

LEGISLATIVE ASSEMBLY OF ALBERTA

Title: **Monday, April 25, 1977 2:30 p.m.**

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

PRAYERS

[Mr. Speaker in the Chair]

head: TABLING RETURNS AND REPORTS

MR. SCHMID: Mr. Speaker, I would like to file the Dunvegan Study Report of the Historic Sites Service of Alberta Culture, done by Mr. John Nicks.

MR. YURKO: Mr. Speaker, I beg leave to file with the Legislative Assembly the following reports: the Department of Housing and Public Works "Alberta Rental Situation", Executive Summary; the Rental Situation Report, March 31, 1977; the Supplementary Rental Information Report, April 7, 1977; the Urban Residential Housing Starts Report, Alberta, February 1977; the Rental Accommodation Study, Edmonton and Calgary, Alberta, January 1977, Phase 1; the Apartment Vacancy and Rental Cost Survey, October 1976.

head: INTRODUCTION OF SPECIAL GUESTS

MR. TRYNCHY: Mr. Speaker, it's my pleasure this afternoon to introduce to you and to the members of the House some 20 grades 11 and 12 Social Studies 30 students from the Grand Trunk High School in Evansburg in my constituency. They are accompanied by their bus driver and their principal Mr. Sparks.

I might add, Mr. Speaker, on my visits to the school on a number of occasions, they've proved to be very astute students and pretty knowledgeable of the political process in Alberta. I'd like to ask them to rise in the members gallery and accept the welcome of the House.

MR. MUSGREAVE: Mr. Speaker, I would like to introduce to you, and through you to the Members of the Legislative Assembly, 82 students from James Fowler High School in the Calgary McKnight constituency. They are seated in the public gallery.

I note that every time a member stands up to introduce students from his constituency, he comments how bright, brilliant, and studious they are. The same applies to these ladies and gentlemen. It obviously tells me, Mr. Speaker, that the educational system in Alberta is still in pretty good shape.

I would like them to rise and be recognized by the members of this House.

MR. BATIUK: Mr. Speaker, it also gives me pleasure to introduce to you, and through you to the Members of the Legislative Assembly, 50 grades 10 and 12 students from the Mundare school in my constitu-

ency. They are seated in the members gallery. I would ask that they rise and be recognized.

head: MINISTERIAL STATEMENTS**Department of
Consumer and Corporate Affairs**

MR. HARLE: Mr. Speaker, The Temporary Rent Regulation Measures Act will cease to affect rents on June 30, 1977. For some weeks, the government has been studying the effect this might have on residential rents in Alberta.

The government is aware that landlords have given occupants of more than 15,000 rental units notices of increases to be effective July 1, 1977, and these average between 24 and 48 per cent. This represents about 10 per cent of the total rental stock of housing in the province. There is evidence that many other tenants have been given notices of increases as well.

The Department of Housing and Public Works has been monitoring vacancy rates. While vacancy rates in apartments have increased slightly in recent months, to about 0.4 per cent in Edmonton and 1.2 per cent in Calgary, the general level of vacancy is not considered to be high enough to permit tenants seeking a place to live adequate alternatives in price or type of accommodation. Vacancy rates in centres other than Edmonton and Calgary appear to be somewhat higher, with the exception of Fort McMurray.

The construction of new housing of all types is encouraging, and it is expected that vacancy rates will increase slightly over the next year. However, the strong demand for affordable housing will continue. In addition to the ordinary growth of our population, Alberta is attracting large numbers of new residents because of our strong economy, high employment participation rate, and low taxes. Our net growth from migration into Alberta is about 3,000 people per month.

The number of persons per household is slowly decreasing. This is due to a gradual drop in average family size, a tendency for young adults to leave the parental home earlier, and a growing unwillingness among others to live in shared accommodation. The average household in Alberta is now about 3.2 persons, compared to 3.5 persons in 1971. This decline may continue. This trend in household size suggests that Alberta citizens generally enjoy adequate housing, but it also demonstrates pressure to have more housing available.

Thus, fostering the construction of more housing will continue to be a high priority of the government, and the Minister of Housing and Public Works has undertaken an ambitious program which is having some very good results. The nearly 39,000 housing starts in Alberta in 1976 was a record number for the province and represents the best per capita performance of any Canadian province. Building on this record of achievement, the government will continue to stimulate and assist in the construction of additional shelter units for more Albertans at affordable costs.

The government will continue to place emphasis on construction of rent-assisted housing for those citi-

zens in need of assistance and will further emphasize the construction of senior citizen self-contained units and nursing home beds.

It is to the private sector, however, that Albertans look for most of our housing requirements. The government will consider additional incentives to encourage the construction of rental housing as may be appropriate and necessary. We will continue to provide renter assistance credits and grants to Albertans. For senior citizens who rent, the grant is at present \$150 per household per year. For most renters under age 65, the credit varies between \$50 and \$200 per household per year with higher credits going to those with higher rental expense or lower taxable income or both. Last year the average credit was about \$95 for 210,000 families. These credits and grants placed some \$23 million in the hands of Alberta taxpayers last year.

The government has received the report of the Institute of Law Research and Reform recommending changes in the landlord and tenant law of the province. Accordingly, we are now preparing amendments to The Landlord and Tenant Act. It is our intention to introduce them when the Assembly sits this fall.

The purpose of these amendments will be to encourage greater harmony in the rental market place and an improved legal position for both landlords and tenants. It is our view that a protracted period of rent control will tend to discourage an adequate degree of private sector investment to meet future housing needs in Alberta.

It is therefore the government's decision, after assessing the present rental market, that we are in a position to phase out the control of rents. Very shortly we will introduce a bill in this Assembly entitled, The Alberta Rent Decontrol Act.

This bill will continue rent regulation over the next three years, but its main emphasis will be a gradual withdrawal from the control scheme. It will contain the following provisions: first, the new bill will permit the cabinet to approve regulations to remove controls after January 1, 1978, from those rental units where the rent paid on or after June 30, 1977, reaches or exceeds the following limits: \$375 for units of three or more bedrooms, \$325 for units of two bedrooms, and \$275 for one bedroom and bachelor units. Once the permitted rent for a unit reaches these limits on a future date, that unit will automatically be exempted from controls by the legislation.

Secondly, until rents are removed from control, they will continue to be regulated on and after July 1, 1977, in much the same way they are now regulated. All notices of rent increases which are to take effect on or after July 1 will be subject to the new act.

Thirdly, if the rent has been increased during the first six months of 1977, no further increase will be permitted before December 31, 1977, unless actual cost increases can be justified to a rent regulation officer. However, if rents were not increased during the first six months of 1977, one increase of up to 9 per cent may be taken before December 31, 1977. Larger increases must be justified to a rent regulation officer on the basis of costs.

Fourthly, on or after January 1, 1978, the act will permit a rent increase of up to 8 per cent or \$20 per month, whichever is greater. On or after January 1, 1979, another increase of up to 8 per cent or \$20

may be made. On January 1, 1980, a further increase will be permitted, of an amount to be determined at a later date. The act will cease to affect rents on June 30, 1980.

Fifthly, all new rental construction will continue to be exempt from control, and any building that is exempt under the present act will also be exempt.

Sixthly, the new act will continue to prohibit the removal of rental units from the rental market, either through conversion to condominiums or conversion to another purpose, for as long as the rents of the units are subject to control.

It is the purpose of the new act to permit those parts of the residential market which may no longer need regulation to gradually emerge from controls. The decontrol will be directed to those parts of the rental market where alternative accommodation is available. At the same time, protection from rapid escalation will continue for up to three years for residents of less expensive housing, for it is felt that this is the housing generally occupied by those who can least afford inflationary price increases.

But the government wishes to issue a caution to landlords, and I take this opportunity to point out that any rent increases upon decontrol of the magnitude experienced recently can only result in the government of the day reassessing its position.

At the same time, I want to commend for their consideration and restraint those landlords who have not taken advantage of a very tight rental market. The government believes that the gradual decontrol of rents will result in rents keeping pace with other factors in the economy and will further encourage the private sector to meet the housing demands of the future.

MR. CLARK: Mr. Speaker, in responding to the ministerial announcement made by the Minister of Consumer and Corporate Affairs, I suppose it's fair to say we congratulate the minister on finally arriving at a decision with regard to this difficult matter.

I would just like to remind the members of the Assembly of comments made by the Premier in the Legislature when this matter was discussed some time ago. He said: "We've come to this conclusion: that so long as incomes are controlled, then we must control rental increases." Mr. Speaker, that's the reason my colleague from Little Bow has raised the question as often as he has — because of the concern and the very real anxiety that a sizable number of people in the province have experienced in waiting for the announcement which has been made today.

In commenting on the ministerial announcement, it appears that the minister is moving to close some of the loopholes. I think in terms of some landlords who have been switching from monthly rental rates to weekly rates. I commend the move in that direction, if that's what the government plans to do. I'm hopeful, also, that the announcement today will make it possible for some landlords who were caught with unreasonably low rentals to make some adjustments there.

In principle, Mr. Speaker, we support the idea of decontrol. We recognize that the next two and a half years will be difficult in this area, but we do think the move is in the right direction. Our greatest regret is that the announcement was not made some time ago,

so that over the last month to six weeks a number of people would not have lived under very uncertain circumstances.

head: **ORAL QUESTION PERIOD**

Psychiatric Facilities

MR. CLARK: Mr. Speaker, I'd like to direct the first question to the Minister of Social Services and Community Health and ask if she's in a position to indicate to the Assembly whether in fact patients are being turned away from psychiatric institutions in Alberta prior to their period of convalescence being completed. I raise the question as a result of the Canadian Mental Health Association's comments over the weekend.

MISS HUNLEY: Mr. Speaker, I presume the question the hon. member raises would be a matter of opinion. I don't have anything to confirm or deny what the hon. Leader of the Opposition is alluding to, except to say it is not my impression that this is widespread. There may be some specifics the writer of the report was referring to. I do not have that information, but I'm prepared to seek it out because it's causing me some concern.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Is it the intention of the minister to ask the officials in her department — and, I suspect, Dr. Hellon — to clearly check into the concerns raised by the CMHA Calgary president and to report to the minister? Could the minister in turn report to the Assembly as to the seriousness, especially of this one complaint, and the other points raised?

MISS HUNLEY: Certainly I will be discussing it, as I always am on an ongoing basis, particularly when specific issues of this nature are raised.

I have to say, though, that from my first examination of it and from the publicity it received, I don't think the article in the paper is completely accurate. I think, though, that it would be only reasonable that I check again with the director of mental health services and report to the hon. member.

MR. CLARK: Mr. Speaker, very specifically to the minister. Have complaints been raised with the minister's office with regard to individual patients being released from either Ponoka or Oliver prior to their period of convalescence being completed?

MISS HUNLEY: I can't recall any particular correspondence relating to that, but once again I do get a fair volume of correspondence. I can't recall a specific instance of that.

The average length of stay at Ponoka, Mr. Speaker, is 90 days, compared to 60 days at Alberta Hospital, Edmonton. But this all deals with the variety of ways the various cities, professionals, and systems work, because they are not identical in structure.

MR. CLARK: Mr. Speaker, a supplementary question to the Minister of Hospitals and Medical Care, flowing from the matter of psychiatric facilities in Calgary. Is the minister in a position to indicate to the Assembly

when the new psychiatric facilities at the Calgary General Hospital will be available for patients?

MR. MINIELY: Mr. Speaker, I'm happy to comment on that, following my colleague the Minister of Social Services and Community Health. I would say in response to the hon. leader there has never been any question relative to the funding of the Calgary General psychiatric wing now under construction and finally being completed. The question has been the level or degree of program funding, which was extremely high when initially submitted to us. In consultation with my colleague the Minister of Social Services and Community Health, her officials, and officials in Hospitals and Medical Care, we are now placing the highest priority on determining what the adequate level of program funding for the Calgary General psychiatric wing should be. I hope that decision will be made very soon.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. The question was, Mr. Minister — can the minister indicate to the Assembly when we can expect the new psychiatric area at the Calgary General Hospital to be open and available for patients?

MR. MINIELY: Mr. Speaker, I've indicated in response to the hon. leader that we're now giving very high priority to that decision. As soon as the hospital, the Department of Social Services and Community Health, and Hospitals and Medical Care can determine what the level of program funding for the psychiatric wing of the Calgary General Hospital should be to provide quality and yet at the same time be reasonable, we will be in a position — and I hope very soon — to flow program funds through to the Calgary General Hospital.

MR. CLARK: Mr. Speaker, then a supplementary question to the minister, hopefully so we can get a specific date. Is the minister in a position to assure the Assembly that the actual medical equipment needed for the psychiatric wing at the Calgary General Hospital has in fact been ordered?

MR. MINIELY: Mr. Speaker, the ordering of the equipment by the Calgary General Hospital . . . I would point out to the hon. leader that in funding hospitals we're providing a total budget, with the exception of new programs. Within their total budgetary funding, the Calgary General Hospital is not precluded from choosing their priorities and ordering equipment if they so desire. The matter we must determine in consultation with the Calgary General Hospital and officials of Social Services and Community Health is the ongoing annual program funding for the psychiatric unit.

MR. CLARK: Mr. Speaker, another question to the minister. Can the minister indicate to the Assembly whether the staffing patterns have been finalized for the psychiatric facilities at the Calgary General Hospital?

MR. MINIELY: Mr. Speaker, I don't think the hon. leader is listening very closely. These matters are now being discussed by the Calgary General Hospital,

the division of mental health in the Department of Social Services and Community Health, and officials in my portfolio in Hospitals and Medical Care. We hope to have a decision very soon.

MR. R. SPEAKER: Mr. Speaker, supplementary to the minister. Could the minister indicate any target date to complete a new psychiatric facility in Lethbridge?

MR. MINIELY: Mr. Speaker, earlier in this Legislature I believe I indicated that that recommendation was under consideration at the present time. One of the difficulties with respect to the development of programs and services in Lethbridge is that the two Lethbridge hospitals involved have not been able to agree which hospital should have given services and programs. We have made efforts. I have met with them personally to try to obtain agreement between the two hospitals as to the programs and services that each may provide. To this point we have no final agreement between them.

MR. CLARK: Mr. Speaker, a further supplementary question to the minister. Can the minister give assurance to the Assembly that the new psychiatric facilities at the Calgary General Hospital will be open by July 1, 1977?

MR. MINIELY: Mr. Speaker, I think I've indicated that as soon as we're able to arrive at the level of programming desirable to provide quality to mental health patients in Calgary and southern Alberta that they would serve, and what is reasonable between the hospital, the Department of Social Services and Community Health, and Hospitals and Medical Care, we will be able to open this psychiatric wing.

MR. CLARK: Mr. Speaker, one last supplementary question to the minister. In light of the minister not being prepared to agree to July 1, can the minister give the Assembly assurance that the new facilities at the Calgary General Hospital will be open and patients will be able to be in those facilities by the end of 1977? Can you give us that kind of assurance at least?

MR. MINIELY: Mr. Speaker, I don't think the hon. leader should distort my answer. I did not say it would not be open by July 1. It would be my hope that we could arrive at this as quickly as possible. That is our intent. But I think it in the best interests of quality programming for the psychiatric wing that the hon. leader should recognize it is important that the actual program . . .

MR. SPEAKER: Order please. We're going beyond the scope of the question.

Premier's Trip

MR. CLARK: Mr. Speaker, a second question to the hon. the Premier. In light of the announcement by the Premier outside the Legislature today with regard to the trip to Russia and the Middle East, is it the intention of the Premier to attend discussions on the General Agreement on Tariffs and Trade in Geneva?

MR. LOUGHEED: Mr. Speaker, I think that's a very important subject for discussion in the Assembly. Rather than deal with the matter in the question period, I'd welcome a similar question during Committee of Supply tonight at 8 o'clock when reviewing my estimates.

MR. CLARK: Mr. Speaker, despite that, a supplementary question to the Premier. Is it the Premier's intention to meet with the heads of government in Israel, and to meet with the heads of OPEC in the course of the visit to the Middle East?

MR. SPEAKER: With respect to the hon. Leader of the Opposition, it would appear he is following along the same line of questioning, even though the hon. Premier has indicated he'll be dealing with the matter tonight.

Swine Flu Vaccine

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Social Services and Community Health, with regard to the swine flu vaccine that was left over for people's use in Alberta. I was wondering if the minister could indicate the present status of that swine flu vaccine we have in Alberta and how much is available.

MISS HUNLEY: That's a matter of detail I don't have exactly at my fingertips, Mr. Speaker. It's being stored, though. Some of our order was stored at Connaught Laboratories and never delivered. That which was delivered is being stored at the provincial lab here. I don't know whether any is now being stored with the health units. There was at one time, because it was being made available on prescription by local physicians. The total amount we administered was 104,250 monovalent and 53,840 bivalent. But I don't have the statistics with me of the amount left over.

Postsecondary Education Fees

MR. NOTLEY: Mr. Speaker, I'd like to direct my question to the hon. Minister of Advanced Education and Manpower. It's a follow-up to questions raised during the estimates of the department. Is the minister in a position to advise the Assembly when Alberta students can expect the next general increase in fees?

DR. HOHOL: No I cannot, Mr. Speaker. This is something the institutions of higher learning and I would have to work on together. At the moment we are working at other things together.

MR. NOTLEY: Mr. Speaker, I'm glad to see there's a new spirit of harmony.

Mr. Speaker, a supplementary question to the hon. minister. Has the minister had discussions with officials of the University of Calgary regarding plans by that institution for a \$50 per semester tuition hike beginning in the spring of 1978?

DR. HOHOL: No I have not. The Board of Governors discussed that, as it may and can and should, and to

the best of my understanding has left it alone to examine again in the fall of 1977.

MR. NOTLEY: A further supplementary question to the hon. minister. Has the minister given any general guideline to universities and colleges respecting the timing of the next general fee increase?

DR. HOHOL: No I have not, Mr. Speaker. Following the implementation of fees of a special kind this fall, I wish to recall to the Assembly that there will be a committee which will look at all the costs students face when they go to any institution of higher learning. This will be part of the study, but only a part.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. minister. Will it still be the policy of the government to have constant fees, or will there be different fees at different institutions, for example, a different fee at the University of Lethbridge compared to the University of Calgary or the University in Edmonton?

DR. HOHOL: Mr. Speaker, it's the government's view and certainly my position at this point that each level of institution have the same kind of fee, for example, the same level of fees at universities but different from colleges and provincially-administered institutions.

To reflect just a bit on the previous question, while I have not set any guidelines I have discussed with universities the fact that adjustments in fees should be gradual and from time to time — reflecting somewhat cost increases in other areas like transportation, registration fees, and so on — rather than every year or a lapse of six or seven years.

MR. NOTLEY: A further supplementary question to the hon. minister. Can the minister advise whether or not there will be a holding of fee increases prior to the completion of the study by the department which will be proceeding? Further, will there be any provision for public input in the departmental study on the whole question of university fee structures?

DR. HOHOL: Mr. Speaker, certainly there is no intention to withhold any normal movement of any kind in the institutions, awaiting a report. I think that's improper use of the anticipated results or conclusions of a report. In the second case, while we have not set a committee in place, it is slowly being done. The frame of reference has generally but not exactly been put together. Certainly one of those will be some mechanism to get the views of Albertans on the matter.

DR. PAPROSKI: A supplementary, Mr. Speaker. I wonder if the minister could indicate to the House whether it's true that the fees in Alberta are still the lowest in Canada?

DR. HOHOL: It depends on how you measure them.

MR. SPEAKER: Order please. The hon. member's representation is complete without any addition by the minister.

DR. HOHOL: I just couldn't pass it up.

Eastern Slopes

MR. KUSHNER: Mr. Speaker, I wish to direct my question to the Minister of Recreation, Parks and Wildlife. Could the minister inform this Assembly if he has received an application from Underwood McLellan for developing a recreational area in the vicinity of Spray Lakes?

MR. ADAIR: Mr. Speaker, if I may, that should properly be addressed to the Associate Minister of the Department of Energy and Natural Resources, responsible for public lands.

MR. SCHMIDT: Mr. Speaker, considerable interest is being shown by individuals and collectively, by organizations in perhaps one of the more beautiful parts of our province, the eastern slopes. Because those applications, of which Assiniboia is one, are dependent on the disposition of land and land use that falls within the slopes, any decisions on either the Assiniboia project or others we have at the present time will have to be delayed until the final decision is made on land use and the disposition within the eastern slopes.

MR. KUSHNER: A supplementary question to the minister. Can the minister indicate any specific timing?

MR. SCHMIDT: Mr. Speaker, the target date we are shooting for is midsummer. The time element involved will be the midsummer calendar month and not the temperature.

Sport Alberta

MR. CLARK: A question to the Minister of Recreation, Parks and Wildlife. I'd like to ask the minister if the audit on Sport Alberta has been completed.

MR. ADAIR: Mr. Speaker, would the hon. member repeat the question, please?

MR. CLARK: My question to the Minister of Recreation, Parks and Wildlife is: has the audit been completed with regard to Sport Alberta?

MR. ADAIR: I'm not sure which audit the gentleman is referring to. If it's the current audit for the financial year just completed, I'm not aware that it has been completed yet.

MR. CLARK: Mr. Speaker, a supplementary question — with regard to the audit for the year 1976.

MR. ADAIR: Mr. Speaker, I would have to check and respond.

MR. CLARK: A supplementary question to the minister. While the minister is checking, would he please check for 1975 also?

MR. ADAIR: Yes.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Have concerns been expressed to the

minister with regard to the disposition of funds left over from Sport Alberta operations in the year '75-'76, other than by people in Sport Alberta itself?

MR. ADAIR: I can't say I have, Mr. Speaker, other than by people in Sport Alberta.

MR. CLARK: Mr. Speaker, is the minister in a position to indicate whether a letter from one of the deputy ministers in the minister's department has gone out to the former director of Sport Alberta, Mr. Butlin, asking about the financial status of Sport Alberta for the year 1975-'76?

MR. ADAIR: I believe that information is correct. Yes, a memo has gone to the gentleman.

MR. CLARK: Mr. Speaker, one last question to the minister. Would the minister be in a position to report to the Assembly within this week on the audited statements as far as '75 and '76 are concerned?

MR. ADAIR: Yes, I would hope I can provide that information.

MR. CLARK: So would I.

Coal Sales to Ontario

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister of Energy and Natural Resources. Has the minister received any comments from the government of Ontario or Ontario Hydro expressing satisfaction or otherwise with Alberta coal being used by Ontario Hydro?

MR. GETTY: Mr. Speaker, I haven't had any current communication with the government of Ontario, particularly as to satisfaction with use. I know they are planning very heavily on the use of Alberta coal, and Ontario Hydro has entered into a long-term contract to use Alberta coal. They intend to put in place a transportation system which will allow a large flow of coal from our province to go to Ontario to help them in supplying their future energy needs.

Furniture Purchases

MR. NOTLEY: Mr. Speaker, I'd like to direct this question to either the Minister of Advanced Education and Manpower in his capacity or, alternatively, the hon. Minister of Housing and Public Works. It concerns the question of furniture being ordered for the former Simpsons-Sears building presently being renovated for NAIT. Has the government received any representation with respect to the apparent decision to purchase the furniture for this renovated building from Westinghouse as opposed to seeking bids from other furniture companies in the city?

MR. YURKO: Mr. Speaker, I can only answer the question generally and suggest that furniture requirements, particularly on a large scale, are generally tendered. Apart from that, I'll have to check and get the specifics of the question for the hon. member.

Parkland Nursing Home

DR. PAPROSKI: Mr. Speaker, a question to the Minister of Hospitals and Medical Care. I wonder if the minister would indicate to the House whether the care and well-being of patients at the Parkland Nursing Home has now deteriorated as a result of the prolonged strike in that facility.

MR. MINIELY: Mr. Speaker, no. My latest report is that the standard of care at the Parkland Nursing Home is excellent.

DR. PAPROSKI: Mr. Speaker, a supplementary question to the Minister of Labour. I wonder if the Minister of Labour would indicate to the House whether he would like to report regarding the government's intervention in settling this strike.

MR. CRAWFORD: Mr. Speaker, the framing of the question with reference to the government's intervention may lead us down the wrong track. The answer to the question is that the Department of Labour has continued to provide mediation services on a basis it normally would, from the beginning of the dispute until the present time, when the parties desire to have them.

Public Works Purchasing

MR. CLARK: Mr. Speaker, I would like to direct my question to the hon. Minister of Housing and Public Works. Are there any guidelines or program in the minister's department that would make it possible for a purchasing agent to visit a company office at the expense of the company rather than have his way there and back paid by public funds?

MR. YURKO: Mr. Speaker, in the course of the various projects undertaken by the public works side of the Department of Housing and Public Works, it is common practice to send experts — engineers and experts in several areas — to obtain information from other jurisdictions and similar facilities not only throughout Canada but indeed in North America. Generally, in all cases I'm aware of, these visits have to be approved by the minister, that's me. In all cases I'm aware of, they are paid for by the budgetary process allocated through this Legislature. Whether there's an instance where indeed some other appropriation rather than this Legislature's appropriation has paid or is considering paying for such a visit is something I will have to look into. But at this time I would advise it's not government policy, as I understand the policy.

French Language Use

MR. LEITCH: Mr. Speaker, I wonder if I may take this opportunity to respond to a question asked of me last week by the Member for Spirit River-Fairview. He asked whether the government had any special policy regarding the use of the French language by the public service. The answer to that is no.

He also asked whether the government had given consideration to French language training programs for the public service working in areas which have a large number of French-speaking Albertans. The

answer is that we do not have any general program within the public service, nor am I aware of any particular programs within departments. But there may well be some departments in government which set their own requirements with respect to capabilities in language when filling positions in those areas in Alberta in which there is a large number of French speaking Albertans.

Brucellosis

MR. MOORE: Mr. Speaker, a few days ago the hon. Leader of the Opposition asked me to inquire with regard to delays which had been occasioned with respect to the slaughtering of herds infected with brucellosis. I had an opportunity to check with the federal health of animals branch in that regard. They advise there have been a few problems with delays between the decision to slaughter and the actual slaughter of these herds. However, they advise it is not generally a problem.

There are two factors in particular that delay prompt slaughter. With large herds, particularly those of poor quality, it has been difficult in some cases to make arrangements with a plant or plants to process the large numbers of animals. The second factor is the time involved to arrange for a third party arbiter where the owner does not accept the evaluation placed on the animals by the federal health of animals branch.

In conclusion, Mr. Speaker, they have assured us that continuing efforts will be made to ensure there are not undue delays.

Public Works Purchasing (continued)

MR. NOTLEY: Mr. Speaker, I would like to direct this question again to either the Minister of Advanced Education and Manpower or the Minister of Housing and Public Works. I appreciate the answer on policy given by the Minister of Housing and Public Works. My question, however, to both ministers is: have any complaints been received by the government with respect to both the question I put to the hon. minister concerning the renovation of NAIT and the furniture, and the question put to the hon. minister by the Leader of the Opposition concerning purchasing agents going on junkets paid for by private companies?

MR. YURKO: Mr. Speaker, no complaints have been brought to my attention, but I will certainly check into the matter and see if there are any around that were made to any officials of the department.

MR. NOTLEY: Mr. Speaker, a supplementary question to the hon. Minister of Advanced Education and Manpower. Has any information or complaints been received with respect to both these questions?

DR. HOHOL: Mr. Speaker, because of the care with both the question and the answer, I think this goes to the kind of subject that I would prefer to look in the files, speak to the officials, and make certain that my answer is proper, correct, and accurate.

MR. CLARK: One supplementary question to the minister. While the minister is doing that checking, I wonder if the minister would check specifically with Dr. Hameed in the minister's office to see if representation has been made to that . . .

DR. HOHOL: Mr. Speaker, that's an extremely gratuitous statement. Dr. Hameed happens to be my executive assistant, and I don't need the advice and counsel of the hon. Leader of the Opposition on how to do my job.

MR. CLARK: If you'd do your job, you wouldn't be in the bind you are in right now.

MR. SPEAKER: Order please.

DR. HOHOL: What sort of bind?

MR. CLARK: Knowing the answer. Yes or no.

DR. HOHOL: Baloney. That's not a yes or no question.

ORDERS OF THE DAY

head: INTRODUCTION OF SPECIAL GUESTS (reversion)

MR. DOWLING: Mr. Speaker, it's a great privilege and pleasure for me to introduce to you and to members of this House, 30 grade 10 students from Grande Cache high school. They are seated in the members gallery and are accompanied by their teacher Mr. Roland Duquette. I would ask them to rise and receive the welcome of the House.

head: GOVERNMENT MOTIONS (Committee of Supply)

[Dr. McCrimmon in the Chair]

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

Legislation

MR. CHAIRMAN: Will you open your estimates book to page 15, under Alberta Legislation. With the permission of the committee, as we go through there are several members on the committee for legislation. Perhaps it would be appropriate if you would direct any questions to the person in charge of that particular section.

I will read the names of the members: government members' services, Legislature committees, the hon. Member for Athabasca; *Hansard*, the hon. Member for Bonnyville; general administration, legislative interns, the hon. Member for Edmonton Highlands; opposition members' services, office services for Speaker and Deputy Speaker, the hon. Member for Bow Valley; Ombudsman, the hon. Member for Whitecourt; indemnities and allowances, Legislature Library, the hon. Member for Highwood.

MR. CLARK: Mr. Chairman, before we start, perhaps I should say — I've indicated to the Clerk — that the hon. member Mr. Mandeville, who is on the members' services committee, unfortunately missed his plane in Calgary. All things being equal, he will be here about 3:30. So any questions in that area could be directed to him at that time.

Agreed to:

Ref. No. 1.0.1	\$603,416
Ref. No. 1.0.2	\$1,564,750
Ref. No. 1.0.3	\$67,747
Ref. No. 1.0.4	\$178,212
Ref. No. 1.0.5	\$262,262
Ref. No. 1.0.6	\$25,000
Ref. No. 1.0.7	\$57,840
Ref. No. 1.0.8	\$366,400
Ref. No. 1.0.9	\$303,544
Ref. No. 1.0.10	—

Ref. No. 1.0.11

MR. CLARK: Mr. Chairman, might we might ask the Government House Leader if he could give us some indication of the government's intentions in dealing with the redistribution committee's report.

MR. HYNDMAN: Yes, Mr. Chairman, the interim and final reports have been tabled with the Speaker over previous months. As I believe I mentioned earlier in the session, it's the government's intention to introduce The Legislative Assembly Amendment Act into the Assembly, the provisions of which would implement the report of the Electoral Boundaries Commission.

MR. CLARK: Did the Government House Leader indicate when the government plans to do that?

MR. HYNDMAN: I think no later than the next 12 days, Mr. Chairman.

Agreed to:

Ref. No. 1.0.11	—
Vote 1 Total Program	\$3,429,171

Vote 2

MR. HYNDMAN: Mr. Chairman, the Provincial Treasurer is unable to be with the committee this afternoon. I therefore ask that that vote be held. We'll come back to it either tomorrow or very shortly.

MR. CHAIRMAN: Is the request by the hon. Government House Leader agreeable to the committee?

HON. MEMBERS: Agreed.

Vote 3

MR. HYNDMAN: I was wondering if we could have the report with respect to the possible time at which the committee reviewing The Ombudsman Act might report to the Assembly.

MR. CHAIRMAN: The plans — as chairman of the Committee for The Ombudsman Act — should be coming back from the printers on May 4. It has been promised, and we hope to present it to the House shortly thereafter, if that is agreeable.

Agreed to:

Vote 3	\$367,820
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MR. CHAIRMAN: We will hold Vote 2 and come back to it.

MR. APPLEBY: Mr. Chairman, on behalf of the Members Services Committee I would like to move that Votes 1 and 3 be reported.

MR. CHAIRMAN: Hon. Government House Leader, can we move a section of an estimate?

MR. HYNDMAN: If there's any doubt there, Mr. Chairman, perhaps we could leave the whole of the estimate with respect to legislation and report the whole thing after we've considered the Provincial Auditor.

MR. CHAIRMAN: Is that agreed?

MR. APPLEBY: Mr. Chairman, I withdraw my motion then.

Department of the Attorney General

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

MR. FOSTER: Yes, Mr. Chairman, I do. If I appear to be disorganized it's because I am. Sometimes things move a little faster in this House than you anticipate, and that was my experience today.

MR. CLARK: Don't complain.

MR. FOSTER: I won't complain.

Mr. Chairman, I will say at the outset that I will have legislation for the House this fall that will deal in part with some of the things Project Omega is up to. This question was raised by the hon. Member for Little Bow and it will deal in particular with decriminalization of the traffic court. I propose at that time to deal extensively with the current status of where we are on Kirby 2 and its recommendations — although I'm sure we'll deal generally with some parts of it in the course of these estimates — and with what Project Omega is in fact doing. So I propose to do that for the fall.

Mr. Chairman, a few brief comments concerning this past year. The administration of justice and I think the department generally have experienced a dramatic change. I hope all for the better. Unfortunately, characteristic of dramatic change, a good deal of uncertainty and anxiety flows from that, and I would like to advise the members of the House that I'm deeply grateful to the staff of this department for their continued support and for putting up with very difficult circumstances of change as the department of the administration of justice endeavor to bring themselves into line with many of the recommenda-

tions proposed by Mr. Justice Kirby in his report.

I'm very grateful also to those outside the department, our colleagues in the Solicitor General's department, the police forces of the province, and others who have been very much a part of this great pull upwards. I'm pleased to have the opportunity to express publicly my appreciation in that regard.

I don't want to suggest that this budget will cause them any less concern or difficulty in the next year, since there is also additional substantial change as we carry forward Kirby recommendations. I might say that in the course of the last while we have put in place a criminal case reporting system, the first of its kind in the country, which is allowing us to know better what is happening in the province generally.

The significant budgetary increase in this budget, Mr. Chairman, has to do with manpower. I would propose now to outline briefly the new positions in this budget. Rather than answer a specific question sort of point by point or vote by vote, I would just outline the 99 new positions that are outlined in this budget. They have to do with 21 regular A budget positions and some 78 which we have described as Kirby positions. The A budget positions are 6 in program 3 concerning the supreme and district court, 2 in Calgary and 4 in Edmonton; 9 persons in program 4, criminal prosecutions and legal advice, and of that 4 are legal and 5 are clerk-steno positions in the civil law section. In program 8 public utilities board, there are 4 positions, one a financial analyst and 3 clerk-stenographers. In program 10, the medical examiners office, there are 2 new positions and both are medical investigators: for a total of 21 A budget positions.

The Kirby positions are as follows: 52 positions in court services, and I will simply break them out briefly for the members. In the provincial court system, they will be in the provincial courts as staff in the courts consistent with Kirby's recommendation to increase both the number and the quality of staff services. They are as follows: Banff 2, Fort McMurray 3, Jasper 2, High Prairie 1, Lethbridge 1, Medicine Hat 1, St. Paul 2, Edson 2, Camrose 2, Vermilion 2, Vegreville 1, Wetaskiwin 2, Drumheller 1, and Fort Macleod 2. There are 4 persons in the small claims court, 2 in each of Edmonton and Calgary. There are 2 persons in the juvenile and family court, one each in Calgary and Medicine Hat. There is an additional position in the civil law section in the department. There are 9 new positions for court recorders. These positions replace 9 project positions which we were using this past year. There are 2 new positions in provincial libraries. There are 10 new positions in the Crown prosecutors criminal justice section, all of whom are Crown attorneys except for one clerk-stenographer. There are 5 new provincial court judge positions: for a total, Mr. Chairman, of 78 Kirby positions in the forthcoming year.

I think in view of my remarks about the fall and decriminalization on Omega, I will conclude my brief opening remarks there, then deal with the questions and concerns, Mr. Chairman, as we proceed vote by vote.

MR. CLARK: Mr. Chairman, just perhaps to start the discussion off, might I ask the Attorney General if he'd explain the kind of progress that's being made or perhaps not being made — once again, it depends

who you talk to here — with regard to the remand period, especially at Calgary. I raise the question because I'm told by some members of the legal fraternity, some being of similar political persuasion to me and some of the same political persuasion as the Attorney General, that in fact the period of time for remands in Calgary is, if anything, longer not shorter. Now I fully recognize that with legal aid this has tended to stretch this out. But I think, Mr. Attorney General, that there was a feeling among a number of people in the legal profession that at this time, in the implementation of Kirby, those waiting periods would be cut down somewhat.

I have also had some concern expressed to me with regard to the availability of courtrooms and members of the bench. I understand that has been taken care of somewhat recently. But the concerns that have been expressed to me have come primarily from Calgary and from members of the legal fraternity in Calgary.

MR. FOSTER: I would be happy to hear the concerns of the House and then respond in some detail if you like.

MR. TAYLOR: Mr. Chairman, I'd like to hear the comments of the hon. member on jury duty, particularly in Calgary. I have received a number of complaints from the south end of my riding, particularly from people who have been called to jury duty in Calgary. Following are some of those complaints that came to me.

One lady advises me that she was called to Calgary on April 26 and again on December 6, 1976, and told us she was supposed to report to the Supreme Court of Alberta in Calgary. The courtroom was full on April 26 and on December 6 it was even more crowded, with a number of people crowding outside in the halls. The lady advises she had to remain standing for two hours in order for a jury of 24 to be chosen.

At my pre-session public meeting in the Cluny area, a number of complaints — as a matter of fact a number of people said they came to the meeting solely to talk about this jury system. While I had some of the answers, I didn't have them all. One chap said it must be costing the province a tremendous sum of money, because the vast number of people who were called in order to get 24 jurors — their expenses paid, et cetera — must have amounted to a very large sum of money. When I mentioned that it was necessary to call more than just the 24 because of the right to challenge the jurors, he said well, about half the people were farmers. They were called at harvest time, and all they had to do was stand in line, tell the judge they were farmers and immediately they were excused. One farmer said to someone in the line, why do I have to stand here in order to tell him I'm a farmer? He's excusing everybody who's a farmer. He said, well you had better stand there or you won't get paid your expenses of coming up here and going back.

I'm just wondering if there couldn't be a little more ordinary horse sense used in calling farmers, particularly at harvest time, when the judge is simply going to excuse them anyway. They have to be on the land, and every day counts. There seems to be an unreal problem there of either they don't know who they are calling or they don't know whether they're farmers, or

they're simply ignoring that particularly fact.

Another point was mentioned. I haven't researched this, but they said a crippled chap was called. He phoned Calgary about it and said there's no way I can drive. I'm not permitted to drive. There's no way I can get on a bus. Whoever he was talking to told him to take a taxi. So he took a taxi from Cluny to Calgary and back. When he got there, I understand he was immediately excused by the judge.

These are things that leave an awfully bad taste in the mouths of people, and they begin to wonder what's going on. Now I realize from information kindly supplied by Mr. Chrumka, the Chief Crown Prosecutor in Calgary, that much of this arises through the Criminal Code, Section 562, which permits:

that each accused may challenge 20 jurors peremptorily wherein the accused is charged with a serious offence . . . and 12 . . . where he is liable to imprisonment for more than five years and 4 jurors . . . where he is liable to imprisonment for five years or less.

Consequently, I suppose the provincial department has no control over that.

I have advised my people about this. But they still think whether it's federal or provincial, it is public money that is being spent and, while they have got some of it, they think it was unnecessary and would like to see it looked into and streamlined.

I wonder if the hon. minister would have any comments on that particular item.

MR. NOTLEY: Mr. Chairman, I take it that the procedure we'll follow is for us to make general comments and the minister will answer them all. When we come back again, I do want to raise several questions with respect to the inquiry. But I'm just in the process of getting my notes, so I'll come back to that.

Mr. Chairman, to the hon. Attorney General. I want to take just a moment and deal with this question of the application of the AIB guidelines to the Public Utilities Board. Now we've had a little bit of flurry — as a matter of fact somewhat more than that. The president of International Utilities made it fairly clear that he didn't agree with some of the points I made.

MR. CLARK: That's strange.

MR. NOTLEY: That is strange, isn't it? But I wonder if the Attorney general is going to confirm what Mr. Edge [King] mentioned.

Mr. Chairman, to the Attorney General. On page 19 of the wage and price controls white paper outlined in October 1975, the federal government is very explicit about regulated industries. It says:

Where industries are subject to regulation under existing statutes, as in transportation and communications, federal regulatory agencies are to use their powers over prices and the quality of service in order to ensure conformity with the program.

It goes on to say, "the provincial governments are being asked to instruct their regulatory agencies to do likewise".

Now, Mr. Chairman, without going into too much detail but just enough so we can discuss this matter intelligently, it seems to me that what has occurred in Alberta is that the PUB has continued to use the old

yardstick, which is a guaranteed rate of return on the equity investment put up by the owners of whatever company it may be — Alberta Power, Canadian Western Natural Gas, Canadian Utilities, Northwestern Utilities, or Calgary Power.

Now the concern I would express to the minister is that what has happened is that there has been a marginal increase in production, that because of a rather substantial increase in the equity in these various companies the profits have gone up sharply. If you apply the old guidelines of the PUB, Mr. Chairman and Mr. Minister, there's no argument. Mr. Edge King is right. If you apply the guidelines of the PUB as has been historically the case, an increase in equity, you can have an increase on that equity base. So I would have no argument with that statement.

The argument I put forward, however, is that under the terms of the AIB program, all federal and provincial agencies — in case of the provinces, the federal government obviously didn't have the power to bring provincial agencies under the purview of the program, but at least it very clearly says, apply the guidelines to regulated industries within the province.

Now, Mr. Chairman, if you look at the actual production of any of the companies — Calgary Power, Alberta Power, Canadian Western Natural Gas or what have you — and you follow the AIB guidelines, which are profits based on per unit of production — not on equity invested, but on per unit of production — then, Mr. Chairman, there is really no justification for those substantial increases in profits accorded the two companies that I cited last week when I raised questions to, I believe, the Attorney General. The only way you can argue the increase that has occurred is if the former approach of the PUB had been used, without any changes as a result of the federal guidelines.

Mr. Chairman, the power companies will say, all right, that's true, our number of kilowatts produced went up very marginally. But there are reasons our profits increased. We had to expand. This is essentially the classic "yes, but" argument we hear with any wage and price control program. Yes, it's a good idea, but we have a special case. The special case argued by the power companies is that they had to increase their capital in order to meet certain conditions set out by the province, including environmental conditions. That's true. I don't deny that.

But the point I want to bring to the attention of the Attorney General and members of this committee is that if we accept the "yes, but" argument — yes, the guidelines should apply, but in the case of the power companies they had other investments — then we have to look at the alternatives the companies had in financing that additional investment.

Now, there are two basic alternatives. One would be to borrow the money and pay interest rates of 9.5 [or] 10 per cent. The other would be to increase the equity. From the viewpoint of any owner, it is better to increase the equity, because under the PUB guidelines they get 15 per cent on their equity investment. So if I own a power company and have to increase my capital, Mr. Minister, particularly in a public utility, where you've got a beautiful situation, where you have a captive market, where you can limit your risk — the more you can shift this capitalization over to equity, the better it is. Because you're getting 15 per

cent rather than paying out 10 per cent. On a capital expansion of as much as \$200 million, the difference between 15 per cent and 10 per cent is about \$10 million a year, which has to come out of consumers' pockets.

Let me put the argument to you this way: was it necessary that the PUB authorize the power companies to finance a large part of their capital needs through equity shares as opposed to borrowing money? I raise that because the equity to debt ratio of the power companies in this province is very high. I understand it's somewhere in the neighborhood of 50:50.

Mr. Chairman, I think it's extremely relevant for the members of the committee to discuss this, because we are in a deal in the Fort McMurray area where, as members know, we're putting up the \$300 million power plant. And obviously, as owners of the Alberta Energy Company — to the extent the AEC is involved in the project — our best financial bet would be to have as much of that in equity and as [little] in borrowed money as possible. I remember getting into a discussion a year ago in the Assembly and having the Minister of Energy and Natural Resources confirm that it would be desirable to have as much of that in equity as possible, because we are the owners.

But, Mr. Attorney General, the debt to equity ratio in the AEC power plant is 90:10 — 10 per cent equity, 90 per cent borrowed. But you see, the private power companies have talked us into a 50:50 proposition. My argument is not that they didn't need to invest capital last year. No one is disputing that. My argument is: why did the PUB allow them to do it the most expensive way from the viewpoint of the consumers? But obviously from the viewpoint of the companies, it's the best way to improve return on their shareholder investment. Again, Mr. Chairman, we're really talking about a very good situation from the owner's viewpoint. Very little risk is involved, and perhaps even less risk will be involved if we pass an act which is before the Legislature. But we'll get into that debate during the course of that bill.

So I say to the minister, Mr. Chairman: the federal guidelines say very clearly that the province should apply the AIB to regulatory agencies. The federal guidelines are based on per unit of production. If you look at the per unit of production by both companies, there's enough to justify an increase to 5, 6, or 7 per cent in profits. But because of this manoeuvre between debt and equity, what has happened is that they are able to increase their equity by a very large amount, on which we are paying 15 per cent instead of 10 per cent. Since we as consumers have to pick up that bill, it seems to me, Mr. Chairman, that this is where it would have been in the interests of the province and the consumers if the government had very clearly said to Mr. Horton and the PUB officials that for the duration of this program, expansion in companies where there's already a very high equity basis should be done in the way least expensive to the consumer.

Mr. Chairman, I recognize that, in a sense, some would say that's unfair to the investor. But any anti-inflation program is going to be unfair. It's only as we can make this "yes, but" argument consistent across the board — we can argue the case of the outside worker in Fort McMurray; on the other hand, we can argue the case of the Calgary Power investor or the

man who rents 200 suites in Edmonton — it's only as we can bring some kind of consistency in sharing the load of fighting inflation that the program is going to have any credibility. I suggest to you that the government should quite frankly take a second look at how the PUB has functioned in this important regard for the last year and a half.

MR. R. SPEAKER: Mr. Chairman, I want to make comments on two areas. The first is a general area with regard to application of the law. I'm sure it's quite often wrestled with in the courts and in the mind of the minister. I haven't a lot of specifics at my fingertips at the moment, but I'd just like to make the comment and then have a response from the minister.

As I travel through my constituency and have my pre-session meetings, the matter is raised quite often of the penalty that is often handed out by the district court system for driving offences, liquor offences, drug offences. The common attitude amongst the population is that the penalty is not severe enough. I recall one instance where the penalty for a drug offence was \$40 and costs. Just offhand, that seemed to me like not very much money. But this is a general feeling of the population.

I wonder what work the minister is doing to have a look at some of these penalties. How often are they reviewed? What happens in the district court system to have the district court judges get together and review their approach to it? That's one thing.

The other thing they often say, in reference to drugs, is that the RCMP spend weeks trying to catch the fellow peddling drugs in the town. Then after they catch him, the penalty doesn't seem severe enough. It's a general comment, but it is an attitude out there that I thought I should relate to the minister.

The second area I'd like the minister to comment on is the centralization program going on with regard to the district court system. What stage is it at? What is happening in the minister's review?

MR. FOSTER: What do you mean?

MR. R. SPEAKER: Oh, the district court judges, what are they . . .

MR. FOSTER: Oh, the mergers.

MR. R. SPEAKER: The mergers, right. If the minister could just comment on that and bring us up to date.

MR. CLARK: Mr. Chairman, I'd touch quickly upon perhaps just four areas in light of the way the minister wants to handle the matter.

Mr. Minister, I'd like to get some indication as to the government's intention with regard to whether the government is going to appeal the acquittal of Mr. Stewart. I believe he was acquitted on one charge last week. That's Mr. Stewart who's involved in the former department of office of special programs.

The second thing, Mr. Chairman, is with regard to The Jury Act. It was my understanding that some changes may well be considered during '77 as far as The Jury Act is concerned. I know my office oftentimes receives complaints about the same people being called for jury duty time and time again.

The third area I'd like to ask the minister to make

some comments on is the question of the Public Utilities Board. Perhaps I should have made my comments right after or just before the Member for Spirit River-Fairview. He and I would have a somewhat different point of view — a very different different point of view as far as utility companies are concerned. But I do think it needs to be said that as I view the role of the Public Utilities Board, it is in place on one hand to see that the investor gets a return on his investment. On the other hand, it is there to protect the public also, because of a monopoly situation that has developed, and we're talking specifically with regard to power. Mr. Minister, it seems to me the Public Utilities Board is playing a much wider role in Alberta today, whether it's involved in hearings on the costs of electricity, in hearings with regard to natural gas, or a wide variety of other areas.

Mr. Chairman, I make these comments with no disrespect to Mr. Horton or the Public Utilities Board. But it does seem to me it's very timely that we should look at the Public Utilities Board legislation on a broad overall point of view rather than a piecemeal kind of approach which frankly, Mr. Minister, I think has been done for a number of years in this province. I can't recall when — maybe my colleague from Drumheller can — the last time the Public Utilities Board, the legislation, the whole ball of wax was looked at from an overall point of view. It does seem to me that now might well be a very opportune time.

I'm sure the minister is familiar with the concern that's been raised in Lethbridge with regard to the way power costs are going up in the city of Lethbridge. In fact I think there have been something like 4,000 letters go into one particular party in Lethbridge on an open-line program which has led somewhat of one-man crusade in that particular area as far as Lethbridge is concerned.

I want to make it very clear that there's no question in my mind that the province should not get involved in taking over the utility companies. But I do think it's extremely important that the public are satisfied that the Public Utilities Board has the legislation and the expertise to be able to carry out the intent of the act. If there are some inequities in the act now, then we'd better be looking at them. Maybe the way you do that is for the province to acquire one or two people to have a full-scale look at the Public Utilities Board and its wide functions, with the view to coming back to us this fall or perhaps next spring with some basic recommendations for some area of change. I make the point again that have no personal difference with Mr. Horton, but the point has been made to me on several occasions that really the board doesn't have the kind of power or the authority it needs in some cases.

Mr. Chairman, the other point that I think has to be made as far as the Public Utilities Board is concerned is that it's extremely important that the public have confidence in that board. No member in this Assembly is helping the situation if we end up spending our time rather downgrading the Public Utilities Board. I'm not suggesting any member has done that here this afternoon. But it is important that the public have confidence in that board, just as it is important that the public have confidence in the system of justice or the courts in this province. For too many years now, I think the Public Utilities Board has been left on the back burner, both by this government and the

government when I was a member, in perhaps [leaving] the Public Utilities Board somewhat to its own devices. So, Mr. Chairman, I'd appreciate some response from the Attorney General in the particular area of the Public Utilities Board.

The last comment I'd like to make deals with the question of witnesses. I hope also this is an area where the Attorney General has received some static with regard to the way that people who come forward, either voluntarily or are subpoenaed to court to appear as witnesses, and end up — very frankly, if I wasn't in the Legislature I'd say they end up getting 'jacked' around for days and days and days. I'm sure the whole problem can't be resolved. But I must say I share a great deal of concern for a number of these people who end up as witnesses and who really leave with a very sour taste in their mouths.

Just one last comment as far as the Public Utilities Board. Mr. Minister, one of the comments I've heard made by people on the Public Utilities Board is the need for sizable increases in our utility rates in the next number of years. That being the case, it seems to me that some place, be it Alberta — hopefully Alberta but some place in Canada — we should be looking collectively at what is going to happen in these areas, and develop some sort of public awareness, some kind of public understanding as to what really is taking place with regard to these kinds of increases. I am aware the Public Utilities Board is now taking on some sort of public facilitator, and I've heard good comments of the work he is doing. But it seems to me that the board needs to think in terms of a bit further down the road and to the kind of responsibilities it has in at least levelling with the public. Because the board too often now finds itself in a confrontation situation, and holds a very low profile otherwise. I can appreciate that may have been an acceptable — perhaps the proper — procedure in the past. I think perhaps we have to rethink that somewhat.

MR. PLANCHE: Mr. Chairman, I would just like to make a couple of comments if I may. These are not necessarily within the parameters of this particular conversation except this is the only forum I know of to bring them up in. They concern the handling of trust accounts by the legal profession. It is my information that until recently the banks paid no interest on trust funds. They now pay interest but that's not available to the lawyers as I understand it. It goes into some kind of general fund that is policed by a professional body.

I am wondering if you could respond and tell me — I would assume there is some serious magnitude to the fund — what kind of direction the expenses from that fund take, and how much of it is, for instance, directed into legal aid, specifically to disadvantaged, and one thing or another. If that wouldn't be too much trouble I'd like you to make a couple of remarks in that area.

MRS. CHICHAK: Mr. Chairman, a couple of comments, the hon. Leader of the Opposition has raised two or three of them — yes, on occasion we do agree with him. I think that our constituents, regardless of what part of the province they come from, aren't that different in certain concerns and areas, particularly the Public Utilities Board. I feel the issues that have

been raised are timely and I'm sure the concern would have come to my attention — not only to my attention but to other members as well — that the public is having in understanding the terms of reference of the Public Utilities Board, in view of the continual increases on the applications that have been granted recently or in the past couple of years.

I would hope the Attorney General might take into consideration the need for reassessment and the whole function of the Public Utilities Board at this time, and whether the members on the board — not being critical of any of them at this time — but whether the time frame or the terms of reference properly direct them to reflect the concern and the interest of the public at large.

Another area of concern I have had expressed to me is the inconsistencies in penalties being meted out by the courts in relation to the crimes committed. Very often you will have sexual offences and manslaughter charges which are not anywhere near the severity in penalty that you will find in charges laid and convictions made on drug offences or other much lesser offences.

I feel the area of charges with regard to rape and sexual offences certainly needs to be examined — the manner in which victims of such offences are being handled in the courts, and why in fact so many victims will not come forward as a result of the manner in which police forces and other agents deal with them.

With the opening of the Faculty of Law at the University of Calgary, I would like to inquire of the minister whether he has information as to the enrolment level, the level of program compared to the educational program at the U of A, and just what criteria were used in establishing a faculty of law at the University of Alberta. I'm not convinced — and I think many members of the public are not convinced — that was really necessary, except perhaps to give the University of Calgary a higher status. I'm sure that is not the sole reason and that there must be some need. But I wonder whether the cost of establishing a law faculty at the U of C compensates for the benefits the public will reap, bearing in mind that the fee structure for legal services is very much in the hands of members of the society.

There is another area on which I have had concern expressed [to me] over a long period of time, and it seemed we were not able to resolve the problem; that is, where penalties have been meted out by the courts on charges. Individuals have accosted and robbed citizens and the courts have directed an accused, who has been charged and convicted, to repay and compensate the victim. It seems we now have two or three cases in the province where the convicted person did not compensate the individual. Perhaps the Attorney General will be aware he has had correspondence on one of those, which now is probably three years old, where the senior citizen has never been compensated and the money was never returned. Nothing further was done, with regard to the individual who was charged and convicted, requiring that individual whether over a period of time or by some means to compensate the senior citizen who was so accosted and suffered such harm.

I would hope the Attorney General would look into our legal structure and be sure that whatever changes must be made — whether in legislation or

directive to the courts — that will require that in fact such penalties being handed out by the courts are indeed carried out. There is really no purpose in the whole process of what it costs us to try to bring about justice when decisions are not going to be further dealt with or followed up.

Mr. Chairman, I would like to inquire whether the minister has had under consideration or in fact has carried out any discussions with members of the law society or the Institute of Law Research and Reform to provide to the minister some assistance in bringing to his attention, or to the attention of the department, for consideration amendments to various legislation where there are weaknesses with regard, I would say, to a whole host of areas, but particularly the area of family law and the matter of equity before the courts with regard to separation — where there is division of property — and the manner in which children of broken marriages are being dealt with. Although the matter of matrimonial property is being considered at this time, being a very complex one it may take some time to bring in legislation. I hope that doesn't preclude submissions being put forward and amendments to other legislation currently in existence to bring about some equity in the interim, to remove some inequities that exist.

Thank you.

DR. WEBBER: Before the minister responds to the other questions, maybe I could ask mine. In question periods during the spring session a number of questions have been related to the motor vehicle accident claim fund. The minister indicated I should bring up in estimates one of the questions I asked.

As I understand it, the situation is that no police report is required for damage less than \$300 or \$350, whatever, in an accident unless personal injury is involved. Yet the minimum damage claim for the motor vehicle accident claim fund is \$100. So all claims between \$100 and \$350 to the motor vehicle accident claim fund, I believe, do not require a police accident report. I'm wondering whether this is a problem area in that it's being abused, claiming hit and run when possible scraps in parking lots occur and, if it is, whether consideration is being given to closing this gap of possible public abuse.

Also, Mr. Chairman, there were a number of other questions related to the possible dropping of insurance on the part of drivers, which the Minister of Consumer and Corporate Affairs answered on a number of occasions. I wonder if the minister would give us an overview of some other problem areas that exist with regard to insurance, and whether he is contemplating any changes which might help correct some of the problems with regard to this fund.

MR. TAYLOR: Mr. Chairman, I want to say a word or two on the board of Public Utilities commissioners. I want to outline the way I understand this, and would appreciate the minister's comments.

Some time ago, shortly after the AIB regulations and guidelines came in I believe the hon. Premier outlined to the Legislature the guidelines he expected the board of Public Utilities commissioners to follow. As far as I can see, the board is following those.

I think it's unfair to base the AIB guidelines on the dollar value of the earnings of a utility company. This doesn't make sense to me if there is any expansion.

For instance, a farmer has a hundred chickens and gets so many eggs from those chickens. If he doubles the flock he will probably get twice as many eggs. But that doesn't mean he's going to get twice as much profit. The increase came from the expansion.

While I want the consumer to get the lowest possible price for utilities, I don't want to be responsible in any way for our running out of power in the next 20, 30, or 50 years. We take power for granted; we simply flick the switch and the light comes on. Imagine the general havoc in this country if we flicked the switch and no light came on. When we have a short power failure, there's almost utter havoc in our homes, hotels, wherever you go. Even in the best of places . . . Last year when I was in Caesar's Palace the power went off in my section of the hotel. I couldn't shave; there were no candles. Complete havoc resulted for several hours.

Now imagine the havoc in this country if we didn't keep expanding to meet the increased needs of power. I want to say that definitely we want power at the lowest possible price, but we don't want to stop our power companies from expanding to meet required needs in the future. I really want to emphasize that point. I think some of the criticism in regard to expansion is very unfair, because if we don't have that expansion we're just not going to have power to meet the needs in the future. That's a point I want to emphasize.

I think another point has to be referred to. A few years ago the previous government arranged with Ottawa that the income tax on privately owned power companies would go to Ottawa, come back to the power companies, and then go back to the consumer, in order to make them equal or comparable with the nationally owned power companies of other provinces. As a result that income tax does come back, and consequently has a bearing on the way money is invested by our power companies.

I believe the board of Public Utilities commissioners requires a certain amount in common stock, a certain amount in preferred stock, and a certain amount in borrowings or debt. Many times the whole story is not told when we say how much a power company is earning. For instance I think the rough guidelines the board of Public Utilities commissioners uses are 15 per cent for preferred stock, 30 to 35 per cent for common equity, and about 50 per cent for debt. I think the board is required to use those rough guidelines, give or take a little.

But if the board reverted entirely to debt by borrowing, we would find ourselves in a position where the amount coming back to the consumers of power would be far less. Because the best paying proposition is the preferred stock when it comes to getting something back for the consumers. I don't think we should forget that point.

As I understand it, the board of Public Utilities commissioners has been trying to thicken the amount for preferred stock, for the sole reason that it gives the consumer a better return when the tax money comes back from Ottawa. It's cheaper. It's a better deal for the company and for the people of the entire province. So when we start talking about equity, common shares, and preferred stock, I think we'd better tell the whole story. Otherwise we're apt to be doing something that will hurt the consumer and hurt the expansion of power in the province.

I emphasize again that sometimes I am concerned when I see the amount of increase granted. But I don't think you can base the AIB regulations on that. I think you have to base them on the rate of return. I wonder if the minister can assure us that the amount of return to Alberta Power and Calgary Power today is very much the same as it was prior to the AIB guidelines. Or has it changed, has it gone up during the AIB guidelines? Have the companies received a greater rate of return? Because if you're not going to have competition, then they're required to live within a stipulated rate of return to protect the consumer.

I think that's the point we have to mention. Has the rate of return for these companies changed? If so, I think the board of Public Utilities commissioners is in a position where they can be criticized. If the rate of return has not changed, then I think they're carrying out their job and the utility companies are able to make the expansions necessary to assure us of power in the future.

MR. FOSTER: Mr. Chairman, thank you very much.

With respect to the comments from the hon. Leader of the Opposition concerning remands in Calgary, I think we should be aware that a perfect judicial system, perfectly operated, would not eliminate remands. There would always be remands; there would always be the extraordinary case of someone in remand for a long period of time. I think, though, that the comments of the hon. leader in expressing the frustration there with respect to the level of remands, and no doubt my colleague the Solicitor General would comment on this as well — the frustration is valid, because clearly we should not have on remand persons who are there unnecessarily.

Many of the reasons for persons existing on remand are being cured or have been cured. Some of those reasons are: inadequate numbers of Crown counsel; backlogs in the courts; people getting caught up in the judicial process and languishing in remand centres until they can be dealt with by the court; perhaps an insufficient number of judges to adequately process the administration of the court; perhaps inadequate facilities, space, and staff — all those things to which Kirby made reference. Mr. Chairman, we have come a long way to redressing many of those grievances. I would have hoped we would have come a longer way with respect to the state of remands, particularly in Calgary.

Now there is no doubt that in the last several months we have been short of judicial manpower in Calgary. We have not necessarily been short of Crown counsel, but we have acquired quite a number of new ones in the last while. There has been a modest delay factor in Calgary, but not significant. We did open up a number of new courtrooms, and there were some short term staffing problems there.

I have had discussions with members of the judiciary, generally on the subject of remands and delays in the courts. I assure the House that the judiciary generally, and in particular the provincial court, are very aware of this and, I believe, are doing what they can to ensure that remands are kept to a minimum and unnecessary remands don't exist.

But the Crown is sometimes at fault in not pressing forward with its cases. By hiring additional Crown counsel and by instructing our staff appropriately, we have taken steps that matters are to be carried for-

ward as quickly as possible. We've added new judges. If defence counsel requests an adjournment, the Crown indeed can and does object, but it's essentially up to the court to decide whether or not that adjournment's going to be allowed.

There've been many examples of adjournment after adjournment. When we track them down we find, on the face of it, usually good and valid reason for the adjournment. All I can do is call on the resources of the department, invite the co-operation of the bench, and invite the co-operation of the private bar. Since our judicial system is a highly independent organization, in that it accommodates to several independent groups, or quasi-independent groups — the bar, the bench, the Crown, and the police — my colleague and I will be doing what we can to ensure that there are as few as possible delays in the system.

I conclude with my beginning remarks: there will always be remands and, regrettably, no doubt there will always be some people in there who should have been dealt with more quickly. I'm simply saying I will do everything I can to ensure that that delay is not occasioned by the Crown. Sometimes it may be inevitable, but at the same time I think our attention should be focused on the defense bar in their conduct as well. Certainly we are now getting to the level of resources and complement of staff [so] that I hope I can stand here and say the Crown has not necessarily delayed any proceeding. There may be exceptions to that, but we are very mindful of our responsibility.

With respect to the comments of the hon. Member for Drumheller concerning jury duty, I could not have phrased the problems better had I addressed my mind to it. I think the examples he has given this House of the problems with jury duty in the province particularly, as you've pointed out, in Calgary, are sad and unfortunate and call out for a cure.

I think I indicated last fall that we were inviting our staff, in co-operation with the Provincial Court Reorganization Agency to consider the whole question of witness scheduling. I have made the statement and make it here again that witnesses are sometimes treated in the total system with less regard than the accused and all others. There is no doubt that on occasions that conclusion is very easily arrived at.

Now, what to do about it? We are finding many, many people being called, standing around as you've pointed out — delays in the system. A better witness scheduling process can be put in place. I don't want to stand here and pretend I'm an expert and can call upon easy solutions. If they were easy and could be easily called on they'd be there now. But they're not. All who have been most closely involved in this area agree that a better way must be found. I say to you that we will do our best to find a better way, because witness scheduling in the court today is at an unacceptably low level of treatment. We're calling on the public to suffer through this interval with us as we endeavor to make these changes in the system.

We believe in trial by jury, that an individual may call upon a group of his peers to determine his guilt. At the same time, while that principle is important to maintain — and recognizing that [while] jury trials have not been a popular form of trial in Alberta, they are increasing in use — that foists a tremendous burden on our staff, who are now having to accustom themselves to more and more witness scheduling

problems, particularly in the sheriff's office. I can only say to the hon. Member for Drumheller he's bang on the point. I'm painfully aware of it and I hope by this fall, in dealing with traffic court diversion, I might give this House some specific recommendations and comments as to how I think we can streamline the system, involve fewer people in it, treat those whom we must involve with respect and more quickly, and occasion less delay.

The specific matters the hon. member raised with respect to crippled persons or the like — it's extremely unfortunate that they have to find themselves all the way down to the sheriff's office before they are excused. I simply say to you those problems are there, and have been there for many years. We're now trying to find some ways to speed it up.

Knowing what I do about the work of the project team that is working on this question, I'll be in a position by this fall to indicate to the House — and get the House's response, frankly — where I think these kinds of safeguards and time-saving activities might be realized.

Mr. Chairman, I have very much enjoyed the comments by all members in the House, leading first with the Member for Spirit River-Fairview. I'm particularly appreciative of the concluding remarks by the hon. Member for Drumheller about the role of the Public Utilities Board.

I understand from the news media that indeed there may be a challenge to the Public Utilities Board. I read that some solicitors may be taking steps to challenge the capacity of the board at the current moment, so I don't want to move into that area at all and deal with that question.

The hon. Member for Spirit River-Fairview referred to page 19 of the white paper and quoted the reference to the fact that the provincial government should be asked to instruct these agencies in this regard. He's asked this question several times in the House and my response has been — as has the response of my colleague, the hon. Minister of Utilities and Telephones — that when the AIB program was dropped on this country, subsequent to the announcement of our own guideline, I then provided the Public Utilities Board with the program, with the guideline, with as much material as we got from the federal government. I did not look on that communication then, nor do I now, as instruction by me to the Public Utilities Board that they must be bound by either the government's guideline or the guideline established under the AIB program. It was, if you will, an invitation by government to the Public Utilities Board to consider both.

I have adopted — I was about to say a hands-off attitude with respect to the Public Utilities Board. I don't want now to suggest that I'm beginning a 'hands-on' approach. But I look on the Public Utilities Board as a quasi-judicial or judicial body not susceptible of ministerial direction *per se*, however clearly susceptible of legislative direction. I read the comments by all in the House who have referred to this, that now may be the time to look back over the history of the conduct of the Public Utilities Board, particularly in the last couple of years. In view of the point made both by the Leader of the Opposition and the Member for Spirit River-Fairview that we may be facing some highly significant increases in the next little while, this indeed may be a very appropriate

time for government to examine its relationship *qua* the Utilities Board on behalf of the investment community, the public generally, and certainly on behalf of the consumers.

Interestingly enough, my colleague the Minister of Utilities and Telephones and I will be hosting a utilities seminar as a follow-up to the research documents done by M. and M. Research in this area in an attempt to ensure that if there is a better way with respect to utility regulation, we find it, and to see whether there are additional safeguards or mechanisms we might put in place either internally with the board or legislatively.

As perhaps all members know, M. and M. Research had a good look at utility regulation across Canada. This was not done for the government, but we have been privileged to receive their documents. I've spent some time discussing this with Mr. Preston Manning. This will partly be the subject of the seminar. There may be additional procedures, safeguards, guidelines — legislative or otherwise — that we need to consider. If that is the invitation of the members opposite and other members of the House who are my colleagues, that is a very useful expression and instruction, and I'll be happy to carry that forward.

Frankly, I am not in a position here to discuss the relative strengths and weaknesses of a 50-50 or 60-40 equity/debt burden split. I have not gone into the utility-financing detail with the Public Utilities Board for reasons I have outlined before. It may be, as you have said, that there are additional safeguards we might consider. I take that as a very useful comment from all members who have discussed the subject, will do so, and no doubt will have an occasion not too long from this interval to discuss it further in the House.

Incidentally, the M. and M. Research paper generally concluded that the Alberta public utilities legislation — and this has been true going back many, many years — is a model for Canada and no doubt will have some specific recommendations to make. Many of the good things that have been accomplished in utility regulation have flowed from the Alberta initiative, both under this and the previous government.

The hon. Member for Little Bow touched upon a subject which is very difficult to deal with because the problem is public communication. Too many people read a brief press report that A was convicted of possession of this, or of assaulting someone, and the penalty was thus and so. They compare that in their mind perhaps to another report on the same page of the newspaper, that somebody else was convicted and got a penalty many times that in dollar value. Or perhaps one went to jail and one got a suspended sentence. And they say, where is the justice in that? The justice is not readily apparent. Perhaps the single most important reason is that the press releases themselves do not communicate all the facts the court had to consider in assessing sentence.

I don't want to suggest that the courts of Alberta are always consistent. I don't want to suggest that the courts in Alberta always administer an adequate sentence in the mind of the vast majority of our citizens. I do want to suggest, however, that the courts have consistency as an objective and have a very real concern as to the standards of our society and what is a reasonable and fair punishment in the circumstances. I feel for the public. The hon. Mem-

ber for Little Bow has touched it very nicely: if you can't see justice being done, then you can assume justice is not being done.

There is a difficulty, in terms of media relationships. Frankly, I've even had a proposal just recently from a member of the judiciary in this province, that we assign a media relations officer to the courts to assist judges and courts in looking at this question to come up with a format that will more readily disclose the relevant considerations made by the court in coming to its determination, in the hope that public communication in this area might be better.

There are some things that can be done. I don't want to put it down to the fact that miscommunication is at its root. That's an element. My gosh, my office gets all kinds of calls all the time about this question. Occasionally it's looked into and facts that were not apparent are brought forward. When it's all out there and you look at it, then most often you can find that thread of consistency in terms of the reasonableness of the sentence. But it's not always evident to the public. If there were many members of the press gallery present, I hope they would listen to that, because they do no one a service when they minimize the question of public communication on sentencing. The comments are instructive in this House because they are completely consistent with what I get outside the House.

There are some things we can and should do. One is that the Crown must be more aware of what's going on in our courts in terms of sentencing, to spot inconsistencies and to try, where appropriate, to minimize those inconsistencies by appeal. Too often in the past the Crown in Alberta has not been appealing sentences which were clearly inadequate. And too often the singularly most important reason for that was they simply had so much to do and so many cases stacked up they didn't take the time with that minor appeal and they were on to other matters.

That was a very real burden, particularly on Crown counsel in this department. It is being lifted daily. We are now almost to the point where we have adequate numbers of Crown attorneys [so] that there is no excuse for the Crown not appealing some of these cases. That's assuming perfect knowledge, and that the senior Crown agents across the province are aware of what's going on and have some guideline or some feel for what may be a reasonable sentence in the circumstances. We have in place a mechanism called the criminal case reporting system which I referred to at the outset of my remarks. It is intended to bring to the attention of senior members of the department exactly what is going on, what are the sentences coming out, almost by judge, certainly by offence, and by location. The Crown itself must be consistent.

The court — I'm now talking provincial court — has expressed an interest in having some of these statistics. Because the chief judge of the provincial court, Chief Judge Cawsey, has some responsibility — and he recognizes that — for ensuring that when his colleagues in the court function in Lethbridge and Fort McMurray, they are being somewhat consistent.

I don't want to suggest that there's too much inconsistency, but there sure is a good deal more than in many instances in the past. Senior Crown agents or Crown attorneys in the province meet regularly to discuss common problems, including sentenc-

ing. It is not unusual for the deputy attorney general and me to be involved on sentencing questions, specifically to consider them and the matter of appeal. I've done so in some of the more significant cases in the province.

The public, I think, has noted a hardening of our line with respect to sentencing, particularly in commercial fraud. We intend to continue on that tack. In fact, on the Jaasma case I think we got 18 months at trial and five years on appeal, because we initiated an appeal. I don't want to go into informal discussions with some members of the judiciary but I think it's fair to say the court of appeal in Alberta has welcomed the opportunity to consider some of the sentences which, I think, in the minds of that court were too low in some instances.

The comment is made that the police forces in the province work very hard and are sometimes disappointed by what happened in the courtroom. There's no doubt that's true. Sometimes that flows from a lack of appreciation on their part as to what may happen in that courtroom; sometimes it flows from a lack of a close working relationship between the police and the Crown attorney. I say we're now to the point where our resources are sufficient that there can be a much closer co-operation and communication between the police officer and the Crown before they get into the courtroom.

I had occasion not too long ago to sit in a courtroom in Calgary. There were about 14 police officers just sitting around waiting for their events to come up — back to the scheduling problem. This has to do with cases, not juries. If the police officer leaves that courtroom as a cynic, he perhaps takes it out on you and me in the discharge of his duties. I know that I'm human; I may be inclined to do that as well. We should improve the relationship between the Crown and the police and at the same time ensure when a case is lost, in the sense that a conviction has not been found, that the police understand why that happened, and that if both of us need to do a better job in future, that kind of communication takes place and instructions proceed.

With respect to the question of merger, I suppose it's no secret that I feel there is merit in exploring the question of the unification of the district court and the trial division of the Supreme Court. The reasons for and the concerns can all be listed. My essential thesis is that in 1977 the district court and the trial division of the Supreme Court are essentially one court in any event. They have almost identical civil jurisdictions. Speaking for those who operate the courts internally, there is much to be realized in terms of manpower savings — including judicial manpower, frankly — from the realization that those two courts now operating almost independently could operate as well, I think, as one unit — moreover, I think, better.

Now that's my thesis. That is not government policy. But I have put out that view to a lot of people. I say to the House that I think the suggestion has merit. I'm working on the question internally, and hope to see the matter proceed step by step in future.

Since the hon. Member for Little Bow made no comment one way or the other, I assume he was not opposed to it. But in saying I think there is merit to it, at the same time I have to recognize that the quality of legal services, court services, is extremely impor-

tant — particularly to those communities outside Edmonton and Calgary. I say "particularly" outside those two major cities because most judges actually reside in those two cities; and justice, if you will, is easily available there. It is less easily available in smaller communities which may be part of the circuit of either the trial division or district court.

I have no hesitation in saying that the service to rural Alberta, given certain conditions, will be as good as it is today. In fact it can be better. If I get my thoughts on paper and organized to the point where I have a specific proposal to make, I'll be quite prepared to debate the matter in detail, as I no doubt will be doing with my caucus friends.

The Leader of the Opposition referred to four points. One was the Public Utilities Board, which I have dealt with generally. I'll come back to his remarks. I think I have dealt with the question on witnesses; I note his concern. Jury Act changes were part of the witness scheduling question that I think I'll be in a better position to deal with in some detail in the fall.

The question of an appeal on Stewart has not yet been discussed with me. You may be sure it will be. It would be inappropriate for me to make any further remarks at this point.

I want to underline something that the Leader of the Opposition said, Mr. Chairman, with respect to public confidence in the Public Utilities Board. The hon. Member for Drumheller also made the same remark. I think that's extremely key, extremely important. It is as important that there be public confidence in that board as in the judiciary of this province, which is a comment made by the hon. leader that I simply want to underline and endorse.

With respect to the concerns by the hon. Member for Calgary Glenmore, I would direct the hon. member to the provisions of The Legal Profession Act, I think, which sets up the Alberta Law Foundation. The Alberta Law Foundation is a body appointed by the government and by the Law Society of Alberta involving lawyers, members of the public, accountants, and the like, to administer the funds acquired by the foundation. Those funds are the interest that flows from lawyers' trust accounts in the province. Previously, those funds were not flowing to any real public benefit except to the chartered banks, because lawyers were precluded from getting interest on their trust accounts except under special circumstances.

Now those funds are flowing to the Law Foundation. I'm not sure what the revenue is on them. I think it's close to \$2 million a year. [interjection] Higher? Higher than \$2 million a year, so I'm advised. I don't have with me a schedule of the various expenditures and commitments to legal research made by the Law Foundation. But if the hon. members of the House are interested, I would be quite happy to get a schedule of all the expenditures and commitments made by the Alberta Law Foundation and circulate it [among] the members of the House. You will see there a considerable commitment to legal research, involving not only the Institute of Law Research and Reform but others as well; also, the funding of a number of small projects involving small organizations and small groups. For example, touching upon legal aid interests, the supply of the *Statutes of Alberta* to public or school libraries: I think small initiatives like that, while not costing a great

deal of money, have a good deal of public value.

With respect to the comments of the Member for Edmonton Norwood, I have chatted briefly about the Public Utilities Board and the assessment of changing the function of that board, which I take to mean essentially what other members were getting to in her concern about it. I think the point is extremely well taken and should be followed up.

Her second point concerned the inconsistency of penalties. Again my problem is about public communication. But, all the facts on the table, no doubt there have been examples of inconsistent penalties, inconsistent even within specific regions of the province and sometimes by the same judge. I suppose that is simple evidence of the fact that we're human, and sometimes those things occur. To suggest that the court should always be consistent isn't always the situation. But no doubt the courts and the Crown must be much more aware of sentencing in the law, and strive for somewhat more consistency than has been the case in the past.

I think the machinery is there. It's beginning to work particularly well with our criminal case reporting system. We're the only jurisdiction in Canada that has a system like that in place. It's only been functioning effectively for a few months. It's being refined. In time, depending upon our experience, we may be able to supply a good deal of information from there to news media people, to assist them in understanding what's going on in their communities. I have had one request in that regard from a major newspaper in the province.

The questions about the faculty of law at the University of Calgary — the short answer to the question about whether I went is yes, I did go. I was very happy to be there, not only because of the office I currently occupy but because I was, as the hon. member well knew, Minister of Advanced Education at the time, and had some role to play in the approval of that new program at the University of Calgary.

If she wants to involve me in a debate in this House at this time, over why . . . I'd like the debate, but I'm not sure this is the proper forum. My colleague, the Minister of Advanced Education and Manpower may wish to comment on it. Save and except the following, because I can't let this occasion go by.

The University of Calgary has 60 students in its first-year class. It will be enrolling an additional 60 the year after, and the year after. They have been encouraged to keep the enrolment relatively small. That enrolment today is even greater than when I was in law school in the early 1960s. However, it's no secret that Alberta will have something in excess of 200 graduates coming out of our law schools, Alberta and Calgary, within three years. It's no secret that there is an additional law school — UVic — in B.C. It's no secret that law graduates in central Canada are looking for jobs. It's no secret that many more students are going to be looking for articulated positions and full-time legal positions in this province in the next few years than I think any of us would enjoy.

Now that will bring some pressures to the Law Society of Alberta, and some implications to the public in terms of costs of legal services. I don't want to embark now on my speech about paralegal education for lawyers.

MR. JOHNSTON: Agreed.

MR. FOSTER: The hon. Minister of Municipal Affairs is encouraging me not to get into it. I'll deal with him later, if I can.

But as a Legislature and as a profession, we should think long and hard about the implications for paralegal education. In times of a high supply of highly qualified professionals, it's very difficult for any professional group to move significantly into paralegal education and paralegal manpower within the legal services delivery program. I am assuming that the reason for moving into paralegal programs is with a view to keeping the costs relatively down with respect to the consumer — all of which I heartily endorse. It's going to be very difficult for the Law Society and the Bar to manage that situation. Speaking on behalf of my colleagues, if I may, I hope that doesn't dissuade us as a society and as a profession from continuing our serious efforts in regard to paralegal education.

With respect to the compensation of victims of violent crime or of crime, perhaps this is an appropriate occasion for me to say that we have instructed Mr. Ernest Watkins, the chairman of The Crimes Compensation Board, to commence a thorough public review of the past performance and future possibilities of the board. He has just returned from New Zealand where he was reviewing the activities of the crimes compensation board which began there some time ago. I chatted with him last week, and I'll be meeting with him shortly. We'll be setting out a series of public meetings from which we can get additional input in the area of possible modification to this legislation and crimes compensation in the future.

That is only one avenue for a victim of violent crime. Of course the other is the courts. Too often, I suppose people have failed to take before the courts their initiatives to obtain redress for small injury. You will recall amendments in this House to the small claims legislation, which now allows a citizen to proceed to court in a relatively simple process at very modest cost. Unfortunately the jurisdiction there is limited to \$1,000.

Back to the comments from the hon. Member for Little Bow — because if we deal with the question of merger we may then have to deal with the question of the jurisdiction of the provincial court, particularly in small claims. I'm quite interested in seeing citizens have the capacity for access to the courts with modest cost and maximum convenience. However, I don't want to suggest that the citizen should hope to resolve major personal injury claims on his own behalf in a small claims court.

The amendments to legislation, again referred to by the hon. Member for Edmonton Norwood — I would be keenly disappointed had she not raised the question of the process and the timing of that. I'm grateful to her for doing so. Because the reform in family law, the children and the law — responding to some of the recent reports from the Institute of Law Research and Reform and other law reform commissions — I think is now timely and will be done. For some time we have discussed family court and the possibility of a unified family court. That's been going on in federal/provincial discussions. I noticed recently the Attorney General for Canada announced the appointment of

some 15 new judges to participate in this experiment in Ontario, I assume, and Manitoba. I haven't seen the results of those papers yet. But needless to say, we are hopeful of simplifying the whole area both of family law and the process of family law. Right now you can deal with four courts in one family matter, as hon. members know. That's simply too much to ask of the public.

The Member for Calgary Bow raised the question of the motor vehicle accident claims fund. This has been raised before in the House. He's quite accurate in his remarks concerning the limits on the fund of \$100. As a matter of statistics, it's interesting to note that for the year ending March 31, 1977, there were some 3,661 claims against the fund. Of those, slightly over 3,000 — which is the vast majority — were hit and run. I haven't got a breakdown here of the dollar amounts involved, but I do have a breakdown of the numbers of persons paying off their indebtedness over time. The total number of debtors as of March 28 would be 1,124. Of those, 768 are paying off an indebtedness of under \$5,000. I'm sorry I don't have with me the breakdown as to the average hit-and-run problem. But there's no doubt that with the absence of police reports now, there's an evidence problem on hit and run. With 3,000 claimants out of 3,700-odd, that is a very significant factor.

One of the ways of reducing the abuse, if it's there — and we can assume some of it is — is to raise the limit from \$100 to perhaps \$250 or \$300. The public should understand that in doing that they will be responsible for the first \$300 of their damage if they can't find the responsible driver. Thereafter they may claim against the fund. Quite frankly, I would certainly endorse an increase in the minimum. I wouldn't say at this time whether it should be \$100, \$200, or \$300, but I think without doubt it should be increased.

A question was also raised concerning the matter of the interest payment. I don't always know what the law is in this province, although we're all deemed to know it. It came as something of a surprise to me to realize there is a specific provision in the motor vehicle accident claims fund legislation that provides for no interest being assessed. I'm assuming the reason for that is to offer some encouragement or inducement to the public to pay off their indebtedness. As a matter of interest, of the 1,124 currently paying off indebtedness, the vast majority are under \$5,000. But just picking a figure between \$5,000 and \$10,000, there are 176 persons. Fifty people owe the fund more than \$30,000. That is being paid off at an average payment which any of us who have house payments to make on mortgages would be happy to meet, without the interest payment.

I'm open on the question as to whether there should be some consideration for interest. Because clearly some people have the resources and capacity to pay back the entire indebtedness plus interest, while others do not.

Mr. Chairman, I'll conclude for the moment by again saying to the hon. Member for Drumheller that I appreciate his remarks on the Public Utilities Board. I am not armed with the detail at the moment, but I'll get it to answer your question about the rate of return, how it has changed and the like. I have note of your comment, and I'll pursue that for you.

MR. KUSHNER: Mr. Chairman, to the minister. This is not in the form of an attack or a charge or whatever — but maybe I have been charged instead by many communities in Calgary. Probably every MLA in Calgary is going to be getting notice to attend a meeting in regard to bingos. Some rules are being changed. I wonder if these rules are really firm, Mr. Minister. My questioning here is that the source of income to the community comes from bingos. Now I understand — if I understand the legislation proposed — that they will not be able to use any of these moneys for a social or banquet for a hockey team or baseball team, a picnic, or even a kiddies' Christmas party. I wonder if the minister is in a position to inform this Assembly.

On the other hand, we seem to be getting into more bureaucracy and red tape. We're asking now, as they inform me — and I used to be involved in bingos in communities — for a banker, a paymaster, a cashier. They're asking for more volunteer help. I wonder if the minister could inform this Assembly what in fact we can do to correct the situation. Because if that is so, I think we're going a little too far.

MRS. CHICHAK: Mr. Chairman, I would just like to ask the minister to comment on one point I raised in my initial remarks, and I'll add one other. That is the point he overlooked. I'd like him to comment with regard to the manner in which victims of sex crimes are dealt with in the process of the law where charges are being laid; whether we are making any substantial gains in trying to make such changes in procedure and, to some extent, in trying to encourage changes of attitude toward the victims of sex crimes in dealing with them and attempting to bring justice and to bring into the courts those who are charged.

The other point I would like to raise is: although we have initially considered support for agencies attempting to assist victims of sex crimes under the jurisdiction of the Minister of Social Services and Community Health, I think it belongs to some extent jointly in the Attorney General's department. I don't think it's solely in the jurisdiction of the Minister of Social Services and Community Health. This is a matter of violation of law and human dignity, and support ought to come from the Attorney General's estimates as well. It's unfortunate the budget that is allowed to the Minister of Social Services and Community Health just doesn't give the kind of support, at least in some part, to meet the need of the agencies to a greater degree. The destruction of human respect is very deep. The trauma is great and very often lasting for the balance of the lifetime of the individual. I for one feel we must give greater recognition and support to the victims of such crime.

MR. NOTLEY: Mr. Chairman, just a couple of comments on the PUB and then several questions on another area that I would like the hon. Attorney General to respond to.

Mr. Chairman, first of all, with respect to the PUB and the Calgary Power/Alberta Power question. The decision to allow substantial increase in equity was occasioned by PUB Order E76088 on June 29, 1976. There are really two aspects of this. I want to comment on one very briefly and question the other. This order was given, Mr. Minister, without any provision for public hearings. Because it does have an

impact on overall rates indirectly, I would ask the minister if he's in a position to outline just what the board policy is with respect to the hearing process. Most of us have assumed there are public hearings — and certainly there are with respect to rate application increases — but to what extent has any policy been set out as far as changes within the internal structure of the regulated utilities, which may have a rather important impact on the rate hearing process and the ultimate rates that people have to pay?

The second part of course, Mr. Chairman, is that under the terms of that order, it would appear the reason the company made the application was not in fact to increase their power potential. No extra kilowatts will be produced as a result of that particular board order. The stated purpose was to pay off debts and to provide working capital. That does raise a reasonably important point. In a time of restraint most of us would argue that there may be well be an "or else", as the Member for Drumheller argued quite well. If it's a case of expanding power production or the ability to produce power, that's a "but". We can then argue how we finance that "but", but it is a "but". However, if it's a case of reshaping the debt/equity structure of the company, it seems to me that's a different matter, Mr. Minister.

The Member for Drumheller raised the argument that perhaps there is value in more equity as opposed to debt because of the taxes paid and rebated back to the province as a result of an agreement some years ago. Whether that is good or bad for the consumers is a difference between what that would amount to, and the interest they would have to pay on borrowed capital — the difference between 15 per cent less the transfer, versus borrowed capital. It's our understanding from the survey of the Calgary Power financial statement that as consumers we still would have been better off if they had used borrowed capital.

Now that raises something I'd like to put to the minister in the form of a specific question. In areas like this, where the overall interest of the public is at stake — because we do need additional power production — has the cabinet given any consideration to making loans for hydro-electric or thermal power operation in the province available from the heritage fund? Because it seems to me that would fit within the guidelines of the heritage trust fund. If the utility companies have to pay 10 per cent to New York bankers, it might be a better proposition that they pay 10 per cent to us through the Alberta heritage trust fund. I wonder if the government had given any particular consideration to that option.

Now the only other point I'd like to make on the utility board question is to say to the minister: I would approach the M. and M. report with a little bit of caution. I'm glad you're having a seminar on it. Might I suggest, Mr. Minister, that you invite members of the opposition as well to sit in on and participate in the seminar, because I'd like to have a chance to ask some questions of M. and M. consultants on their report. I appreciate the fact that we're now looking — or that the minister indicated the government is prepared to look — at the whole question of the operation of the board, and how we balance the need to protect the consumer on the one hand with the interest of the investor on the other. As I read the M. and M. study, there seems to me to be some danger to the consumer particularly with the provi-

sion for automatic pass-through and not necessarily having public hearings. Without belaboring the question, Mr. Minister, I would just suggest on that score that there should be a good deal of caution.

However, I quite frankly find it difficult to know how to phrase the questions I wanted to put to the Attorney General because they deal with the judicial inquiry announced the other day. I say that because I can appreciate that getting into the internal operations of the Department of the Attorney General is not something the Attorney General would want to discuss in the Legislature, with the press taking down everything said in terms of who said what to whom, staying prosecution, et cetera. But on the other hand, we are now in a situation, Mr. Minister, in which a very important inquiry has been announced. We have seen certain statements made outside the House — including the statement by the Deputy Attorney General — [saying] there might be some revelations. It seems to me that however one might like to say, all right we'll wait till this all comes out in the inquiry, there are at least two or three questions that immediately come to my mind.

Question number one, with respect to the Royal American Shows: what steps will be taken to extradite officials of Royal American so that the inquiry can be full and complete? What is the legal position with respect to extradition when it comes to judicial inquiry?

Secondly, I gather the case against Mr. Anderson was stayed, but there was no preliminary hearing. I believe it went directly by indictment. I'm told by lawyers — I'm no lawyer, as the minister well knows — that is an unusual proceeding, to stay proceedings where you've proceeded by direct indictment. Because that's unusual, and because people have said, aha that's unusual, I'd like the minister to respond as to why that particular route was taken, in view of the fact that the inquiry has been announced, and now all charges are going to be dropped against Mr. Anderson. At the same time, Mr. Chairman, I would ask the Attorney General whether any other cases have been stayed.

MR. FOSTER: Okay. Thank you, Mr. Chairman. I didn't really expect to get through without some questions on gambling . . .

AN HON. MEMBER: Bingo!

MR. FOSTER: . . . so the hon. Member for Calgary Mountain View has not disappointed me. I'm glad of the chance to chat about it briefly. I should say to him on the matter of bingos, that in 1976 I would guess \$25 million was gambled in Alberta. I give that figure because I simply would like you to be aware that it is not a small business or a small operation.

I certainly agree with the hon. member and members of the House who have talked about this from time to time: if properly controlled, that kind of gaming activity is a highly desirable source of funding for all manner of worthy community projects. I underline and emphasize the fact that to qualify for it you've got to be a religious or charitable organization. That must obviously limit the uses to which the funds are put.

The hon. member has referred to possible changes in the bingo guidelines and conditions. I have indi-

cated to the gaming community and, I thought, to my colleagues that we are constantly monitoring gaming activity in the province. In fact we do not issue licences beyond a three-month period so we may keep a relatively short time frame in mind in case it's necessary to change any rules, regulations or conditions.

With that in mind I am currently in the process of working on some possible changes in the bingo area. That's also true of the other gaming sectors as well, but it is true of bingos. But I want to give the hon. member this assurance: once we have settled on the kinds of changes we think might be advantageous and appropriate, those conditions will not be unilaterally imposed on the organizations in the province without giving them the opportunity of considering the changes in rules and responding to them. That assurance I have given organizations in Calgary and elsewhere and I'm happy to repeat it here.

MR. KUSHNER: [Inaudible] that's not what those communities have been telling me.

MR. FOSTER: Well, I don't know what the communities have been telling you, but I know what I'm telling you. And since I'm the one who's suggesting that changes be made you may take it from me that there will be consultation. Now if the community organizations don't know that and they have instructed you to that effect, that's unfortunate. I hope by saying so here, to have the opportunity of communicating to all MLAs and to the community groups that there will be consultation with them before there is unilateral imposition of changes in the gaming control area. I think that's only fair and reasonable.

At the same time I don't want to suggest that everyone is going to be overjoyed by the changes, because if we're proposing changes it's because we have discovered some shortcomings in the existing control procedure and as a result feel that we need to exercise a somewhat higher degree of control in certain areas.

I think I should leave it at that, Mr. Chairman, and simply say that there will be consultations. The groups will know and will have an adequate opportunity of responding and discussing it later.

Responding to the member from Edmonton Norwood, I'm really not quite clear what she is seeking to deal with on the matter of changes in procedure or changes in the treatment of victims of sexual offences, rape and the like. She may be referring to possible amendments to the Criminal Code, which I think were being suggested by Ottawa. Or she may be concerned about the evidence question. Perhaps she could explain it.

MRS. CHICHAK: I'm sorry, Mr. Chairman. If I may, just to clarify myself. I think what I'm referring to is the manner of questioning [as far as] the history of the personal life of the victim is concerned; the attitude displayed toward the victim when being questioned with regard to obtaining evidence against an accused. That whole realm is what I'm really trying to get at, Mr. Chairman.

MR. FOSTER: I see now. I think I understand. I should say that my knowledge in this area is very limited — and that is notice to me that I should

improve my knowledge in this area — so what I'm about to say is probably not going to be too illuminating for the hon. member.

I have never conducted a rape trial or anything like that, and I'm personally not fully familiar with evidence problems and the like; although I know there has been some debate in this country in the last while — as the hon. member has no doubt touched upon — concerning the very difficult role a woman is placed in when she has been raped, finds it necessary to bring it to the attention of authorities, and then goes through the almost humiliating experience of being cross-examined in court as to her prior sexual activity in an attempt to call into question her credibility in the case. I have no doubt that is a highly distasteful experience for any person.

The rules of evidence that may relate to the credibility of a party to such activity may be looked at, but I don't want to suggest I am fully aware of all the rules or the like, because I'm not. If she's saying to me, for heaven's sake so inform yourself, understand the problem a little better than you do and consider what changes Alberta might wish to press the federal government with in this area, I will undertake to do that.

With respect to the hon. Member for Spirit River-Fairview, it may be that the PUB has a policy on public hearings. It may be that I have that policy. I'm not personally aware of it. I don't have it in my custody at the moment, that's for sure. I know they hold public hearings in some cases and not in others. I'm not clear on the rationale for the distinction. Officers of the Public Utilities Board are in the gallery and have noted the question. I have as well, and I'll follow up on that point.

With respect to financing utility activity in future from the heritage trust fund, the financing of utilities and the problems associated with that have received the attention of my colleague the Minister of Utilities and Telephones and have not received the attention of the Attorney General. So, he not being available at the moment, I'm unable to respond. I'm not involved in that discussion. The hon. Leader of the Opposition is saying, you should be, and it may be that is so.

With respect to the questions of the Member for Spirit River-Fairview on the judicial inquiry we have now announced, headed by Mr. Justice Laycraft — may I deal with them in a different order?

With respect to Anderson, we did proceed by direct indictment, which was relatively unusual in this jurisdiction. I hope to make it less unusual, because I think under certain conditions it's a very useful way to speed up the process of the courts if at the same time we can reasonably guarantee the rights to the defence that they have not lost some right they would otherwise have acquired were we to proceed in the other manner.

When we made the decision to go by direct indictment on Anderson, at the same time we decided it would only be appropriate under the circumstances for the Crown to disclose as much of its case as possible. So often you proceed to preliminary inquiry for the sole purpose of having the defence discover exactly what the Crown has. Then you go from there. We were content to say to the Anderson matter that the Crown would in fact disclose what we have. We'd go by direct indictment. We would eliminate the necessity of a preliminary inquiry, which quite

frankly could have taken months, and proceed straight to trial with complete disclosure.

In the course of the disclosure process — and this is now history — information came to our attention that concerned us, and you know the rest. What that information is, why it concerned us, et cetera, will no doubt be dealt with as part of the inquiry and the right to know.

With respect to the others charged arising out of Royal American, I'm not sure whether we've gone by direct indictment or not. I don't think so. No, we haven't gone by direct indictment. The last time I was informed on the matter, all those individuals were in the United States or otherwise out of Canada.

To come back to your first question about how the commissioner is now going to be able to get certain witnesses from outside our territorial jurisdiction to attend this inquiry, I am being deliberately vague for reasons that may not become apparent until the hearing commences. But let me say this: the commissioner will no doubt want to hear from some people outside the jurisdiction of Alberta. Perhaps some of those people will be officials of Royal American, and perhaps others who have been charged. We have addressed our minds to the question of access to witnesses outside the jurisdiction. Some options are open to us.

I want to stop there and say to you that we are aware of the fact that there are witnesses outside our jurisdiction who should come forward. I'm saying we have some capacity to encourage and allow that to happen. Subject to the direction of the commissioner, we will be doing whatever may be appropriate in the circumstances to achieve that end.

Agreed to:

Ref. No. 1.0.1	\$95,930
Ref. No. 1.0.2	\$112,630
Ref. No. 1.0.3	\$263,250
Ref. No. 1.0.4	\$140,640
Ref. No. 1.0.5	\$254,760
Ref. No. 1.0.6	\$739,150
Ref. No. 1.0.7	\$3,133,870
Vote 1 Total Program	\$4,740,230
Ref. No. 2.1	\$2,612,720
Ref. No. 2.2	\$6,197,620
Ref. No. 2.3	\$980,770
Ref. No. 2.4	\$157,560
Vote 2 Total Program	\$9,948,670
Vote 3 Total Program	\$6,306,650
Vote 4 Total Program	\$6,330,580
Vote 5 Total Program	\$4,246,050
Vote 6 Total Program	\$1,956,110
Ref. No. 7.1	\$958,150
Ref. No. 7.2	\$4,372,310
Vote 7 Total Program	\$5,330,460
Vote 8 Total Program	\$1,192,230
Vote 9 Total Program	\$205,540
Vote 10 Total Program	\$1,371,610
Capital Estimates	
Ref. No. 1.0	\$177,510
Ref. No. 2.0	\$722,300
Ref. No. 3.0	\$89,240
Ref. No. 4.0	\$29,540
Ref. No. 5.0	—
Ref. No. 6.0	\$5,800
Ref. No. 7.0	\$21,110

Ref. No. 8.0	\$2,600
Ref. No. 9.0	\$80
Ref. No. 10.0	\$4,620
Department Total	\$1,052,800
Department Total	\$41,628,130

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

[Motion carried]

MR. HYNDMAN: Mr. Chairman, I move the committee do now adjourn until 8 this evening.

[Motion carried]

[The Committee of Supply recessed at 5:35 p.m.]

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

[Dr. McCrimmon in the Chair]

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

Executive Council

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

MR. LOUGHEED: No, Mr. Chairman.

MR. CHAIRMAN: Are there any questions to the Premier?

MR. R. SPEAKER: Mr. Chairman, just to familiarize ourselves with some of the organization of government that the Premier has, particularly in the area of cabinet committees, how this is set up, and if it has changed. I think I raised this a couple of years ago. Has the cabinet structure changed at this point in time, and is the Premier looking at some other changes?

MR. LOUGHEED: Mr. Chairman, no there have been very few changes since I reported. I believe it was with regard to the estimates in June 1975, where I gave to the hon. member who made the same query a full report of the reorganization of government.

The change, of course, with which the hon. member is familiar is the one where we now have an Associate Minister of Energy and Natural Resources responsible for the public lands of Alberta, the hon. Member for Wetaskiwin-Leduc. From an organizational point of view, I think that is the major change that has been reflected since the matter was last raised here in Committee of Supply.

The cabinet committee structure remains essentially unchanged, with the basic committees of the cabinet being the committee of finance priorities and co-ordination, the committee of economic planning and social planning, the committee of public policy, the committee of rural development, the committee of metropolitan affairs, and of course the energy committee of cabinet. Those are the standing commit-

tees. There are special committees and *ad hoc* committees that meet from time to time. In due course, for example, we'll be hearing a report from the cabinet committee with regard to science and research policy.

MR. R. SPEAKER: Mr. Chairman, to the Premier. Will any new departments be added or taken away from your present format? Is there any consideration such as that at the present time?

MR. LOUGHEED: Mr. Chairman, no there won't be. The only discussion that I think has been ongoing in the past year is related to the question of whether there should be a separate department of tourism. I believe I responded to that matter within the House. We considered the matter. We recognize the growing importance of the tourist industry in our province, in terms of both the number of people employed and its effect on the gross provincial product. But we concluded that it was more effective to have that responsibility tied with the minister who is also charged with business development.

MR. R. SPEAKER: Mr. Chairman, to the Premier. With regard to cabinet minister responsibilities in one area specifically, the hiring of deputy ministers or the hiring of consultants by the ministers: does the total cabinet get involved in that type of procedure, or is this basically a ministerial responsibility — hiring of consultants or senior civil servants such as the deputy minister?

MR. LOUGHEED: Mr. Chairman, that's a very important question that should be outlined to the committee; there is a very major distinction.

The matter of consultants is left to ministerial responsibility. When it involves more than one department, it may be that it would be something that would be concurred in by a cabinet committee.

However, with regard to the appointment of deputy ministers, or chairmen or members of the various commissions and agencies of the government, that is an Executive Council responsibility. It's certainly my responsibility, as the President of the Executive Council, with regard to deputy ministers.

MR. R. SPEAKER: Mr. Chairman, just as clarification, to the Premier. In the Assembly we had a discussion with regard to consultants in the Department of Hospitals and Medical Care. As I understand the responsibilities of these consultants, they're to do some overall planning and policy making for that particular department. I guess my question, for clarification, is: is hiring that type of personnel basically the responsibility of the minister, who in turn receives whatever recommendations there are from those consultants, then brings them to the committee and in turn to the cabinet as a whole? Just to clarify the procedure, is that correct?

MR. LOUGHEED: That's right, Mr. Chairman. I suppose the only review we would have is in a general, overall budgetary basis at the time of establishing the budget for the minister's office. That would be done annually. From time to time there would be a review of a report of a particular consultant and the impact of

that report. Some comment may then be made, but essentially it is a matter of ministerial discretion.

MR. R. SPEAKER: Mr. Chairman, to a different subject. This afternoon in question period the Premier indicated he would elaborate on his trip planned for June. Would that be possible at this point?

MR. LOUGHEED: Yes, Mr. Chairman, I've been thinking about how to respond to that subject. The members will recall that in a number of cases the Speech from the Throne referred to the matter of international trade and tariff initiatives by the provincial government. We considered it, and consider it one of our priorities for this year. Probably during the fall session the Minister of Federal and Intergovernmental Affairs will give a complete report, which I may supplement, to the Legislative Assembly as a result of a number of different matters that are occurring on that front over the course of this year.

However, I think it probably would be appropriate, because of the nature of the question asked today, for me to say perhaps a few words with regard to the whole matter of international trade and tariffs by way of preliminary, and then specifically refer to the upcoming trip I am taking.

In thinking about this, Mr. Chairman, it struck me that it might be useful — because it is so vast and complex, and so important to Alberta — if I described to the hon. members that there are essentially six areas in this field that we're considering, if you like, as the focal point of our attention. To some extent I would now describe them in order of priority, which may be important to the hon. members.

The first area involves bilateral trade negotiations with the United States. Here we consider the fact that 70 per cent of Canada's trade is with the United States. We look at the opportunities for Alberta in many different fields: agriculture, petrochemicals, and others. So that rates as the first area of significance to us.

The second area involves the Canadian Wheat Board and its efforts with regard to strengthening grain markets throughout the world, particularly our wheat, barley, and other grain crops.

The third one involves the year 1977, and possibly 1978, and is the Alberta participation, through the federal government, on the General Agreement on Tariffs and Trade, the multinational trade agreements, the MTAs. I'll have more to say about that in a few moments.

The next area is the European Economic Community and the contractual link that has been established by Canada, what we can do to take advantage of that, and the follow-ups to our European mission.

The fifth area is the Pacific Rim area, Japan in particular; again a follow-up to our 1972 mission and the various opportunities open to us.

The sixth area is other countries of a specific nature. I mention two that come to my mind, for example, the wheat potential in Iran and the oilfield equipment potential in the USSR.

In all these six areas, we are involved in three aspects: trade barriers, both tariff and non-tariff — and the more I get into this subject, Mr. Chairman, the more I see the importance of the non-tariff barriers as distinguished from the tariff barriers. The second aspect is the matter of opportunities for Alber-

ta, both now and in the future; in other words, untapped potential. The third aspect is the very interesting and different *modus operandi* of the various countries in which we trade: the way they handle trade agreements; the way you deal, either on a government-to-government basis or a quasi-government/industry relationship such as in Japan, or on a straight private-sector relationship such as the United States. We know we have to provide a *quid pro quo* in terms of trading. And of course, relative to Alberta, when we look at where we want the investment or the imports coming into Canada from our point of view, the highest area of interest is in terms of patent rights or licensing agreements by way of joint ventures which bring a high technological content into Alberta.

The second area of interest to us, of course, are financial institutions coming into the province, and that involves the European mission. The third area is tourism, and the fourth area is those specialty items which we simply can't produce in Canada. There are many obvious examples arising out of the Syncrude project at the moment.

When we look at exports, Mr. Chairman, I've listed the eight areas, somewhat but not completely in order of their importance, which may be interesting to all members.

The first area we look at in our trade relationship, perhaps the most important priority, is to strengthen our export grain markets. Here we're looking at Europe, Japan, Russia, China, and other countries.

The second area of export concern has to do with North America and the livestock market relative to the United States/Canada relationships, and we're all aware of the many aspects of that.

The third area is agriculture-processed products. Here we're into worldwide interest, such as hogs to Japan and so forth — and in the United States with areas of a specialty nature, such as boxed beef and rapeseed.

The fourth area of priorities is petrochemical markets, particularly in the northwest United States and California. The fifth area is the specialty manufacture of products here, an ever-growing field of potential for our province. This involves the United States and worldwide. Oilfield equipment services and supplies are a case in point.

The sixth area is the potential we see in overseas technical and engineering contracts, relying upon the export of the brain power we're developing here. Again that's worldwide, and a specialty on a country-to-country basis.

The seventh one is our natural resource surpluses: coal, oil, and gas. Of course obviously with oil and gas, it would be with the United States; coal could be obviously to the Pacific Rim. And then there's an eighth general category.

Mr. Chairman, I just made those remarks in answer to that question by way of an opening comment and to move next to the trip that I propose to take.

The best way to respond is perhaps to deal with the objectives of the trip in terms of the various areas to which we're going. With regard to the Soviet Union, we'll be there about 10 days. It's our objective to explore and pursue the possibility of establishing a stable market for wheat and feed grains through a long-term Canadian grain arrangement with the Soviet Union; secondly, to explore market possibilities

for beef and dairy cattle breeding stock; thirdly, to explore possible exchanges of information and expertise in the areas of petroleum production and coal development, and the possibility of expanding Alberta's current exports to the Soviet Union in the oilfield equipment and technology fields; fourthly, to discuss common concerns arising from similar geographic and climatic conditions in northern regions. Mr. Chairman, if the hon. members are interested, I'd be quite happy to expand upon the first item with regard to the reasons for concern of a long-term Canadian grain arrangement.

After that, we will be going to three mideast countries, and they're three of the major OPEC nations: first to Iraq for about three days, then to Saudi Arabia for about three to four days, and then to Iran for three to four days. The purpose of this area of the trip is to try to get the best first-hand information we can, to do an assessment of the future of OPEC. We have had numerous consultants and advisors in this area. I don't think I need to underline to the members of the Assembly the importance for us of that assessment, which I'm sure will be both ongoing and subject to change and re-evaluation. But if we're in a position now, with the development of the oil sands, where we're going to bring our supply of synthetic oil on stream in the oil sands in some range of price per barrel that's quite high, we have to look at that in terms of what the long-term future of OPEC is. Will it stay together as a commodity cartel on a worldwide basis? What are the implications of its collapsing?

I might add that on my way over I intend to visit Prime Minister Callaghan of the United Kingdom and the Leader of the Opposition there, because it's important to know what's going to happen and what the current up-to-date thinking is with regard to North Sea oil. An effort is being made by Britain, within the European Economic Community, to establish a [floor] price for North Sea oil. The present state of those negotiations is very important to Alberta in terms of the oil sands development. And also, because of events at the tail end of the mission to Europe in the fall of '75, I was unable to complete my trip and have that sort of discussion in the way I wished to hold it.

Subsequent to the visit to the three OPEC nations, I would be visiting briefly in Israel for a period of three days. We're looking at two aspects there: their very effective use of water and water resources. They have a worldwide reputation in this area, and I'm going to have the opportunity, with those accompanying me, to observe first-hand some of their techniques that might be of help to us in the decisions we're going to be making here in southern Alberta in our commitment of \$200 million to irrigation. I will also be observing some important things they've done in health care in Israel.

Now, Mr. Chairman, the release this morning did not deal with a further aspect of the trip, because I thought it would be important to explain it here. When all this is done, I will meet the Minister of Federal and Intergovernmental Affairs in Geneva. We've had an extensive series of meetings, ministers and members of our government, with the Canadian delegation to the GATT negotiations in Geneva. Through his offices, the Prime Minister has accorded me an opportunity to sit down at the tail end of June this year with the Minister of Federal and Intergov-

ernmental Affairs to have full and complete discussions on the site with the Canadian delegation and, at the same time, an opportunity to meet the delegations and perhaps have at least informal discussions with the delegations from the other key areas. I'm thinking of the negotiators for the United States, Japan, and the European Economic Community particularly. We're really pleased with the co-operation we've received, not only generally on this trip from the Department of External Affairs — they're coming out here on May 17 for a second briefing of our group directly — and have encouraged this particular initiative on their part.

The reason I think it's so important, Mr. Chairman, and to respond to the hon. member's question, is that I've asked the Provincial Treasurer, with not too much time — and I'm sure all members would be interested — that the government of Ontario just last week put out a document entitled *Interprovincial Trade Flows, Employment, and the Tariff in Canada*. It's a fascinating document. It doesn't quite do the job we'd hoped it would, because at the moment, in typical Ontario style, they've lumped Saskatchewan, Manitoba, and Alberta into a prairie region. But we think with a bit of initiative, as our Treasury department would have, we could separate that out. But even the document as it now exists shows something very meaningful to this Legislature. It shows that by far the biggest [benefits] have flowed to Ontario; then to Quebec; and a far far distant last, to the western region — in particular, the prairie region. So that, I think, is going to be important for us by way of follow-up. We'll give this Assembly a full report on that aspect of the trip as well as the other aspects.

MR. NOTLEY: Mr. Chairman, I just have one question relating to the trip to the Soviet Union. Mr. Premier, you mentioned the market for feed grain and wheat. I take it that Wheat Board officials will be along with you on the trip. I also take it that this would be with respect to increasing the market for Canadian feed grain and wheat, period, if we're going to be marketing through the Wheat Board. Or are we? Because as I see it there's really no way, knowing how the Canadian Wheat Board operates, that you could have an agreement for just Alberta feed grain wheat.

MR. LOUGHEED: Yes, Mr. Chairman, that is a very important subject, and I'd like to respond to it by taking just a few minutes for some background information.

To answer the direct question first, obviously what we're attempting to do is an attempt by a major agricultural province in Canada to strengthen our grain prospects and our grain market with the Soviet Union. The Minister of Agriculture, officials, and I had a very effective and lengthy meeting with The Wheat Board, as mentioned in the House on February 18. We will get a final updated briefing from them before we go.

They will not actually accompany us. We've given them an undertaking that we will have a private debriefing with them when we're through. I think we're at liberty to say a certain amount about the briefing they gave us. They put a natural caveat on some aspects of it because it involves pretty important negotiations for a key customer for Canadian grain production. But it's done with their full under-

standing of what we're attempting to do — and perhaps, I think, much more fully than trips of a similar nature by other premiers. They were most appreciative that we took the time, and I'm looking forward to their final briefing.

But, Mr. Chairman, it's useful — and I know these are statistics that perhaps all the members are fully familiar with — to just put it out on the table here. With regard to agriculture in Canada, Alberta produces 21 per cent of Canada's wheat, 51 per cent of Canada's barley, 38 per cent of Canada's rapeseed, and 32 per cent of Canada's oats. Therefore, this one province is the supplier of 32 per cent of Canada's grain production — a very important and significant position for this province.

When one then looks at the situation in terms of markets and carefully investigates the market for grain in the Soviet Union, it becomes very important to evaluate the past circumstances and to attempt to forecast the future. I think it's crucial to us when we start to look at where we're now selling our grain products; where we have the potential to sell in the future; the nature of the competition we face; and the degree of fluctuation in our market that arises from both the Russian and Chinese situations by way of markets.

Now the aspect of trade between Canada and Russia. Between 85 and 90 per cent of Canada's total trade with Russia is in the grain field right now. Now, here's something members are perhaps not aware of. You think of importing grain products to another country; for example, wheat. We sell a significant quantity of wheat — although I'll say more about that in just a minute — to Russia, the Soviet Union. I've used the words interchangeably and I hope the record will reflect that. The fact of the matter is that the Soviet Union actually produces five times more wheat than Canada, giving you some idea of the scope of their internal production. What has been concerning the Minister of Agriculture and me is that in the last few years Canada has been — if you look at the last few years, perhaps in terms of five and six — getting a declining proportion of the grain imports by the Soviet Union from the rest of the world. Canada was the one that started it. We were the ones that basically got into the market. Yet in the last five years, it's been a declining percentage, and a pretty serious decline in percentage of that market.

The other factor is that although wheat has been declining dramatically, there's been some improvement in barley, which is very important to Alberta. The barley demands of the Soviet Union arise from the fact that they're making some effort to diversify their agricultural potential and build up their livestock area for their basic home consumption. But we're into a tough competitive situation with Australia in the market for barley in Russia, and we think it's very important for us to be aggressive in our sales to the Soviet Union, not just of wheat, but also of barley.

Then one looks at the five-year grain agreement made by the United States in 1975 involving a minimum of 6 million metric tons and a maximum of 8 million metric tons. That agreement is there. If the Soviet Union are large buyers of grain on the world market, wheat, barley, and other products, the U.S. agreement is not particularly serious to us. But if they've had a pretty good harvest, as they had last year, and if they were to become relatively nominal

buyers on the market, then quite obviously that long-term . . . [inaudible] . . . agreement is a problem for this country. Because quite clearly they're going to honor their commitments to the United States on that minimum of 6 million metric tons. So I think we should be very well informed as to the aspects involved in terms of the potential.

There are a number of other parts of the grain market in the Soviet Union that could be explained at this time. Perhaps the only thing that should be added here is that we're into a situation where in 1975-76, Russia took in some 10.2 million tons of wheat and just a small amount of feed grains, but in 1976-77 that changed. They bought quite a bit of corn — 3 million tons, and 3 million tons of wheat — so there's a shift in their buying patterns. Now they're bringing in quite a bit of corn and quite a bit of barley. The corn is where the Americans would have a step up on us, particularly with their long-term arrangement, which means that if they're moving into this pattern we have to protect our wheat sales to the U.S.S.R., having regard to the long-term agreement with the United States, and we have to see what we can do to expand our barley sales to that country. These are very significant amounts and have a major impact upon the prices we're able to get on the world market. They tell me that as the Russians become buyers it has probably the most dramatic effect upon world pricing. And when they're resisting the purchase, then of course it's a much more difficult market situation. It tends to depress the market.

We haven't any set conclusion in our mind as to whether Canada would benefit by a long-term agreement. We discussed it at length with The Canadian Wheat Board. There are pros and cons. It depends an awful lot on the longer term intentions of the Soviet Union. I thought it would be useful, as the Premier of a province which is a major grain producer, to explore this fully with the Soviet Union, to take advantage of the invitation they have extended to me, and then to make an assessment.

Quite obviously — I think there have been some silly comments in this area — we can't as a province conclude agreements with the Soviet Union. But I think as the producer of 32 per cent of Canada's grain production, we can have some significant influence on Canadian policy, including policy of The Canadian Wheat Board. When we're back, have done an assessment, and have had our debriefing with The Canadian Wheat Board, we may recommend changes in the way in which the present policy is directed toward expanding and strengthening our market for grain in the Soviet Union.

MR. TAYLOR: Mr. Speaker, I would like to expand a bit on the trip to Russia. I'm certainly highly interested in the program the hon. Premier has outlined in connection with the trade of wheat and barley, oilwell equipment, et cetera. These are very, very important and most essential in the long run for the welfare of the people of Alberta. If we can get a stabilized market where we know X numbers of bushels of wheat and barley are going to be sold every year, it'll certainly have the effect of having our farmers rest much easier and have much more confidence in production.

However, there is another aspect of the trip I would like to have the Premier comment on; I don't know

whether the Premier would be able to include it or do missionary work in that regard. But the Premier is the Premier of a province where we have a lot of Canadians of Ukrainian and Hungarian origin, and many of these people have relatives in these countries who are really under bondage; they don't live a free life. I would hope the Premier might find an opportunity of doing something towards influencing the government of the U.S.S.R. to give the people of the Ukraine and Hungary a chance for self-determination, to live their lives the way they want to and not be held in bondage the way they are today.

I know it's difficult to tie these two things together, and I realize one government can't interfere with the internal affairs of another. But I would hope the Premier might have an opportunity somewhere in that trip to speak on behalf of these people. I'm sure it would be refreshing news to the people in Alberta who come from those two countries.

The other point I would like to have the Premier comment on, without in any way infringing on Motion No. 2 on the Order Paper, is the matter of education. There have been newspaper stories saying the Premier will be giving high priority to the matters of education in his own studies this year. In the constituency, I have found this has brought hope to many people who in a way are really happy with education but in a way very unhappy too, particularly those who have children who are having difficulties in our present-day schools, for instance those with invisible learning disabilities.

While this government has probably done more for those who have invisible learning disabilities than any other government in Canada, I think we have only touched the top of the problem and there is a tremendous amount to be done. I'm convinced that many of young people in our prisons today, who have been unable to adjust to our way of life and unable to get a very high education, are there because of invisible learning disabilities we were not able to decipher, not able to diagnose, and not able to help. I would hope the Premier's diagnosis of education in the province would help overcome some of the things we've just touched the surface of or haven't yet diagnosed fully.

Sometimes we talk about going back to basics. I don't like the idea of going back on anything. I'd much rather go forward to basics, with a new approach to deal with the basics, and make sure every boy and girl has the tools with which to carry on his other education. Perhaps I'm now infringing on Motion No. 2, but I wonder if the Premier would make a few comments on the priority he has established for himself in education this year.

MR. LOUGHEED: Mr. Chairman, I will try to deal with those diverse subjects, both very important.

The first one is a very troublesome question, and that is the matter that I am conducting this trip at the invitation and hence as a guest of the Soviet Union. We do not in any way condone the actions that that government has taken with regard to the matters raised by the hon. Member for Drumheller. We in fact said so when Mr. Kosygin was a visitor in our province in the fall of 1971, and presented submissions to him in that regard.

However, in responding to an invitation to go to another country, I think one has to accept — as I know the Prime Minister felt when he made his trip

to Russia — that as a guest it is really quite inappropriate to comment upon the internal affairs of another country. If an opportunity comes up for me to do that unofficially, without offence to the officials I'll be meeting, I can assure the Assembly and the hon. member I will do so.

On the matter of education, I would frankly prefer, for reasons I'd like to explain, to withhold comment on the very important matters raised by the hon. Member for Drumheller on changes, if any, in the education process. In watching developments in both British Columbia and Ontario we've observed that an adversary situation has developed between the government and those involved in teaching, primarily I think because the government in both provinces [inaudible] could have issued a new document or a new position paper and said, here it is, that's what it's going to be.

I have no preconceived ideas as to what the nature of the changes should be in this area. I've spent a fair amount of time trying to get caught up in my personal awareness and understanding of it. The process which I hope we can go through during the balance of 1977 is for each member to have his or her personal learning curve in this area of education, because it hasn't been an active one in terms of debate in this Legislative Assembly since I've been a member.

I thought back and tried to figure out why that was. It came to me that rather early in my first term in this Assembly the former government appointed the Worth commission. I think we then all agreed, that kind of puts that subject aside until we get the commission report. Then we got the commission report and we were involved in the energy crisis, frankly. The matter has developed only recently.

We moved in a number of different areas in our first term in office: with regard to early childhood education, some of the areas in learning disabilities the hon. member refers to, certain aspects of achievement testing which we may want to reassess, certain other aspects of the education system in a further education and postsecondary basis, but not really all that much on curriculum or basic content.

I think the resolution before the House is a good one, Mr. Chairman. I think we should participate in the debate tentatively scheduled for May 16 in the Assembly and then continue it in the fall. By the time we get to the fall, I think the Minister of Education believes we will have a document from the Curriculum Policies Board setting out their views on the goals and objectives of education. With the focus of the debate in the spring and the fall, we should have an opportunity to see where we all stand on these matters of priority, goals and objectives.

I don't really think I help the debate if I express personal inclinations at the present time. They might tend to be much more those of a parent than a legislator. I think I should await hearing the views of others who are involved.

MR. R. SPEAKER: Mr. Chairman, maybe in a little lighter vein, I would like to ask the Premier if, before going to Israel, he would like to get a little bit of irrigation experience in southern Alberta. If the Premier wishes, my colleague from Bow Valley/Empress and I would certainly supply it.

MR. LOUGHEED: Others would like me to have that experience. I think we are planning a tour to southern Alberta soon. The hon. member has made the point, and others will have noted the point, so my schedule will now include part of the irrigation facilities.

Agreed to:

Ref. No. 1.0.1	\$259,458
Ref. No. 1.0.2	\$743,346
Ref. No. 1.0.3	\$36,770
Ref. No. 1.0.4	\$281,737
Vote 1 Total Program	\$1,321,311

Vote 2

MR. CLARK: Mr. Chairman, perhaps I might take this opportunity at least to start the discussion in this area with regard to ministers without portfolio. I assume this is the area where we would perhaps have an accounting by the Minister Without Portfolio responsible for native affairs. Perhaps, Mr. Minister, we might start that off by asking questions I'm sorry.

MR. LOUGHEED: Mr. Chairman, if the hon. Leader wouldn't mind — the way the votes have been organized there, and probably the way the hon. minister responsible for native affairs is prepared — we could do it with regard to Vote 3. We're happy to do it either way.

MR. CLARK: Mr. Chairman, then perhaps the minister for Calgary affairs might explain his actions for the year.

MR. NOTLEY: Thirty seconds.

MR. McCRAE: Mr. Chairman, I guess that's the only question.

The best way to explain it, Mr. Chairman, would be to invite the hon. Leader of the Opposition to come with me some day when I'm down in Calgary. It's a fascinating experience. I meet with dozens of groups and organizations in an effort to liaise with the various groups in Calgary. Principally we meet with the elected representatives — that's city council, the school boards — with other appointed organizations, and just all and sundry groups and individuals in Calgary. I think it's fair to say that through these liaison efforts, the communication and dialogue between government in Edmonton and the city of Calgary is fairly responsible and fairly peaceful on most days. Occasionally we have a little outburst, like we did last week. But I don't think that's at all representative. I think it's interesting to note that after the outburst last week, there were words of confidence in the provincial government in a lot of areas, including the provincial planning act and the ability of the council to dialogue with the elected representatives and have their say and input to The Planning Act.

Beyond the city council, I meet in conjunction with the other Calgary MLAs — sometimes all of us, sometimes just some of us — with the separate and public boards of education on matters of concern and interest to them. I meet with the hospital boards from time to time. I should say at this point that in meeting

with the boards and institutions responsible to the other ministers, it is not with the idea of undercutting or circumventing what the other ministers are doing, but co-ordinating the liaison with the people in Calgary, recognizing they are some distance from the capital city and do not always have the opportunity of meeting the minister directly responsible for that. I think it's working very well.

Over and above that, I meet with petroleum industry people at regular intervals. We meet with institutions of higher learning: the universities, SAIT, and their boards of directors. I could run through a list of them: the chamber of commerce, the Calgary Exhibition and Stampede Board, the Arctic institute, the Salvation Army, and on and on it goes with all the institutions and organizations in Calgary.

I think what it probably reflects more than anything is that it isn't a high-profile, high-publicity type of thing. My assessment of it is that probably the less publicity, the less high-profile it is — and to a degree this is a frustration, because being in politics we all like to see our names in the bright lights, in the newspapers, and so on, but we don't get too much opportunity. I think that's probably the important part of it. For instance, I meet with an organization and I perhaps find some of the opposition had been there before or after me. After the MLAs and I have been there, it's a peaceful thing and the members we've met with are able to recognize the good programs and responsibilities of the government. So it doesn't attract the media attention it might. If the opposition were there first or later you would see charges and countercharges of what is or isn't happening. I suppose that is the functional difference between the type of ministership I have and what the opposition are doing. To a degree, it's an ombudsman-type role, and I think is measured to some considerable degree in the lack of inflammatory headline statements.

In addition to that, I think we're all familiar with the heavy responsibilities all cabinet ministers bear or participate in beyond the liaison work in the Calgary scene. I would say that working with the different individuals or organizations in Calgary is not really a tremendously difficult thing. It's time consuming and fascinating to be there, seeing the whole perspective of a city in operation from meeting with let's say welfare recipients, people on social assistance, to the high and the mighty; from the rich to the poor; from the indisposed to the well disposed. It is a fascinating experience. And in doing that, I must say it is a pleasure to work in co-operation with the other members of the front bench. In terms of policy, I think they're probably the best co-ordinated, strongest, easiest to get along with, and most responsive anywhere in Canada. So that is a pleasure. Also working with the other Calgary MLAs makes it an extremely interesting and worthwhile operation.

Beyond that, Mr. Chairman, I think I would just want to respond to specific questions on the assignment. Members would recognize that most meetings with other organizations are private and, except for the occasional little scream such as we heard last week, private conversations remain private.

MR. CLARK: Mr. Chairman, that was a rather interesting discourse.

MR. NOTLEY: Not very helpful, but interesting.

MR. CLARK: Yes, I think the Member for Spirit River-Fairview makes a very good point. I'm not sure how helpful, but rather interesting, and not what one would call overly humble either.

Now I noticed one of the organizations the minister didn't mention was the Canadian Mental Health Association. I'd be interested in knowing; since the comments were made by the Calgary president of the Canadian Mental Health Association, what action the hon. member has taken or what action the minister would plan this week. That would perhaps give us a better idea of the kind of involvement the minister would have. Or how has the minister been involved in trying to get around this impasse on getting the psychiatric facilities at the General Hospital that we learned about today? We've got them built, but we haven't the equipment, the staff, or the money in the budget. How has the minister been involved in those things? I could understand that better than I could the generalities.

MR. LOUGHEED: Mr. Chairman, I would like to respond with regard to that question. I would indicate that the hon. Leader either was not [listening] or chose not to listen to the explanation, because we made it two years ago. The specific two cases involved — I'm sure the hon. minister without portfolio from Calgary Foothills, who has just spoken, would recognize that if he were involved in the matter of the general hospitals, since it is a specific item, or with the Canadian Mental Health Association, except by way of communication or liaison, he's there involving an area of specific responsibility of a portfolio minister. They have those responsibilities and are answerable in the House. There may be, and there have been in the past, a number of cases where the approach is made through the southern Alberta office of the Premier directly to the minister without portfolio. He's then brought the matter to the cabinet committee involved. There may be times, when to assist the minister with portfolio, in a responsibility of communication he is involved. But the basic involvement — and this is so apparent in government that I don't know whether it needs to be underlined — in many of the issues today do not fall within the responsibility of just one portfolio. They involve more than one on a multitude of occasions, and it's on those occasions when we think it's been a great benefit to this government to have had a minister without portfolio, who does not have to carry portfolio responsibilities, and has as his first charge the requirement of liaison with the various groups he has outlined in the city of Calgary. As a member of the Legislative Assembly from Calgary, as one who well recognized this need before I was in government — that's why we've established it. In the two cases the Leader of the Opposition raises, there may be a part in which the hon. minister without portfolio from Calgary Foothills may play, but he would play it in consultation and close co-ordination with the portfolio ministers who answered on those two matters in the House today.

MR. CLARK: If I might just respond to the comments the Premier has made, prior to the minister responding to the question. Mr. Premier, in the course of the

hon. minister's rather rambling remarks, he talked about being rather an ombudsman from the city of Calgary. I also asked the hon. minister, if my memory of my phrase is accurate, what role he had played.

The minister indicated he'd met with people from the hospital boards, universities, NAIT, SAIT, and volunteer organizations. It seems to me, pretty frankly, it isn't unrealistic at all for the Assembly to ask the question: what role has the minister played in these two particular areas that are, you know, right before us today. I wasn't implying that the minister made the decisions in those areas, I was simply asking the role he played. From the rather broad description the minister gave us, it would seem to me that he would have been involved in those areas, or if he hadn't been, would plan to be.

MR. LOUGHEED: Mr. Chairman, before the minister responds, again I think that's the misunderstanding. It may be that a group such as the Canadian Mental Health Association from the Calgary area contacts the hon. minister without portfolio from Calgary Foothills, in which case he would be involved. But if no contact were made, and the contact were directly made to the Minister of Social Services and Community Health, then that would be the route in which the communication occurred. Now the minister may ask for assistance in following up on the matter and assuring the communication by the minister without portfolio, but it wouldn't be appropriate for the minister without portfolio from Calgary Foothills to intercept any such communication. Perhaps the minister might like to . . .

MR. McCRAE: Yes, Mr. Chairman, I just wanted to say in the specific case: number one, I think all MLAs are ombudsmen for the people out there. The term ombudsman is very general the way I used it, so I would hope that we all reflect to some degree the ombudsman-type role as an elected person. In your description of my remarks, I must say that I preferred the categorization of "broad" rather than "rambling". However, that's a matter of individual choice.

In the specific situation, I have not had any request from the health association people to intervene in the matter. I obviously read the newspapers as you do, sir, and I'm conversant with the situation as reported in the newspaper. As a Calgary MLA or as a minister, I would naturally discuss it with the minister with direct responsibility. So we had a good discussion on it last Friday and we discussed it somewhat again, I believe, this morning. I'm more than happy with the answer. He told us quite clearly in the House that they're working toward a solution of the budgetary problems. I'm happy to be associated with him in discussion, and perhaps to assist him at some point if there's any assistance asked for or needed in resolving that problem.

MR. NOTLEY: Just a quick question. I won't get into the debate as to whether the minister's answer was broad or rambling. But certainly there's no question that neither the minister nor the front bench suffer from any undue modesty. I think that's a fair comment.

Mr. Chairman, the question I'd put to the minister, however, is with respect to the operation of his responsibilities in Calgary, and I use as a comparison

the Northern Alberta Development Council, where you have specific meetings. There you have the same sort of situation. You don't have a line department. It's an effort to obtain concerns from people, to feed that into the departments, and to report back to the communities. My question to the minister is: I know there's no council set up to assist him, but to what extent are there regular meetings with all the members of the Legislature in Calgary, the non-cabinet members of the Legislature. Is that done once every two weeks or once a month? Are there formalized meetings on a regular basis which the minister chairs?

MR. McCRAE: Mr. Chairman, meetings with city hall are not on any scheduled basis. We attempted to have them quarterly, but it isn't always possible because of the sessions of the Legislature. You recall we have a fall session, then a spring session. We try to meet between those two. Probably three times a year would be a general average of the occasions on which we meet. We meet when we or they think there's something that needs discussing between the two levels of government. The agendas are at the choice or mutual agreement of the city aldermen and ourselves.

At most of the meetings with city representatives, we have had a good proportion of the front bench, or the Executive Council, as well as a good showing of MLAs. In addition I would think substantially most of the aldermen were there. I think we've had one meeting with the public school board and a further one coming up very shortly. Some of us have met with the separate school board.

Then there is just a host of other organizations and institutions that either want to meet with me or other Calgary MLAs to reflect their interest in what is happening in government. We do this on an "as available" basis. There are so many of them that it is virtually impossible to get them all in.

If scheduling permits, I'm very often down there on a Monday and part of a Thursday. We'll get three or four of them, start a meeting at 8:30, another at 9:15, and so it goes throughout the morning. On a given morning we may have two, three, or four meetings. Monday is a desirable day, because some of the Calgary ministers are there at that time. It gives us an opportunity to hear the interests and concerns of the particular persons.

Agreed to:

Vote 2 Total Program

\$143,904

Vote 3

MR. BOGLE: Mr. Chairman, I would like to give a few brief comments in my opening, and say first that I welcome this opportunity, my third, to present to you and to members of this committee the estimates for the Native Secretariat.

Prior to presenting those estimates I'd like briefly to reiterate some of the major characteristics of the role of native affairs that we play both within government and with the native people in this province.

I'd like to begin, Mr. Chairman, by giving a few quotes from a document entitled *The Role and Mandate of the Native Secretariat* which was approved by

the government of the province of Alberta in 1976. My comments on this document will be short and to the point. I'd like to begin by quoting:

The ultimate goal of the Native Secretariat is to ensure that all native people, both Metis and Indians of the province have the opportunity to participate as full residents of Alberta with equal rights, privileges, and obligations accorded to other Albertans.

In clarification, the Native Secretariat, which is the public service arm of native affairs, has a role to monitor programs developed by the government of the province of Alberta and to assist in the formulation of those policies, to ensure that native people are given an opportunity to participate.

I might mention, Mr. Chairman, that there is a special relationship between the 34,000 treaty Indians in Alberta and the government in Ottawa. It is not our intent to interfere with that relationship in any way. We respect the agreement and its contents. Having said that, it must be recognized that treaty Indians are Albertans and, as such, are entitled to the same benefits, privileges, and obligations accorded to other Albertans.

Mr. Chairman, a second quote I'd like to give from the Role and Mandate is that "we believe this can be attained by the native people in consultation and co-operation with the government and other residents of the province." We feel that native leaders and organizations are key elements in working with the Alberta government in relating its activities and programs to assist native people. For this reason the Native Secretariat provides sufficient administrative and project funding for native organizations and activities. In addition, through other program departments, the Alberta government contracts with such native delivery organizations as Native Counselling Service of Alberta, Poundmaker, Native Outreach, the Alberta Native Development Corporation, to name a few.

Next, Mr. Chairman, "We believe that in a multicultural Alberta, the native culture must be retained." The Native Secretariat provides project funding to native organizations and groups for a variety of activities designated to enhance native culture within Alberta's multicultural mosaic. We do this through arts and crafts, cultural events, historical research and meetings, athletic sponsorship, field trips, seminars and workshops as well as new programs. During the 1976-77 year a major initiative in this area has been financial and staff support to the 100-year commemoration of the signing of treaties 6 and 7. In addition, through its regular responsibilities and programs, the Department of Culture relates to native culture activities as a key component in their activities.

Next, "We believe that social and economic advancement should occur simultaneously." Mr. Chairman, I think the best example of this is the transitional housing program under the responsibility of the Minister of Housing and Public Works in co-ordination with the Minister of Advanced Education and Manpower: a program to assist native people who are moving into centres such as Slave Lake, Grande Prairie, and Fort McMurray, helping not only with the recruitment of jobs but also with the maintenance and operations of the home. A very worth-while program. More recently, under the Department of

Housing and Public Works, the log house program in the northern and isolated communities.

We believe that "as the native people of Alberta develop self-reliance and self-sufficiency, our role as a Native Secretariat will diminish."

To carry out our objectives we believe that we must

- (1) Act as a catalyst between native people and the Provincial Government;
- (2) Monitor programs endorsed or funded [and/or] sponsored by government and affecting native people;
- (3) Be mobile to meet issues affecting native people and assist efforts in resolving those issues;
- (4) Assist in policy formulation and planning of innovative programs that aid native people.

To undertake those responsibilities, the Native Secretariat must establish close working relationships, not only within government but also with the native organizations at the decision-making level. This activity will involve our staff, not only in the day-to-day monitoring and implementation of programs but also in new policy formulation. The Secretariat is involved in the latter.

Mr. Chairman, I would like to conclude my opening remarks by giving the final quotation which is from John Stuart Mill. It concludes our Role and Mandate: the only freedom which deserves the name, is that of pursuing our own good in our own way, so long as we do not attempt to deprive others of theirs, or impede their efforts to obtain it.

Mr. Chairman, the Native Secretariat will not hinder; it will help. The native people will achieve their rightful and equal place in the society of Alberta.

MR. SHABEN: Mr. Chairman, I'd like to ask the minister three questions, but first I'd like to comment on the responsiveness and co-operation I and my constituents have received from the minister and the members of the Secretariat. It's been excellent, quick, and very helpful.

I'd like to ask three questions and two of them have more than one part, Mr. Chairman. The first question deals with financial support to two organizations; one, the Isolated Communities Advisory Board, and the other, the Alberta Native Development Corporation, which the Minister referred to in his opening remarks. Some suggestion has been made to me by constituents that the minister has reduced the amount of support available to these organizations. I'd like him to comment on this contention.

The second question deals with the delivery of social services to treaty Indians. The minister also referred to that matter in his opening remarks. There are about 42 Indian bands in the province, and I was wondering how the delivery of social services to treaty Indians is going to be achieved; whether it will be done on an individual band basis, whether it will be done by region or the whole treaty Indian population of the province.

The third question deals with the minister's responsibility in departments that are clearly not under his jurisdiction; for example, housing, the Metis colonies, or friendship centres. In the case of housing, it's within the Department of Housing and Public Works; Metis colonies fall under the responsibility of the Minister of Social Services and Community Health; and friendship centres, of course, are under

the federal Secretary of State. I'd like the minister to comment on the Secretariat's and his involvement in those areas not within his department.

MR. BOGLE: To respond to the first question about the Isolated Communities Advisory Board and the Alberta Native Development Corporation, I'd like to respond first to the Isolated Communities Advisory Board. This is a board, Mr. Chairman, which received its first funding from the province of Alberta in 1974. At that time funding was derived from the preventive social services branch as well as from what was then the Indian/Metis Liaison Group. During the past fiscal year, 1976-77, the board received a total of \$97,252. Roughly half was from PSS, half from the Native Secretariat. In addition, \$35,000 was made available by the northern development branch of the Department of Business Development and Tourism for the hiring of secretaries in the seven communities themselves. For the information of those members who may not be aware of it, Mr. Chairman, we are talking about seven communities with a combined population of about 2,200 people.

During the current fiscal year, you will note we are projecting an actual reduction in the funds the Native Secretariat would provide to the board *per se*, a reduction from \$50,000 last year to \$25,000 this year. However, I want to emphasize we are not — I repeat, we are not — reducing our funding or our commitment to the isolated communities, because in addition to that \$25,000 which we will provide as we have in the past for core funding and administrative purposes of the Isolated Communities Advisory Board, we will provide up to \$35,000 for project funding in the various communities. What it means in essence, Mr. Chairman, is that the board will receive approximately \$76,740 this year to operate as a board for administrative purposes, which is down from last year's \$97,000. But the total amount of money that will be placed in the communities, both through the board directly and then directly into the communities, will go up by more than 10 per cent from \$132,000 last year to more than \$146,000 this year. So it's increased funding to the communities.

The question of the Alberta Native Development Corporation. This is a joint venture by the Indian Association of Alberta and the Metis Association of Alberta. Again this organization received its funding initially in 1974 from the Department of Advanced Education and Manpower. At that time I think it was Manpower and Labour, Mr. Chairman. But the funding did carry on through the newly revised Department of Advanced Education and Manpower after the reorganization of government following the 1975 election.

This year the funding for the Alberta Native Development Corporation will be provided through the northern development branch of the Department of Business Development and Tourism. The main question is: when will the funds begin to flow? The current holdup, Mr. Chairman, is that we're waiting for a number of things from ANDCO. We're waiting for an audited statement of their past books. We're waiting for the answer to certain questions raised by the Auditor for the year 1975-76, as well as certain other questions raised by the Auditor, plus questions raised by the Department of Advanced Education and Manpower. Once those questions have been satis-

factorily answered, a commitment has been made both to the president of ANDCO, as well as to board members from both the Indian and Metis sides, that the Minister of Business Development and Tourism and I will recommend to our cabinet colleagues a new funding schedule for ANDCO.

One of the complaints ANDCO presented to us this year, Mr. Chairman, was that they did not have a long enough commitment of funds, that it was difficult for them to plan their activities on a year-to-year basis when they were not assured of continuing funding. Following the satisfactory answering of those questions which I mentioned earlier, we have said we will recommend to cabinet funding for two or three years in duration, to be approximately \$.25 million per year, half of which would be for administrative core funding purposes, the other half for specific program and project funding. The guidelines for that could be worked out by the northern development branch and the Native Secretariat in consultation with the board of ANDCO.

Mr. Chairman, we're quite prepared to proceed with funding on a two to three year basis for this organization so they can get on with their work in the economic development area. We will do so as soon as we have received satisfactory answers to the questions posed both by the Department of Advanced Education and the Auditor.

The second question the member asked related to social services to treaty Indians. At this time, Mr. Chairman, I'd like to give special recognition to the work that's been done by Mr. Derek Mace, a senior official from the Department of Social Services and Community Health, because it's through this individual's effort that communication between the province — in particular the Department of Social Services and Community Health — and various bands throughout this province has been excellently received. The kind of feedback I'm receiving from various bands, Mr. Chairman, is that the province's position is clear. It may not be totally acceptable to all bands concerned. They would like to have a better deal. They would like to obtain more things in their favor, but they are pleased with the effort being made by the gentleman previously mentioned.

The offer made by the Minister of Social Services and Community Health, strongly supported by me as well as concurred with by our counterpart in Ottawa, Mr. Warren Allmand, federal Minister of Indian Affairs and Northern Development, is that once the position paper was presented to the 42 chiefs in Alberta, an opportunity would be given them to ask questions. That opportunity was provided by the hon. Minister of Social Services and Community Health and me.

That time has now passed. From this point, negotiations will be carried on on a band-to-band basis. There will be no agreement to cover all bands or all bands in a given treaty area. It will be an individual agreement between a particular band and the government of Alberta once that band has passed a band council resolution.

If I understood the question correctly, the third point was: how do I operate as a minister without portfolio, and more specifically, how does my staff, namely the Native Secretariat, operate with various line departments? The examples given were housing and Metis colonies. I see one other choice other than

having a minister without portfolio with a very small and highly trained staff, Mr. Chairman: to opt for a system of creating a department that would attempt to provide all services to our native residents, an attempt to do what the federal Department of Indian Affairs and Northern Development has done. This government rejects that. I reject it as well. It is far better that the houses be contracted by the people who are experts, those in the Department of Housing and Public Works, and their agency, Alberta Housing Corporation. In native affairs, and the public service arm of native affairs, Native Secretariat, it's our job to see to it that the job is being done adequately through our monitoring process.

That's not to say we do not have difficulties, Mr. Chairman. If you're going to progress, there are bound to be some difficulties that have to be overcome. When you're breaking new ground, it's obviously the case. But we will continue to monitor the programs that are carried out with regard to colonies, in this case, by the Department of Housing and Public Works. We'll continue with our close working relationship with the Department of Social Services and Community Health and with any other departments that are dealing with native people. We'll continue to do the job we feel we have a mandate to do.

MR. SHABEN: Mr. Chairman, I had asked one question in the third part of my last question: the minister's involvement in native friendship centres, which are clearly under the federal Secretary of State. Is increasing the support to friendship centres contemplated by the Native Secretariat?

MR. BOGLE: Mr. Chairman, there are nine friendship centres in the province of Alberta, ranging from Peace River in the northwestern part of the province to Fort McMurray in the northeastern part down to Pincher Creek in southern Alberta. As I explained to the hon. Member for Little Bow who raised the question several days ago, the purpose of friendship centres is to provide services to native people coming to urban centres, to provide a home away from home, if you like; not sleeping accommodations, but a friendly atmosphere where people can come in, see people they know, play card games — I believe bingos are operated in all the friendship centres — to carry on various sports and cultural activities.

The friendship centres are the creation of the federal department of the Secretary of State, as has been mentioned by the hon. Member for Lesser Slave Lake. Our role as a province is to assist the friendship centres with program funding for cultural and recreational activities. Therefore we do not get involved in the capital projects part of the project. We do not get involved in the core funding of friendship centres either. Our role is specifically defined as those areas I have mentioned. We do work through Mr. Bill Donahue, one of our newest staff members in the Native Secretariat, who I believe is doing an excellent job of liaising with the various friendship centres in the province. We keep in constant touch with the centres and provide assistance upon their request.

MR. CLARK: Mr. Chairman, to the minister. I understand the minister is to take on additional responsibilities

this year from a matrimonial point of view. I congratulate him in that particular area. [interjections]

The hon. Member for Banff, my neighbor to the south, says that's the nicest thing I've said all day. Perhaps that's the nicest thing that's happened to the minister for a number of years.

Now to get on to the basic reason for my taking part in this part of the estimates. As the minister responsible for native affairs, you've had an extremely low profile with regard to the question of native land claims and what's happening in this particular area. I'd be very interested to hear the Secretariat's point of view or position on this. If I recall the situation, some time ago, after the initial action taken by the chiefs, the government then said, after some discussion, that it would refer the whole question to the judiciary. In light of legal action, we now have the legislation which is before the House. Mr. Minister, I've been waiting with somewhat bated breath to hear your view of exactly what's taken place in this area.

As I understand the situation, basically a number of chiefs raised the venture. The minister shakes his head; then I'm sure he'll be pleased to comment on the whole area. Pretty frankly I think it rather touches upon the credibility of the Secretariat. The native people I've spoken to have asked me where the Native Secretariat sits in this whole thing. I said frankly I haven't seen any comment by the minister, but I did indicate I would pursue the matter in the estimates. So, Mr. Minister, perhaps we might start the matter right there: give us the Secretariat's point of view of the background and where the thing sits today.

MR. BOGLE: Mr. Chairman, first of all I think the hon. Leader of the Opposition is well aware that the official position of this government has been expressed by the Attorney General. That position is not only for the Attorney General and his department, or for the Minister Without Portfolio responsible for native affairs and the Native Secretariat, but for all the government. We stand behind that.

Mr. Chairman, if the hon. leader is asking if the Native Secretariat, and more particularly the Minister Without Portfolio responsible for native affairs, had input to the decision that has been made to date, the answer is yes, I have, and I will continue to have input as long as I sit in this particular spot in the House.

If you'll recall, Mr. Chairman, during my remarks to this Assembly on the Budget Address I indicated some difficult decisions in the area of land claims would have to be made by this government, decisions that would not be pleasing to all people. To govern a province as dynamic and aggressive as this, decisions have to be made in the best interests of all people. I'd like to say that in the area of land claims my specific concern always has been the rights of the individual, the rights of the individual native person in this province.

It's well understood, Mr. Chairman, that a number of native people were missed when the original treaties were signed in this province. Because of geography, and the lay of the land, most if not all the native people — from a few miles north of Edmonton, south — were caught, were represented by the various chiefs. We're commemorating the two most signifi-

cant treaties in those areas at the present time: Treaty 6, signed in 1876, and Treaty 7, signed in 1877.

The third treaty of great importance in this province was Treaty 8, signed in 1899. At that time the surveyors for the federal government and various officials travelled the main water routes through northern Alberta and signed the treaty with the various groups of people. Unlike most of the native people in central and southern Alberta who were in large groups and well represented, in northern Alberta they tended to be in considerably smaller family units because of the topography — the lay of the land, the waterways. Often the treaty might be signed with a family of 12 or 14 people. People in tributaries were missed. That is the reason we have some claims outstanding today.

When the Leader of the Opposition mentioned certain chiefs, I think the correct terminology would be headmen, headmen of certain groups who feel their ancestors did not sign the treaties.

The main concern I had — and I mentioned this at the beginning of my remarks, Mr. Chairman — is for the rights of the individual. If a native person today feels he can prove his forefathers did not sign one of the treaties in the province of Alberta, or in one of the other provinces of Canada, he has the right to go before the federal government to request his entitlement, which is 128 acres per person, and the province of Alberta will fulfil its obligations and responsibilities as defined in The Alberta Natural Resources Act of 1930, and provide the said land. That is the key concern I have, Mr. Chairman: to see that those rights are protected.

On the other hand, if you're talking about an aboriginal right, where the issues are considerably hazier, that's another question. But if we're talking about treating the people whose forefathers missed signing the treaties like other treaty Indians in the province, then we're talking about 128 acres per band member. This government will stand behind that commitment.

MR. CLARK: Mr. Chairman, just following the explanation the minister has given us, I wonder if the minister would explain what's happened since the chiefs — or headmen, to use the minister's term — filed the caveat. At that time it was my understanding the government had agreed to a particular course of action, that the venture would be referred to the judiciary. We now have the piece of legislation which has come before the House. I'd find it very helpful if the minister would — I was going to say re-create, that wouldn't be the right term — explain to the committee what action has taken place in the Secretariat since that time until today when we have the legislation before the House and, where I suppose it's fair to say, there's an honest difference in point of view between some people in the native community and the government. Really, Mr. Minister, what kinds of things led you to the conclusion that at this time we should move to have legislation dealing with this question of land claims?

MR. BOGLE: Mr. Chairman, I think I expressed earlier that that was a decision taken by the government of this province, that I am a member of the government, and that I did have input to that decision. The Native Secretariat had input as the Secretariat, as did the

staff of the Attorney General as well as certain other staff members. But a decision was taken, and the staff of the Native Secretariat will live with that, as that is their responsibility as public servants to the province of Alberta.

Mr. Chairman, the one thing we should not confuse is the difference between a land claim and the action the hon. leader has referred to, which is really the filing of a caveat. I would rather not get into a point by point discussion as to pros or cons of the caveat, because that does not in any way affect the legal or legitimate rights of the native people.

I will, however, talk very briefly about land claim. We do have one land claim before us today. It was raised last year during the estimates, I believe by the hon. Member for Spirit River-Fairview: the Stony/Bighorn claim. The province has indicated it is more than willing to proceed on this case. At the present time we're waiting for the council for the Stony Band — a council which this government generously agreed to pay the salaries of some years ago. We've also held up land development in the area to show good faith. We're now suggesting that we get on with it. If there's a legal case, and if it's something that can't be agreed to by the two parties, then take it to the courts. Mr. Chairman, we're at that point at the present time, awaiting the council of the Indian band involved.

MR. CLARK: Mr. Minister, I'm not asking you as the individual minister, or the Secretariat, to explain your own involvement in what's happened in the last year or year and a half since the caveats were initially placed and the government indicated the procedure it would follow, then leading up to the decision to go the route of legislation. I'm not asking for the minister's or the Secretariat's involvement.

But, Mr. Minister, I do think it's somewhat incumbent upon your ministry or your responsibilities to give some sort of explanation on behalf of the government. It seems logical to me that the native people in this province would look to you to give an explanation in the course of the estimates where they might look to find some sort of explanation and development of the government's position — whether I agree with it, whether the Secretariat agrees with it — today. It's not an attempt on my part to try to drive a wedge between the Secretariat and other departments — I don't think time would be well served here this evening. There may be other ways to do that, if that is what a person wanted to do. But in fairness I think native people should be able to look to the estimates in your department as a reasonable and logical place to find an explanation of what's happened with regard to the shifting position we have seen. That's really what I have in mind, Mr. Minister.

MR. BOGLE: Mr. Chairman, I thought I dealt with that when I gave what I felt was a fairly accurate description of the rights of the individual and protection of those rights. I'm quite prepared to discuss that with any native leaders or other Albertans who wish to discuss it. As an Albertan I feel that certain obligations were made by the government of Canada to the Indian people in this province when the various treaties were signed. As the minister responsible for native affairs I feel I have a responsibility in that area, and I would like to see issues that deal with entitle-

ment resolved. I would like to see those native people who feel they have a just cause come forward with it, so we can get a settlement, so they can go on about their business of being good citizens in Alberta, of being socially and economically part of the mainstream of life in Alberta. As I said before, my concern is to see that the individual and his rights are protected. I think that is the cornerstone of this province, and has been for a good number of years.

MR. NOTLEY: Mr. Chairman, just pursuing this matter for a moment. Mr. Minister, on April 21 in question period, page 875 of *Hansard*, you said:

If the individuals involved want to negotiate, an avenue is open for them to do that. But we've basically said they cannot have it both ways. We will not negotiate while something is before the courts.

Mr. Chairman, before I ask the minister to answer, it seems to me the first obvious question is: will there be any negotiation on individual claims to entitlement as long as the court case continues, or is the minister in fact saying that legal action must be dropped before he would pursue his response to the Leader of the Opposition that on an individual basis you would look at the 128 acres per individual?

Secondly, Mr. Chairman, it seems important that we put this into some sort of historical perspective, at least as far as this recent Legislature is concerned. The minister mentioned that the question of the Stony claim had been raised in the Assembly. On October 25, 1974, I directed a question to the Premier concerning that particular land claim. The Premier made this point:

... we feel that we should not transfer lands of this nature involving legal title back to the federal government to meet its legal obligations unless we are absolutely satisfied of our legal position

Then further on, on page 3205 of *Hansard*, October 25, 1974, "We think that when a legal title is being requested we should have a legal obligation to make that transfer."

So the next question dealing with this issue of land claims that occurs to me, Mr. Chairman, is: at what point was there any offer on the part of the government to negotiate with the people in northern Alberta, not on an individual basis but collectively. We have the Isolated Communities Advisory Board. It would seem to me that might be one mechanism in view of the fact that these are the people spearheading the caveat action. I raise that, Mr. Minister, because the president of the Isolated Communities Advisory Board indicated to me that had there been negotiation on the part of the provincial government they would not have proceeded with the caveat matter.

So we have the October 25, 1974, statement of the Premier, indicating we're going to seek a legal answer, if you like, through the courts; we have the president of the Isolated Communities Advisory Board saying, had there been negotiation we would have looked at it; we now have the minister saying, "on an individual basis". But we have *Hansard* the other day saying you "cannot have it both ways".

Mr. Chairman, in terms of the House, before we get into the debate on Bill 29 I think we should have the government's position completely clarified. I have a number of other questions dealing with the Isolated

Communities Advisory Board, but before pursuing those I'd like to throw the ball back to the minister and ask him to respond.

MR. BOGLE: Mr. Chairman, in the beginning I should again try to explain to the hon. Member for Spirit River-Fairview the difference between an entitlement and an aboriginal right. If you mix the two terms you obviously become quite confused, and I think that's possibly happened to the hon. member. So I will try to explain.

An entitlement is clearly defined. It's set out in the treaties. There's no question as to the responsibilities of both parties. What I've said is that the province is prepared to move at any time in fulfilling entitlement and legal obligations as set down in our agreement with the federal government and The Alberta Natural Resources Act of 1930.

An aboriginal right is quite different. That is in fact a claim by a group of people who feel they have a right to a certain piece of land because they were the first to occupy it. That is much more difficult to try to pin down, if you like, or try to come to an agreement on through discussion, because most often both parties are so far apart in their requests for a settlement. When we look back to the Stony/Bighorn case as an example — as I'm sure the hon. member is aware, Mr. Chairman, that was prior to my involvement in this Legislature — on one hand we had the province making a reasonable and realistic offer which it felt it could live with, and on the other hand the band felt they should have a considerably larger tract of land than the province was offering. It was not possible to negotiate; therefore it was referred to the courts. That's what the Premier referred to in his speech you've just quoted to us. At least that's my understanding of it. As I said, I was not here at that time.

In the case of the Isolated Communities Advisory Board, Mr. Chairman — and I'll be pleased to go into that in more detail with the hon. member at a later time — it's interesting he raised this point because I think, for clarification, I should again inform the committee of the role we see for the board. One of the areas certainly is not, I repeat not, the area of negotiations for legal claims. The Isolated Communities Advisory Board represents Metis Albertans, treaty Indians, and non-native Albertans who happen to live in seven isolated communities. The funds provided by this government are for the purposes of assisting the government and its many departments and agencies in bringing the best kind of effective liaison to those communities. It is not in the area of land claims.

The hon. member raises the issue of the president and his feelings. As I said the other day, and you didn't quote that part of my remarks, the president of the Isolated Communities Advisory Board is himself a treaty Indian who was born in the Big Stone Reserve near Wabasca/Desmarais; therefore he has no legal right, either aboriginal or otherwise. The board had nothing to do with the petition which was presented by certain headmen. That was done by non-board members or people. So I think we should separate once and for all, Mr. Chairman, the activities of the Isolated Communities Advisory Board and the activities of headmen of certain groups in northern communities.

MR. NOTLEY: Mr. Chairman, to pursue this matter further, there is no question that I am well aware of the difference between entitlement and aboriginal rights. As the minister points out, the issue really is that the headmen he referred to are the people who have initiated the legal action, because they are of the mind that the entitlement is not satisfactory and that there are aboriginal rights beyond the entitlement. Is that not correct, Mr. Minister?

MR. BOGLE: Mr. Chairman, as I originally said, if they choose to pursue their claims through the entitlement route like other Indian people did in the province of Alberta, we're certainly prepared to fulfil those obligations. If they feel they can get a better deal in some way by going the aboriginal route, and that's apparently what's happened, that's a course open to them and I assume that's the reason behind it.

While I'm on my feet, Mr. Chairman, I would like to say that in my just over two years' exposure with this government, there was no attempt to negotiate on that issue prior to the attempt by certain headmen to file their caveat.

MR. NOTLEY: Mr. Chairman, to the minister. With respect to the distinction between the entitlement [of] various individuals who were missed when Treaty 8 was signed, and the aboriginal rights question, is this government prepared to look at the issue of negotiation with the headmen concerning the aboriginal rights question, or is it of the view that that matter must be pursued in the courts?

MR. BOGLE: That's a question for which a definite policy hasn't been formulated, Mr. Chairman. I have certain thoughts and ideas on it at this time, as do members of my staff in the Native Secretariat, and I'm sure the Attorney General and his staff. But we have not yet had an opportunity to develop a government policy on the subject. When we have, we will notify this Assembly.

MR. NOTLEY: Mr. Chairman, another question to the minister. This is a follow-up to the question I put the other day in the House. The minister indicated it would be better if this question came in the estimates. Where do things stand at this stage with respect to legal assistance to those groups which have begun legal action, and are entitled to do so, particularly in light of the minister's response concerning the Stony question and the assistance provided there?

MR. BOGLE: Mr. Chairman, the government of Alberta, through the Native Secretariat, provides substantial funding to the Indian Association of Alberta and the Metis Association of Alberta, in particular, to do various things within their organizations and for their members. Those two organizations are exempt to a great extent from the careful day-to-day monitoring we provide other groups. Before issuing quarterly cheques we do require audited statements from the associations, but we do not interfere with their political activities. So, Mr. Chairman, if the Metis Association, with a proposed budget this year of \$302,500, and the Indian Association with a proposed budget of \$189,000, wish to pursue activities in those areas, they're certainly able to do so,

because we will not interfere with them. That is a complement to the funds they get from the federal government.

If the hon. member is asking if this government will provide moneys above and beyond that for the specific purposes of land claim research — if you're talking now about the Isolated Communities Advisory Board or any other group — the answer is no.

MR. NOTLEY: Mr. Chairman, the minister provides answers which I'm sure we can debate further when we get to Bill 29.

I'd like to pursue this question of the budget for the Isolated Communities Advisory Board for a moment if I may. I look over the prospective budget and, as the minister points out, there is a decline in the funding from the Native Secretariat from \$50,000 to \$25,000. The provincial share of PSS remains the same, \$51,741.

Now, Mr. Chairman, two things: in response to the Member for Lesser Slave Lake, the minister said, yes we have cut the core funding for the Isolated Communities Advisory Board from \$50,000 to \$25,000, but we have provided up to a maximum of \$35,000 on a project-by-project basis. I should say, Mr. Chairman, "up to a maximum", because if it's on a project-by-project basis, there is no way at this point of assuring that the full \$35,000 will be expended during the budgetary year.

It seems to me the problem the advisory board people face is that this \$35,000 is going to be approved by the Secretariat. In fact the role of the Isolated Communities Advisory Board is that their income will shrink rather dramatically from \$97,000 to about \$76,000, if my arithmetic is correct. I look over their budget, and wouldst we could all be as economical: fieldworker 1, salary of \$10,000 — this is very interesting — travel and subsistence, the president, \$4,000. Could we get all our travel expenses for civil servants down to that level, particularly when you consider the huge geographical area served by the Isolated Communities Advisory Board. It's just not possible to drive from one community to another very easily. Knowing a little about the geography, the administrative cost of the board functioning in northern Alberta is really rather immense.

It seems to me we are making a very serious mistake in reducing the core funding. If the advisory board is to fulfil the function the minister outlined just a moment ago, they have to have sufficient funds to do the job. I look at the budget this year and see \$76,000 for the advisory board bringing together seven far-flung communities with a population of 2,200 people. There are very few municipalities in this province of a comparable size that could even begin to pay their administrative costs on \$76,000 — let alone the herculean task of bringing together representatives from communities as far flung as these seven isolated communities. While it's true that \$35,000 is being made available on a community-by-community basis, the fact of the matter is that the core funding has been cut from \$50,000 to \$25,000. It's certainly the opinion of the president that that is going to hamper severely the effectiveness of the Isolated Communities Advisory Board.

MR. BOGLE: Mr. Chairman, on October 22, 1976, we had a meeting in my office, at which time all members of the Isolated Communities Advisory Board were provided with transportation to Edmonton. Along with Mr. Cal Lee the executive director of the Native Secretariat, and my executive assistant Mr. Gordon Thomas, a meeting was held which lasted approximately four hours. The purpose of the meeting was to go over in a formal way with the Isolated Communities Advisory Board the sorts of things various staff members of mine had been telling them for some time: that there had to be some accountability, that they had a job to perform, but that wasn't roaming around and doing a lot of things they shouldn't be doing.

Since the hon. member has raised the budget, Mr. Chairman, the submitted budget has not yet been accepted and not one penny will go out this year until a proper budget has been submitted. The budget that has been presented to us calls for a deficit of \$66,000. One of the things we feel is very important in assisting all people — not just native people — is that money doesn't grow on trees. You've got to be held accountable. When you get a group that receives all its funding from government — through PSS from the Department of Social Services and Community Health, the Department of Business Development and Tourism, and through native affairs — you've got responsibilities as a government not to lead people down the garden path.

The budget mentioned by the hon. Member for Spirit River-Fairview is interesting because it points out that the president should have a salary of \$12,000, that there should be two full-time fieldworkers at \$10,000 each, a vice-president at \$10,000, a secretary-treasurer at \$10,000, and of course a typist, then a living allowance of \$12,000 for the above.

In addition to that, they have submitted a travel and subsistence allowance: the president's travel allowance, \$6,000 — I'm not sure where the hon. member received his figure, but \$6,000 is what I have — fieldworkers, \$8,400 apiece; the vice-president, \$3,600; and the secretary-treasurer, \$2,400. We're talking about a group that represents seven communities and approximately 2,200 people. My concern is: how can we as government best help those 2,200 people?

When I go into a community like Sandy Lake and find that a project like a spring clean-up — where a request was made from that community to the Isolated Communities Advisory Board for \$25 to provide a first and second prize and was rejected, I think some accountability is lacking.

That's part of the message I gave the Isolated Communities Advisory Board seven months ago. I said, we're headed toward a new fiscal year. I'm concerned about where you're going and what you're doing. We followed that up with a letter on October 27, and there has been correspondence between Cal Lee, the executive director of the Secretariat, and the president and other members of the Isolated Communities Advisory Board.

The hon. Member for Spirit River-Fairview has suggested this is not enough. Let me say this to the members of the committee: if there's not proper accounting this year, there won't be anything next year because we'll find another way to help those

communities. We can't do it by assisting a small group of people and the money stopping there. We've got to channel as much of it as possible into the communities so they can develop through their own leadership. That's what we're attempting to do now. We're attempting to assist. Yes, we've said the projects must come from the communities. If they wish to channel them through the board, that's fine. But the projects must come from the communities, and they must be of a nature that will assist the communities. The evaluation will be done by the Secretariat. In time I hope we'll be able to move out of that phase, just as we moved out of it with the friendship centres.

You may recall, Mr. Chairman, that last year during my estimates I went into detail about some of the friendship centres and the financial problems they were encountering. Of nine friendship centres in the province, seven were in financial difficulty. Some of their own people gave them a remedy to get out of financial difficulties. That was to go to government and say, will you please give me \$18,000; that's what we're in the red at the present time. The answer was no, you've got to clean-up your own operation.

I'm pleased to report today, Mr. Chairman, that eight of the nine friendship centres are in a very healthy situation, and the ninth is working on its . . . [inaudible].

MR. NOTLEY: I think we have to recognize first of all that the Isolated Communities Advisory Board is in fact a creature of this government, having first come into operation under the tenure of the present administration.

No one is arguing we shouldn't try to get full value for our dollar, no question about that. No one is arguing that in terms of the funding there shouldn't be negotiation back and forth. Fair ball. But the point I leave with the minister is that when one looks over the balance sheet, we're still at \$76,000 compared to \$97,000. It seems to me that is going to present some real problems in providing any kind of adequate administration and cohesion for the Isolated Communities Advisory Board.

You can quarrel over certain figures, perhaps legitimately so. Should \$8,000 be available for expenses for a fieldworker? Again, knowing the geography of the area, I'm not entirely convinced that if a fieldworker in that vast part of the province is to get around, he may not have to have \$8,000 in travel expenses, Mr. Minister. Travelling is very expensive. So just because the \$8,000 figure is plucked out — sure if one compares that to servicing a group of people around Edmonton, that would be unreasonable. But as members from that part of northern Alberta know, the costs are very large.

Now, Mr. Chairman, I want to move on to one other question which came up during question period as well. I think the hon. Member for Clover Bar raised it. That was with respect to the discussions that occurred last year over the so-called equity fund for approximately \$1 million. I've had representation from people in the native community who have argued that if you apply the ground rules of the AOC to native businesses, you're not really going to get them off the ground; you just cannot apply those ground rules successfully, and that what was necessary was a special fund. The minister indicated he had travelled to various parts of the United States. Perhaps

he'd take a moment to expand in a little more detail than the brevity one is required to use during question period.

MR. BOGLE: Mr. Chairman, I welcome this opportunity to give that kind of detail to this committee. One of the primary objectives of our entire discussions — and I'm now including primarily the Minister of Business Development and Tourism, with certain support from the Minister of Consumer and Corporate Affairs in particular — was to develop a policy in a very open atmosphere that would include as much input as possible from native people, primarily native people who themselves have a strong background in business development. Of course one of the prices you pay for that kind of policy is that everyone knows about it. Everyone knows what you're proposing, and I don't apologize for what we proposed. After putting together a package of information between the Department of Business Development and Tourism and the Native Secretariat on what our officials felt should be the right way to go, a question was raised by both Mr. Dowling and me as to what input we had from native people. To that point there had been none. We shelved the proposal as it was and went out to solicit support in an information way from various native people.

We put together a team I'm extremely proud of, which had representation from both the treaty Indian and Metis sectors. We brought together Chief Walter Twin from the Sawridge band, who is very active in economic development in his own area and has provided ample leadership not only to his own reserve but to the regional council. Through the hon. Member for Lesser Slave Lake, I had many conversations with Chief Twin and knew of his interest in developing a policy that would help his people. We also brought together Herb Belcourt, a Metis businessman from the city of Edmonton who, along with his father and brothers, has a long and very colorful background in various business activities in this province, ranging from fur trading in the early years right up to construction at the present time. We also asked Fred Gladstone, son of the late Senator Gladstone but, more importantly, the president of Kainai Industries on the Blood Reserve — a very successful house-building plant at Stand Off, Alberta — to join our group; in addition, Stan Smith, a Metis businessman from the Fort Vermilion area who has a small bulk fuel dealership as well as a farm.

So we attempted to bring together native people from north and south, city and rural, to help in the formulation of our ideas. We asked the presidents of the two native political organizations, the Metis Association and the Indian Association, to join. The president of the Metis Association declined. He felt that if we were going to involve Metis people, he should have been given the opportunity to appoint them. We rejected that, so he chose not to come. The then president of the Indian Association, Harold Cardinal, accepted our invitation and was of great assistance on the tour.

In addition to the members I have already mentioned, one representative from the Department of Business Development and Tourism accompanied us, Tom Beale, who has a background in small business ventures. We had Roger Lefrancois from the Native Secretariat, one of the newer employees with our

office, an S.O. 2 and someone quite interested in the development of an economic development area, and Mr. Gordon Thomas who is from my office and was responsible for putting together the tour.

We toured facilities in Denver, Colorado. As well we met with federal officials in Washington, D.C., and then went on to central Kentucky — the London, Kentucky area to be more specific. We met with Mexican-American business people in Colorado. We met with Kentucky people, non-native people in that area, and went through parts of the Appalachians, which looked very depressed. There were whole hulks of cars along the side of the road, and small beat-up houses, but we saw people trying to help themselves.

From that tour we brought back information which we pooled and put together along with other government officials, and came up with an idea. It was very similar to what the hon. Member for Spirit River-Fairview has just suggested: if native people are to achieve, some need an extra bit of help; that the conventional lending sources would not apply.

If, for instance, we're looking at a treaty Indian who lives on a reserve, he does not have tenure of his land. Therefore he cannot put his land up for security. If we're looking at a Metis or treaty Indian living in a isolated community, he again does not have tenure, although we're working on that, as I'm sure the hon. member is aware, through the land-tenure committee under the chairmanship of Roy Piepenburg. So we came back with some ideas on how we might develop a policy.

Certainly some figures were tossed out as to what kind of assistance we might provide, what we'd be looking at. My main concern, Mr. Chairman, was that we start off small and build from that; get some successes and build on those successes, rather than starting off in a very massive way, bringing in some high-priced help, and the entire system collapsing; then having people point their fingers to the venture, saying it was doomed to failure from the beginning for one reason or another. We explored ways that policy might be put into place. One of the possible avenues is to develop a fund in itself, with a separate board and a separate administrative capacity and so on. We ruled that out. We decided there had to be conventional sources that could be tapped.

As I indicated in the House, we then decided to take a good look at the Alberta Opportunity Company. The hon. minister responsible for the Alberta Opportunity Company and I, along with our various officials, had a meeting arranged with the board of directors and senior officials in the Alberta Opportunity Company. Unfortunately we had to postpone the meeting because I believe a federal minister was coming in to sign a special agreement with the Minister of Business Development and Tourism. We have not yet been able to get back together, although our officials have been discussing possibilities on their level.

There is another avenue which has been mentioned briefly, and that's ANDCO, the Alberta Native Development Corporation. It might be the vehicle we should be using. There's a ready-made board and administrative capacity in ANDCO. It might be that, through assistance from the government, ANDCO can provide some of the front-end funding which has been referred to by both the hon. Member for Clover Bar and the hon. Member for Spirit River-Fairview.

That's something which we will be developing as we go down the road.

I want to emphasize again that we cannot do that until the present president and board of ANDCO satisfactorily answers certain questions that have been posed by the Auditor and by the Department of Advanced Education and Manpower. Once those questions have been answered satisfactorily, we'll move forward at the earliest opportunity with this new approach as one more avenue to assist native people who want to assist themselves.

MR. R. SPEAKER: Mr. Chairman, to the minister. I'd like to follow up on the question with regard to social services on the Indian reserves. The minister didn't quite explain the type of arrangement that will be occurring in establishing these agreements with the various reserves. Is it the intention of the government to have provincial civil servants delivering the services on the reserves, then be reimbursed by the federal government? Is that one of the arrangements? Are there others?

MR. BOGLE: Mr. Chairman, the joint position paper which was submitted to the chiefs of the 42 bands in Alberta in December 1976, signed by the hon. Minister of Social Services and Community Health, the federal Minister of Indian Affairs and Northern Development, and me, basically contained two proposals. One was to upgrade the current system of social services provided to reserves, that of course being the federal government. The second was to transfer services from the federal government to the provincial government. In that event it was a proposal of the position paper that those people currently employed on reserves, by bands providing some of the services themselves, would be given an opportunity to transfer to [become] provincial civil servants. It is correct that we were and are talking about extending services already available to other Albertans to residents on reserves.

I think the key element in the proposals — and it was lost to an extent, Mr. Chairman, in the communication through the media — was that the province would not move unless requested by a band through a band council resolution. If so, the same band could opt out of the program, I believe five years down the road, if it was not satisfied with the kind of services it was receiving.

In other words, we're not talking about a blanket, umbrella policy for the entire province in terms of delivery. We were in terms of an overall policy. We wouldn't want to establish 42 separate policies. We wanted something to be available to reserves consistent with what we're doing in other municipalities for other Albertans.

That, Mr. Chairman, was the first step in a number of programs we would like to offer to residents of reserves in Alberta.

MR. R. SPEAKER: Do the services you're considering include probationary services?

MR. BOGLE: I'd have to check, Mr. Chairman, but I don't think that it went that far at this time. I think we were talking primarily in the social services area. I remember child welfare was one of the areas

covered. Possibly the Solicitor General is in a position to assist me.

MR. FARRAN: We already do it [inaudible] fall afoul of the Criminal Code.

MR. BOGLE: I can check that, Mr. Chairman, and report back to the hon. Member for Little Bow.

MR. TAYLOR: Mr. Chairman, I just have a few items. Reference has been made to the hon. minister getting married. If this is so, I'd like to extend my deepest sympathy to the minister as he dives from the plains of single blessedness into the troubled seas of matrimony. I can almost understand his decision at this time of year when he's filling in his income tax. That's enough to drive any man to marriage.

I'd like to deal quickly with just five items. I don't want to hold up the vote. I wonder if the minister can outline what the government is doing to help Old Sun College. I visited this college with the minister some time ago. In my view it's an excellent school, with excellent staff. They're doing a splendid job, and I'd certainly like to see it encouraged to the greatest possible degree.

Secondly, I wonder if the minister has anything further to report in connection with the 100 year celebrations on the plains of Cluny this coming summer. I'm receiving a great number of inquiries from people who want to be there, and I'm wondering if it's going to be a public event or by invitation only. Any information the minister can give us on that will certainly be appreciated.

The third item is: I'm wondering if there's been any improvement or change in the relationship between the Secretariat and the federal Indian Affairs department since Mr. Harold Cardinal has been named the administrator. Certainly Mr. Cardinal has had a great deal to do with the Secretariat and the provincial government. I would hope this would mean an improvement in relations and a better co-operative effort in each field.

I'd like to deal with two other points. I always feel it's a tragedy when I see so many native men and native women — but largely native men — filling our correctional institutions, many of them simply because they don't know how to handle their liquor. This is partly the white man's fault, I would think, but it's really a tragedy to see so many going into our correctional institutions. I would think the Secretariat could do a real service if it could work with the Solicitor General in trying to find an alternative to sending these young men, particularly, to prison time after time, until it almost becomes a way of life with them. I know it's a difficult problem with which to deal and there's no easy answer, but I would hope we would work to try to correct that situation.

I want to pay a tribute to Mr. Cunningham for the excellent work he is doing. I would think any expansion of that type of work the Secretariat can adopt would be a factor in keeping many of our native people out of correctional institutions. Most of them are fine young people, and the only reason they are there is because they don't know how to handle their liquor and aren't yet prepared to give it up entirely. I think there is a really fertile field in which we could help many of these people to live a normal life and to enjoy life far more than they do today.

There is another item where I think there's a field for the Secretariat, whether it's done through friendship centres or whatever. We continually hear about native girls arriving in the city, not being able to find their way about, who are led into a life of drugs, drink, and prostitution, largely through poverty and hunger. I don't know first-hand, but some people tell me that the places where many of these girls are first met by this group of people who don't mind leading them downhill are our bus and train depots. If this is so, possibly by having one man or one woman in those areas to contact these people when they arrive might mean reducing the tragedies we see among this group of people, particularly in our two major cities. I believe it's a really fertile field in which the Native Secretariat can do some excellent work.

I would like to say in conclusion, before the minister speaks, that I have found the minister most co-operative in dealing with the Indians who are part of my constituency. I think the Indians there appreciate the fact that he speaks frankly to them but is kindly and shows understanding. I don't think we do anybody any service simply by handing out dollar bills and not making them accountable. I think it's most important our Indian people be accountable. They want to be accountable, at least those who are responsible — and that's most of them. I'd like to thank the minister for what he has done for the Indians in my constituency. I'd appreciate his comments on these points.

MR. BOGLE: I wonder if I might respond first to the hon. Member for Drumheller, who some of us in this Assembly affectionately refer to as the "dean of bachelors". I understand he may be lamenting the dwindling numbers. We lost one member in early January of this year. I noticed recently when the hon. Member for Pincher Creek-Crowsnest was in my office that he also may be headed in that direction, although he's not saying for sure.

AN HON. MEMBER: Take that out of *Hansard*!

MR. BOGLE: More seriously, now that I have the attention of the hon. Member for Pincher Creek-Crowsnest...

Seriously though, Mr. Chairman, Old Sun College was raised by the hon. Member for Drumheller and I too have a real affinity for that college. Ron Scrimshaw, the head of the college, has been working very, very earnestly trying to develop for the people from southern Alberta, particularly from the Blackfoot Reserve, an area where they may train and develop certain skills they can use on the reserves. They've encountered difficulties. One of their most apparent difficulties centres on the fact they are operating out of the Old Sun school which is very costly to heat, because it's an old structure and poorly insulated. In conjunction with Mount Royal College in Calgary, and the excellent work being done there by both staff and board members, in conjunction with my colleague the hon. Minister of Advanced Education and Manpower, I hope to be able to bring about some positive changes at Old Sun that will assist the people of the Blackfoot Reserve in southern Alberta to develop the college more fully in the future.

The second item raised by the hon. member, Mr. Chairman, dealt with the 100 year commemoration of

Treaty No. 7. That historic event took place on the south bank of the Bow River which is not in the constituency of the hon. Member for Drumheller, but rather the hon. Member for Little Bow. The chief of the Blackfoot Reserve, Leo Pretty Youngman, in conjunction with Les Healy, the co-ordinator for the Indian treaty commemoration program, are working with many committees, both native and non-native, to ensure that this event will be a milestone in the activities of the Blackfoot people and of that host reserve in particular. As the details become available, members of the Assembly will certainly be made aware so they can take the appropriate action if they wish to participate.

The third question, Mr. Chairman, dealt with the relations between the federal Department of Indian Affairs and Northern Development and the Native Secretariat in Alberta. I'm pleased the hon. member raised it because I too am looking for a close working relationship between Mr. Harold Cardinal, the new director-general of the department in Alberta, and Mr. Cal Lee, the executive director of the Native Secretariat. The two men have worked very well in the past. I believe they will continue to work well in the future. I think we will be able to work with one another rather than against one another in the many, many areas of mutual concern in this province that affect approximately 34,000 Albertans.

The fourth point is a tragedy to all of us. That's the incidence of alcoholism, the problems faced by a small but usually revolving number of native people who find themselves in our various correctional institutes. The Solicitor General has worked very hard, as did his predecessor, to develop programs that will assist the native people to kick the habit. I look at Nordegg as an example, and I can recall the Solicitor General talking about log-house construction long before it became fashionable in Alberta. He had native people at Nordegg relearning the art and skill of building log homes. Today those who are out are assisting in various parts of the province in that very worth-while activity.

Through Chester Cunningham — and I am really pleased the hon. Member for Drumheller acknowledged the excellent work being done by this individual and his staff in the Native Counselling Service — a superb effort is being made to assist native people who come into contact with and conflict with the law. I look at the work on a proposed camp in the St. Paul area. I might also mention the Poundmaker's Lodge just outside of Edmonton, and the Bonnyville Indian-Metis Rehab Centre which was opened this past year by the Minister of Social Services and Community Health — further evidence of this government's commitment to assisting native people.

The fifth and final point relates to women who come into our urban centres and the first contact they have with people at the bus depot and train depot. I might mention I see two organizations as being in the forefront in this area. The first is the friendship centre. One of the primary roles of the friendship centre is to help people who come into the city for the first time, to make them feel at home, to show them a helping hand and not to allow them to fall into the wrong kind of company. The second is the Voice of Alberta Native Women's Society which will receive \$49,500 if this budget is accepted. The organization, under the presidency of Bertha Clark, works primarily

through the 34 chapters scattered north and south throughout the province and carry out some very worth-while work. I might mention that the annual meeting took place about two weeks ago. My colleague, the MLA for the constituency in which the event took place — the Minister of Recreation, Parks, and Wildlife — represented me at that banquet as I had to be at another function that evening, and brought back a report of the very worth-while work being done by the Voice of Alberta Native Women's Society. I see this as a role the society might move into. I'm going to make a note of it and certainly bring it up in my next conversation with Bertha Clark and members of her executive.

MR. JAMISON: Mr. Chairman, the two questions I was going to ask the minister have pretty well been answered. I appreciate the words of praise for Chester Cunningham and the work he's doing in the courts for the Metis and Indians. As a supplementary, I wonder if the minister might be able to answer whether Poundmaker's Lodge is permanently located where it is now, or will it be moved into the city of Edmonton?

MR. BOGLE: I'll have to check and report back to the member on that question, Mr. Chairman. I'm not aware of any move that might take place. I think that the current location for Poundmaker is excellent. They're out of Edmonton and yet very close to both the city of St. Albert and the city of Edmonton. I believe there are approximately 40 acres of land on the site. It's a rural setting which most of the native people seem to enjoy. The two or three times I've been there and talked to people who are at Poundmaker, they seem to enjoy it. There's ample room for sweat lodges and other such activities. If a person wants to get out and just contemplate a bit after sessions and the counselling that's provided, there's ample opportunity to do that. I don't think the native person would enjoy the facility being located in downtown Edmonton or downtown St. Albert, but I'll certainly check that matter for the member.

MR. CLARK: Mr. Chairman, I just have one comment the minister need not comment on, then one question. First of all the comment. With regard to the discussion on the question of isolated communities, and we're talking about \$76,000 for the Isolated Communities Advisory Board to function for the next year, if their budget is approved. I'd rather compare that to the one consultant we have in the office of the Minister of Hospitals and Medical Care. Frankly I don't think I'd want to be the minister to try to explain to the Isolated Communities Advisory Board how we expect those boards to operate for the communities they serve for an amount really less than the one consultant in the office of the Minister of Hospitals and Medical Care. I don't blame the minister for it. I think it's one of those things that happened. I think it's just a sad comment on the kind of priorities. It's one of those things that happen, but I think it's very, very regrettable.

The area I would like the minister to comment on very briefly: Mr. Minister, twice this evening you've talked about the requirements of the Provincial Auditor, also the requirements of the Department of Advanced Education and Manpower with regard to

ANDCO, and you have said a number of questions have to be answered. I don't want you to give us a detailed breakdown on each question, but I take it from the way you placed the matter, Mr. Minister, that it deals with financial accountability. Are you in a position to elaborate somewhat or, if you're not this evening, perhaps you could give us by means of a memo the kind of concerns you have in that area.

MR. BOGLE: First, Mr. Chairman, I would like to comment on the Isolated Communities Advisory Board and briefly reiterate what I believe is the most important issue. It's not whether we're talking about a budget of \$76,000 or \$96,000. We're talking about how we as a government can best assist peoples in an isolated area of this province. Possibly the hon. member can fault me as the minister responsible for not being a little firmer two years ago. But I think the main point is that we are trying and will continue to try. I on a very personal basis — through my visits to the isolated communities, through the commitment of my staff, through their many visits in the isolated communities — will try to provide the kind of assistance needed to help the people help themselves, rather than to assist the Isolated Communities Advisory Board to continually hire more staff, pay the staff greater amounts for travel, and all the other things, so they themselves become a small bureaucracy between the people and the government.

It's an attempt to bring government closer to the people. Over the course of this year, and with some belt tightening by the Isolated Communities Advisory Board, I hope we will be able to find common ground and continue to work together as we have in the past. But there should be no disillusionment in the direction in which we are going. Certainly, I suppose, if you wanted to take an appeasement route to look for a short-term objective, the easy way out would be to provide another \$20,000 or \$30,000 and say very quietly to the president of the Isolated Communities Advisory Board, now you go ahead and hire your extra people and do your thing, but don't get in our way. I'd rather be held responsible for the long-term developments that take place in those communities. I think this is the way to go. If it's not, and if the program does not prove successful, I'm certain I'll hear from the three MLAs from the area with whom I've worked very closely — the Member for Lac La Biche-McMurray, the Member for Lesser Slave Lake, and the Member for Peace River. I'll continue to seek their counsel and advice on how best to help their constituents who live in isolated communities.

There is a second part to your question: the Auditor's report. I would rather not go into detail on that tonight, Mr. Chairman. I will basically say we are talking about funds that were provided by the government for economic development in particular, as well as a heavy duty operators' program. Those are some of the primary questions we're interested in. I think 14 questions were raised by the auditor of the books.

I have not corresponded with or talked to the president of the Alberta Native Development Corporation in the last several weeks. My last letter did go to him about two weeks ago. In it I reaffirmed those points and stated that once the questions raised by the Department of Advanced Education and Manpower have been satisfactorily answered — primarily to the

satisfaction of the Department of Business Development and Tourism, because funding will be their responsibility under this fiscal year — we will carry on. If we find that in order to answer the questions, we need to assist ANDCO with some short-term funding now — I won't call it interim funding, but some short-term funding — I think my colleague is prepared to do that, because we don't want to strap them to the point where they're not able to answer the questions because they don't have the money to hire the expertise. We want to give them every opportunity to get themselves out of the current position we're afraid they might be in, so they can start with a clean slate. Once that's been achieved, we'll proceed with our new funding arrangements.

Agreed to:

Vote 3 Total Program	\$1,923,962
Vote 4 Total Program	\$6,001,000
Vote 5 Total Program	\$76,200
Ref. No. 2.1	\$1,747,722
Ref. No. 2.2	\$5,601,621
Ref. No. 2.3	\$524,213
Vote 6 Total Program	\$7,873,556
Ref. No. 7.1	\$357,850
Ref. No. 7.2	\$782,050
Ref. No. 7.3	\$20,000
Vote 7 Total Program	\$1,159,900
Department Total	\$18,499,833
Capital Estimates	
Ref. No. 1.0	\$3,300
Ref. No. 2.0	\$1,500
Ref. No. 3.0	\$11,000
Ref. No. 4.0	—
Ref. No. 5.0	\$200
Ref. No. 6.0	\$999,850
Ref. No. 7.0	\$16,350
Department Total	\$1,032,200

MR. HYNDMAN: Mr. Chairman, on behalf of the hon. Premier, I move the resolution be reported.

[Motion carried]

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 resolutions, reports same, and requests leave to sit again:

Resolved that for the fiscal year ending March 31, 1978, amounts not exceeding the following sums be granted to Her Majesty for the Department of the Attorney General: \$4,740,230 for departmental support services; \$9,948,670 for court systems — pro-

vincial program under the Department of the Attorney General including \$1,740,000 to be transferred pursuant to Treasury Board directive to other votes under the Attorney General's administration for the administration of justice in the province and the improvement of the provincial court system; \$6,306,650 for court system — supreme and district program; \$6,330,580 for criminal prosecution and legal advice programs; \$4,246,050 for legal aid and compensation program; \$1,956,110 for public trustee program; \$5,330,460 for property registration program; \$1,192,230 for fatality investigation program; \$205,540 for land compensation program; \$1,371,610 for public utilities regulation program.

Resolved that for the fiscal year ending March 31, 1978, amounts not exceeding the following sums be granted to Her Majesty for the Department of the Executive Council; \$1,321,311 for Executive Council administration; \$143,904 for ministers without portfolio; \$1,923,962 for support to native organizations; \$6,001,000 for energy resources conservation program of the Energy Resources Conservation Board; \$76,200 for women's information program of the Alberta Women's Bureau; \$7,873,556 for multimedia educational services program of the Alberta Educational Communications Corporation; \$1,159,900 for disaster preparedness and emergency response program of Alberta Disaster Services. The Committee of Supply has also had under consideration certain other resolutions and reports progress on 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 afternoon during the hour of Designated Government Business following Orders of the Day, we'll commence with the estimates of Federal and Intergovernmental Affairs and, if there is time during that hour, start with the Department of the Environment. At 8 o'clock sharp tomorrow evening, we'll do the Provincial Auditor vote portion remaining under the Legislature estimates, continue with the Department of the Environment and, if there is time, start Consumer and Corporate Affairs.

I move the Assembly do now adjourn until tomorrow afternoon at 2:30.

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

HON. MEMBERS: Agreed.

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

[The House adjourned at 10:41 p.m.]

