not a better situation, I would suggest, of dealing with the government on the basis of encouraging within their legislation the maximum opportunity for the provision of material to its citizenry? And is that not the job of all members of the Legislature in communicating that information?

Frankly, I take the other sections of this particular legislation much more seriously. Because I agree with the hon. member, Mr. Kushner, in respect of the concern for the rights to privacy. Unfortunately those sections were slipped in with all this other material, but I think this Legislature should start seriously considering the elements of right to privacy not so much from the point of view of government records, but from the point of view of all the other ways that our privacy is taken away from us in a very complex and a very impersonal society. The privacy, for example, of your telephone; the privacy of who comes to your door; the privacy of who puts junk in your mail; privacy of just enjoying your own environment without all the intrusions that we must face; the lack of privacy in a computer age when people can run out and can get little spiders that they put under your desk to listen what you are saying two and three blocks away; the privacy of electronic techniques that can be attached to your telephones and people know what you are saying, and matters like that. Albeit they may be offences under the Criminal Code, but those things are happening every day in this province. Those are very serious intrusions on privacy and are much more serious than the matters which are contained in this bill of the hon. member.

If we are seriously to put our minds to matters of privacy, it's not so much that the government might have a little file on me that says I've been a good or a bad boy that bothers me, what bothers me is the privacy of myself or my family vis-a-vis other individuals in our community and the way they have rights to come into your lives by electronic and other methods. They're doing it every day. Now if this legislation had matters referring to that, I would be most interested to support the hon. member.

At the present time the legislation, albeit well meaning, albeit we have heard it before, albeit this debate goes on and on and I'm sure we'll hear it again next year, and I'm sure the hon. Member for Edmonton Ottewell and I will get up and probably say the very same things, and you'll do the same. I'd

submit, Mr. Speaker, that I can't take the bill seriously in the context of the Alberta situation, but I would like to see the hon. member put his rather immense research staff and all that money to dealing in terms of individuals' privacy, because there is an area where the money would be well spent, rather than on some of the material we have before us in the proposed Bill 207.

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

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

HON. MEMBERS: Agreed.

DR. HORNER: Mr. Speaker, I move we call it 5:30. I understand the House will be sitting in Committee of Supply this evening.

MR. SPEAKER: Does the Assembly agree with the motion by the hon. Deputy Premier?

HON. MEMBERS: Agreed.

MR. SPEAKER: Does the Assembly agree that when hon. members reconvene at 8 o'clock this evening they will be in Committee of Supply?

HON. MEMBERS: Agreed.

[The House recessed at 5:25 p.m.]

[The Committee of Supply met at 8 p.m.]

head: **GOVERNMENT MOTIONS** (Committee of Supply)

[Dr. McCrimmon in the Chair]

MR. CHAIRMAN: The Committee of Supply will come to order. Is it agreeable to the committee that the hon. Member for St. Albert revert to introduction of visitors?

HON. MEMBERS: Agreed.

head: **INTRODUCTION OF SPECIAL GUESTS** (reversion)

MR. JAMISON: Mr. Chairman, it gives me great pleasure to introduce to you, and to the members of this Assembly, 79 air cadets from the squadron in St. Albert, together with five of their instructors. This cadet squadron has won many awards through the years, and I'm very proud to have them here tonight. I would ask that they now stand and be recognized by the Assembly.

**Department of
Energy and Natural Resources**

MR. CHAIRMAN: Is the chairman of Subcommittee A, which covered this, prepared with a report?

MR. SHABEN: Mr. Chairman, pursuant to instructions contained in Committee of Supply resolution of Monday, March 21, 1977, Subcommittee A of the Committee of Supply has had under consideration the estimates of expenditure for the fiscal year ending March 31, 1978, for the Department of Energy and Natural Resources. Subcommittee A recommends to the Committee of Supply the estimates of \$57,800,137.

MR. CHAIRMAN: You've heard the report of the chairman of Subcommittee A. Is the committee prepared to receive the report?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Mr. Minister, do you have any opening remarks?

MR. GETTY: No.

MR. CHAIRMAN: If it's agreeable to the committee, we'll follow the same pattern of taking total votes, as this has been through subcommittee.

HON. MEMBERS: Agreed.

Vote 1

MR. CLARK: Mr. Chairman, to the minister. I think the minister wouldn't want to be prevented an opportunity of explaining in a bit more detail than he was able to in question period yesterday really at what stage the negotiations are as far as the next increase in oil prices is concerned. I recognize the minister indicated to us yesterday that we're likely looking at a date such as July 1, with the possibility of something on January 1 again. Alberta's negotiating position — I guess that would be a fair term to use — is \$2.

But the comment emanating from that conference which concerned me the most was the comment attributed to the federal minister with regard to this blended price, what I certainly interpreted as somewhat of a backing off by the federal government from their commitment to a world price and, shall I say, developing much more enthusiasm for what's referred to as this blended price.

Mr. Minister, I think it would be of interest to a number of people in the province just to get your assessment of where this thing sits today.

MR. GETTY: Mr. Chairman, I'd like to try to discuss the status of the negotiations without getting into them. I think the hon. Leader of the Opposition realizes it wouldn't be in the interest of Albertans for me to participate in the negotiations publicly.

It is true that the federal minister, and certainly the majority of other energy ministers, feel the blended U.S. price is a significant factor in establishing a Canadian domestic oil price. While the federal government's policy is to move toward international prices, they've never said they'd go right to, but

presumably almost. They are now putting a great deal of emphasis on this U.S. blended price.

I view that with some concern, because should the United States — the U.S. blended price is made up of roughly 50 per cent U.S. imports and 50 per cent U.S. domestic supplies. Therefore they have a price that's somewhat under the world price. I think it's fair to say that in the oil year we're talking about, July 1 of this year to June 30 of next year, that blended price will be about \$12.60. That's an estimate. Therefore there is considerable room for the Canadian domestic price to rise.

Then we have the uncertainty of the Carter energy package that is to come on April 20. We don't know whether that will result in their increasing domestic prices sufficiently to cause an increase in their blended price.

But the reason I don't like the U.S. blended price as a target or lid on the Canadian domestic price is: should the United States follow what would be irresponsible pricing tactics and hold their prices down, as they have in the past, with the resultant lack of supply they've experienced this year, it seems to me it would be silly for Canada to follow those irresponsible pricing tactics. Therefore I don't see any magic in our government accepting the U.S. blended price as a target or lid through which we will not penetrate.

Many provinces say there's no magic in the OPEC price. They say, Alberta, are you saying that you want the OPEC or international price, and if it goes irresponsibly to \$25 you're going to insist that other Canadians pay \$25? We have said, no. But that argument stands also with regard to the United States price. Should it be handled in an irresponsible manner, as I've pointed out, we don't feel it should be any target or lid on Alberta pricing.

One other comment, Mr. Chairman. Their only reason for using the United States price as a potential lid is to make sure energy costs do not make Canadian industry non-competitive. I think it's unrealistic to think it's the responsibility of the Alberta government, by the sale of its resource, to maintain the competitiveness of Canadian industry. Many other factors go into Canadian industry being competitive. Certainly it's not the responsibility of Albertans to carry that on their shoulders.

MR. CLARK: Mr. Chairman, we didn't explore this in subcommittee so perhaps I'll hit two or three areas we didn't get to.

Earlier during question period, the minister gave us some response with regard to the variety of drilling incentive programs. What is the government's thinking in that area now? I know the reluctance the minister expressed in question period to putting on any target dates as to when he'd be making announcements, so we'll forego that this evening. Where do we sit as far as the variety of incentive programs is concerned? Also what kind of response has the government had to the enhanced recovery regulations, or changes to encourage enhanced recovery, which have now been in effect I guess at least half a year? Where do we sit, as far as some ballpark figures are concerned, from a recovery point of view? If I recall, last year we were looking at about a 37 to 40 per cent average across the province. With the heavy oils and so on, I recognize that becomes very delicate. But where do we sit with regard to the

enhanced recovery scheme, and with regard to the various incentive programs?

MR. GETTY: Mr. Chairman, the incentive programs are currently being reviewed within the Department of Energy and Natural Resources, using the services of the Energy Resources Conservation Board. They are also undergoing a series of consultative meetings with the various industry associations: the geophysical association and the Canadian association of drilling contractors, the independent petroleum association and the Canadian petroleum association; all of whom are expressing their views about the value of and need for the incentive programs and modifications they feel might make them more effective.

I hope we will have our decisions made on the incentive programs before the end of summer. I would hope we could announce whether they will continue, discontinue, be phased out, or modified before the end of summer, because it's starting about then that industry starts to plan its fall and winter drilling season, and I think they require some knowledge as to the programs by then.

As for the enhanced recovery schemes which we have passed, I'm aware that about a dozen companies presently have enhanced recovery schemes under consideration. However, these have to proceed through the Energy Resources Conservation Board and then be recommended to the government. Three have gone through that process, and the government has approved two of them. A third one we are prepared to approve. However, the company is trying to determine whether sufficient returns are in it for them to go ahead with the expenditure.

In terms of the recovery of total reserves in the province, this enhanced recovery scheme is obviously going to have an impact. The two programs we have approved should themselves increase recovery of oil about 150 million barrels. That isn't going to make a big impact on our figure the hon. Leader of the Opposition mentioned. We recover now about 35 to 40 per cent of the oil we find and leave roughly 65 per cent in the ground. We're going to have to spend a great deal more attention on that reserve we leave in the ground. As was also alluded to, in the heavy oil area we leave about 92 per cent in the ground. That is, of course, just a tragedy of the economics and the reservoir characteristics of heavy oil. We're certainly going to do everything possible to try to improve recovery in the heavy oil field. A great deal of interest is now switching to heavy oil, and I think we're going to see proposed some pretty innovative schemes which will allow us to recover a great deal more of that oil.

MR. CLARK: Mr. Minister, when we were in subcommittee doing your estimates, I came away with the very distinct impression that when we were talking in terms of the various incentive programs that as minister you were leaning quite heavily in the direction of — perhaps in the incentive changes which will come up late this summer — favoring more incentives in the area of encouraging oil exploration. I left the subcommittee meeting with the feeling that if there were to be changes and pulling back as far as incentives were concerned, it would likely be in the area of incentives for gas exploration. Is that a fair assessment as to where the thing sits?

Perhaps I could pose one more question while I'm on my feet, Mr. Chairman, if you'd allow me? Mr. Minister, with regard to your comments of 150 million barrels of oil as a result of the two enhanced recovery schemes, do you happen to have a ballpark figure as to the cost of the change in regulations? Really I'm looking at some sort of balance. To get the 150 million barrels, what kind of trade-off did we make with the company? Candidly, I think any move in this direction is a plus, but it would be interesting to get some feel for the balance.

MR. GETTY: Mr. Chairman, the Leader of the Opposition is correct in that the incentives, if we are able to adjust them, should be adjusted in the area of improving the incentive for oil. It's obvious there are sufficient incentives now in the area of natural gas — as a matter of fact so much so that in a way they are slightly counterproductive, and we are having a problem with a surplus of natural gas. I think that factor may in itself correct the incentives system. In other words, people who are now investing their money in natural gas exploration and development, finding they can't immediately sell those reserves, will in fact deflect their interest to oil. In that regard there may be some correcting of the system all by itself. But if we do change the incentive system I think it should be changed to create greater incentives for exploration and development of oil — not take anything away from gas, but bring the incentives for oil up.

The Leader of the Opposition mentioned the cost of enhanced recovery schemes. One of the guidelines we're using is that we must first obtain more oil, and we must, at least in our best judgment, also obtain more royalty over the life of the enhanced recovery scheme so there is no cost over the life of the scheme. It may be that in the early years, while the main investments are being made in the enhanced recovery project, there will be a reduced royalty. But because we are getting more oil, we are using as one target that over the life of the scheme we will also get more royalty.

Agreed to:

Vote 1 Total Program	\$8,212,283
Vote 2 Total Program	\$4,393,341
Vote 3 Total Program	\$6,799,412
Vote 4 Total Program	\$29,531,901

Vote 5

MR. CLARK: Mr. Chairman, I think the associate minister would feel I was neglecting my responsibilities if I didn't make a few comments with regard to this area. If my memory is accurate, as we concluded the estimates last year on the Department of Energy and Natural Resources I indicated to the minister, in fairly straightforward but I think gentler terms than I should have used, that I thought he should shape up as far as the area of public lands and the forestry side of his department's operation are concerned. I don't propose to say the same thing to the associate minister. But I would hope, Mr. Minister, that a year from now we will be able to see a number of projects you have alluded to, both in question period and in the course of your estimates in subcommittee, finalized in terms of the uncertainty now as far as grazing leases

are concerned and the possibility of making some major changes there. I recognize there has to be some uncertainty while you're going through this reassessment. But I think there is need for a very definitive policy from the minister before long indicating just what people using grazing leases in this province can expect.

Secondly, and I would say equally important, would be the question of zoning in the eastern slopes. This has been going on for four or five years with the ECA, with hearings on the hearings almost. I would have to say, Mr. Minister, that I would be extremely disappointed if, by the fall session this year, some very definitive action hadn't been taken by the government as far as this whole zoning and future use of the eastern slopes are concerned.

The minister knows I very strongly favor the idea of zoning on a multi-use basis as far as the eastern slopes are concerned. I'm extremely concerned that pressure is being applied to the government, in my own constituency and I'm sure in other constituencies, for developments to go ahead in the green area prior to zoning being finalized. I think it would be extremely unfortunate and regrettable if that were to happen, and I spoke to the minister about the particular situation I am concerned about.

So I'm simply saying to the minister that come the fall session we expect to have the eastern slopes zoning matter well in hand. I would hope to have this question on grazing leases and this uncertainty that now exists dealt with at the same time, but at the very latest next spring.

I would welcome any comment by the minister in those areas. If he thinks I'm giving him too much time, I would be pleased to shorten the time considerably.

MR. SCHMIDT: Mr. Chairman, in reply to the Leader of the Opposition: I will be ready for you by the fall session — on all three counts, I hope.

MR. CLARK: I wonder if the associate minister would be prepared to pass that kind of feeling on to a number of his colleagues. It would be a great move as far as we're concerned.

Agreed to:

Vote 5 Total Program \$6,193,400

Vote 6

MR. CLARK: Mr. Chairman, I wonder if we could have a report from the member of the Legislature who sits on the Syncrude board. In fairness to the Provincial Treasurer, last year Mr. Chambers responded rather well to a number of questions put to him with regard to Syncrude. So perhaps we could start by assessing this amount of \$9,600, by hearing a progress report as far as Syncrude is concerned in the last year.

MR. GETTY: Mr. Chairman, I would like to say that the hon. Member for Edmonton Calder was available in subcommittee, and is available and willing to participate right now.

MR. CHAMBERS: Mr. Chairman, I wonder if I might ask the hon. leader if he'd like me to dwell on any specific area.

MR. CLARK: I'd be interested in three areas: one, how are we doing as far as the overall cost of the project is concerned; secondly, what about preparation in acquiring people, both inside and outside Alberta; thirdly, what kind of planning is going on with Syncrude for an addition to the plant being built now — where do we go as far as a third plant is concerned?

MR. CHAMBERS: Mr. Chairman, the project is pretty well on schedule. About April 1 we passed the two-thirds mark, about 66 per cent complete, and it's very close to being on schedule in terms of cost. I could give you some numbers actually. Our current forecast is \$2.1708 billion. If you compare that to the December, 1974, estimate — which of course is over two years ago — we had \$2.048 billion at that time. I think that works out to something slightly less than a 6 per cent increase over the entire period of more than two years. If you compare that to Moomba Pipeline in Australia, the Montreal Olympics, or James Bay — quite frankly I don't know of any other major project anywhere in the world that's been built over the last few years during this era of escalating costs that's come anything close to approaching the Syncrude project in staying on track in terms of cost.

MR. CLARK: We can go back to the first cost.

MR. CHAMBERS: The first cost of course on any very highly technical project is an initial look at it. Then there is a detailed engineering feasibility study in which you generate a cost estimate. Particularly when you're dealing with new technology, of course, it takes a fairly detailed estimate to come anywhere close to cost.

But again I repeat that compared with our engineering cost estimate of December, 1974, we're within 6 per cent. It's two-thirds complete in terms of construction. It's essentially a hundred per cent complete in engineering, so the major components are now on the site.

We have a good labor situation. I think a lot of credit should be given to the management of Syncrude. In my view they're doing an excellent job. I think the people who are working on that job — primarily Albertans and Canadians — are doing one heck of a good job. The productivity is high, and that's a contributing factor to the success of the project in keeping it on track.

If you'd like the manpower numbers as of the end of February, the last that I have — they'd be up slightly from that now — the grand total was 9,926. That included Bechtel and Syncrude people. The people working under Bechtel's supervision, including the subcontractors, third party engineering services, trade, and so forth totalled 8,550. Of those, 96 per cent of the people working on that job through Bechtel were Canadian — 80 per cent from Alberta and 16 per cent from the rest of Canada; only 4 per cent from outside Canada. I don't think that figure should be overlooked. I think that has far exceeded what we had originally hoped to achieve.

I might add that we had expected we'd be required to import from outside Canada — particularly in the

area of pipefitters, iron workers, pipefitter welders — upwards of a thousand or more people, perhaps as high as two thousand if you took all the trades. That didn't materialize. We haven't really had to do that, and it doesn't look like we will. Primarily I suppose because of the slowing down of the economy in the rest of Canada, these skilled craftsmen have in the last few months become available for this project.

At the end of February the Syncrude staff was 1,376; as of April 1 it was 1,480. I could be wrong on that — I'm quoting from memory. Anyway the relative percentages would be comparable. Ninety-seven per cent of Syncrude employees are Canadian, 3 per cent from outside. Of those, 72 per cent are from Alberta and 25 per cent from the rest of Canada.

I might add that an estimated 650 native people are on the construction project working through Bechtel. The last count I saw, 44 native people were on staff at Syncrude. About 100 letters of intent have been given to native people who take the required academic upgrading. Eleven of those people are now taking such upgrading in various Alberta vocational colleges. Another six native girls, I believe, are working in the office. I think you can consider our success ratio there is pretty doggone good. I don't think any other project in North America has ever done as well. The native people are making a significant contribution to this project. They are doing a really good job.

As for equipment, materials, and supplies commitments, the total as of the end of February was roughly \$1.5 billion. The content was 58 per cent from Alberta, 21 per cent from other [parts of] Canada, and 21 per cent from outside Canada: so 79 per cent Canadian content on materials. Again I think in all areas one could fairly say we have exceeded any reasonable goals anticipated by most people.

I am confident this project is going to turn out to be one of the great success stories in Canadian history, that it will make a profit for the people of Alberta in terms of their investment, provide a much needed source of oil for Canada and in addition, of course, pioneer a number of new technologies.

With regard to expansion, Syncrude people have had a preliminary — I underline that — a very preliminary look at expansion. The first look didn't show great economics. However, that initial look was based on a two mine system, opening another mine feeding the same plant. Obviously we selected the mine with the most favorable pay qualities and overburden ratio qualities. The second mine wouldn't be as favorable in that regard. There are other ways to approach it. Present value approaches, perhaps in terms of enlarging the additional mine initially, then bringing on the second and third mines later — we really just had an initial feasibility study of that.

In the future, as we get more time, a better look at it, and a better look at future crude price estimates, I'm hopeful we'll be able to see it will be economic to expand. I think all the participants are hopeful we will be able to achieve expansion.

Of course, initially the key emphasis is going to be on de-bottlenecking. Obviously the most economic crude we can get is going to be through optimizing the capacity of the equipment, getting that equipment de-bottlenecked and, in effect, getting the most production possible from the existing facility.

MR. TAYLOR: Mr. Chairman, I very much appreciated the information given by the hon. member. There are one or two questions I would like either the minister or the MLA to deal with.

When Syncrude was being organized, there was some thought that putting government people with oil company people would create a constant conflict, and that it be next to impossible to get a homogeneous group that was working for the common interest. I've always had difficulty following this argument, but it is still used in some parts of our province. I would like to have the comments of the minister or the MLA on whether this group of government and oil company officials, of representatives of the owners as well as the investors, is now working as a homogeneous group for the common interest, without conflict. I would be interested in the comments being made.

Secondly, in connection with Syncrude, I'm wondering if we could also have some information on just how closely we are following the technology used by Great Canadian Oil Sands in separating the sand from the oil. While visiting Great Canadian Oil Sands at one time, one of the engineers gave me a lot of information on the difficulties they ran into and how they had to spend a great deal of money overcoming them. At that time he led me to believe that all this information was being given to Syncrude on some type of exchange pattern so we wouldn't have to learn a second time from mistakes made by Great Canadian Oil Sands. Perhaps they weren't mistakes; perhaps they were simply things that had to be researched and found out.

I'll stop there at this time. I would like to have some comments on those two items.

MR. GETTY: Mr. Chairman, in terms of working together, I think it's been an excellent example of the ability of government to work with the private sector. I think it may be a result of exceptional personalities as well. Without wanting to embarrass the hon. Member for Edmonton Calder, I think he has done an outstanding job representing the government on the board of directors and management committee. Members of the Syncrude equity section of the Department of Energy and Natural Resources have also worked extremely well with the other Syncrude participants.

In terms of the technology, I'm not completely familiar with whether Syncrude will be able to use the same technology as Great Canadian Oil Sands. I do know they were negotiating for a technology package which would give them some of the answers Great Canadian Oil Sands discovered just by being the first people to do things. I'm not sure whether they have broken off those negotiations or completed them. It may be the hon. Member for Edmonton Calder will have additional information in that regard. There's no question they are going to benefit because Great Canadian Oil Sands went first. However, I'm not sure about this actual purchase of information. Perhaps Mr. Chambers may want to add to that.

MR. CHAMBERS: Not too much, Mr. Chairman. Certainly I think the Great Canadian project deserves a lot of credit for pioneering a lot of technology. The trade-off agreement we had, which the hon. Member for Drumheller referred to, was beneficial particularly in terms of — obviously when you have a new project

such as Great Canadian, you do things the first time which you would do differently if you could do them a second time. Syncrude learned things that obviously shouldn't be done, having the benefit of that experience. For example, the basic Clark hot water process of course is used in the bitumen extraction. Things like centrifuges — probably it's possible with current technology to have a better centrifuge. They use a batch coking process as compared to Syncrude using a flexicoking process, which is a more recently developed innovation. With newer technology — it's 10 years since the Great Canadian plant was completed — we would hope we're going to gain a lot of benefit from newer equipment, newer technology, and economics of scale.

MR. TAYLOR: Mr. Chairman, just one further question in regard to the concept of working together. On the board of directors we have representatives of a consuming province and of the producing province. I have been questioned from the platform on how Ontario and Alberta can be in conflict in a number of items, such as at the first ministers' conference, and be working together on a project that's going to mean so much to both provinces. I don't know whether or not my answer has been correct. I've always suggested that the board of directors of Syncrude would have as a primary object to produce the greatest amount of oil at the lowest possible price, whether it was a producer, an owner, or a consumer. I'm just wondering if either the hon. minister or the hon. member could indicate whether there has been any particular difficulty [in] having a consumer and a producer on the same board.

MR. CHAMBERS: Mr. Chairman, I would like to take this opportunity to say that I really appreciate the relationships we have on that board, with the three private participants, the two other government participants, and us from Alberta. As the hon. Member for Drumheller says, the goal is to make money, to produce synthetic oil from the Syncrude project at the lowest possible cost. The relationships are excellent. Of course we have a commitment for world price for Syncrude oil. I just couldn't have asked for a better relationship situation than we have on that board. That includes everyone: the three government participants and the three private participants.

MR. CLARK: Mr. Chairman, I would not want to change the congenial atmosphere we have here this evening, but I've been waiting since this session started to hear some explanation from the Member for Edmonton Calder, who sits on the board, with regard to the pipeline fiasco. The day we moved the motion in the House I rather expected the Member for Edmonton Calder would be the logical one to comment as far as the government is concerned.

That not being done, I have no choice but to pursue the matter this evening and say to the hon. member who sits on the board of Syncrude, would the hon. member explain to the members of the Assembly the circumstances surrounding this affair? On one hand, after the selective tenders had been called all of a sudden we find out there can be some labor problems. So to get around the labor problems — at least this is the story that has emanated from Syncrude and the Alberta Energy Company, and the govern-

ment I guess — we wouldn't give the contract to the lowest tender despite the fact it was on a selective tender. I assume the very competent, capable, and so on, board of management of Syncrude was aware these labor negotiations were up in the air. I'm at a complete loss to understand just how this happened; why Syncrude would have asked a non-union firm to bid on the line if in fact the real reason for making the decision was because of the non-union people working on the line. I await with a great deal of interest the comments from the member.

MR. CHAMBERS: Mr. Chairman, first of all, the word "fiasco" is coined by the hon. Leader of the Opposition. I certainly don't subscribe to it.

I can answer the question very simply and quickly. I think it was a management decision. Syncrude recommended to the management committee that we go with the union bidder in the interests of labor stability on the site. I think 15 site agreements were involved, and under the permissive legislation it was possible to obtain, if they could, site agreements for the duration of the project. Since 1974 Syncrude has gone about the business since 1974 of doing that.

At the time this came to surface, if you like, 14 of the 15 site agreements had been signed. The Operating Engineers had not signed the site agreement, and they of course could have walked off legally at the end of March. I'd emphasize that: they could have legally done it. The recommendation of Syncrude management to the management committee of the participants was that in the interest of labor stability and good economic sense, the participants should accept their recommendation and allow them to go with the union bidder. That was done. The Syncrude management committee decided to accept the recommendation of Syncrude, and the bid was awarded to the union contractors.

Contrary to the hon. leader, I might add that the pipeline job went very well. I may be wrong in this, and I hope he'll correct me if I'm not right. I thought I heard him say somewhat earlier in the session that prices had escalated much beyond the estimates. Of course this isn't correct. The difference between the union bid and the non-union bid was something less than \$2 million.

The line is completed now. It is backfilled, graded, hydro-tested, and is ready for the delivery of gas. The job went very smoothly. Because of the extra mild winter and the soft muskeg, Syncrude management felt it was necessary to go to a two-spread attack on the construction, if you like, rather than a single spread which would have been possible had we had a normal Alberta winter. Because of the extra spread there was additional cost, if I can recall, of some \$800,000. That would have pertained regardless of who had the bid. So it really came in on target.

MR. CLARK: Mr. Chairman, just following up on the comments by the hon. member. I'd like the hon. member to explain, at least to me and perhaps to the other members who are interested, why the Syncrude management people chose to ask a non-union contractor to bid on this particular project. Certainly the board of management of Syncrude would have known that the Operating Engineers could pull off the job in a legal strike. Certainly the people at Syncrude who

are responsible knew that when they went the route of selective tenders.

MR. CHAMBERS: Mr. Chairman, you know I said, and I'll repeat, in December the time and circumstances were such that Syncrude came to the participants and recommended in the interests of labor stability, in light of the fact there was the one unsigned union, the Operating Engineers, that the prudent economic thing to do would be to award the contract to a union contractor.

You know, the hon. Member for Drumheller mentioned earlier making money and economics. I see my job as one of the participants to ensure that the project comes in as close to being on schedule as possible in terms of both cost and time. Time is money you know. The cost of a strike on that job is estimated to be in excess of \$1 million a day, perhaps approaching \$1.75 million a day. It doesn't take too much complicated arithmetic to figure out how many days it would take to have a disastrous effect on the economics of that project. As one of the participants I felt, as we all did in consensus, that it is our duty to bring that project in as close to target as possible. Therefore the management committee of Syncrude decided to accept the recommendation of the Syncrude company to go with the union contract.

MR. CLARK: Mr. Chairman, the hon. member still didn't address himself to the basic question. Certainly Syncrude's management recognized there was no agreement with the non-operating engineers when Syncrude called the tenders. Hopefully they were just as concerned at that time, as they were later on, about the cost of getting the project done on time. The question I'm posing to the minister is: what happened between the date the invitations to tender went out to the five or six companies and the middle of December, when all of a sudden Syncrude decided the lowest tender wasn't the one they wanted to accept because it was non-union? What led all of a sudden to the development of this concern? Are we to believe that two months before the tenders were initially called — when Syncrude went to the various companies, in this particular case to Hensuset, and said, look, we want you to bid on this project — Syncrude didn't know they were non-union? Well then, what happened from that date until the middle of December, when the decision was made to go other than the lowest tender?

MR. CHAMBERS: You know, one could run around in circles a lot on this sort of subject. But my interest is in seeing the job done on schedule. I don't believe in spending a lot of time going back over what happened here and what happened there. As participants we encountered a situation in December that required action, required a decision. We looked at it that particular day. Looking ahead there is a lot of work to be done on that project, let alone spending months running around in circles looking back. We looked at the situation as it came to us that particular day. We looked at the events as they were, and we made the decision to accept the recommendation of Syncrude. [interjections]

Well I've just gone over some economic factors. The cost of a strike is something greater than \$1 million a day, possibly as high as \$1.75 million a day

if you add up delayed production, interest, and all these costs. If you look at the difference between the union contract price and the non-union as being something under \$2 million, simple arithmetic shows it doesn't take too long to chew up that differential. The Operating Engineers had every legal right to walk out at the end of March if they saw fit or so desired. That is when their contract expired. So taking those factors into account, the management committee decided to accept Syncrude's recommendation to go with the union bid, and that's the way it was.

MR. CLARK: Mr. Chairman, I can appreciate how the hon. member would just as soon not look behind and look ahead. If I were in his position I would just as soon look ahead on this particular matter too. [interjections] Oh, control yourselves.

But the fact is, from what the hon. member is telling us, some time in the second week in December, Syncrude decided that rather than accept the lowest tender, they — for lack of a better term — caved in saying there is a possibility of a strike, and in light of the possibility of a strike we're prepared to say, look, if you'll sign an agreement we're prepared to accept other than the lowest tender — which, on both the Syncrude and the Alberta Energy Company pipelines collectively, would have been \$5 million. My question to the hon. member is: is this what happened?

He said we have to look at the economic facts. The major economic fact he has raised is that a strike could cost \$1.5 million a day. I simply say that what happened on the Syncrude site now becomes the precedent for where we go from here. It's great for the hon. Member for Whitecourt to say, what would you have done? Frankly I would have made myself aware of the union problems before we called the tender.

Secondly, the hon. Member for Whitecourt should perhaps spend some time explaining to his own constituents what he would have done. But the fact is ...

MR. TRYNCHY: Mr. Chairman, on a point of order. I never said anything of that kind. A member behind me said it. If he doesn't listen, I can see where he's got some problems.

MR. CLARK: We're pleased the hon. Member for Whitecourt is at least back in the House.

But to get back to the hon. Member for Edmonton Calder. My information is that in the second week of December, Syncrude actually had discussions about signing a contract and told the people who had the lowest tender, let's get prepared to get on with the job. When was it that everyone woke up to this threat of a strike? I fail to understand how the thing happened, why you would have asked them to bid. Did the Operating Engineers serve notice to Syncrude that they would go on strike March 1 unless the union firm got the job?

MR. CHAMBERS: Well I guess I'll go over it again, Mr. Chairman.

AN HON. MEMBER: We have lots of time.

MR. CHAMBERS: Yes, we have lots of time.

In light of events at that particular time, Syncrude made an assessment. You know, the Operating Engineers had every legal right to walk out at the end of March. There's no reason to think they would not have, if they saw fit. They were perfectly within their legal rights to do so. We now have signed site agreements from the Operating Engineers. We now have site agreements with all 15 trades. As I mentioned earlier, essentially we have all the major components for the job purchased and on the site. So barring some kind of unusual mishap, we don't really expect any great surprises.

In a project over \$2 billion, that's so vital to the people of Alberta and Canada — well, I'm surprised at the economic analysis the Leader of the Opposition is doing right now. I'm surprised he would have taken a different decision, although I guess everybody is entitled to an opinion as to the type of decision that should be made in regard to anything. But Syncrude recommended to the management committee that in the interest of labor stability, to ensure there would be essentially no more surprises, to bring that project on target and on cost. I repeat, if you compare it with any other project in Canada, the U.S., or the world, I think it's a milestone that in this day and age we could bring in a project like that close to target.

Don't forget, we expect to make a decent profit for the people of Alberta, and produce a vital source of oil, up to 130,000 barrels a day and perhaps higher — up to 200,000 barrels a day, if expansion becomes warranted and is carried out. Oil vital to the Canadian nation. I really think the Leader of the Opposition should apply some economics to it — I'd loan him a calculator; I think I have one in my pocket.

Mr. Chairman, I would just conclude by saying again that we had a recommendation, the management committee accepted it, and that's it. Perhaps I'm not communicating properly, and maybe the Minister of Energy would like to supplement my remarks, but I think that's about as clear as I can possibly make it.

MR. GETTY: Mr. Chairman, I gather the hon. Leader of the Opposition wants to go slightly farther back to a time before the decision the hon. Member for Edmonton Calder is talking about, and to contemplate how they got into the position of having to make the tough decision. The simple answer is that both groups, Syncrude management and the Operating Engineers, were negotiating since 1974 over signing this fifteenth site agreement. The Syncrude management, assuming they were going to be able to sign it over some period of time, went about calling tenders for a pipeline in their normal manner. At that point, the Operating Engineers, seeing that both union and non-union contractors were being requested to bid, seized upon that opportunity to say, we will sign this site agreement if a union contractor gets the contract. At that point they said, that is something we now want to bring into our negotiations on the contract on the site agreement. Syncrude was now faced with the tough decision, the one the hon. Member for Edmonton Calder is talking about: we either take a slightly higher bid, not liking it — we don't like anything about it, but they still had to make an economic decision at that point — or starting on April 1 face the possibility of a legal walkout with

a potential cost of \$1.5 million, and I guess that's anyone's estimate. At that point they made the tough decision. They decided to take the site agreement and pay slightly more money — I should hardly say slightly more, it's millions of dollars. But they were now in the situation and had to make a decision. That's the one they made. It is true they now have the contract.

I understand the remainder of the Alberta Energy Company contract is also being let for tenders. Both union and non-union contractors have been invited to bid, and they have the president of the Alberta Energy Company's statement that, all other things being equal, the lowest bidder is going to get it. I understand Henuet Bros. are pretty pleased about that turn of events. That is the series of events that led to the tough decision.

MR. CLARK: Mr. Chairman, may I say to the minister, thanks for the explanation. But two basic questions still have to be answered. One is: did the Operating Engineers lay it on the line with Syncrude management or the Syncrude board and say, look, we pull off the job April 1 if you don't accept the union contract?

MR. GETTY: The answer is yes.

MR. CLARK: Then a second question to either the minister or the Member for Edmonton Calder: did Syncrude direct the Alberta Energy Company to accept what would have been not the lowest tender but the union contract?

MR. GETTY: The answer is yes.

MR. CLARK: Mr. Chairman, then to either one of the gentlemen: I think we all have to recognize that had government not been involved in this project, the implications as far as future projects for the province are concerned wouldn't be as great as they are. For the first time I think the comments by the Minister of Energy tonight have shed some light on the type of soul searching that had to have gone on.

But I simply want to take the opportunity to say that I think all of us in this Assembly must recognize the future implications of that decision. I question whether very many members on either side of the House like very well the decision that was made. We can argue whether I use my calculator and my \$5 million that I talk about, or the hon. Member for Edmonton Calder uses his calculator and comes up with a somewhat different figure. The fact is the precedent has now been established and down the road we, I think regretfully, will look back on this particular decision with some pretty serious second thoughts.

That's behind us now, but frankly I am disappointed that Syncrude found itself in that kind of position. I think all of us as taxpayers are going to end up paying the cost for it, because the Alberta Energy Company has a rate of return on the pipeline. So either we'll get smaller royalties or the profit sharing agreement we have with Syncrude will not work out to that amount. That additional \$5 million the hon. member says — I suspect it will be more than that, but for this occasion we won't argue — has to come from some place. There is no Santa Claus, despite the fact all this happened around Christmas. That additional

money is going to have to come from some place, and it's going to come from the taxpayers in one form or another.

MR. GETTY: Mr. Chairman, I don't want to debate the issue any further with the hon. Leader of the Opposition, except to say one thing: there are implications of the decision, but I don't agree with him at all that it was a matter that was further implicated because the government happened to have 10 per cent interest in Syncrude. I don't see that as a factor at all in causing greater or smaller implications. There are implications from what happened, but it doesn't have anything to do with whether or not the government had 10 per cent interest in Syncrude.

MR. CLARK: Mr. Chairman, just responding to the minister's comments, I don't agree, because in this case the government is responsible for the labor laws in the province. When you're responsible for the labor laws and you've got the interest of what it is going to cost for a shutdown for one day or one week, when you've got that kind of investment in it, it's the old question again of the public interest and the government's corporate interest. I make the point that I've made in this House several times: they're not always the same. In this case, we've seen where the group responsible for the legislation and law of the province also had a very major economic interest. That's \$1.5 million a day because that's one of the justifying arguments the Member for Edmonton Calder has used in Syncrude making the decision it did. My point is that the government, in this case, had two hats on. I think that's part of the long-term implications.

MR. R. SPEAKER: I want to ask a question with regard to the precedent, but in making a comment I think at the present time we are facing a situation that is created in this new atmosphere in Alberta where a government and private business partnership has been created. Syncrude, through the Alberta Energy Company, was one of the first areas of significance where that has happened in this province. We can go on to other examples. We have a sort of new environment in a new partnership.

The question I want to ask that relates to the topic of the precedent is: during the time the decision had to be made and there was this ultimatum sort of given by the Operating Engineers, was there any question or discussion between you, Mr. Minister, the Minister of Labour, or within cabinet — I'm not sure whether you can disclose that kind of information — or consideration given to bringing in some type of legislation to prevent this sort of power play of the Operating Engineers?

MR. GETTY: Mr. Chairman, I don't comment on what cabinet discusses, but I know the Minister of Labour was always making sure the laws of the province were being adhered to.

Just coming back one more time to the Leader of the Opposition. Again I say to him: the decision wasn't influenced by the 10 per cent interest the government has in Syncrude because it would have cost in the royalty operation in any event because of the way the royalty is set up. Companies in our province make decisions every day — million-dollar

decisions — that cost the people of Alberta money one way or another, because normally the people end up paying for a product at the consumer level. This was one of those cases. The fact there was that 10 per cent really wasn't part of the decision. The decision was made completely separate from the fact that the government's 10 per cent might cost a little more. It never even got into the decision. What it was was whether the Syncrude project as such was going to have to make a judgment decision.

MR. KIDD: I find the discussion interesting. I think somewhere along the line the hon. Leader of the Opposition is missing the point. The point simply is this: this government made a very wise decision. They said ownership is distinct from management. Now, simply because one aspect of management has been brought to the fore, they're zeroing in on that. But my gosh, what we've heard very clearly expressed by the hon. Member for Edmonton Calder is that we have on target the largest open-pit mine in the world. It slightly exceeds the next one, a copper mine project in Chile. If we disputed in this Legislature all the decisions — and this is a small one. If we disputed every decision that has gone toward being on target — and being on target is a tremendous achievement. If we disputed every small — \$5 million isn't small, but in the total context of \$2.4 billion it's small — if you disputed every one that's made that thing go on target, we would have fouled it up.

Now I'm going to come to a point here. I think what we've said here tonight has been discussed clearly and, in my view, expressed very well. The government's position has been supported very clearly by the hon. Minister of Energy and Natural Resources and the Member for Edmonton Calder. Let's come to something important. This is a really important thing. I'm surprised the hon. Leader of the Opposition didn't bring up something of real importance. That's simply this: a very tough decision — and I'd like to have the hon. Minister of Energy and Natural Resources comment on this. Here we are with this gigantic project going ahead with the technology we have now — and we're contributing in Alberta so much toward these things for all of Canada — and great pressure is coming on us to start a third project. If you start a third project now, you start with the technology you have now without any experience of the Syncrude project. That's the real question. The most important question we have in Alberta now in the tar sands is simply that; a very tough, tough one. If all things were equal, we'd let Syncrude go ahead for 10 years, get all the bugs out of it and let something we're doing in AOSTRA — and I have to say this: we're putting \$100 million into that and if all the rest of Canada put in their share they'd put in \$1 billion. What are they doing? Nothing near that.

If we did things the way they should be done, we'd let the thing go ahead for 10 years, find all the bugs in this gigantic project, then go ahead from there. Let us find great breakthroughs. The great breakthroughs that can come, and we're working on them, are not to move that doggone tar sand down and fill it full of water in the hot water process, then have to have a 9 square mile pond to get rid of all the water. We'd like to do things like refine it right at the face, have bitumen moved from the mining face to be refined, and have dry sand to move away.

What I'm really saying is that the hon. Leader of the Opposition has missed the point of what we're doing. The big point is this terrible decision we have to make. Should we now start a third one with the old technology? Starting now we have to use it because we have no experience.

Thank you very much, sir.

MR. CLARK: Mr. Chairman, I always enjoy comments by my neighbour to the south, although I may not often agree with him. But I appreciate the sentiment he expressed. I just want to make the point one last time.

It's pretty obvious there's a difference of opinion between the government and us on this question of being able to separate ownership and management. The government would give the impression, and I think has on a number of occasions, that you can separate being a part owner of the project from having any influence as far as management is concerned. We don't subscribe to that point of view. It's a matter we've raised in the House several times, and that the Minister of Energy and I have disagreed upon more than once in question period, when it comes to the Alberta Energy Company. I think it's an honest differing point of view, if you want to be very, very candid about it. For that reason I think the point has to continue to be made: the further we go the way we're going, the more difficult this government or any government that follows it is going to find making decisions that are in the best interests of the public, on one hand and, on the other, in the best interests of their investments, be it Syncrude or the Alberta Energy Company.

This government has experienced the first of those very difficult decisions this year. It's all well and good to say the Leader of the Opposition and my colleague are off the track, and we needn't debate that tonight. But the fact is, members on both sides of the House know a lot of people were concerned about this question before we raised it in the House. I venture to say that not a single member in the House hasn't had the matter raised with him more than once. I see a couple of members at the back shaking their heads as if it never was raised with them. I was very confident that over the last several months, some representation was made to two of the more distinguished members from Calgary, one from what is referred to as the richest constituency in Calgary, or the province.

Anyway, to get back to the matter at hand, I see this government having to face this problem more and more in the future. I'm going to move — I do it with no personal malice as far as the Member for Edmonton Calder is concerned, but to express our dissatisfaction with the way the whole venture was handled — that the hon. member's salary be cut to \$1. As far as we're concerned, that's a means of saying we don't approve of this management/ownership mix. It's clearly the only way we have of showing that kind of dissatisfaction in the estimates. I've raised the matter on numerous occasions previously, and we raise it again on this occasion. So, Mr. Chairman, I move that Vote No. 6 be amended by striking out the figure \$424,100, and that [it] be reduced by an amount of \$9,590.

MR. CHAIRMAN: Could we have a copy of your motion, please.

MR. CLARK: It's right here.

MR. CHAIRMAN: I will read the motion presented by the hon. Leader of the Opposition: That Vote 6 of the Department of Energy and Natural Resources be amended by striking out the figure \$424,100 and by substituting the figure \$414,501.

MR. TAYLOR: Mr. Chairman, I don't want to prolong the debate, but I feel I should make my comments known in regard to the motion and the matter of government being in the management section of Syncrude.

After listening to both sides, the question that comes to mind is: would there have been a difference if government were not involved? I look at the labor laws. I can't see one thing that would be different. It wouldn't have been executed differently in any way, so I can't see how that has any effect. The labor laws were lived up to. People have a right to form a union or not form a union, and this wouldn't have been different in any way.

I look at the precedent idea, and again I can't see how the decision could have been different. Many times over the years in this province, industry has let contracts to other than the lowest bidder. This is no precedent. Governments have let tenders to other than the lowest bidder. There's no precedent there. I certainly cannot see hard-headed businessmen, who had no connection with government whatsoever, not doing exactly what was done in this case, in the interests of their own pocketbooks.

When I look at the possible and probable results of not having gone the way the board of directors and the energy company went, it looks to me like two days of strike would have cost the people of Alberta more than the difference in the contract. Had the strike gone on for many days, which it likely would have, it could have ended up costing us \$50 or \$200 million. I wonder what the hon. Leader of the Opposition would be saying if we had gotten ourselves into that pickle, and it was a very great possibility.

I happen to represent a constituency that's highly unionized in one end and not unionized at all, or very little, in the middle and the other end. And this matter came up a number of times. But when they were faced with the facts and I asked them point blank, what would you have done if you had to make the decision, the people who before were crying that the unions were running the government reluctantly admitted they would have to have made the same decision that was made in the interests of economics and of their own pocketbooks.

The other thing with the motion that I'm a little amazed at is we've just heard the same member who moved the motion commending the hon. member for the splendid job he is doing. Now he wants to cut his salary to \$1. I can't follow that type of thinking. The hon. Member for Edmonton Calder has been doing an excellent job. He probably has background equal to anybody from industry who is on that committee, and the educational background. Consequently I just couldn't support this motion for one moment.

There is one other thing I'd like to say. The question was asked: who was going to pay? Well, who

would do the paying if we had gotten ourselves into a badly mixed up strike that created hard feelings and cost the people not \$2 million but millions of dollars? The people of Alberta would have done their share of paying that. But I look upon the way this has been handled. A difficult situation has been handled in a most efficient way. When we're talking about who is going to pay, I have to say who is going to benefit? Because of that decision, the people of Alberta and others in Canada will benefit greatly over the years to come.

MR. GHITTER: Mr. Chairman, I'd like to make a few remarks on this. Notwithstanding the fact that the hon. Member for Edmonton Calder doesn't really need the money — that's got little to do with the issue — it seems to me the hon. Leader of the Opposition has missed the whole point in the essence of where the blame really lies.

If he is suggesting that we consider the fact that a representative of a 10 per cent interest has got a say whereby he could even change the point of view of the majority, the Leader of the Opposition is showing a complete ignorance of what majority within corporate decisions is all about. If for one moment he is suggesting that the hon. Member for Edmonton Calder, representing a 10 per cent position on the board of Syncrude, could in any way overrule the majority, if it was their decision that they were going to accept this position, he's showing a complete naivete as to what goes on around board room tables where they are making very important decisions. For him to suggest tonight that we seriously consider that we should look at our representative as being one who, if anything was done wrong — and it's questionable that it was, and the hon. Member for Drumheller has given a very lucid argument as to why they had no choice as to what other decision to make — the blame lies there, he is totally incorrect. As far as I'm concerned it is not a fair shot, it's not a fair remark, and it's not a remark that can really be taken seriously by this Assembly or anyone else, because that is not where the blame lies.

If the hon. Leader of the Opposition gets up and says, maybe we should reassess our labor laws, and maybe we should take a serious look at whether this situation should be allowed to recur in the province of Alberta, and maybe we shouldn't allow this type of thing to occur in a labor/management relationship situation, that's a different story. I think many of us would believe that maybe our labor laws should be looked at, and it has been stated before that that is the case. But to stand up and suggest the blame lies at that gentleman's feet is totally erroneous, and doesn't deserve a second of support by any member in this Legislature.

MR. R. SPEAKER: Mr. Chairman, in making remarks with regards to that. That was the direct intent of my earlier question with regard to our labor legislation. My concern is with regard to the labor laws in the province, and how they are now affected by this new approach we're using, where we're building a public/private partnership in this province, because of the funds we have and because of the initiatives of government. We're under that particular circumstance.

Now let me relate that concern to the resolution as

such. During the discussion, and even prior to and after this information became public with regard to the fact that the non-union group did not have the contract, at no time between that time and today did the member come to this Assembly, or make a statement indicating he was very concerned about the fact that union people were able to apply this kind of pressure in the situation, nor that he was concerned enough that they were going to review the labor legislation, and that this kind of precedent was not supported by this government. That was never raised in any discussions.

I think reducing the member's salary sort of indicates we're concerned this government really hasn't looked at this situation. Maybe the member happens to be the focal point at the present time because he was directly involved. Maybe the Minister of Labour or the Premier should be the focal point with regard to the situation. We have raised the matter on that basis, and feel we have to take that action at the present time.

[Motion lost]

Agreed to:

Vote 6 Total Program	\$424,100
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Vote 7

MR. TAYLOR: Mr. Chairman, one short question on this item. In the discussion a year ago on this item, I believe the hon. minister mentioned that 21 or more proposals had been advanced and would have to be considered by the cabinet and so on. Have any of these proposals materialized, or have most of them just been held in abeyance?

MR. GETTY: Mr. Chairman, rather than read a status report on the 21 proposals, I'm going to ask the hon. Member for Drumheller a question. On March 16, I sent out the status report which dealt with the handling of the 21 proposals: the status of those accepted, those under active consideration, and those being negotiated. I sent it to all MLAs, but I'm not sure if the hon. Member for Drumheller received it. If there was some confusion that all MLAs meant all government MLAs, I apologize. It wasn't intended to be that way. So I'm going to send over a copy and save my reading or going through it, as it's several pages long.

Agreed to:

Vote 7 Total Program	\$755,700
Vote 8 Total Program	\$1,490,000
Capital Estimates	
Vote 1	\$78,150
Vote 2	\$137,800
Vote 3	\$41,700
Vote 4	\$2,119,775
Vote 5	\$1,244,300
Vote 6	\$3,623,725
Vote 7	\$20,000
Vote 8	\$3,643,725
Department Total	\$57,800,137

MR. GETTY: Mr. Chairman, I move the resolution be reported.

HON. MEMBERS: Agreed.

**Department of
Hospitals and Medical Care**

MR. CHAIRMAN: Does the chairman of Subcommittee A have a report?

MR. SHABEN: Mr. Chairman, Subcommittee A of the Committee of Supply has had under consideration the estimates of expenditure for the fiscal year ending March 31, 1978, for the Department of Hospitals and Medical Care. Subcommittee A recommends to the Committee of Supply the estimates of \$645,553,939.

MR. CHAIRMAN: You've heard the report by the chairman of Subcommittee A. Is the committee prepared to receive the report?

HON. MEMBERS: Agreed.

MR. CHAIRMAN: Mr. Minister, do you have any opening remarks?

MR. R. SPEAKER: I wasn't able to be in the committee with the minister. But rather than go through a lot of nitty-gritty questions, I'd like to ask some questions with regard to a brief I received today from the Lethbridge general and auxiliary hospital board. They make a number of requests with regard to psychiatric services in southern Alberta. Could the minister outline what plans he has in that area and, first of all, his reaction to their request for a 56-bed inpatient unit to be housed in the extension presently in the planning stages?

MR. MINIELY: Mr. Chairman, I wonder if anyone who has questions would ask them. I'll respond after the questions have been asked.

MR. CHAIRMAN: Are there any further questions to the minister?

MR. MINIELY: Mr. Chairman, on the specific the hon. Member for Little Bow raises, I can only say the matter of psychiatric services attached to hospitals is one which my colleague the Minister of Social Services and Community Health, and planners in my portfolio, are examining. We have not made decisions in this area, other than the ones currently constructed. The specific request from Lethbridge will have to be put in the context of broader and longer term decisions relative to the development of psychiatric units and psychiatric services in conjunction with general hospitals. That decision has not yet been made.

MR. R. SPEAKER: In the brief they make the statement that the government is committed to decentralizing all general acute psychiatric care to appropriate community hospitals. Could the minister confirm if that is still the objective of the program in the mental health area?

MR. MINIELY: Mr. Chairman, my study of the matter and my discussions with the Minister of Social Services and Community Health are that historically and generally the philosophy of decentralization, or the

philosophy of the Blair report, was supported by both the government of the day in 1971 and the opposition. The specifics and details in the Blair report are still under assessment. Considerable action has been undertaken by this government since election in 1971 and, actually, implementation of a great deal has been undertaken. We are now in the process of jointly assessing, with the Minister of Social Services and Community Health, where we are in implementing the policy. Ultimately the further construction of psychiatric units will be part of that decision, when it is made.

MR. R. SPEAKER: Mr. Chairman, to the minister. I would be rather interested in what type of targets the minister has for building this type of psychiatric unit. As I read the letter attached to the brief sent to you and to the southern Alberta MLAs, the president of the medical staff, in discussion with his medical staff, indicates they feel the present psychiatric unit in Lethbridge should be closed because of the type of facility and staff they have. There is a lot of pressure on them, and a certain amount of urgency that this new inpatient unit be built in Lethbridge. Is the reply to this type of request at the present time just to hold on and maybe in 10 years we're going to have something, or do you see the possibility of a building like this in a year and a half or two years?

MR. MINIELY: Mr. Chairman, I think the comment of the hon. Member for Little Bow about 10 years is rather facetious. I think more has been done in the last four to five years in the field of mental health by this government than was done in the previous 20 by the former government.

The fact [is] that at some point an assessment of where we are and the longer term direction should be jointly done by the Minister of Social Services and Community Health, who has the primary responsibility for mental health policy generally. The further extension in the general hospital system, if that decision is made, is one I've said, for the third time now, I cannot be more definitive about until we do an assessment and make decisions relative to further development within the general hospital system.

MR. R. SPEAKER: Mr. Chairman, I would like to take exception to the minister's remark, and I do it with substantiation from this brief. Like a number of MLAs, I received the brief today. I don't even know who the author is, outside of the hospital board as such. They very clearly quote the progress made by the Conservative government you just gave so much credit to in your last few statements. They say, "There were to be three stages of development at the Lethbridge Municipal Hospital but the inpatient unit has been stagnating at the phase two stage since 1971". That's from an independent board; non-political, as far as I know. I don't even know who the chairman and the board members are. I certainly know some of them, but we've never discussed the matter. That's their statement, not my statement. So you're contradicting a group of authorities in southern Alberta who just don't agree with you, Mr. Minister. I think you have to come up with better answers than that. You've indicated you have no answers to the brief or no real consideration, no plan, after six years plus some months.

I relate to another question, the nursing home at Taber. You indicated a month and a half ago that you were considering it. Is that still the situation?

MR. MINIELY: Well, Mr. Chairman, I think the hon. Member for Little Bow has expressed his own views. I've indicated the matter he specifically raises is under assessment. When a decision is made, it will be communicated. I've worked very closely with the hon. member who represents the community of Taber, and I think he's working closely with me. We will arrive at a decision with respect to the development of the nursing home at Taber. When we've made that decision, it will be communicated. So [for] both those matters: when the decisions are made and defined, they will be communicated.

MR. R. SPEAKER: Mr. Chairman, to the minister. The people who are working on it — and I have talked to some of the people on the hospital board at Taber — indicate you want more information, more studies, delay. They don't know where they're at. They don't know whether the Lethbridge hospital board is saying, now we've got all the nursing home beds in Lethbridge and Taber isn't in a priority position any more. It's unclear. To be fair to the people, if this whole commission you have under your authority hasn't got some type of progress report or staged-in development in this whole area of inpatient care or nursing home development, I think there's something wrong. The consultants have been working on that for seven years or more. By this time I can't understand why you haven't got some type of committed progress, date, or staged-in affair of some kind.

MR. MINIELY: Mr. Chairman, I'm just going to say once more that the hon. Member for Little Bow knows very well that by its very nature the planning process with respect to any hospital or health care facilities in a local community has to be very thorough and very carefully considered. It takes a considerable amount of time.

With respect to Lethbridge specifically, part of the factor which exists there is the fact that the two hospital authorities in Lethbridge have not been able to come to agreement as to what services should be based at which of those hospitals. Along with the MLAs for Lethbridge, I have met with the two boards and tried to indicate [they should] try to pull together, work together to decide which services each hospital would provide for the citizens of Lethbridge and the surrounding community. Part of the delay has been the failure of the two hospital authorities in Lethbridge to arrive at an agreement on long-term planning.

MR. R. SPEAKER: What does the minister see as the problems with the Taber nursing home? What are the basic reasons for no decision or no directive to them? They've planned and replanned their hospital. What else do you expect in concrete material from that group at Taber at the present time?

MR. MINIELY: Again, Mr. Chairman, with respect to every plan — and I'm sure the hon. Member for Little Bow knows this very well — the degree and extent of program is something that when the province of Alberta is paying 100 per cent of the capital cost and

100 per cent of the program's annual operating cost, it's a matter of trying to arrive, in consultation with the local community, at the extent and degree of programs and services that should be provided, whether it's nursing home services, auxiliary hospital services, or general hospital services.

Alberta is growing and going through a period of rapid expansion. It's not unnatural for a community's expectations of growth to be overstated, to be overly optimistic. So in this process we have to be careful that we build facilities that will meet the needs of the community now and in the future, but that are realistic and not overbuilt, that some place down the road, by making decisions too fast, we've ended up with some overbuilt facilities in this province at a time when the challenge is to control and manage in a very careful way the public dollars that can be devoted to the construction of capital facilities and health care programs. I think that's the province-wide challenge we're in right now.

MR. R. SPEAKER: Mr. Chairman, just as a general comment, is this situation the same in all centres across the province: that basically you're doing planning at this stage, but not really any significant construction? Is that the stage we're in in this development of psychiatric care or extended care?

MR. MINIELY: Mr. Chairman, I am sorry the hon. Member for Little Bow was not in subcommittee. If he had chatted with the Leader of the Opposition he would have found I gave a full report to the subcommittee on the extent of auxiliary hospital, nursing home, and general hospital construction. In spite of that, we have the most active actual construction we've ever had in the province in the hospital/nursing home area, and the greatest number of annual construction dollars being devoted. But the fact it is a great amount means we have to make sure we get value for the dollars put into the construction of facilities — the capital dollars and ultimately the operating dollars.

MR. CLARK: I have a number of very blunt, very direct questions to the minister — not the kind of questions I really like to ask, but I've had enough people raise them with me that I think the place to raise them is right here, and let the minister respond. I'll do them one at a time.

I'd like to know the responsibilities and salary for Mr. Jackson Willis, and his qualifications as a consultant in the minister's office.

MR. MINIELY: What I would do is table the contract for the hon. leader. During the course of the estimates in subcommittee I indicated I would be prepared to table the consulting contracts I have with different individuals advising and working with me and my officials in the development of policy in the portfolio. As far as the resume is concerned, tomorrow I would table the resume of any of the consultants the hon. leader may wish me to.

MR. CLARK: Mr. Chairman, I would move we hold Vote 1 until we've got the information. If the minister is prepared to give us the information tomorrow, it may very well speed up that area. Otherwise a

number of rather serious questions will have to be asked in this area.

[Motion carried]

Vote 2

MR. CLARK: One of the areas we discussed in subcommittee was what has happened to construction costs. At that time I think the minister indicated they had doubled in the last two years. We asked the minister to bring back some explanation as to why the cost has doubled in the last two years.

MR. MINIELY: Mr. Chairman, could the hon. leader repeat the question please?

MR. CLARK: In subcommittee it was revealed that construction costs have doubled in the last two years. I think we talked in terms of going from \$40 to \$80 per square foot, if my figures are accurate. The minister was going to do some checking and come back with some sort of explanation for us, because the only explanation offered in the course of the subcommittee was the general economic situation in Alberta and, secondly, that Alberta had the uniform building standards. I think Ontario was the comparison that [we] didn't have it. I've done some checking with engineers, and they tell me that might account for 5 to 10 per cent. I look forward with a great deal of interest to the explanation the minister has.

MR. MINIELY: Mr. Chairman, I had indicated during the course of examination of estimates in subcommittee that I was comparing the rise in construction costs with other provinces in Canada. That's a study which my officials are gathering on a province-wide basis. It won't be completed for some time yet. When it is completed, I'll be in a position to advise the House of the results of the study.

While I'm on my feet I should indicate to the hon. leader that I can have the resume of consultants which he requested within a matter of two minutes, if there are any other questions he wanted to pursue while the resume is coming down.

MR. CLARK: Mr. Chairman, getting back to the question of hospital construction costs. Are we then to conclude that as far as the minister is concerned, the only explanation for the doubling of capital hospital costs is the economic situation in Alberta and the uniform building regulations?

MR. MINIELY: Mr. Chairman, I haven't said that.

MR. CLARK: You haven't said anything, that's the problem.

MR. MINIELY: I've indicated I am assessing at the present time the degree of impact on hospital construction costs that arises from the generally buoyant economy in Alberta and the high level of construction going on, as well as the factors of improved building standards and regulations for building standards within the province. Basically my hope is to try to define the various factors that have given rise to the substantial increase in hospital construction costs. But until the report is finalized and provided to me,

I'm not in a position to indicate the degree of impact that each factor may have on hospital construction costs.

MR. CLARK: Mr. Chairman, is the minister prepared to substantiate the comment he made during subcommittee that, on an overall average, the per square foot costs have gone from approximately \$40 a square foot to \$80 a square foot?

MR. MINIELY: Yes, that's over some period of time, either two or three years. The current costs are coming in at approximately \$80 or slightly in excess of \$80 on average. I would point out that that is on average. Some are higher, but generally speaking even the smaller or less costly facilities are now coming in at an estimated cost of \$80 or upwards per square foot.

MR. CLARK: Mr. Chairman, I don't want to delay Vote 2, other than to say that one of the concerns we have as far as Vote 1 is concerned is the building up of staff in the minister's office when we have a hospital services commission and the Alberta Health Care Insurance Commission. Perhaps now would be an appropriate time — or as long as the Chair is prepared to give us a fair amount of flexibility when we debate Vote 1, when we have the consultants' contracts before us. My real concern is that with the hospitals in this province and with medicare we have a commission form of government. At the same time we have over 40 per cent increase in the minister's office itself. I don't think we can let that go past without asking some pretty serious questions.

The House has agreed to hold Vote 1 until tomorrow, and we're quite agreeable to do that. But I would just say, Mr. Chairman, that in the course of discussion of Vote 1, we will have to reflect a bit on Vote 2, the Alberta Hospital Services Commission, also the health care commission, because of the type of government there and the build-up of people in the minister's office. In fairness to you, sir, I wanted to raise that at this time.

MR. MINIELY: Mr. Chairman, I have to respond to the hon. leader's comments with respect to Vote 1. I have indicated that the resume of Mr. Willis, the consultant he refers to, will be down from my office in a matter of a minute or two.

I want to make this point with respect to the retention of consultants directly accountable to the minister and working directly with me and with officials in the development of policy. In the Hospitals and Medical Care portfolio, which is approaching \$700 million, I think that if I can obtain talented and quality people to work with me to develop and improve policy directions for this province, I am prepared to defend every consultant provided for in the vote of the minister's office. I would ask that if the hon. leader has any questions about the quality that's been provided to me when the resume comes to him, he should raise those questions. But to stand as the hon. leader [has] and raise questions about an individual — he'd better not leave it as a general question; he'd better be pretty specific. As I say, when the resume is here the hon. leader can check it.

Also, if he wants, he would be more on the issue if he stood as the hon. leader in this House and chal-

lenged any of the policy directions that have developed in Hospitals and Medical Care or any other portfolio in this government, or for that matter the policy directions I will bring before this Legislature in due course. But simply to sit there with two commissions, which he knows were there, which were basically created as a result of Social Credit philosophy, which I've indicated have been under organizational assessment since I've been in the portfolio . . .

MR. CLARK: Like everything else.

MR. MINIELY: . . . and which in due course I will be making organizational proposals on, as I indicated in the estimates subcommittee: I think the hon. leader should be definitive on both counts. If he is not prepared to be definitive on both counts, he should address himself to the issues and forget the innuendoes.

MR. CLARK: Mr. Chairman, very directly to the minister. I indicated when we started Vote 1 that we wanted to ask the minister a number of serious questions with regard to the personnel in his office. The minister promised us he'd have the information to us when we did his estimates some time ago in subcommittee. He didn't get the first of these to us until 10 minutes ago. He expects we're to glance through this particular document we have had been promised for some time and deal tonight with this one plus the two or three that aren't here yet. Now the minister can make all the statements he wants about innuendoes and so on. I can go through this department and say, frankly, I haven't seen any indication of competency at all in the past two years, if we want to get involved in very direct discussion.

We've asked why hospital costs have doubled in two years. The minister can't answer that. We're starting a study on that. In committee the other night I asked about the future of the commission form of government. We got a smart answer from the minister about how that was Social Credit policy; albeit it was. But he has been a member of Executive Council for five years, and the minister for two years. He's been through at least two series of estimates as minister and hasn't done a blessed thing as far as this is concerned, other than add to his own staff and his own office.

We can go on to the question of active care and the kind of progress we've made in those areas. In nursing homes: until this year the city of Edmonton has been woefully neglected in that area. We can move on to a variety of other areas. So let's start getting some answers. If the minister wants to start giving us answers as to the future the government sees for the commission form of government, starting with the Hospital Services Commission . . .

If I were a member of the Hospital Services Commission, it would be a most frustrating situation now. Mr. Chairman, put yourself in the place of the taxpayers of the province. In Vote 2, taxpayers are paying a sizable amount of money for salaries for some of the most able people we've been able to find over a period of several years as far as the Hospital Services Commission administration is concerned. It appears to me we're not making use of their advice now, but we're developing a bureaucracy in the minister's office. If the minister doesn't like that state-

ment, I couldn't care less. I simply say, as far as the minister is concerned, that until we get the documents he indicated he'd get to us in the House, it's going to be impossible to deal with Vote 1.

As far as Vote 2 is concerned, let's start to hear some deadlines and start to hear when we're going to get some decisions on the commission form of government. When are we going to have some answers on the question of doubling of hospital construction costs in two years?

MR. MINIELY: Well, Mr. Chairman, I'll respond. I think there are about two or three points. First, I think that whether or not the hon. Leader of the Opposition wishes to accept it — and if he simply wants to be negative, that's his position — I've indicated two or three times in this Legislature that we would be going through a period of restraint, that the pattern of restraint in government expenditure would have to be successful in the field of hospitals in particular if we were to be successful in dampening the level of increase in government expenditure in any given year. I've indicated in this House two or three times that during the period of applying restraint, I would be travelling throughout the province meeting with boards and people, trying to define longer term policy, also working with my colleague the Minister of Social Services and Community Health in the development of longer term policy in the health care field.

Mr. Chairman, I make no apology for the fact I recently met with all the metropolitan hospital boards, which represent 50 to 60 per cent of the public dollar devoted to the hospital and nursing home system in Alberta. If the hon. leader wishes to check with the hospital community and with the citizens in the community, he will find that in the last two years we have gone through probably the most outstanding period of communication and co-operation of the hospital community with government objectives, in a period that is acknowledged and that I've acknowledged has been difficult. I think the hospital community in this province during the past two years has responded in a splendid and outstanding way in co-operating with government policy.

I would say to the hon. leader, and he can check this fact if he wishes, that he should visit the province of Ontario. He will find that [in] the approach taken in this province, compared to the approach taken in the province of Ontario, we can say the pattern of restraint in increase and expenditure in the hospital system has been a success. It's been a success, we've been able to adhere to it, and the reports from the hospital community are that we've maintained the general level of quality and service in the program. Now the hon. leader doesn't have to acknowledge that as an accomplishment, but I think that's an accomplishment by the hospital community in this province working with their government. I make no bones about that.

The second fact is — and I'll check the minutes, Mr. Chairman — I believe I said I was prepared to table all information with respect to any consultants retained directly by me as the minister. I indicated not that I would either table it during the course of the estimates coming before the Legislature. The hon. leader knows very well he's free to put a motion for a return on the Order Paper; I haven't seen one. The fact is: I

said I was prepared to do this. The hon. leader could have initiated the action. I initiated having it here tonight. So that's a red herring the hon. leader has thrown in, because I did not indicate when I would table it. I indicated I would be prepared to table it, and was prepared to stand behind them and the contributions every one of them has made to the development of policy, both in the short term and the long term, in the hospital and medical care field within this province.

On the third matter — for the record, Mr. Chairman, since the hon. leader has raised it — I would just like to read off some of the biographical resume of Mr. Jackson M. Willis, who I think has contributed a great deal to what we're trying to do in Alberta. First of all, he has a Bachelor of Arts Degree from United College, Manitoba, currently the University of Winnipeg; a Bachelor of Social Work Degree, University of Manitoba, 1950; a Master's Degree in psychiatric social work from McGill University, Montreal, 1951.

Employed by the Manitoba Department of Public Health and Welfare, 1951 to 1953, as a case worker, as district supervisor, as consultant on professional services. Hennipen County court services, Minneapolis: probation officer, head of domestic relations division in charge of research, establishment of domestic relations service. Executive assistant to the director of child welfare in Ontario, 1957 to 1958. Temporary appointment as associate director of the research centre on crime and delinquency at the University of Minnesota, 1963. Chief of services, Family Service Association of Edmonton, 1958 to 1970. Private consulting practice, 1958 to 1970.

Teaching appointments: instructor, Department of Preventive Medicine, University of Alberta, 1959 to 1967; appointments as instructor and lecturer in social work, psychiatric nursing. Mr. Chairman, on and on and on, the contributions in the health and social service field this gentleman has made. If the hon. leader wants to question the contribution of the individual, he should stand up and do so. But I think it's outstanding.

MR. CLARK: Mr. Chairman, with regard to the comments the minister has made. We heard the minister make a defence of sorts with regard to looking back. We are trying to find out where the minister is going as far as the commission form of government is concerned. On what time frame can we expect the decision to be made? In addition to that, Mr. Chairman, the minister comments about how great relations are with hospital boards. Every hospital board in this province knows very well that all its funding comes from the province. You don't have to be much of a Philadelphia lawyer, if I can use that term, to say that hospital boards have to get along with the minister. No question about that.

There are honest differences of opinion between the minister and hospital boards. No hospital board in its right mind is going to come out and yell and kick and scream publicly when 100 per cent of its funding comes from the minister. Basically hospital boards in this province have done a very good job, not just over the past two years but over the past many years. But what has to happen during this period of restraint, Mr. Chairman, is development of some kind of longer term policy for the future. Incumbent in that whole

thing is what's going to happen to the commission form of government. It isn't a question just the opposition is asking; it's a question many hospital boards both in urban and rural areas are asking. That's why we persist on the question here tonight. So what kind of time frames are we looking at? Can we expect a decision in three months, or six months? Surely hospital boards and the Legislature deserve that kind of answer from the minister.

MR. MINIELY: Mr. Chairman, frequently the hospital community and, frankly, the health professional committee have commented to me that the process of consultation — we've gone through a period of six or seven seminars during the same period of applying restraint in terms of the annual expenditure increase in the hospital system. We've met with a wide group of people. I think we've sent out over 200 questionnaires raising longer term policy questions. Most of these things have been known publicly and, if he reads, I'm sure the hon. leader knows that the process I've been going through in an intensive way for the first two years in the portfolio was to address ourselves to the immediate problem being, as I indicated earlier, to work in a co-operative way with the hospital community to try to reduce the escalation of cost we had experienced for some years prior to 1975, and in particular in 1976.

As I indicated, during that period I have met with over 70 per cent of the hospital and nursing home boards in the province. I've held six or seven policy development seminars. We're in the process of gathering all this material, defining longer term policy directions, and working, as I said earlier, on a joint planning basis with the Department of Social Services and Community Health. When that process is completed, I hope to be able to provide to this House longer term policy directions in the hospital and medical care field. I'm working with my colleague in the general health care field.

Now, Mr. Chairman, I would also like to indicate — and I believe the hon. leader and every member of this Legislature knows — that the field of health care is both a complex and very challenging area. I don't underrate the complexity. In the first speech I made when I assumed this portfolio, I indicated I felt the health care field was a very complex area, that the involvement of Albertans on a wide basis would be necessary to try to develop consensus on the directions in which we should be going in the longer term. That's the process I've been trying to carry out. Mr. Chairman, I want to repeat again that I have kept very close contact with the health professions, the Alberta Hospital Association, and the nursing home groups. They have indicated to me that they appreciate the consultation process during the past two years. They have all made contributions to the development of longer term policy to try to arrive at consensus on future directions. It won't work unless we work and pull together.

I'm convinced that communication with health care leaders throughout this province, working with our government, is what will be necessary to achieve the application of the dollars we can apply to quality care in the longer term within citizen priorities. When this is defined, and I hope we will be in a position to do so before long, the hon. leader as well as all members of this Legislature will have more defined longer term

policy directions. In taking the time to do it well and properly, Mr. Chairman — I think it's been said frequently that history and development of something sound in the longer term is more important than the immediate short-term decision that may prejudice what's desirable in the longer term. That's the approach I've been trying to take.

MR. CLARK: Mr. Chairman, I can get up as often as the minister can and ask the same question again. Basically the question is: when can we expect a decision on the kind of governance hospital boards will be looking at on a provincial basis? Are we going to continue with the hospitals commission or aren't we? Now the other night in subcommittee the minister indicated it was all being reviewed. In fairness to the committee and to hospital boards across the province, we should know what kind of time frame we're looking at so hospital boards know what they're going to be dealing with. Is it going to be the Hospital Services Commission, is it going to be the minister's office, a combination of both, or what? Now I can get up and ask the question as many times as the minister gets up and doesn't answer it.

MR. MINIELY: Mr. Chairman, when the decision is made there will be a definite announcement on it. That decision is not made yet. It's no different than I indicated in subcommittee. As with anything else raised in the House during question period or otherwise, when the decision is made it will be communicated.

As far as the comment the hon. leader makes with respect to the hospital boards not knowing, I think that during this process the hospital community has been well aware of the assessment period I've been going through, both organizationally, administratively and, in broad terms, in the hospital and nursing home system throughout Alberta. I've kept in close contact with the Alberta Hospital Association on everything we're doing. They're well aware of the areas we're assessing.

As far as the relationships are concerned, whether it's a commission or whether the decision is made to departmentalize, the hon. leader knows very well, or it would be my intention as minister to relate directly with hospital boards as well as having my senior officials, under either structure, work and relate directly with hospital boards and with administration. That's not an issue, Mr. Chairman, as far as I'm concerned.

MR. CLARK: The minister may say it's not an issue. As far as I'm concerned it is an issue, and I rephrase the question to the minister once again: who are hospital boards dealing with this year? Are they dealing with the minister and the consultants in his office? Do they deal with the Hospital Services Commission? Where is the commission going? As said earlier, the taxpayers are paying for some very able people in the Hospital Services Commission. With the buildup of people in the minister's office, I certainly have the impression we're not making the best use of the people we have in the Hospital Services Commission. Can we expect some kind of definitive announcement from the minister within three months as to the kind of governance hospital boards will be looking at?

In addition, the minister has been talking for some time about the possibility of hospital boards going back to some form of local requisition. When can we expect a decision in this area?

MR. MINIELY: Mr. Chairman, after it's made. There'll be a decision.

MR. CLARK: Mr. Chairman, we can keep this procedure going. The minister in his usual arrogant way says, after it's made. It isn't unreasonable for the taxpayer to get some kind of indication whether we're looking at six months, a year, a year and a half, three months. The minister, in the way he deals with some hospital boards, gets up and says, yes, you'll know after it's made. I don't think that's good enough. We're dealing with volunteers across this province who give an awful lot of their time to hospital boards. It's just not good enough simply to say that the kind of dealings they are going to have with the provincial government will be: well, after it's made you'll know what's happening.

DR. BACKUS: Mr. Chairman, as a doctor and a person who has worked very closely with the hospital boards in my constituency — I've worked through the hospital board with the hospital commission for many years, and I have also worked as an MLA as well as a doctor, through the hospital board with the hospital commission and with the minister in recent years — my experience is completely contrary to that of the Leader of the Opposition. I think hospital boards have been in the habit of working with the commission. But all the hospital boards I've had to deal with are delighted with the increased involvement the minister has shown in working with them over the last two years.

I don't know what sort of red herring the Leader of the Opposition is trying to drag across, talking about volunteers and so on. They are still able to work, and the hospital boards are still able to work with the commission or with whatever form of administration the minister may decide upon. They are quite willing to wait to see what form of administration the minister is going to decide on, because they have developed a tremendous respect and a tremendous feeling of co-operation with the minister. Therefore it's certainly my feeling that the Leader of the Opposition is simply jumping up and down. He certainly isn't representing the feelings of those hospital boards he is pretending to represent.

MR. R. SPEAKER: I'd be interested in the minister's answer to this question. From the actions the minister has taken with regard to the commission itself, I see the commission concept being removed, and we're moving toward a sort of line department responsible for hospitals in the province. Could the minister comment on that? I think that's the question we're attempting to ask the minister. It's happening that way. Is the minister doing that by design, or is this just the way it's going because the minister would like to become more involved in the decision-making and is taking more decision-making away from the commission as such?

MR. MINIELY: Mr. Chairman, I have been assessing a lot of broad policy questions with the hospital com-

munity, with the different health professions, and with consultants, as we've been talking about earlier tonight. One of those questions has been: in the longer term, what will be the most sound overall administrative and organizational structure to ensure the very large allocation of public dollars in the largest expenditure area — if the hon. Member for Little Bow looks at the estimates, he'll find that Hospitals and Medical Care has the single largest devotion of public dollars of any department or portfolio in the government.

I think it's incumbent upon me and upon us in the Legislature to assess the questions in the longer term. With that substantial allocation of public dollars, what is the most sound administrative and organizational pattern for the portfolio of Hospitals and Medical Care? There are alternatives. I indicated the commission structure was started by the former government. But as I said earlier, I've indicated to the hospital community, and it's been no secret, that I have had a variety of administrative and organizational patterns under assessment, as well as some other major policy questions. As yet we have not made a decision. I hope it will not be long before a decision is made. When the decision is made as to whether it will go to line departmental structure or whether the commissions will be retained, that decision will be communicated. I can't communicate a decision that has not yet been made, Mr. Chairman. I hope to be in a position to before long.

MR. R. SPEAKER: Just for clarification. What the minister is saying is at the present time the relationship between the commission and the minister will be a relationship such as a line department. That seems to be the way decisions are made at the present time, and in this interim period that's how it's going to continue. So in other words hospital boards that want a decision with regard to facilities, or whatever it may be, should make presentations directly to the minister, because in a sense you're the person who has to make the final decision under the present arrangement in which you are working.

MR. MINIELY: Mr. Chairman, I would hope the hon. Member for Little Bow is not suggesting that in my role as Minister of Hospitals and Medical Care it isn't important for me to exercise leadership in communicating and working directly with hospital boards throughout this province. If that's what he's suggesting, I think that would not be leadership at all. As a matter of fact, when the challenges are as great as they are today, and in the longer term, to ensure that public dollars are allocated to citizen priorities in such a large area, I think it's critical that elected government relate directly with people who have public responsibility for the operation of hospitals and nursing homes in this province.

That may not have been the kind of philosophy which existed seven or eight years ago. But if the import of the question of the hon. Member for Little Bow is: do I believe that an area of close to \$700 million in public expenditure should be accountable to a minister and to this Legislature, and through this Legislature to the citizens of Alberta, you bet I do, Mr. Chairman. You bet I do.

MR. R. SPEAKER: Mr. Chairman, to the minister. There wasn't really any motive to my question, outside of attempting to get clarification as to the administrative structure hospital boards are responsible to. I appreciate very much that the minister has clarified the administrative policy at this point, that the minister is responsible, that the minister is the key figure, that hospital boards across the province are answerable to him, that administrative policies will come from him, and that the commission people such as Dr. Bradley, Mr. Wilson, et cetera, are in a more subservient role than they were a few years ago. I think that's the question we wanted answered. The minister has answered it, and I appreciate it.

MR. MINIELY: Mr. Chairman, I have Dr. Bradley, Dr. MacLeod, Mr. George Beck, Mr. Brandell, and one of our persons who is on a consulting contract, working with us in a team way to try to address ourselves to the challenges I've delineated this evening and at other times in this Legislature.

The hon. Member for Little Bow chose to use the word "subservience". That's nonsense. We work in a team way to try to come up with policy decisions that are going to be in the best interests of the citizens of this province. To say that elected level of government doesn't have responsibility for policy development, and that somehow this Legislature, through a minister and government caucus, shouldn't take primary responsibility for the development of policy, and places very loyal and hard-working senior administrative civil servants in a subservient role, is his statement, not mine.

Agreed to:

Vote 2 Total Program	\$2,696,086
Vote 3 Total Program	\$431,753,000

Vote 4

MR. CLARK: Mr. Chairman, on Vote 4, getting back to the same kind of question about when we can expect something to be done: when can we expect an announcement on the new finance plan for some of the auxiliaries and nursing homes that are experiencing major deficits? What provision is there in the budget for this year for those boards that have deficits until the announcement is made?

MR. MINIELY: Mr. Chairman, I'll take the last point first. It has been historical that until the salary settlements — nursing home settlements in particular — were known, an adjustment in the provincial contribution on a per patient day basis has not been included in the estimates. As I indicated to the Legislature last year, the historical adjustment in the nursing home system would be something we would have to finance by special warrant when we know the level of salary settlements.

I've been working on the nursing home finance policy for some time. My main concern has been that in Alberta we've developed an historical difficulty with the blanket rate to every operator, particularly because of the fact that the capital cost per patient of building a nursing home today is substantially higher than it was 10, 11, and 12 years ago, yet [for] the nursing home operator who is operating a much

higher cost facility in 1977, the historical system would provide the same per patient day rate as a nursing home built 8 and 10 years ago. So I've been looking at a more flexible nursing home rate. Of late, I've had the tremendous assistance of the MLA for Sedgewick-Coronation, who has been sitting on the Hospital Services Commission for the past two years. We developed a proposal and sat down with the Alberta Hospital Association nursing home committee. They had some concerns about the proposal at that time, so we agreed we would work with them to see if we could come up with a mutual and more flexible and equitable nursing home finance plan that would be satisfactory to the Alberta Hospital Association nursing home committee and the province. Because of the complexity, it has taken more time than I would have hoped.

I indicated in subcommittee, and I want to say in the House, Mr. Chairman, that there's no question in my mind that high priority must be placed on the construction of nursing home beds and auxiliary hospital beds. The construction of a greater number of longer term care beds will ultimately allow us to reduce our acute care beds to the national standard of four beds per thousand. We in Alberta, along with Saskatchewan, now [have] the highest number of acute care beds of any province.

The hon. Member for Sedgewick-Coronation and I will be meeting very shortly and we will have a final meeting with the Alberta Hospital Association nursing home committee. I hope to have a new nursing home finance policy then, that I will propose to my cabinet colleagues and be in a position to communicate to this Legislature and to the citizens of Alberta.

MR. CLARK: Mr. Chairman, two questions to the minister. First of all, what provision is there for nursing homes that have accumulated deficits right now? How are they handling these deficits, let's say, in the first six months of '77? That's giving the minister the benefit of the doubt that a decision will be made by June so that something positive will take place in July. But what provision is there for boards that now have a very sizable deficit? Is the deficit considered an additional cost that the commission will pick up?

MR. MINIELY: I've indicated in subcommittee, Mr. Chairman — the hon. leader was there — that we would look at each deficit on an individual basis. If the deficit was a result of approved cost, or basically uncontrollable, it would be part of the new nursing home finance policy. That's a question I want to communicate as part of the new nursing home finance policy, and bring the immediate problem into the broader context of the longer term financing of nursing homes in the province.

But basically, if any hospital or nursing home operation in Alberta has gone into a deficit position as a result of sheer inefficiency or an unapproved level of spending, I don't think anyone in this Legislature would endorse a policy which would encourage picking up that kind of deficit. Then, Mr. Chairman, that question has to be related to the reassessment of local requisition or local picking up of the deficit, certainly where the overspending is simply a result of inefficiency or that kind of factor.

MR. CLARK: Mr. Chairman, it comes back to the same question. What is a nursing home board to do? Who ends up with the deficit the minister and his officials don't feel is legitimate? Obviously there must be nursing home boards that are going to be in that situation. What provision is there for a nursing home board to work itself out of that position?

MR. MINIELY: I've just answered that.

MR. CLARK: The minister says he just answered the question. Are we then bringing in legislation that will allow for local requisitions? Will that kind of legislation come in at this session?

MR. CHAIRMAN: Will the hon. member please address the Chair.

MR. CLARK: Mr. Chairman, then, through the Chair to the minister: is the province going to pick up all the deficits? Is the province going to bring in legislation that will allow for supplementary requisitions? What are some of these boards to do? The minister knows well that some have extremely high deficits. Surely it isn't unfair to be asking what kind of provision there is for these boards. If the minister decides a board has spent unwisely, it seems to me there are only two options for the board. One is for that board to go to its local taxpayers. I'm sure the minister will correct me if I'm wrong, but that will call for legislation. Or secondly, does the board close down some of its beds until the deficit is picked up? It's a very real problem, fortunately not for a lot of boards, but for some boards in the province.

MR. MINIELY: I answered the question, Mr. Chairman.

MR. CHAIRMAN: Are you ready for the question?

MR. CLARK: No, we're not. The minister can sit in his chair and say, I've answered the question. But what kind of provision is there for those boards? How can they go to the local taxpayer? Is the minister going to introduce legislation at this spring session that will once again make requisitions possible?

MR. MINIELY: Mr. Chairman, the hon. leader didn't express any alternative I didn't give in my answer. I don't know what more I can say. I indicated the fact that the deficits are being looked at on an individual basis, that the whole question of deficits with respect to nursing homes is being considered as part of the development of a new nursing home finance policy, and part of the decision will be related to picking up deficits where those are justifiable. I indicated that for deficits as a result of overspending or inefficiency or wastage that could not be justified, we would have to consider the alternative of reassessing and possibly legislating for nursing home boards, or for that matter any other boards that operate on deficit as a result of sheer inefficiency. In that event the board should be clearly accountable to its local taxpayers.

MR. R. SPEAKER: Mr. Chairman, just to try to clarify some of the generalizations of the minister. What I observe is a rather *ad hoc* approach to nursing homes and their deficits. Is the minister saying it is in his

discretion; that each nursing home will have to make a personal appeal to the minister, and if the minister sees fit he will provide funds for them? Is he saying basically: that funds are available for these deficits, at the request of the nursing home, and that's basically what happens? So it's a one-to-one relationship. There is no overall policy that the government will pick up nursing home deficits. Is that correct?

MR. MINIELY: Mr. Chairman, to the first part of the question: no, I didn't say that. I said that if the deficit was the result of approved expenditure on an approved program — it has to be part of an approved program — and was simply the result of not granting on reassessment by the commission and by officials and, on recommendation to me, and was the result of too low a per patient day rate, in the case of nursing homes, or factors which were beyond the control of the board and the administration, that would be a different matter than sheer overexpenditure or inefficiency or wastage, and we would look upon that differently. That's why a selective approach is necessary, Mr. Chairman, to examine each condition and situation in light of those basic factors.

Mr. Chairman, maybe the hon. Member for Little Bow would just like to repeat the second part of it.

MR. CLARK: Mr. Chairman, to the minister. Is it the minister's intention to introduce at this spring session legislation with regard to supplementary requisitions for nursing home boards?

MR. MINIELY: Mr. Chairman, no, it certainly won't be this spring session.

Agreed to:	
Vote 4 Total Program	\$60,156,000
Vote 5 Total Program	\$37,295,000

Vote 6

MR. CLARK: Mr. Chairman, the same question here, as far as the commission is concerned: what is the minister's stand as to the medicare commission? Is it being looked at from the same vantage point the Hospital Services Commission is being looked at?

MR. MINIELY: Mr. Chairman, identical to the Hospital Services Commission. I've been looking at the broad administrative and organizational structure as it relates to both commissions.

Agreed to:	
Vote 6 Total Program	\$113,419,660

MR. HYNDMAN: Mr. Chairman, I wonder if it would be appropriate now to return to Vote 1, insofar as I gather the information with regard to the resume has been given by the minister. I gather the other information regarding the consulting contract was provided. Maybe it would assist the committee's deliberations if the minister read out the consulting contract, then questions could be put forward.

MR. CLARK: Mr. Chairman, it would be extremely helpful to us if we had the benefit — until tomorrow

morning at 10 o'clock, whatever time question period is over — of looking at the consulting contract. Also if we could have the contracts for Mr. Fletcher and Mr. Lowen, that would perhaps move the discussion along somewhat quicker tomorrow morning. In fact if we could have those tonight — we could wait in our office until the minister could get them, then we could have a look at them before we get back in the House tomorrow morning.

MR. MINIELY: Mr. Chairman, I thought I delivered the contract for Mr. Fletcher to the hon. Leader of the Opposition. Mr. Lowen is not on contract. He's the executive assistant to the minister. I have it here.

MR. CHAIRMAN: Is it agreeable to the House that we hold Vote 1 until tomorrow?

HON. MEMBERS: Agreed.

Mr. CHAIRMAN: Would you go to capital estimates.

Agreed to:	
Capital Estimates	
Department Total	\$24,400

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

[Motion carried]

[Mr. Speaker in the Chair]

DR. McCRIMMON: Mr. Speaker, the Committee of Supply has had under consideration the following resolution, reports the same, and begs leave to sit again:

Resolved that for the period ending March 31, 1978, amounts not exceeding the following sums be granted to Her Majesty for the Department of Energy and Natural Resources: \$8,212,283 for departmental support services, \$4,393,341 for resource and evaluation planning, \$6,799,412 for minerals management, \$29,531,901 for forest resources management, \$6,193,400 for public lands management, \$424,100 for Syncrude equity management, \$755,700 for oil sands research fund management, \$1,490,000 for petroleum marketing and market research.

Mr. Speaker, the Committee of Supply has had under consideration certain resolutions and reports progress on the same.

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

HON. MEMBERS: Agreed.

MR. HYNDMAN: Mr. Speaker, tomorrow we'll continue on Orders of the Day with estimates, Vote 1 of Hospitals and Medical Care. Following completion of that department: Municipal Affairs, and Housing and Public Works. I move the Assembly do now adjourn until tomorrow at 10 a.m.

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

HON. MEMBERS: Agreed.

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

[The House adjourned at 10:50 p.m.]