

**LEGISLATIVE ASSEMBLY OF ALBERTA**

Title: **Wednesday, May 4, 1977 2:30 p.m.**

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

**PRAYERS**

[Mr. Speaker in the Chair]

head: **INTRODUCTION OF BILLS**

**Bill 50****The County Amendment Act, 1977**

MR. BATIUK: Mr. Speaker, I beg leave to introduce a bill, being The County Amendment Act, 1977. The main purposes of this bill are to improve the method of urban representation on the county school committee without disturbing the existing balance between the county council and the school committee, to change the name of the school committee to the board of education, and to make eligibility requirements for councillors and electors consistent with those contained in other statutes relating to local governments.

[Leave granted; Bill 50 read a first time]

MR. FOSTER: Mr. Speaker, I move that Bill 50, The County Amendment Act, 1977, be recorded under Government Bills and Orders.

[Motion carried]

**Bill Pr. 6****An Act to Incorporate  
St. Mary's Hospital, Trochu**

MR. KIDD: Mr. Speaker, I request leave to introduce a bill, being An Act to Incorporate St. Mary's Hospital, Trochu.

[Leave granted; Bill Pr. 6 read a first time]

head: **TABLING RETURNS AND REPORTS**

MR. YURKO: Mr. Speaker, I beg leave to file with the Legislature a copy of the finalized brochure of the Alberta industrial land program.

DR. HORNER: Mr. Speaker, on behalf of the Premier, I'd like to table the answers to questions 118 and 120.

In addition I'd like to file with the library copies of the Preferred Plan for Western Transcontinental Passenger Train Service, which I think hon. members may find useful in providing some input to the final plan.

The last document is roadbed costs and cost relief options for railways. Again it's part of that accumula-

tion of literature required by anybody who wants to become an expert in freight rates.

MISS HUNLEY: Mr. Speaker, I wish to table a copy of the annual report of the Department of Social Services and Community Health. Copies will be circulated to all members.

MR. R. SPEAKER: Mr. Speaker, I would like to file copies of a report called Identification of Social Needs in the Inner City of Edmonton and Calgary, to be placed in the Legislature Library. Copies will be made available to members on request.

head: **INTRODUCTION OF SPECIAL GUESTS**

DR. MCCRIMMON: Mr. Speaker, it's my privilege today to introduce to you, and through you to the members of the Legislature, 40 grades 8 and 9 students from Crestomere school which is located 12 miles west of Ponoka in my constituency. They are accompanied by their teachers Mr. Banco and Mrs. Gillard, by parents Mrs. Jensen, Mrs. Muss, and Mrs. McLafflin, and bus driver Mr. George Roos. They are seated in the public gallery. I ask that they now stand and be recognized by the Assembly.

MR. TRYNCHY: Mr. Speaker, it's my pleasure today to introduce to you, and to the House, 34 grade 9 students from the Evansview Junior High School in Evansburg. They're accompanied by their principal Mr. Allison, Mrs. Allison, and Mr. Froland. They're seated in the public gallery. I'd ask that they rise and be recognized by the House.

MR. CRAWFORD: Mr. Speaker, I'd like to introduce to you and the members of the Assembly some 60 students in the grades 5 and 6 classes at Lendrum school in the constituency of Edmonton Parkallen. They're accompanied today by their teacher Mrs. Achille. The students and teacher are seated in the members gallery. I'd ask them to rise and be acknowledged by the House.

head: **MINISTERIAL STATEMENTS**

**Department of Labour**

MR. CRAWFORD: Mr. Speaker, I would like to make an announcement which is very important to the workers of Alberta and to employers throughout the province in respect to recent developments bringing into effect joint worksite health and safety committees in the province of Alberta. The importance the government has placed on the joint health and safety committee program has been demonstrated in the extensive consultative activity which has taken place during the past several months. The regulations which have resulted from this activity will be in place during the month of June.

Close to 1,000 copies of draft six of the proposed regulations were distributed to labor, management, and government agencies. The topic of joint worksite health and safety committees and the regulations controlling them formed the basis of the Alberta Federation of Labour annual health and safety con-

ference in early March. In addition to this, the regulations were discussed by meetings of several management groups, safety associations, and the Occupational Health and Safety Council.

The government hopes shortly to publish regulations which will be flexible, short, and easy to work with for new committees which will involve employers and employees in a wide variety of worksites of different sizes and characteristics throughout the province.

The main features of the worksites that will be regulated are as follows: one, sites having a permanent location; two, sites employing 40 or more workers; three, sites not having an existing safety committee of proven effectiveness; four, sites demonstrating a high hazard potential; and lastly, sites demonstrating a poor accident trend.

With specific reference to the construction industry, the government believes further consultation is required with workers and employers in this field because of the mobile nature of the industry. We will be continuing a vigorous level of consultation in order to bring about as soon as possible the necessary health and safety changes in this important area of industry in Alberta.

The first designation of joint worksites will be made next month, and will cover some 50 sites with a wide variety of working conditions. The ones designated will be required to be operational by September, and in the months following the first announcement in June additional designations of worksites will be made so that a continuous and growing coverage will be achieved.

It is important to note that the process of setting priorities for regulation of worksites and establishment of joint worksite committees is based on the degree of risk and the potential danger to individual workers on the sites involved.

#### **Education**

MR. KOZIAK: Mr. Speaker, the hon. Dr. Hohol, Minister of Advanced Education and Manpower, and I are pleased to announce jointly a significant advance in the teacher preparation program.

Over the last number of months we have had extensive deliberations with Mr. Halvar Jonson, president of The Alberta Teachers' Association, Dr. Alex Proudfoot, president of the Alberta School Trustees' Association, and Dr. Robert Anderson, Dean of the Faculty of Education of the University of Lethbridge and representing the universities of Alberta, Calgary, and Lethbridge. These deliberations have now been successfully concluded to provide for an extended practicum for students in the Bachelor of Education degree program at Alberta's universities. We wish to acknowledge publicly the commitment and co-operation of these gentlemen in working with us to reach consensus on this arrangement.

The government of Alberta, through the Department of Advanced Education and Manpower, will provide an implementation grant of \$6 million, which will be distributed among the universities of Alberta, Calgary, and Lethbridge in four annual payments of \$1.5 million. This grant is in addition to the regular support of the universities by the province.

Beginning this fall, the universities will introduce a valuable program of practical classroom experience

equivalent to 13 full weeks of field training for Bachelor of Education degree students. This will more than double the field experience presently provided. By 1981, successful completion of an extended practicum will be a requirement for professional certification.

A significant feature will provide expanded opportunities for the placement of student teachers in rural schools. As the program is fully implemented, many students will complete part of the 13 weeks of field experience in schools outside the borders of the communities in which the universities are located. Mr. Speaker, I'm sure this feature will be received positively by many rural school trustees and MLAs who have expressed concern in the past about the predominantly urban-oriented field experiences of the present student teacher program.

Selection, training, and compensation of co-operating teachers and faculty consultants will be undertaken by each university in consultation with appropriate school agencies. Procedures for evaluating the new programs will be established by the universities.

Mr. Speaker, we anticipate that students in our elementary and secondary educational systems will be the major beneficiaries of the results of this program. The leadership of this government in working with the universities, the teaching profession, and school trustees confirms the commitment of this government to quality education.

#### **head: ORAL QUESTION PERIOD**

##### **Northern Pipeline**

MR. CLARK: Mr. Speaker, I would like to direct the first question to the Minister of the Environment. It flows from the questions asked yesterday of the Minister of Energy and Natural Resources with regard to the government's preparation for input to the federal government decision with regard to a future pipeline coming through Alberta, be it the Mackenzie Valley or the Alcan pipeline route. My question to the Minister of the Environment is: have plans regarding environmental impact studies with regard to the two proposed routes been commissioned by the minister's department? When will the studies be available?

MR. RUSSELL: Mr. Speaker, it's not right to conclude that environmental impact assessment studies would be required on pipelines coming through Alberta.

We have had a watching brief on the Berger commission hearings with respect to the proposed pipelines and on several occasions have met with both proponents, who have also submitted full and complete sets of the various submissions they have made both to the NEB and to the Berger hearings. One has to recognize a very excellent experience and record of the pipeline industry in Alberta when assessing these proposals.

MR. CLARK: Mr. Speaker, a further question to the minister. Can the minister indicate what form Alberta's watching brief on the Berger inquiry has taken?

MR. RUSSELL: Mr. Speaker, at times we had a person present, and at other times we were receiving

reports from other persons not directly employed by the government of Alberta.

MR. CLARK: Mr. Speaker, a supplementary question to the Minister of Advanced Education and Manpower. In light of the fact that Syncrude is already experiencing some manpower problems, what manpower-need studies has the Department of Manpower undertaken, having regard for the possibility of this multibillion dollar pipeline project coming through the province of Alberta?

DR. HOHOL: Mr. Speaker, we do continuous updating of basic information with respect to the 15 or 17 construction trades at Syncrude. Part of that study always includes the possibility of new, anticipated, or probable activities.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. Has the minister's department commissioned any studies, specifically to look at the question of one of these two pipelines coming through Alberta and the manpower effect on Albertans?

DR. HOHOL: We have not commissioned studies, Mr. Speaker. We have done so from time to time, but we believe we now have in place the kind of competence that can do work of this nature.

MR. CLARK: Mr. Speaker, a further supplementary question to the minister. No study has been initiated by the minister with regard specifically to either the Mackenzie Valley line or the Alcan line coming through Alberta?

DR. HOHOL: No, Mr. Speaker, I didn't say that. I said we have the capability to do it. We have kept watch on the possibility of those events occurring and what effect they may have on the manpower situation in Alberta.

MR. CLARK: Mr. Speaker, in light of the minister's answer that the department has the capability to do it, is the minister prepared to table what the department has done?

DR. HOHOL: I'm prepared to report from time to time on the circumstances as we see them. But the question is really a hypothetical one. We don't know that a particular line will go one place or another, so the reports we have are a watching kind of brief, an accounting of circumstances, an updating. It's not the kind of thing you would report, but certainly the kind of thing I'm prepared to talk about. The estimates would have been a good place, but there may be others.

MR. CLARK: Mr. Speaker, a supplementary question to the Minister of Social Services and Community Health. Has the minister's department initiated any specific study with regard to the effect on Edmonton or Calgary — with priority on Edmonton, because it may well end up being the jump-off point.

MISS HUNLEY: No we haven't, Mr. Speaker, other than as part of our long-range planning in the department we generally consider hypothetical situa-

tions. But that isn't necessarily talking about a sudden influx into the labor force. We also talk about the hypothetical situation of high unemployment. So our planning and our discussions rather take place in the environment of imaginary situations and what we would need to have in place pending certain eventualities.

MR. CLARK: Mr. Speaker, a supplementary question to the minister responsible for native affairs. Has the minister's department undertaken any studies with respect to possible effects of the pipeline project on native people in the province, and could the minister table the results?

MR. BOGLE: Mr. Speaker, no such studies have been undertaken by the Native Secretariat.

MR. TAYLOR: Supplementary to either the Minister of the Environment or possibly the Minister of Energy and Natural Resources. Has the government made any calculations on the economic benefits that will accrue to Alberta through the pipeline being built through Alberta?

MR. GETTY: Mr. Speaker, we have made some estimates, on a rough preliminary basis, of the direct and indirect economic benefits to the province.

MR. CLARK: Mr. Speaker, a supplementary question to the minister. While it was doing those studies, did the government also do a study with regard to the social costs to the province?

MR. GETTY: Mr. Speaker, I think the hon. Leader of the Opposition has already asked questions along those lines to other ministers, and gotten replies.

#### **Mental Patients' Records**

MR. TAYLOR: Mr. Speaker, my question is to the hon. Minister of Social Services and Community Health. Has the proposed policy manual on handling computerized mental health records been completed?

MISS HUNLEY: Yes it has, Mr. Speaker, to the best of my knowledge. I don't know that it's a manual, but policy guidelines have been established for some time.

MR. TAYLOR: Supplementary. Could the minister advise the House which individuals or organizations are now permitted access to the computerized mental health files?

MISS HUNLEY: It's a question of detail, Mr. Speaker. I would appreciate it if the hon. member would put it on the Order Paper.

MR. TAYLOR: Supplementary. Have guidelines been established concerning the type of information that may be gathered from mental health files?

MISS HUNLEY: Yes they have, Mr. Speaker.

### Rail Passenger Service

MR. BATIUK: Mr. Speaker, I'd like to direct my question to the hon. Deputy Premier and Minister of Transportation. In view of the fact that the intention is to phase out dayliner service between North Battleford and Edmonton on May 24, and as the Saskatchewan Railway Committee along with Transport 2000 is vigorously fighting to have this prolonged because they have found some other facts, could the minister advise whether he has made any representation or brief to have this changed or prolonged?

DR. HORNER: Mr. Speaker, to this point we haven't made any representations relative to that line. But we do have under way in the province a major user study relative to intermodal connections. I would hope that would give us some additional information that might be used with the CTC relative to providing adequate transportation in the area.

MR. BATIUK: Mr. Speaker, supplementary to the minister. Would the minister then advise whether he will make representation? There are only three weeks until the dayliner is phased out.

DR. HORNER: Mr. Speaker, we will certainly give consideration to making representation, and we'll follow it up with the hon. member.

### Drought Contingency Plans

MR. MANDEVILLE: Mr. Speaker, my question to the hon. Deputy Premier is with regard to the minister's announcement yesterday. Could the minister indicate when the six portable pumping units will be available for farmers' use?

DR. HORNER: Mr. Speaker, I'd refer that question to my colleague the Minister of Agriculture.

MR. MOORE: Sorry, Mr. Speaker, I didn't get the question.

MR. MANDEVILLE: Mr. Speaker, the question was with regard to the Deputy Premier's announcement yesterday. When will the six pumping units be available for farmers' use?

MR. MOORE: Mr. Speaker, we would expect that could occur within about four weeks. [We're] presently in the process of developing tenders through Government Services. We hope the tenders for the purchase of that equipment would be let in the next few days.

MR. MANDEVILLE: A supplementary question to the hon. Deputy Premier, Mr. Speaker. Could the minister indicate what method will be used to transport water in order to utilize dry pastures? I'm referring to page 5: "... it may very well be that water may have to be brought in to utilize existing pastures". Could he clarify what was meant by that?

DR. HORNER: Well, Mr. Speaker, we'll use whatever mechanism is appropriate to the particular area. There may be some areas in which we would be able to use some of the portable pumping equipment that

either department has, and there may be some areas in which we would have to contract truck hauling of the water into the area. But that will depend on the circumstances in the particular pasture.

MR. MANDEVILLE: A supplementary question to the hon. Deputy Premier. Could the minister clarify:

... that the comprehensive nature of the Hail and Crop insurance program available will negate the necessity for emergency government assistance to individuals in the event of economic suffering caused by crop losses.

Is that referring just to drought?

DR. HORNER: Yes, Mr. Speaker. We're saying that because insurance is available, grain producers should take advantage of that insurance. They shouldn't expect an emergency program from government, when the insurance is available.

MR. MANDEVILLE: A final supplementary question to the hon. Minister of Agriculture. In regard to yesterday's announcement that they're going to take an inventory of hay and fodder in the province of Alberta, has the minister been in contact with officials of the government of British Columbia in regard to their inventory on hay and whether there will be any hay available in British Columbia to move to Alberta?

MR. MOORE: Mr. Speaker, there's a bit of difficulty there. It's only May 4, and we frankly don't know what the weather conditions are going to be like in either British Columbia or Alberta and what the available forage supplies will be later on this summer. Very simply, Mr. Speaker, the hon. member's question is a bit hypothetical in nature. It will depend on the weather.

### Student Employment Programs

MR. KUSHNER: Mr. Speaker, I wish to direct my question to the Minister of Advanced Education and Manpower. A serious situation is developing. Students are very worried, disturbed, and may have to postpone their education due to unavailable summer work. I wonder if the minister would inform this Assembly of the progress of the summer work for students this year.

DR. HOHOL: Mr. Speaker, briefly, for the most part university students are out. The first point of departure for a job has to be on the initiative of the student himself, with some response from the commercial world [which], in past years, has been excellent.

We have in place the Hire-A-Student program, with offices throughout the province. This program is co-sponsored by the federal government, us, and the chambers of commerce. On May 1 STEP went into place. Six parts of it, including government departments and agencies which can now begin their planning for this work, began on May 1; the others on July 1.

Those are the basic approaches people use, as government, to assist students to find jobs this summer.

MR. KUSHNER: A supplementary question to the minister. Is the minister experiencing that there isn't as

much work for students this year as a year and two years ago?

DR. HOHOL: It would be difficult to say without looking into the files. My recollection is that the number of jobs hasn't increased significantly over last year. What has happened is that the number of students has increased in a significant way.

MR. TAYLOR: A supplementary to the hon. minister. Are any of the thousand jobs standing idle in the Fort McMurray area open to students, or are these all permanent positions?

DR. HOHOL: Again, I would have to check the nature of the work. I am certain that certain kinds of service jobs are open to young people over, and including, the age of 16.

I might point out that the most severe lack of jobs in the nation is between the ages of 16 and 19 specifically, and then in that broad area Statistics Canada reports, between ages 14 and 21.

#### Hearing Aid Help Line

MR. R. SPEAKER: Mr. Speaker, my question is to the Minister of Social Services and Community Health. I wonder if the minister could indicate if any response has gone from her office or from the government to the Speech and Hearing Association of Alberta and the Alberta Hearing Aid Audiologist Association with respect to concerns expressed about the hearing aid help line. Has a response gone? I asked this question earlier, about a month or three weeks ago.

MISS HUNLEY: Yes, there has been a response. I recall the correspondence. I can't recall all the specific details, but I know we have responded to them.

MR. R. SPEAKER: Mr. Speaker, could the minister review the response and possibly elaborate tomorrow?

#### Bus Transportation

MR. LITTLE: Mr. Speaker, may I address my question to the Deputy Premier and Minister of Transportation. This is further to a question I asked some time ago in the House, Mr. Minister. Having regard to the recent study by the Canadian Transport Commission concerning train service between the major cities in the country, has the government of Alberta given consideration to a study of intercity bus service in the province of Alberta, in particular to the upgrading of bus depots?

DR. HORNER: Yes, Mr. Speaker. That study is in process at the moment and would cover the matters the hon. member has raised, including making recommendations for some basic standards in the terminals. It's part of the consumer study we're undertaking relative to various modes of transportation, but aimed primarily at the bus system, to try to tie the bus system in with railway and air. We expect the study will be completed and ready for public release by midsummer.

#### Student Teaching

MR. APPLEBY: Mr. Speaker, my question is to the hon. Minister of Education. It arises from the statement this afternoon regarding the extended practicum for teacher training. I'd like to ask the minister if any portion of this extra funding of \$1.5 million for the program will be allocated to assist education students who will have extra expenses when they travel to rural areas to participate in the program.

MR. KOZIAK: Mr. Speaker, the details with respect to the development of the rural component may vary from university to university. To some extent provision is now made in the University of Lethbridge for a rural component in the field experiences of teachers, to a lesser extent in the other two universities. I would expect that the added expenditures of an enlarged rural component would primarily involve the expenditure of bringing the co-operating teachers into the universities for the appropriate in-service work necessary before the co-operating teachers will be in a position to accept the student teachers.

With respect to the specific question of whether students who travel will be reimbursed, I would imagine the universities will be giving consideration to that element of expenditure.

MR. APPLEBY: Following that up, Mr. Speaker, in a supplementary. I wonder if the minister would at this time be able to inform the Assembly if it's the intention to make this program available to all education students, [to] participate in the rural aspect.

MR. KOZIAK: There will be certain monetary limitations and the universities, in budgeting for this program, will have to take that into account. But it is my hope that the rural experience provided by the new extended practicum in fact will be one that student teachers can benefit from, and that it would be available to all the students in the Bachelor of Education degree program.

MR. TAYLOR: A supplementary to the hon. minister. Will the program provide extra pay for the regular classroom teacher?

MR. KOZIAK: Mr. Speaker, an honorarium will be provided to the co-operating teacher, and the details will be worked out by the universities involved. However, there will be no provision in the extended practicum for the funding of release time.

#### Tourist Industry

MR. MUSGREAVE: Mr. Speaker, I'd like to address my question to the Minister of Business Development and Tourism. Could the minister advise what the government policy is with regard to the action of motel and hotel operators who increase rental charges by exorbitant amounts for special events such as the Calgary Stampede or Klondike Days in Edmonton, thus giving our province the image of a tourist trap?

MR. DOWLING: Mr. Speaker, first of all the policy is not to become involved in the establishment of rates to be charged in either hotels or motels. However,

our policy also is to become involved with the Motel Association, the Hotel Association, and the Travel Industry Association of Canada and of Alberta, and to express our alarm and concern regarding such types of things. It seems to me this happens on an annual basis in some instances. We have just recently held a meeting with the Motel [Association] and the Hotel Association together. This was one of the subjects that was discussed at that time.

MR. MUSGREAVE: A supplementary, Mr. Speaker. Could the minister advise what positive action the government is taking with regard to overcoming the problem with the tourist service industry, particularly in regard to the quality of the service and the high cost thereof?

MR. DOWLING: Yes, Mr. Speaker. What we have done and what we are doing on a priority basis is to attempt to stimulate new facility development by the private sector, to develop new destination areas over the province. We have introduced scholarships to NAIT, SAIT, and Grant MacEwan College for young people who wish to upgrade their skills in the service industry. We have a system of inspection of motels and hotels by request of the motel- or hotel-owner. It's not a compulsory thing. Motels that wish to be inspected are inspected. If they meet the standards we have set for that kind of facility, they are listed in the accommodation guide with an indication of what kind of service is provided.

However, we are extremely concerned, as is the Minister of Advanced Education and Manpower, with regard to the number of people coming into the service industry on a permanent basis, and are doing everything we can to stimulate more people becoming involved in a professional way in a very lucrative occupation.

DR. PAPROSKI: Mr. Speaker, another question regarding tourism to the Minister of Business Development and Tourism. I wonder if the minister would indicate to the House whether the government keeps statistics to show what proportion the dollars generated by tourism is of the gross provincial product, and the position of the tourist industry relative to other provincial industries.

MR. DOWLING: Mr. Speaker, we don't have it at the moment, in a percentage way. But we do know that in Canada the tourist industry ranks number three, and in Alberta it totters between third and fourth position. Last year the tourist industry brought some \$710 million in revenue to Alberta.

DR. PAPROSKI: Mr. Speaker, in addition to the comments the minister made relative to the other question asked by the Member for Calgary McKnight, I wonder if the minister would indicate the department's information concerning the most important difficulties being encountered by the tourist industry in Alberta.

MR. DOWLING: Yes, Mr. Speaker, two or three have been alluded to earlier in a response to a question from the hon. Member for Calgary McKnight. One of course is facility development. We believe very strongly that if we're to have a successful and lasting

tourist industry, we must spread the visitors over as much of our province as we can. That means that although we promote Calgary, Edmonton, Jasper, Banff, Waterton Lakes, the national parks, and so on, we must assure our tourist industry people that we want our visitors to visit every part of the province from Cameron Hills on the Northwest Territories boundary to the American boundary in the south. That is our first priority in Travel Alberta.

The second is that we have to do something to alleviate a major problem of the balance of payments deficit which is accruing as a result of travel out of Canada and Alberta. It's of the magnitude of approximately \$1.1 billion in loss, as opposed to revenue coming in, for Canadians travelling out of Alberta. Alberta has \$29 million of that as its share. So that is an extremely important feature of our concern.

Mr. Speaker, a third one, I would suspect — and perhaps not rated in order of importance — is service to the public. As I said, we do have an inspection service for motels and hotels. With the restaurant association and other such organizations, we are looking at the possibility of developing a similar situation for the inspection of eating establishments and other service areas in the province.

DR. PAPROSKI: Mr. Speaker, a supplementary to the minister. Regarding the training program for service industries in tourism, I wonder if the minister would also indicate to the House if he or the department is reviewing, improving, and expanding this training program and co-ordinating it with the Department of Advanced Education and Manpower.

MR. DOWLING: Yes, Mr. Speaker, we are co-ordinating with the Advanced Education Department. We have done an internal study to determine where the shortfalls exist in training capability in Alberta. The Department of Advanced Education and Manpower has offered in our advanced training schools — NAIT, SAIT, Grant MacEwan, and others — tourist training courses or service industry training courses. I must express some disappointment at the number of young people or people themselves who do enrol in those facilities to participate in the courses.

But we are aware there are some major shortfalls. Primarily because of the kind of economy we now have, with an expanding industrial base, with an expanding manufacturing base, the pressures on the service industry are becoming extreme because of that shortfall of people to be utilized in that area.

DR. PAPROSKI: Mr. Speaker, a final supplementary. I wonder if the minister would indicate to the House whether the department has information to indicate that the tourist industry will continue to grow in importance in Alberta.

MR. DOWLING: Mr. Speaker, my forecast would be that it will. I can recall when I was first involved with Travel Alberta, or the Alberta government travel bureau at that time, I suggested we should have an \$800 million industry by 1980. I think we'll far exceed that. We could be looking at a \$1 billion industry in that short period of time between now and 1980, providing we don't make any mistakes.

I believe we can make some mistakes by overpromoting, by promoting in the wrong area, as in having

people come in too large numbers. But I am confident, bearing in mind a reasonable program, that we'll have considerable success over the next few years.

DR. PAPROSKI: Mr. Speaker, a supplementary just for clarification on that item. Does the minister mean too large numbers too quickly when the facilities are not available? Is that the implication of that comment?

MR. DOWLING: Yes, Mr. Speaker. The history of the tourist industry has been that where countries — I'm speaking particularly of European countries — have overpromoted, they've overpromoted with regard to the number of facilities they have had. They've found the facilities crowded. The cost of the accommodation, food, and so on escalated to the point where people would no longer visit the countries involved.

#### Government Hiring Policy

MR. CLARK: Mr. Speaker, I would like to direct a question to the Minister of Government Services. Is it the policy when hiring people in the minister's office to determine their political affiliation, also of the husbands of secretaries hired in the minister's office?

MR. SCHMID: Mr. Speaker, I would like to refer the question to the minister responsible for personnel administration, Hon. Merv Leitch, Provincial Treasurer.

MR. LEITCH: Mr. Speaker, the question was whether in a particular circumstance it was the policy of the government to inquire about the political affiliation of applicants for certain positions and the occupation of husbands — that could be enlarged to immediate members of the family. I want to assure the hon. Leader of the Opposition that that is in fact the policy of the government, although it may not necessarily be followed in all cases.

I think the best way to describe the cases in which it is followed are where there is a high potential for divided loyalties. That can occur in a number of circumstances because of political affiliation or because of the particular positions that close relatives of an employee may hold.

I can give a number of quick examples on that. One I might pick on is, we'll say, the chairman of the Energy Resources Conservation Board. I think it would be a very questionable practice to have as his private secretary the wife of someone who was a senior officer in a company in the oil industry. There are a great many examples where there might well be high potential for divided loyalties. In those situations, inquiries are made as to political affiliation, employment of close members of the family, and so on.

MR. CLARK: Mr. Speaker, a supplementary question to the Provincial Treasurer. Is the Treasurer in a position to give some indication to the House of the number of positions the government would see falling into the category where it is necessary to ask that kind of question.

MR. LEITCH: Mr. Speaker, I think it would be a very small number. I am frankly proud of this government's record of not having political involvement in the hiring of the public service. There is a provision in The Public Service Act requiring the most suitable applicant be selected for a position. It's in those areas where I indicated there would be high potential for divided loyalties where the applicant simply isn't suitable. On numbers, I think it would be very small. Ministerial offices are of course classic examples.

MR. CLARK: A supplementary to the minister. Is the minister in a position to give us some sort of indication of positions other than in ministerial offices?

MR. LEITCH: Mr. Speaker, I don't think one could do that. Certainly I couldn't do it by listing all the positions in government. I think we can all readily think of a number of examples where the employment or occupation of close relatives of the employee would be a particular problem. It doesn't test anyone's imagination to pick a number of those in government. But it would be very, very small on a percentage basis.

MR. CLARK: Mr. Speaker, a supplementary question to the Provincial Treasurer so there is no misunderstanding. I can readily appreciate the question of divided loyalty. What I'm asking is: when the question of the political affiliation of people is asked, can the minister give us some indication of the numbers involved?

MR. LEITCH: Well, they would be even smaller. But I'm sure, Mr. Speaker, it won't tax the imagination of the Leader of the Opposition to think of cases where there would be a high risk of divided loyalties or a high level of potential for divided loyalties because of political affiliation.

MR. CLARK: Mr. Speaker, to the minister. Is the minister telling us he's not prepared to give us the numbers involved?

MR. LEITCH: Mr. Speaker, I'm simply saying that without sitting down and assessing all possible positions, I couldn't give the actual numbers involved. But it is a very, very small number. On a percentage basis, it's bound to be negligible.

MR. CLARK: Mr. Speaker, to the Provincial Treasurer. Is the Treasurer prepared to do some checking and come back to the House and give us those numbers? [interjections]

MR. LEITCH: Mr. Speaker, no. That's going to involve doing forecasts of all possible situations that might arise in future, and that's simply not a practical question.

SOME HON. MEMBERS: Agreed.

MR. CLARK: Mr. Speaker, to the Treasurer. All we're asking the Treasurer to do is to tell us how many positions that applies to now — no forecast; just how many now.

AN HON. MEMBER: How about the Leader of the Opposition?

MR. LEITCH: Well, Mr. Speaker, without doing an examination of all positions in the service and saying that it might apply to these, or it does apply to these — I don't know how one could answer that question. It's a very, very limited number. It would start with the ministerial offices and extend in a very limited way beyond that, including the Leader of the Opposition's secretary.

DR. WALKER: Supplementary to the minister. Does this also apply to common-law spouses?

#### **Worksite Committees**

MR. KUSHNER: Mr. Speaker, I wish to direct my question to the Minister of Labour, due to the announcement he made today with reference to the worksite program. While it's fresh in the minister's mind, I wonder if the minister at this time can inform this Assembly how many staff this new program in the province of Alberta would really involve.

MR. CRAWFORD: Mr. Speaker, I want to thank the hon. member for giving me such a delightful opportunity to explain once again one of the strong parts of the new proposals I referred to today and would like to expand upon very briefly now.

The history of inspection service on the part of government safety people throughout the period of time it . . .

MR. SPEAKER: With great respect, the Chair is unable to co-operate with the hon. Member for Calgary Mountain View in providing this opportunity. The question, I think, was as to numbers. It would appear to be one that might be suited for the Order Paper. If the hon. minister just happens to have such numbers, perhaps the question could be answered.

MR. CRAWFORD: Well, Mr. Speaker, I don't mind him putting it on the Order Paper or asking it now. The need for reviewing the change in policy is based on the fact that the whole nature of inspection has changed, and that the number of people who are doing this type of work is therefore, on an effective basis, much less than would be the case before joint worksite committees.

MR. KUSHNER: A supplementary question to the minister if I may, Mr. Speaker. Whatever the numbers are at this time, will the staff be responsible to the minister directly, or to the department in Edmonton, or would arrangements be made that they would have a head of department in Calgary as well as Edmonton?

MR. CRAWFORD: Mr. Speaker, the essence of the joint worksite committees is that employers and employees set them up jointly and work together. They work in a very close liaison with officials of the department. The department still has its own inspectors for other expanded purposes, and they are the individuals throughout the province who would work with the joint worksite committees.

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

MR. FOSTER: Mr. Speaker, I move you do now leave the Chair and this House resolve itself into Committee of the Whole.

MR. SPEAKER: Does the Assembly agree with the motion of the hon. Acting Government House Leader?

HON. MEMBERS: Agreed.

#### **head: GOVERNMENT BILLS AND ORDERS (Committee of the Whole)**

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

#### **Bill 2 The Appropriation Act, 1977**

MR. CHAIRMAN: Are there any comments, questions, or amendments to be offered with respect to any sections of this bill?

MR. CLARK: Mr. Chairman, I'd like to make some comments and ask some questions with regard to the appropriations on page 12, Hospitals and Medical Care. I'd like to start on the whole question of the Calgary General Hospital.

I'd like to start by saying to the minister it's my information that the rated bed-day situation in the Calgary General Hospital is some 928 beds. The hospital now has in operation almost 100 beds less than that, something like 837. Mr. Minister, I find it very difficult to rationalize that with the statement in the letter you sent to the chairman of the Calgary General Hospital Board, where you indicated there was a total of 1,000 operational beds in the Calgary General Hospital. Also I understand there's a waiting list in excess of 2,000 and that the new structure — what's been referred to in the course of this session anyway; the psychiatric wing at the Calgary General, where we've had the problem — will have a 75-bed psychiatric ward, 46 forensic units, as well as 31 beds for intensive care — when I talk of intensive care, Mr. Minister, those are for non-psychiatric patients — in addition to a cafeteria, library, and other facilities.

Now, Mr. Minister, here's the dilemma as I see it. There's a very definite difference of opinion between the hospital board and the minister with regard to what the operating costs should be. We can perhaps get to that question later on. We have a hospital rated for 928 beds that is operating 837 beds. It has cut back in the surgical area and has 2,000 people on the waiting list. This year it has received an increase of 7.5 per cent from the Hospital Services Commission, and something like 9.1 per cent last year. And in the course of the discussions we've had in question period, Mr. Minister, you've said the board is going to have to cut back in some other areas or make some alterations in priorities.

I simply raise the question with you, Mr. Minister: where can a board in that kind of situation, operating almost 100 beds less than they are rated to operate, and having closed some of the operating theatres with that number of people on the waiting list — how



much further can we go in saying to that board, you're going to have to close some areas so we can open what's referred to as the psychiatric addition to the hospital?

MR. MINIELY: Mr. Chairman, let me give the details we have had historically in the Calgary General Hospital, and try to answer the question of the hon. Leader of the Opposition. First, it is rated or classified as a 1,000-bed hospital. The reason for that is: while it has 928 acute care beds, it has 78 bassinets. When you're looking at their total capacity in relationship to their total budget, which is the context the letter was written in, the 78 bassinets require considerable staff as well. So within the context of the budget — and the fact that the new wing provides for 23, not 25, more beds. They now have 52 in-patient psychiatric beds. They now have, and have for some years been operating, eight forensic beds. For some years they have been operating four major programs: day therapy, inpatient services, administration outpatient services, and crisis emergency. So they have been operating some level of intensive care.

The context of the letter relative to priorities is one raised, where looking at the existing total capacity of the hospital and relating that to the budget of \$32.886 million, the request that has come to the province to this point would represent a 33 per cent increase in the total hospital operating budget for basically a 23-bed psychiatric expansion, a gradual phasing-in of the forensic unit — and that would be the first phase, because the forensic unit is not and never was designed to be brought in 100 per cent at one time; and the hospital's submission to us was that the forensic unit would go from something like 8 to 14 to 20 — and the intensive care unit. Whatever context you measure that in, \$10 million in addition to an existing \$2 million program in this area in relation to a \$32.886 million total budget on a hospital that with beds and bassinets on staff ratios would be classified a 1,000-bed hospital is just not credible. If the hon. Leader of the Opposition is now standing in the Legislature on the basis of this fact and making a representation that that magnitude of increase is credible, he's expressing his point of view. But from information received to this point, I find great difficulty accepting as credible a one-third increase request on a \$32.886 million existing budget which is already providing in excess of \$2 million for existing psychiatric programming.

As far as the matter of waiting lists is concerned, in 1976 the average hospital in Alberta was closing some 30 beds. The Calgary General Hospital and other hospitals have done so. Several times in this Legislature I've answered that if we in Alberta are in difficulty getting patients into hospitals, I hate to think what the situation is in other provinces.

AN HON. MEMBER: Hear, hear.

MR. MINIELY: They are non-emergency situations. Again I have to repeat that along with Saskatchewan we have the highest acute-care bed capacity in Canada. *The Financial Post* study into health care indicates that maybe we should raise the question with the medical profession — and I am raising it with the College — that we are hospitalizing more people per thousand population than any province in Canada,

and Canada is high among modern industrialized nations in the world.

Maybe what this raises is that as public legislators we have to take a real close look, with the professions and with the medical profession, at the utilization of our hospitals. Whatever way you look at it, Mr. Chairman, a 33 per cent increase request for the expansion — not operation, but expansion — of the programs in the Calgary General Hospital is not credible based on the information I've received to this point.

MR. CLARK: Just following that along, Mr. Minister. I guess we can get involved in the argument of whether or not it's credible. But where I have real difficulty following your argument is that not very long ago you approved the construction of these additional beds for the Calgary General Hospital — the additional psychiatric beds, the forensic unit, the 31-bed intensive care unit. When the minister looks at the kind of increase he talks about, I think he knows very well that you can't expect a reasonable increase when you've got a 31-bed intensive care unit in this particular addition. Because the minister knows as well as I do, hopefully better, that that's where the very high-cost operations are.

Mr. Minister, we have 91 beds that aren't being used by the Calgary General now in addition to this portion the fight is on. Now surely when the decision was made to approve this particular section of the General Hospital, you must have had some indication that you were going to have these extra beds. You see, Mr. Minister, here's where I really get lost in your argument: when the decision was made to approve the construction of the 75 psychiatric beds, the forensic unit, and the intensive care unit, at that time it would seem reasonable to me that you would have outlined and had the board agree with you as to what the operating costs would be for a period of two or three years . . .

MR. MINIELY: Mr. Chairman . . .

MR. CLARK: Just let me finish. Just let me finish.

MR. MINIELY: You don't listen very well.

MR. CLARK: Well it's a matter of whether I don't listen very well or you don't know what you're talking about.

MR. MINIELY: Would you like to look at the budget?

MR. CLARK: Just a minute.

MR. MINIELY: The hospital budget.

MR. CLARK: Very good.

MR. CHAIRMAN: If you would carry on with your speech, Mr. Leader of the Opposition. Maybe you could bring the questions up later, Mr. Minister.

MR. CLARK: The basic question is simply that I would have assumed it would have been that two- or three-year period where the operating budget would have been set out, where you would have known how many staff would be taken on. Talking now in terms

of 20.66 people having been approved for one portion of the program, the question now is: where is the money for equipment coming from? It would seem to me that before we got the project approved, we would have known if furnishings were part of the budget or whether we were going to use the old beds or what the whole proposition is.

Mr. Minister, that's why I asked you two days ago in the House whether there had been meetings between you and the hospital board from September, when this misunderstanding apparently developed, until April or May of this year. I can appreciate that the minister would not appreciate some of the things that have been said, rightly or wrongly, as far as what's happened down there. But the fact is, we've now got 90 beds that are not being used by the hospital, in addition to this area that the argument is about. Somehow the minister and the board have to get together and, it seems to me, get them in operation, when you look at the waiting list of 2,000 people.

MR. MINIELY: Mr. Chairman, I'm going to send this over to the Leader of the Opposition. I discussed with the hospital two days ago — on the specific matter the hon. Leader of the Opposition is raising. This is the first budget that was submitted to us by the hospital. It's the one referred to in the letter received by us in November 1975. I would particularly highlight page 20 of the budget. The cost of the existing programs, which the hon. leader is raising — of operating those programs — is \$2,091,364. The first budget for the expansion, at the expanded level, projected for 1977, the first full year, is \$3,893,426, the figure that's in the letter. This is the hospital's budget submission to us.

Then — and I'll send this over to the Leader of the Opposition as well — a letter came from the Calgary General Hospital on August 11, 1976. All of a sudden, instead of a \$1.8 million increased operating budget for 1977 — additional — the request was for \$6.652 million for 9 months.

In my view, this has to be explained. This is the first budget submitted by the hospital. Then this letter comes along. And that's only part of it. This letter requests \$6.6 million for 9 months' operating expense, \$694,000 for preopening expense, and \$2,037,000 for equipment. That total is \$9.2 million, and that's only including operating expense for 9 months. Now that compares with the first budget sent to us, which was an additional \$1.8 million.

Now a letter went, signed by Dr. Bradley, for an explanation of this difference. One reply was received, and it doesn't address itself at all to this matter. A letter has now been sent to the board which clearly highlights our concern. All the facts are in the letter. It seems to me the responsibility now rests with the board and administration of the hospital to answer that question, because those are the facts that have come to us from the hospital. I'll send this over to the Leader of the Opposition.

MR. CLARK: Mr. Minister, you indicated the letter went from Dr. Bradley to the commission in — was it September?

MR. MINIELY: Either late last fall or January this year.

MR. CLARK: Then my question to you, Mr. Minister: what's happened since that time?

MR. MINIELY: Well, I asked officials to have meetings with the Calgary General Hospital. I met with them on April 2, 1977. The hospital has been unwilling to explain that difference. And until the hospital is willing to explain that difference and gives us satisfactory information, I'm not prepared to approve it.

MR. CLARK: Mr. Minister, what initiative have you taken as the minister? Have you been down to the hospital board or asked the board to come to meet with you here in Edmonton?

MR. MINIELY: Mr. Chairman, I told them on April 2, 1977. That was one month ago. I've not sent a further letter.

MR. CLARK: Mr. Minister, you say you told them. Did you meet them face to face or was it your officials? It seems to me that to get around this bloody impasse, it's going to have to be a face-to-face discussion with you and the chairman of the board. Because we've got 90 beds not being used, plus this unit just kind of sitting there. I can appreciate that we wait for your officials and the hospital officials to wade through all the red tape and so on. But doggone it, we're now about at the time when we'd better get the red tape out of the way and eyeball-to-eyeball it — you and the chairman of the board — and get the thing straightened out.

MR. MINIELY: Mr. Chairman, I have to come to this conclusion: three times in this Legislature I have told the Leader of the Opposition that I met face to face with the board — on April 2, 1977; you can check the record on this very matter in *Hansard*. Between that time and now they have not satisfactorily answered the question. I have now sent them a letter and asked them to answer the question satisfactorily. The only explanation I can have for the refusal of the hon. Leader of the Opposition to acknowledge it is on the record in *Hansard* that I met with the board about this matter in Calgary on April 2 is that the Leader of the Opposition lacks credibility in what he is now doing.

MR. CLARK: Okay. We can talk about April 2. This is May 2. What's happened in the month? That's just the minister's attitude. Just shakes his head and says nothing.

MR. MINIELY: The responsibility rests with the board.

MR. CLARK: Yes it does. And it also rests with government to try to get the thing in operation, when you've got 2,000 people on the waiting list of the general hospital, and problems with regard to psychiatric beds in Calgary.

Mr. Minister, as much as you might like to, we simply can't wash our hands of the situation and say the ball's completely in their court. I know it would be nice to, but the buck-passing has to stop at your desk. You supply all the money.

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

MR. CLARK: No you didn't.

MR. R. SPEAKER: Mr. Chairman, to the minister. I was wondering what the minister sees as a practical settlement to this problem. Just listening to the figures; I understand the operating cost has gone from \$2.3 million in the first submission, to a point over \$9 million. I was wondering if, in the discussions with the board at Calgary, some type of figure was established relative to the type of care being visualized in this new unit, plus the needs of the older unit of the General. Was that kind of target established? Do you have some formula whereby you can say in a unit like that, and from past experience; you must have enough experience in the province — on a per bed basis we think this is what the operating cost should be. Are some guidelines like that indicated to the hospital in these negotiations — and that you're shooting at?

MR. MINIELY: Very simply put, Mr. Chairman, I've answered that question three times in the Legislature too. But I'll repeat it once more. The position I take with the hospital board is that the budgetary request they have sent us to this point raises a question in my mind as to whether it is a responsible request, has raised a question in my mind as to whether or not it is credible.

On April 2, 1977 and again in a letter today I asked the hospital board to explain what they have submitted to us, they being well aware of the fact that I have advised them that I think it lacks credibility at this point, that maybe they should take a look at what a responsible request is for the expansion of these programs on a phased and gradual basis. Now it's their responsibility to do that. It's not up to me to sit down and say, this is what your phased program should be. They should sit down and draft a phased responsible expansion of the program in the new facility over a period of three to four to five years, and submit that to us. If not, if they insist on five times the budget and a one-third increase in the total hospital budget in one year for an expansion that is one-third to 40 per cent of a \$2 million program at most, I would have to tell you that I would still have questions. They'd better give some pretty sound justification for an increase of that magnitude. That's my position.

MR. R. SPEAKER: Mr. Chairman, the minister has made a judgment that the figures as submitted are too high. So some frame of reference within the minister's mind has made it possible for that judgment to occur. My question was more specific than the question the minister answered. Is the minister looking at some targets? Are we looking at \$200 per bed in the new establishment? [Or] \$150? What type of formula have you got? What kind of guideline? Is that what the people in the hospitals commission do to judge this kind of expenditure? Or are we saying at this point in time that if the people down there want to spend \$9 million, they'd better have some pretty good reasons for it? Is that what you're saying?

MR. MINIELY: The latter part: you bet. If they're going to increase their budget \$9 million, they'd better have a lot better justification than we've seen to date.

The hon. Member for Little Bow knows very well

that the responsibility for preparing a responsible budget request to the province is the hospital's. It's not our responsibility to prepare their budgetary requests for them — never has been, and won't be in the future. It is our responsibility to the taxpayers of this province to ensure that it's responsible and reasonable. The hospital has as many accountants as we have. They can work out those figures and submit something reasonable and responsible.

MR. CLARK: Mr. Chairman, to the minister. We throw this \$9 million figure around. Mr. Minister, isn't it true that \$9 million includes major and minor equipment, and support services such as engineering, housekeeping, and so on? Included in that \$9 million is a sizable amount of money that's a once — only kind of thing. It really isn't \$9 million for operating costs. As I understand the situation, that includes minor and major equipment. I think that's why part of the problem has developed. Because between the hospital and the hospitals commission we're perhaps comparing apples and oranges, if I might use that kind of comparison. At least the information I have received is that this \$9 million, in addition to operating costs, also talks in terms of major and minor equipment and support services that were included, and that that request came to your office from the commission as a result of a request from the department, or from your office asking for a ballpark figure of the total costs involved.

MR. MINIELY: Mr. Chairman, the letter — I'll read it; the hon. leader has a copy of it now — on August 11, 1976, requests preopening expense between August 1, 1976, and date of opening, \$694,645; operating expense, July 1, 1977, through March 31, 1978, \$6.652 million; funds required for sharable equipment, \$2,037,490.

The information that came from the Calgary General Hospital subsequent to this would appear to have tried to rationalize that a lot of support services, other factors, and other equipment would account for the difference between these two figures. The difference between the budget first sent to us and the letter of August 11, 1976 is not in any way adequately explained.

MR. CLARK: Mr. Chairman, to the minister. Is it fair to conclude that the real difference of opinion is between the projection of approximately \$4.2 million and \$6.6 million operating costs? From the operating cost point of view, is that the major area of difference? Is that a fair assessment, Mr. Minister?

MR. MINIELY: No that isn't, because with the information we've got to this point, I fear there's a lack of credibility in the figures. Now I would want to be satisfied that the amount of additional funding requested is responsible to the taxpayers of the province of Alberta. On the basis of what I have had from the hospital to this point, I would repeat again that I have real questions as to the figures submitted, and I would now want to arrive at a responsible phasing in of the program involved.

MR. CLARK: Mr. Chairman, I guess this is my last question to the minister. Mr. Minister, where does it go from here? What steps are you prepared to take,

despite the fact that you may feel you haven't had the kind of co-operation you should have had from the General Hospital — which may well be the case? Simply, where do we go from May 4 on, to get the thing back on the road? What steps are you as the minister prepared to take, despite the fact that you may feel you've been shafted, to try to get negotiations back on the road?

MR. MINIELY: Mr. Chairman, I took steps on April 2, 1977 when I met with the board in Calgary. I think that is the second time in two years that I have met with the Calgary General Hospital board. And I think that in past practice that's a pretty frequent basis for a minister to be meeting directly with a hospital board in this province. At that time we discussed this program. At that time I raised my concerns.

I repeat again that I'm certainly as interested, and I want this problem to be resolved. I met with them on April 2; I've sent this letter to them; my officials have been meeting with them, and are now in the process of meeting with them to try to work something out and to bring forth a recommendation to me that is within the bounds of reasonable and responsible escalation of those programs.

MR. R. SPEAKER: Mr. Chairman, I'd like to turn to a different subject. I had an opportunity to review the material provided for us with regard to the consultants hired by the minister. I note it's indicated in the biography of Mr. Willis, at the bottom of page 1, that Mr. Willis was a special adviser to the Minister of Hospitals and Medical Care, "March 1975 to present". In our earlier discussion we didn't explore this area, particularly the period between March 1975 and the date of the contract that committed us to an expenditure of nearly \$200,000. I wonder if the minister could explain what Mr. Willis did prior to the signing of this contract, what funds he received, and what actual practical things were accomplished.

MR. MINIELY: Mr. Chairman, I'd like to take the opportunity to respond in several general ways, because the use of Mr. Willis as a special adviser is a result of matters I have raised in this House and said in my addresses to this Legislature.

First, I think I said on assuming the portfolio that I would spend a year to a year and a half travelling throughout the province, meeting with many groups in the province on a broad consultative process; that during this period I would be not only assessing the major problems in health care on a policy basis, but also looking at the administrative structure and assessing the administrative structure, which I believe was instituted in its present form as commission in 1969 by the former government. I indicated to the House in my first address that that would be my approach.

For the record of the Legislature, I would like to table the consultation process I have undertaken over the year and a half to two years I have been in the portfolio, which I think any member can look at, including policy seminars with a wide variety of groups in order to arrive at some policy directions which would ultimately be presented to this Legislature and the people of Alberta. I'd like to table a copy of this for the information of the members on the activities we have undertaken.

With respect to the matter of consultants, it is my firmly held view that with respect to ministerial office and responsibility, it is a healthy thing to involve people in the government process who have no permanent involvement in the public service. Mr. Chairman, there is no question we have an excellent public service in Alberta. But it's equally important in any consultative process that we gather input from people who are not part of government, that our policy development and recommendations do not solely become insular to this government either at the public service level or to ourselves as ministers.

If this record is examined, I think anyone will find, Mr. Chairman, that there probably has never been a wider consultative process with respect to the development of policy in this province. It's one that I am proud of. The role of outside consultants in that process is another extension of that. They have helped develop and organize policy seminars. They've helped in contributing views as outsiders as well as public service views.

I would say that we in government well recognize that primary input into policy recommendations comes from the public service level. But it is equally important to have input from citizens, voluntary groups, representative associations, and consultants outside of government. Surely it's the responsibility of those of us who are elected in this Legislature to take all those inputs and make a decision and policy in the interest of the citizens of this province. It's our responsibility to make those decisions — but to gather input from as wide a spectrum as possible.

Mr. Chairman, ultimately through that process — I've said in the Legislature and I'll repeat — the roles of the consultants were selected on the basis of a very extensive and broad background.

I would like to repeat those who are involved: Dr. McLeod, public servant, as chairman of the Alberta Health Care Insurance Commission; Dr. Bradley, chairman, Alberta Hospital Services Commission; Mr. Maruca, chartered accountant, financial policy, on contract; Mr. Beck, chief daily administrative financial officer of the portfolio of Hospitals and Medical Care, appointed in January; Mr. Willis, as special advisor; Dr. Rossall, head of the department of cardiology, University of Alberta Hospital, will be working with us on the implementation of comprehensive cardiac care programming for citizens of the province of Alberta; Dr. Lionel McLeod, dean of medicine at the University of Calgary, will be on contract as a medical policy advisor to the portfolio. I think [that] an excellent balance, Mr. Chairman, to achieve sound longer term policy directions in my portfolio.

My answer is that with this broad development of policy input now reaching the stage of defining policy directions for the future, I am quite prepared to stand in this Legislature at any time and be judged by what I place before this Legislature as policy in the future. If the hon. Leader of the Opposition took that kind of approach to what this Legislature is all about, he'd be serving the citizens of Alberta in a much improved manner.

MR. R. SPEAKER: Mr. Chairman, we get a lot of nonsense. We get generalizations. We talk about consultation process. We talk about people involved. I ask two specific questions of the minister. One, what specifically did Mr. Willis do? Maybe this

seminar . . . this is just the regular, routine type of thing that should go on. It doesn't need a big high-priced consultant. Number two, how much money did he receive from March 1975 until he signed that contract? Where was the money kept, [that] we didn't know about it earlier? That's what I want to know.

MR. MINIELY: Now just a minute, Mr. Chairman, I object to that last statement. The hon. Member for Little Bow has only to put a motion for a return on the Order Paper, in the Public Accounts, and the expenses are paid by the Provincial Auditor. They are there at any time for the asking. The hon. Member for Little Bow and the Leader of the Opposition are members of the Public Accounts Committee. If they want to know any expenditure in this government under any contract, they have only to ask and they will have the historical expenditure. They know that very well.

MR. R. SPEAKER: Is the minister prepared to give that information? He has used the consultants. We want to know what they have done, what kind of results we're going to get for the \$200,000 we're now committed to. We'd like to know a little bit more about we got in the past. Can the minister answer the question? That's what I want to know now.

MR. MINIELY: Mr. Chairman, I have just answered [as to] the way I will be using the consultants. They will be organizing; consider them as direct ministerial consultants. They will be working as members of a team in development of policy. They will be putting input on that kind of a basis during the policy development phase, with respect . . . and that has been the process we have been undergoing since March of 1975, organizing the various seminars. There is a great deal of work to be done. If the hon. Member for Little Bow thinks this consultative process doesn't require a fantastic amount of organization, then he underrates what's involved in undertaking a broad consultative process in the policy development phase.

With respect to the examination of this budget, I think it's accepted in this Legislature that if the hon. Member for Little Bow or the Leader of the Opposition wish to know past expenditure, that is a matter which can either be brought forward on a motion for a return or fully examined in Public Accounts. I would tell the hon. Leader of the Opposition and the hon. Member for Little Bow that if they wish to examine my portfolio in Public Accounts at any time, I'm happy to do so. That is the record of historical expenditure.

MR. R. SPEAKER: Mr. Chairman, certainly we can do that. We're very aware of that fact. Let's look at the present, and what we're going to arrive at from the present budget. What specific types of recommendations and projects will Mr. Willis be working on? What specific types of results can we as Albertans expect? That is really not clear to me. Organizing seminars — a person who has organizational skills can bring people together. They don't have to have that long biography Mr. Willis has placed before us. There has to be something more than just putting on seminars, with those kinds of credentials: \$55,000 per year plus expenses just to organize seminars. That's a very expensive person. I can't see it.

There has to be something more specific in policy determination, projects being worked on, skills brought in, something that's really happened. The man has been with us for over two years at the present time — over two years. In our discussion — this is going on the third day with regard to the matter — not one specific indication of any kind of new policy, any kind of new recommendation, anything exciting or different in the whole hospital or medicare field, has been brought before us. Not one. The programs are just going on.

We discuss dealing with the hospital in Calgary. No new solutions or arrangements have been come up with. We've talked for over two years about how we're going to handle this new management facility and everything. It just hasn't happened. We've no indication. I recall the list of people who were here talking about an advisory team back in 1970; a number of those people were going to be involved in the planning concept at that time. I don't really see anything new in that format. So, Mr. Minister, you've got to be more definitive with me as to what responsibility you're really charging this man with to convince me that we should go along with the expenditure in your portfolio.

MR. MINIELY: Mr. Chairman, I guess for the record I'll have to repeat the address to the Legislative Assembly which I made on October 27, 1976. First, I indicated in the early part of the address the Alberta heritage savings trust fund projects which will require greatly increased development for our citizens in Alberta: comprehensive cardiac care, and cancer. We will have to develop improved control. I would say this is the policy team that I've now read into the record who would be working with me, along with my daily administration, in developing policies for implementation in these broad general areas.

In my first address in the portfolio I indicated some broad challenges in policy we would be looking at. To repeat them: develop a proper mix of health care facilities and balance between levels of care; develop more cost-effective health care programs; balance facilities to urban and rural needs; to keep people out of hospitals; and to move health care facilities out into the community, by gaining community support and involvement.

I talked then about the fact that we would have to develop policies to ensure that — while the medical profession in Alberta will always play a leading role — we had input from a broad spectrum of the community, and to build that in within an administrative structure in the longer term. That's where administrative structure in the longer term becomes extremely important, not just to the balanced development of policy in the interests of citizens, but also to the implementation of policy.

I talked about the fact that we would have to look at our hospital information systems. The Calgary General Hospital is illustrative of that; that the kind of budgetary information we are receiving from hospitals in Alberta will require a great deal of improvement.

I talked about the fact that we would have to look at the balance of financial responsibility and develop a policy between provincial financial responsibility and municipal responsibility. We would have to reassess whether we should reintroduce local initiative and

local incentive, through some return of local financial responsibility in health care.

These are all matters which we are at the stage of developing. The new nursing home finance policy is now imminent. Health care — in terms of the balance between government and individual, personal responsibility for costs — is a major policy question. An assessment of rural health care replacement facilities that more appropriately meet the needs of existing communities . . . but again the province receives value in terms of the funds spent.

During the course of examining the estimates I raised the fact that I have a great deal of concern about the apparent direction and increase in hospital construction costs. At that time I mentioned in the address that we are pleased with federal/provincial cost sharing. Our position was and had been for some years — and my colleague the Provincial Treasurer during his term was able along with other provinces to change the whole structure of cost sharing and health care so now it is clearly the responsibility of the province of Alberta to manage priorities in health care. A system of priority decision-making that's related to citizen priorities, not solely to professional priorities, development of longer term health care planning and expenditure basis over a planned period.

Mr. Chairman, as I said in the fall and I say again today, I don't underrate the complexity of my portfolio and the complexity of health care in the overlap areas between my colleague, the hon. Minister of Social Services and Community Health and me. They are major questions and will represent major challenges. But I repeat: these are questions we will be looking at. We will ensure balanced input from the different groups. As the minister, I am happy to be judged in the future by the policies that I lay before this Assembly for the citizens of Alberta.

MR. R. SPEAKER: Mr. Chairman, the explanation certainly outlines some very good ideals, objectives, and things that should be done in any hospital and medicare-type portfolio. I don't argue with those objectives. What I'm arguing with is the need for high-priced consultants to do work, without being able to establish specifically what they're supposed to be doing. Every one of those items listed here — I note some other people involved, financial personnel on staff who can look after many of these things. There are other types of planning, construction costs. I don't know what skills the consultant even has in that area. Up to this point the only skill seems to be to organize seminars. I question spending that much money on that.

Out of that long list you gave me in the last few moments, what specifically is Mr. Willis working on? What projects are outlined to him? What type of work program have you given him? In the contract you signed with Mr. Willis it indicates he is responsible for carrying out your wishes. It isn't worded that way, but in a sense that's what it says in the contract.

One, we would like to know what he has accomplished already. But that seems to be a before-the-fact type of thing; we want to know specifically the projects he's working on right now and what you hope him to accomplish as a consultant, so we know why we're spending this money. This generalization isn't the answer to the question.

MR. MINIELY: Mr. Chairman, I'll make two points. The hon. Member for Little Bow and the hon. Leader of the Opposition obviously disagree with an approach that contracts people outside government to work in a team concept along with senior public servants in the development of policy. If they disagree with that, then we just agree to disagree. Because in my view it's a sound approach related to getting input from outside government within a balanced team framework in terms of backgrounds, to develop policy responses that will benefit this province in the longer term. Maybe when they were in government they felt solely that they would retain an insular attitude and not involve people on a contractual basis outside government. But I think it's sound.

On that basis, neither do we, as it has historically been in government, talk about all the specific policies that our public service is working on internally until that policy has come to the minister, to the cabinet, and the cabinet has made a decision. When the cabinet has made a decision on a policy direction it will be laid before this Legislature, for this Legislature and all citizens to see, I am happy to be judged.

MR. R. SPEAKER: Mr. Chairman, we're judging at the moment. I would like to say to the minister in response to the first comments — and I don't want to talk about the past — but in the past, as minister responsible for personnel, I brought the legislation into this Assembly that allowed government to bring in private consultants and consultants. So I fully supported that concept for a number of reasons.

One of the reasons was to bring in outside advice on a term basis so that as government we could receive the kind of information the minister is talking about. I don't argue with that principle. That's a good principle, and we support the minister. There are other ministers who hire consultants whom we do support. We see the reason for them and are able to see what they are doing. We have had a person on staff . . . you have had them under some form of contract since 1975. We are going to have them under contract for two more years for a large sum of money. All we are asking is, what are you going to do specifically with that person? What type of tasks, what type of objectives? Did we really need to spend the money?

Knowing a number of people in that whole health field, there is a lot of expertise, a lot of capability, but the minister has not indicated specifically to us in any way what the person is going to do. He keeps ignoring the question. The only thing I can raise when that happens is that, one, he doesn't know what the person was hired for, two, he is on the payroll and having a free ride. We are just a little concerned about that. We get a lot of feedback about it. It isn't just our opinion.

MR. MINIELY: Mr. Chairman, the hon. Member for Little Bow and the Leader of the Opposition: with all the questions that are now on the record in *Hansard* that I have answered, I will stand on that, because they are simply grasping at straws.

MR. R. SPEAKER: Mr. Chairman, we're certainly not. We have a responsibility in this House to account for funds, and accounting for funds is to know where and why they are spent. In the Assembly the other day, I

asked the Premier who is responsible for hiring consultants? He said, ministers are responsible for hiring the consultants. That's the format. The responsibility for hiring these particular consultants and committing us in this province to spending \$200 million rests on your shoulders. If you can't stand up in this Assembly and tell us specifically why you hired the person, what he's going to do, then we just have no confidence in the actions you take.

MR. MINIELY: Mr. Chairman, if someone would bring the hon. Member for Little Bow a copy of *Hansard*, it's all in there.

MR. CLARK: Mr. Chairman, the minister can sit in his place and say, will someone pass the hon. Member for Little Bow a copy of *Hansard* so he can read it. I suppose one could be charitable and say that's undiluted arrogance. But here we have a situation where a person — a special consultant to the minister — has been on staff with this government since March of 1975. Technically that's even before the minister was made Minister of Hospitals and Medical Care, because he wasn't made minister until April of '75. Secondly, this person is being paid \$55,000 this year, which is as high as or higher than virtually any deputy minister in this government. We've been asking the minister to set out specifically what this person has been doing, what areas he has been working in, and the minister has refused to answer the question. He's gone on all sorts of wild-goose chases across the province.

Now, Mr. Chairman, we can sit here a long time and continue to ask questions. We don't think it's unreasonable to ask the minister to outline to this committee some of the things Mr. Willis has done when he's being paid as high as or higher than any deputy minister in this province. And he's been on the payroll for two years now.

Now it's one thing to say he's been involved in organizing seminars. But what are some of the other areas he's been involved in? That's what's really before the committee, Mr. Chairman, and that's what's going to stay before the committee until we get some answers from the minister. We don't want a detailed breakdown of every project Mr. Willis has been involved in. But certainly when we see the kind of expenditure, the kind of agreement that was outlined the other day and that is before us now — an increase of \$5,000 after four or five months of operation — I would assume that would mean the minister was very pleased with the work Mr. Willis is doing. If he was so pleased that he was worth a \$5,000 increase, tell us the good things he's been doing.

MR. CHAIRMAN: Are you ready for the question?

MR. CLARK: No we're not!

MR. R. SPEAKER: Well, Mr. Chairman, isn't the minister going to answer? Is that the attitude — stone-wall, sit there, spend the money? Is that the kind of answer the people get out of the minister? That's why we're in trouble with the Calgary General Hospital people. We can't get specific types of responses that are necessary — assistance.

Mr. Chairman, we are not satisfied with that type of approach to this whole medicare field. It's so impor-

tant. It spends such a large portion of the budget in this province. It's so relevant to every individual in this province, and we get to a point where we want to know what type . . . We're talking about the policy of this government. We're talking about the types of people influencing the policy. What kinds of things are they going to do? And we're really not told.

We say they're going to be involved. We're going to have a teamwork thing. What does "teamwork" mean? What does a team do? If ballplayers are together as a team, they're together to win a game. One person hits the ball, or they're playing with the puck. But here we haven't been given one indication of a specific thing this person is doing, and I don't think that's responsible at all. If the minister hired the person, when that person was hired the minister should have known the types of things where involvement would occur. Not generalizations. Not that I'm going to put him on staff and then think about what I'm going to do with him, or that he's going to help me in working with these other people. There's got to be something much better than that for this much money, Mr. Chairman.

MR. MINIELY: Once more, Mr. Chairman, Mr. Willis is involved as one person from an extensive background in the health and social service field, which has been provided to the members of the opposition. He is involved as one member of a policy development team. He devotes an unbelievable amount of time pursuing the development of policies in the broad, general terms I have described: working along with senior officials and with the other consultants I have laid out. That has been [so] since the time I have been in this portfolio.

The expenditures, as with any other contract, can be drawn by a motion for a return. They can be drawn in Public Accounts. I repeat again that that is something the hon. Leader of the Opposition and the Member for Little Bow have had the capacity to do for the entire sitting of this Legislature.

So I can only conclude again that on the basis of what I've said and what the record now is in *Hansard* and the other answers I have given, the hon. Leader of the Opposition and the hon. Member for Little Bow — and I don't know from whence they get it — are grasping at straws.

MR. CLARK: Mr. Chairman, three very specific questions to the minister. What role is Mr. Willis playing in the assessment of the reasons for the doubling of hospital construction costs in Alberta?

MR. MINIELY: As a matter of fact, he was one of the first ones to tell me that we should look at that.

MR. CLARK: Well, hooray!

MR. MINIELY: One of the first ones who suggested we should look at that question.

MR. CLARK: When the costs had doubled and you didn't know the reason, that's good advice. I thought even the minister might have thought of that.

What specific role has Mr. Willis played with regard to the situation at the Calgary General Hospital?

MR. MINIELY: Only in broad policy terms related to the overall portfolio, Mr. Chairman. I repeat again: I've read off what those broad challenges are. As a member of a policy team working with other members of a policy team to develop broad policy directions in the portfolio, in those terms — in terms of broad policy — that is the way he functions.

MR. CLARK: Mr. Chairman, to the minister. What role did Mr. Willis play with regard to the question of the development of the emphasis as far as the Alberta heritage savings trust fund is concerned, as far as cancer and heart research is concerned?

MR. MINIELY: Mr. Chairman, again, working with other members of the consulting team and with senior officials as a policy development team, and the implementation of these kinds of policies. Again I would repeat that as long as I'm the minister it will always be my intention to draw a policy input from a lot of different directions. It will then be my responsibility as the minister to bring those before the cabinet, the Legislature, and then have the citizens of this province judge the merit of what we have done for citizens.

MR. R. SPEAKER: Mr. Minister, I'd like you to be a little more specific on another topic relative to this. At the present time where does Mr. Willis have his office and staff, which we're paying for through this contract, located?

MR. MINIELY: Well, Mr. Chairman, what transpired there was: when I came into the portfolio, my observation of Mr. Willis was that he had excellent talent to contribute to the policy development in the portfolio, working along with medical consultants and senior officials. That was contracted at the first period on a part-time basis. As I saw the kind of contribution he made and the talent and experience he contributed, again working along with other members of the policy development team, I demanded more and more of his time under the consulting contract [until] I was demanding, in fact, full-time under the consulting contract.

At that stage, when I was demanding full time, it was obvious Mr. Willis had to reconsider whether or not he should sell his private practice. At that time he decided to come and work on a full-time contract basis with my portfolio, working with other members of the team, and sold the practice.

MR. R. SPEAKER: Mr. Chairman, the minister didn't answer the question. Where is the office of Jackson Willis at the present time?

MR. MINIELY: The office at the present time, although it may be relocated because the full-time contract was arrived at last fall, is located in the office he had at the time he was practising. When he sold the practice — as has been publicly stated — to my brother, who was the person I had met Mr. Willis through, at that time he made a shared-cost arrangement for the space he was going to utilize in private consulting contract, relative to the full-time contract demands I was planning. I examined that. I compared it to the cost of senior public service space and other overhead factors, and was satisfied that the

overhead costs under the contract were comparable to what the full overhead cost to the public purse would be for any senior public servant. On that basis I was satisfied.

MR. R. SPEAKER: Mr. Chairman, to the minister. Is the secretary of your brother's firm — do they still retain the name J.N. Willis Consulting Limited for the firm? And also Rune Associates — they share the office; do they share secretarial help too?

MR. MINIELY: Oh yes, from the beginning, Mr. Chairman, I insisted that my brother not be associated either directly or indirectly with any contract with the government. As a matter of fact when I was appointed to the portfolio, I believe I took a very ethical stance with my brother, because a large majority of social workers are either directly on the public payroll or many, many, many of them have contracts with the government. When I was in the portfolio, my brother was kind enough to tell me that he would neither seek nor accept any direct contracts with the government.

I was interested primarily in the contribution that Mr. Willis could make to policy development in the portfolio. But because of the fact that my brother had at one time worked with him in association, not as a partner but as an employee, I wanted no association between the company, J.N.W. Consulting, and Rune Associates. For that reason, Mr. Willis incorporated his own company and sold the old company to my brother. That is normal business practice. One hundred per cent of the shares were sold to my brother at that time, and my brother has absolutely no association under the contract. They are totally separate companies. They have different secretaries. They share overhead on any normal basis, as I did when I started an accounting practice: I shared overhead and shared space with another accountant. It's a normal practice.

My main concern was that my brother in no way benefited, directly or indirectly, from any allocation of public funds under the contract. He did not benefit in any way.

MR. R. SPEAKER: Mr. Chairman, to the minister as information. We have checked this out, and we find that the same secretary answers the telephone not only for Rune Associates but also for your brother's firm as such. There seems to be an interuse of staff. They're both in the same office, and it seems that's what's happening. Following your comment of wanting to do it ethically, possibly I'd advise the minister he should maybe check that further and clarify that matter.

MR. MINIELY: Mr. Chairman, I've discussed that fully with my brother. Relative to hours and space that go on between the two companies, my brother indicates the following two things. One, billing is provided; they might cover for each other. This may be just a temporary arrangement until permanent relocation of Rune Associates. And full costs are paid from the one company to the other for any shared services that are involved, whether it's space or staff.

In addition I would say, Mr. Chairman — and again, while I don't think it's fair that my brother under these circumstances has to be subject to this on a



normal business transaction — he has indicated to me that at any time he is prepared, if the opposition so wished, to swear an affidavit to the fact that he has not benefited directly or indirectly from any contractual arrangement between Mr. Willis and myself. I'm sure he would be happy to do that.

MR. CLARK: Mr. Chairman, to the minister. Mr. Minister, I think you have to look at the situation this way: here we have a situation of Jackson Willis who has been a consultant for you since '75; in late '76 your brother bought the practice. I can appreciate why they may have had to share the same office for a month or two. But we're now getting to the five-, six-, or seven-month period of time since Mr. Willis went on as a full-time consultant, at least several months. Mr. Minister, I could see that system working for the first month or two. We checked, and the same secretary who answers Mr. Willis' phone answers the phone for your brother's office. Now, that could be a temporary arrangement, Mr. Minister, for a short period of time. But you know, I don't think that arrangement can stand public scrutiny over an extended period of time.

I recognize that it's perhaps putting your brother in a difficult situation. But in light of the arrangements with Mr. Willis and yourself, and the fact that in the contract the government is picking up the rental accommodation and secretarial and clerical assistance, I really think, Mr. Minister, that a step should be taken, whether by Mr. Willis or the consulting firm he sold. But in one form or another this situation should be cleaned up. And in my judgment, Mr. Minister, it should be cleaned up quickly.

MR. MINIELY: Mr. Chairman, I will not accept the allusion that the hon. leader has just [made], that appropriate cost sharing wherein my brother neither benefits from cost sharing — number one, he has no participation in any contract. He is paying his full share of costs. I am prepared to have that examined by any means the hon. Leader of the Opposition would wish. If you wish an auditor to examine it, that appropriate costs are being shared, that's fine. So I will not accept any implication by the hon. Leader of the Opposition that my brother has in any way, directly or indirectly, benefited from these arrangements. I've indicated that my brother is prepared to swear an affidavit to the fact that he has not participated or benefited in any way. He is also prepared to have an audit performed that he's paying his full share of the costs, whether it's space or secretarial. And he is fully prepared — there is absolutely nothing in the arrangement.

Relative to the second part of the comment of the hon. Leader of the Opposition, I would say that for some months now we have been talking about Mr. Willis relocating because he is on full-time contract. But we're also in the process of relocating our entire department. It has been partly the fact of the relocation of the entire department in new quarters that we have been delaying the fact that Mr. Willis may be located for the duration of his contract along with senior officials in the department when we have the new physical quarters.

But again, I will not accept in any way any implication from the hon. Leader of the Opposition that my brother has benefited either directly or indirectly. I'm

prepared, and my brother is, to swear an affidavit on that matter, to have an audit performed, or in fact, if the hon. Leader of the Opposition wishes to have it examined in Public Accounts, we can do that as well.

MR. R. SPEAKER: We'd appreciate the minister just checking it a little further. With regard to Mr. Willis: does he have other contracts at the present time or is he able to have other contracts outside of the contract he has with you?

MR. MINIELY: When I assumed the portfolio — and again, Mr. Chairman, I felt that it was a very responsible approach, not just by myself but by my brother. Because other persons in the consulting business would be able to do any work for government of any nature if they're able to go in and obtain a contract, and that is the business my brother is in, in addition to basic practice. But he agreed that during the course of my involvement as a minister in my portfolio responsibilities, he would not accept a direct government contract even if offered, and even if it had nothing to do with my portfolio.

Now, I think it was pretty good of him that if another department offered him a contract, if he had an opportunity for it, he would not accept it as long as I was a cabinet minister in the province. I do not think it was fair, because he has done consulting work for some years, to expect him to do that where the decision was made by a hospital board or by a voluntary health care board that he should be able to carry on his normal duty and practice where I was not a party to the decision, where the decision was made by an autonomous group. So in that sense, that's the distinction we agreed upon. That's the one he has been operating by: that he would not accept any direct government contract; that if he was offered or if he could obtain a contract from autonomous health care boards or organizations, certainly he should be free to do that.

MR. CLARK: Mr. Chairman, I'd like to move to one other area. It really comes out of a question I raised in question period earlier this session. I asked the minister [about] a circular letter that went to various hospitals across the province with regard to cautioning hospital boards about making any comments about building programs. Has the minister been able to run that down?

MR. MINIELY: Mr. Chairman, refreshing my memory, I think that was the one that was implied as going from officials to hospital boards with respect to public releases on planning of hospital construction facilities. Such a circular did go. It was prompted by the fact that when I met with hospital boards, I indicated to them that in my view it was not sound that they should imply to their local citizens in any way an acceptance of a hospital construction concept that would not reach a stage of final approval; that I did not feel it was either in the local community's interest to raise expectations beyond what would be reasonable, nor was it in the interest of the province as a whole for that to happen. In fact, a construction project is not a construction project until the final detailed estimates have been examined, are satisfactory, are finally approved, and an acceptable tender has come in. I do not feel it is sound for public

announcements to be made by either the province or the local boards prior to those two factors being satisfactory.

MR. CLARK: Mr. Chairman, to refer to question period on March 24, when I asked the minister about this he indicated:

... if such a bulletin went out, and I am examining that, the wording as the hon. [member] expresses it was not sanctioned by me as the minister.

As I understand it, Mr. Chairman, the bulletin which went out to the hospital boards signed by Mr. McCulloch, the director of the planning and construction division, said:

Please note that at no time during our discussions with regard to your new facilities should any public release of information be made, particularly to any of the news media, without the prior approval of the Commission.

All such releases of information, at any stage, must be made through the Public Information Office of the Government via the Minister.

I would appreciate your attention to this matter.

Mr. Minister, my question to you is: since we raised the matter in the House, has any further directive gone out to hospital boards concerning this question?

MR. MINIELY: Mr. Chairman, Dr. Bradley is in the gallery — because I wanted to check relative to whether officials had sent any out — and he advises me they have not.

With respect to my answer at the time the question was raised, it was that the actual wording of the circular was Mr. McCulloch's choice of words. But I agree with the import of what he's saying. I do not believe that ... When 100 per cent of hospital construction costs is being paid by the province on behalf of all the taxpayers of the province, public announcements relative to projects proceeding should come from the province and not from local boards.

MR. CLARK: So there's been no attempt by the minister to clarify this situation or, as one hospital board member said to me, to remove the muzzle? There's been no follow-up since this letter went out?

MR. MINIELY: Mr. Chairman, I'm saying I agree with the import of that circular. I do not believe local hospital boards should be making public announcements on hospital projects when the province is paying 100 per cent of the cost. I think the province, after consultation with the board, should make a joint release along with the board.

MR. R. SPEAKER: Mr. Chairman, we've raised a number of concerns with the minister in various areas. We've been very concerned this total session with the ability of the minister to place before us specific types of information. It's been of great concern to our caucus. We have felt that we just haven't had a demonstration of leadership from the department. We felt that it was so important, that we should raise the issues we have raised on this bill before us today; raise them in an attempt to get better answers and to indicate to the minister that we're just not happy with the way things have been han-

dled up to this point. We feel things could be done better and certainly improved. When we examine the information we gained today, we're still not satisfied.

Calgary General: in one breath the minister talks about giving directives and keeping things secretive at the provincial level; the earlier breath was that we should have things done at the local board level. Where do we really stand? Where is this direction of new policy, the new types of things coming in? We seem to be spinning our wheels and spending a lot of money.

We examined the question of the consultants. What are we getting out of those consultants? To this point there have been no answers. Not an answer specifically. If the minister knew what they were going to do, he'd be able to lay it out before us and be proud of what has happened. It's unfortunate that in the hiring of the consultants, the brother of the minister gets involved. That's an unfortunate situation. That was a bad political judgment, as far as I'm concerned — a bad judgment, placing not only the minister but the consultant and the brother in a difficult situation, leaving them all open to innuendoes. We raised the question because concerns were raised with us.

The circular letter indicates part of the attitude of the minister, saying: I am the person who makes decisions, and I'm going to tell the local bodies what's going to happen. That's what really comes out of that type of memo. As I said, in another breath he's saying, hospital boards have to make their own decisions when the crunch is on them. That's not fair enough.

We're not satisfied at all with the performance. At this point in time we don't know how we can give our support to the minister's actions. We certainly want the expenditures in the area of hospitals to be passed, because the people of this province need good medical care. Certainly that's the intent of this government. But the focal point becomes what the minister does and how he does it in this province.

The performance has not been good. We're not satisfied. We feel that the credibility of that whole health field is in question. We feel that the minister has not delivered the responsibilities to this House. We feel that the portfolio should be examined. Through *Hansard*, we would certainly indicate to the Premier that he should look at someone who has greater strength and administrative ability to come to grips with some of the immediate concerns in the whole hospital field. Mr. Chairman, we want to echo those concerns into *Hansard* and to this House at the present time, and hope the state of affairs will continue and that not in the fall session or — well, let's say the fall session, or a year from now — we again get generalizations: we're studying, we're thinking of objectives, we're having this planning team. That's not good enough.

This government has been in power now since 1971. Some significant changes in directions in the health field should be before us. Mr. Chairman, they're not. We're not getting the leadership from the minister, where the responsibility lies.

MR. MINIELY: Mr. Chairman, very briefly, just in response. In the next year to a year and a half particularly, I will be laying policies before this Legislature, before my colleagues in this Legislature, and

before the citizens of Alberta in the areas I have described over the last two years, after having gone through a very thorough assessment, learning, and education period, and involving the balanced kind of input and team that I have described today. As I do that, I will be happy to debate with the hon. Leader of the Opposition and the hon. Member for Little Bow and have this Legislature and the citizens of Alberta judge my performance.

MR. CLARK: Mr. Chairman, just one last comment as far as I'm concerned. I would say, Mr. Minister, with regard to the practice you followed in your own office, when we look at the amount of money you're paying one particular consultant who I think brings very little to the health field in comparison with the amounts you're paying the people from the university, I frankly think that that attitude in your own office has done considerable harm to the feeling within the health professions in this province. I think that's regrettable, and it's a retrograde step.

Mr. Minister, we've been hearing for some time, several months now in fact, that you've advised some hospital boards that last October or September you were going to have a policy as far as nursing home rates are concerned. We're still waiting. That's six months late. We've been told for some time now that you're going to have a policy with regard to a commission or department. That's some time late. Last year during the session you told us you were looking at the question of supplementary requisitions. You've had a year in that area, Mr. Minister.

Mr. Minister, you took over a department. You took over two commissions which, I say to your predecessor, were in darned good shape. It wasn't as if those two commissions were run down or had no people with ability. I echo the sentiments of my colleague the Member for Little Bow, in simply saying that as far as I'm concerned, Mr. Minister, you've been a washout in this area.

MR. MINIELY: Mr. Chairman, just on the specifics of the nursing-home finance policy. I was ready on the date I had committed to the hospital association and the hospital community, which was April 1. That's a very complex policy. A great deal of consultation has been undertaken on that. The only reason it was not announced was that the Hospital Association wished to make some modifications in it. This is the way I believe in doing things.

Mr. Chairman, I guess I can get up as many times as the hon. leader and the hon. Member for Little Bow. I would rather take the additional time to ensure that we develop the best and most sound policies in a very complex field for the longer term future of this province than to develop them too quickly and find they are not the best and most sound policies.

So I will repeat: in the next year to a year and a half, I will be laying these policies before this Legislature and the citizens of Alberta. And as I bring them forward I will be happy to have the Legislature and the citizens of this province judge them.

MR. CLARK: Mr. Chairman, on the comment the minister just made. The hon. minister tells us he's now in favor of consultation. We've heard him say he's in favor of this all the time. I assume, and so do

a lot of hospital and nursing-home boards, that when he gave them a date, which was sometime in 1976, he would allow for consultation with the various groups involved. It isn't a matter of ramming something down people's throats now. It's simply a matter of saying that he sets a date and the date doesn't mean anything, as has happened so often with this minister.

[Sections 1 through 4 agreed to]

[Schedules A and B agreed to]

[Title and preamble agreed to]

MR. LEITCH: Mr. Chairman, I move that Bill 2, The Appropriation Act, 1977 be reported.

[Motion carried]

MR. FOSTER: Mr. Chairman, I move the committee rise and report.

[Motion carried]

[Mr. Speaker in the Chair]

DR. McCRIMMON: Mr. Speaker, the Committee of the Whole Assembly has had under consideration the following bill, Bill 2, The Appropriation Act, 1977, begs to report the same, and asks leave to sit again.

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

HON. MEMBERS: Agreed.

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

### Bill 7 The Trade Schools Regulation Amendment Act, 1977

MR. DONNELLY: Mr. Speaker, I move second reading of Bill 7, The Trade Schools Regulation Amendment Act, 1977.

[Motion carried; Bill 7 read a second time]

### Bill 12 The Colleges Amendment Act, 1977

DR. WALKER: Mr. Speaker, in moving second reading of Bill No. 12 I'd like to point out that the intent of this bill is to increase public representation on college boards from five to seven members, because some colleges feel that their boards are too small to manage the institution properly.

Section 41 of the amendment opens up the financial ability of a college to invest in the facilities of trust companies and credit unions, in the same way as universities, and of course recognizes the fact that these are excellent, very safe, well-controlled organizations. It will give the colleges a chance to invest in these newer financial institutions.

The change in Section 46 simply clarifies appoint-

merits of officers. The change in Section 50 now gives academic councils an important voice in the academic affairs of the college and spells out how an academic council shall be constituted, with proportionate representation from staff and students, modelled on the universities' general faculties councils.

Mr. Speaker, I move second reading of Bill No. 12.

MR. CLARK: Mr. Speaker, basically we're prepared to support Bill No. 12, The Colleges Amendment Act, 1977. But I would say that we've had some disappointment expressed to us by some people in the faculty associations at the colleges in the province. I believe it was indicated when the bill was introduced that these changes were the response to requests from various colleges and public bodies. Talking to faculty people and some of the students, I think there would be a feeling that the college boards were perhaps more successful in getting their point across to either the mover or the minister than were the faculty associations at the colleges.

I raise that so that when we get into committee the hon. member will perhaps be able to have checked the representation made so we can become a bit more involved in the particular discussion with regard to the academic council. Where do we see the academic councils going as far as the college system is concerned? How far do they go in comparison with the academic councils at universities? What are we looking at here, in the long run? On the one hand it seems to me you have almost a high school faculty. You have the university faculty over here, and the college faculty council fits someplace in the middle.

Perhaps during the course of the debate on this bill, maybe in committee, it would be an appropriate time to get some statement from the government as to what role we really see the college faculties playing. Because there is some concern. I had a chance to meet with a number of people in Grande Prairie during the first part of this week. They expressed some real concern with regard to that portion of this bill dealing with the academic council.

I'll reserve the rest of my comments until we get into committee, but I would appreciate it very much if the member would be in a position to discuss the question of academic councils when we get into committee.

MR. TAYLOR: Mr. Speaker, I want to make a comment or two in connection with the principle of the bill that expands the use of credit to include the trust company and the credit union. I think it is high time that this was done. The credit union, particularly, is playing a most important part in the economy of this province. I'd like to congratulate the government and the hon. member for definitely placing the credit union as one of the banking institutions available to colleges.

[Motion carried; Bill 12 read a second time]

#### Bill 22

#### The Beverage Container Act, 1977

MR. RUSSELL: Mr. Speaker, I'd like to move second reading of Bill 22, The Beverage Container Act, 1977.

This is a rewrite of the existing act, which has been

in effect since 1971, and is based upon six years' experience in administering that act and the bottle return system that has been in effect in Alberta. I think it also responds to changes we have seen in the industry. We have seen different kinds of merchandising techniques come in with respect to bottled beverages — new shapes and sizes of containers, et cetera. On several occasions during the past years, we have met with both the depot operators and the bottlers and distributors, and have tried to recognize the problems and good points they've brought to our attention. About a year ago we had a report done by Woods, Gordon & Co. Management Consultants with respect to the fees that ought to be charged. The kinds of ideas and experiences we have had are reflected in the new act.

I like to think this new act also reflects some emerging or changing public attitudes with respect to containers generally. The kind of approaches I'm getting are that it would be logical to expand this system to other kinds of containers beyond what is presently covered. The act would permit us to do that, especially when you look at the definition section.

Some of the sections are rewrites of sections in the existing act, and I think those are self-evident and self-explanatory. Just to highlight a couple of the new sections, we now designate within the Department of the Environment an employee specifically to administer and run this system, and delegate some responsibilities to him. The main one is the ability to issue a stop order, and several sections emanate from that with respect to appeals, serving of papers, legal protection, et cetera. We've found there are responsibilities on both sides of this issue, whether you're a bottler or a depot operator, and we are trying to bring some order and good service to the general public by enshrining in legislation those responsibilities on the parts of both parties.

We've also expanded in a fairly substantial way the authority the Executive Council might have by way of passing regulations. You'll see sections in the act that require proper bookkeeping and allow for inspection of books in cases where operators are asking for an increase in fees. With this new kind of industry we've found it's very difficult to determine whether or not requests for adjustments in fees and handling charges are legitimate without having some kind of statistical or business records to go on.

Those are the highlights of the new bill, Mr. Speaker. I think it's interesting to note that the system has been working well. I have the statistics for 1975, and of course they go up on a straight line basis for each year. In 1975, for instance, 78.2 million pop bottles, 33.3 million pop cans, and 31.1 million liquor and wine bottles were returned through the system. So you can see that a fairly significant number of containers are being kept off the countryside and out of the ditches, and are being put back in the system and either reused or recycled in some way.

It's my own opinion that the public generally accepts the system and the service, and wants it to continue. Interestingly enough we've had inquiries from other jurisdictions as far away as Australia, who have heard of the Alberta system. I think my predecessor deserves some measure of credit for having introduced what in its initial stages was a difficult program.

I urge members to support this act because, based

on our experience, I think we've ironed out many of the kinks in the system and are looking forward to seeing it expanded.

MR. TAYLOR: Mr. Speaker, I certainly support second reading of the bill. As one of the persons who did much of the missionary and pioneer work on this bill, it's certainly delightful to see the change of attitude on the part of many groups in the province in regard to this type of legislation.

I remember holding many, many meetings, particularly with some of the major soft drink companies, who bitterly opposed this principle in the early stages and prophesied nothing but disaster if we pursued it. It was even opposed by many people in government, who thought it was entirely unnecessary. The first bill wasn't passed unanimously by any means.

I think the basis upon which the bill was produced in its first stages has proven correct. Many people throughout the province strongly urged that something be done. When I hear the statistics outlined by the minister a few moments ago about millions of bottles that are no longer on the wayside, in the ditches, and so on, it's not difficult to see how far we have advanced from the first act that was passed in regard to this particular principle.

I'm happy to see the new act. It's an improvement over the one introduced in '71, and certainly an improvement over the first one. I think it shows advanced and progressive thinking in regard to this particular problem. No one will ever know the number of tires that haven't been cut, the number of horses' feet that haven't been ruined or injured, the number of boys' and girls' feet that have not been injured: a great amount of damage that used to be done, to say nothing of the litter occasioned by throwing bottles and cans in highway ditches or wherever there happened to be an empty spot. I think this has been one of the best antipollution programs found anywhere in Canada, and it's a delight now to go to public beaches and public places and not find them littered with glass and cans and so on. So I'd like to commend the minister on the way the act is being administered, and for the improvements in the act.

There are just two points I want to mention in connection with the act. Under the regulations, the act gives the Lieutenant Governor in Council ability at least to include other containers. I think this is good. I think it would be unwise to include everything at once, but I think we can progressively reach the point where we can include practically all containers that are thrown away — including ketchup bottles, pickle bottles, and so on which are just as dangerous, although not handled so frequently — in our roadway ditches, but certainly a blight to the eye and dangerous to the foot.

The other point I want to mention is one I would like to emphasize. I and many depot operators think it is the major weakness of this legislation at the present time. I'm hoping the present bill will correct it. That is that some manufacturers are poor payers. One manufacturer who deals in this province — and I'm not going to give his name, because I certainly don't want to hurt his business — has taken seven months to pay the depot operator for the bottles he has gathered and, from the last check I made, the depot operator still hasn't been paid.

A lot of other manufacturers pay once a month.

Now when you compare that with the depot operators who must pay on the spot for all bottles brought to their depot, you can understand the concerns of these depot operators. If some depots have gone out of business — some are finding it difficult to survive — the major reason is the slowness of the manufacturers in paying for the bottles after they've gathered them.

The bill is pretty adamant in making it necessary for the manufacturers to go to the depot and pick up their own bottles within a reasonable time after being called. It's pretty reasonable in saying the depot operator has to have a load before he calls the manufacturer. But we're not as definite in saying the manufacturer must pay the depot operator within some sensible and reasonable time. Certainly one month might be reasonable, but seven months is completely unreasonable. The depot operators aren't made of money. They need capital to pay for the bottles. No boy, girl, man, or woman is going to leave the bottles at the depot without being paid. It takes a lot of capital to pay for these bottles at the depot.

So I say that the most significant weakness in the act at the present time is the fact that some manufacturers are not paying the depot operators. That's a very important item as far as the success of this act is concerned.

I would like to see the hon. minister, or the person he has appointed to look after this bill, make a pretty stiff check on manufacturers to make sure they pay the depot operators for the bottles they've collected within a reasonable and sensible time limit.

MR. ZANDER: Mr. Speaker, I certainly want to make some comments on the bill. I wish to tell the hon. minister of the appreciation for the work he has done in his department. But I'm wondering, as the costs of handling the bottles increase . . . I know I've talked to the minister about increased costs year after year. I understand they also had an increase last year in the depots.

It seems to me that now some of them are complaining that they cannot keep men on the salary they are paying them, on the basis of the amount of money they're receiving from the companies for bottles. In some cases depots may have to close. It may be that an area with two depots will wind up with one, and maybe none at all. But I'd certainly hope that we keep on eye on the prices we have to pay, because certainly this is something the people of Alberta are paying.

I wonder if the minister has not at one time considered that some of the companies should have to contribute a little more toward the cost of collecting the bottles rather than throwing them back on the highways. I think the people of Alberta are paying a tremendous amount of money in the management of the bottle depots. I hope the minister would negotiate on an individual basis with the companies to see whether they could come up with more funds in order that the closing of the depots does not occur. Because in my area I've been told that one or two of the depots will close if there aren't sufficient funds to carry on. If a depot can carry on and show an income of only \$3,500 a year, that is certainly not a very lucrative business to get into.

[Motion carried; Bill 22 read a second time]

**Bill 25**

**The Insurance Corporation Tax  
Amendment Act, 1977**

MR. HARLE: Mr. Speaker, I move second reading of Bill No. 25, The Insurance Corporation Tax Amendment Act, 1977.

Mr. Speaker, there have been different interpretations of the present act as it relates to the paying of premium tax on facility business. The insurers involved have now amended their methods in which the tax payable is calculated, to conform with industry practice. This amendment is required to regularize and clarify the calculation of taxable premiums for all automobile insurers.

I might say that a premium tax is not payable by a reinsurer in respect of reinsurance premiums. However, some insurers considered facility business as reinsurance business. This was never the intention of the legislation nor the intention of the superintendents across Canada, who have a concern to keep the legislation regarding insurance uniform across Canada.

Therefore premiums that are transferred to facility result in a reduction in direct business written and, accordingly, the company writing the business will not be responsible for the premium tax on premiums transferred. However, premiums transferred from facility result in an increase in direct business written and, accordingly, the company receiving the premium will be responsible for the premium tax on premiums transferred.

[Motion carried; Bill 25 read a second time]

**Bill 26**

**The Motor Vehicle Administration  
Amendment Act, 1977**

MR. FARRAN: Mr. Speaker, I move second reading of Bill No. 26, The Motor Vehicle Administration Amendment Act, 1977. Pursuant to the amendment to the act last year, this act clarifies the position of two-wheel vehicles insofar as licensing and registration is concerned. It makes it clear what are bicycles, what are mopeds, and what are motorcycles. The questions of minimum age, helmets, and headlights are intended to be dealt with in regulations either to this act or to The Highway Traffic Act.

[Motion carried; Bill 26 read a second time]

**Bill 27**

**The Mobile Equipment Licensing  
Amendment Act, 1977**

MR. JOHNSTON: Mr. Speaker, I'd like to move second reading of Bill 27, The Mobile Equipment Licensing Amendment Act. This bill allows the cities in the province of Alberta to expand into the area of mobile equipment licensing, which is not a new principle but does follow from the postulate of allowing the municipalities to expand their tax sources from new sources of revenue.

MR. TAYLOR: Mr. Speaker, the only principle in the bill that has been brought to my attention is the fact that there is a reduction in the percentage of the fee that is going to be paid back to the municipality. It was previously 95 per cent, and that has now been reduced to 90 per cent. Many municipalities just can't understand this. I wonder if the minister would outline the reasons for the reduction or, better still, possibly in Committee of the Whole bring it back to the percentage they did get for many, many years — 95 per cent.

[Motion carried; Bill 27 read a second time]

**Bill 28**

**The Alberta Uniform Building  
Standards Amendment Act, 1977**

MR. ZANDER: Mr. Speaker, I move second reading of Bill 28, The Alberta Uniform Building Standards Amendment Act, 1977.

As all hon. members will remember, the study appointed by the government in 1970 [made] Alberta the first of the provinces in Canada to bring about an act whereby a uniform building standards code related to the federal code was introduced and passed. It became effective on April 1, 1974. Of course as the minister indicated, there were at that time no guides to a bill of such kind. We now find that we have the first amendments to the bill.

[Motion carried; Bill 28 read a second time]

**Bill 31**

**The Companies Amendment Act, 1977**

MR. HARLE: Mr. Speaker, I move second reading of Bill 31, The Companies Amendment Act, 1977.

I would ask hon. members in this regard to consider Institute of Law Research and Reform report no. 21 regarding the purchase by a company of shares which it has issued, which was issued by the institute in January of this year. I might say the report itself is extremely comprehensive. It forms the basis of the legislation. I might say that I, along with the institute, would like in this regard to pay a great deal of respect and particularly thank Professor Gower for working with the institute on these proposals. [He] went into a great deal of detail regarding the proposals. Those involved in the practice of company law will of course recognize that Professor Gower is one of the well-known authorities on the subject of corporations. We are really deeply indebted for his participation in this report.

I would also of course, with the institute, like to recognize the architects of the Canada Business Corporations Act: Mr. Dickerson of Vancouver; Mr. Howard, Assistant Deputy Minister of Consumer and Corporate Affairs with the federal government; and Mr. Charles Salter, director of The Ontario Securities Commission. These three individuals came to this province and participated with the institute. I was fortunate enough to attend for part of those discussions. We of course have also had a great deal of assistance from the chartered accountants in the province and the people in the legal fraternity.

I am saying this, Mr. Speaker, to point out that a great deal of work has been done on what I consider

a very technical matter. At present companies in this province are not permitted to buy back their shares. There were two ways this could have been accomplished. I would submit to members that the method selected by the institute is the sound way to go. It seems to have the approval of people who have spent a great deal of their time and professional life in the area of corporate law. I would ask hon. members to support this change in this legislation.

I might say that it is possible for Alberta companies to obtain the benefits of this type of legislation by transferring to other jurisdictions, where this is made possible. We feel that now is the time to make a change so that Alberta companies have this ability, an ability which companies incorporated in other jurisdictions now have.

I would also indicate to hon. members that the institute has spent considerable time making sure there are adequate safeguards which will prevent abuses which I think are fairly obvious, were companies able to purchase their own shares should adequate safeguards not be present.

I would be quite prepared, Mr. Speaker, to go into this in more detail in debate on second reading, if hon. members would indicate to me what areas they would particularly like to discuss further, so I can answer those questions when this bill goes into committee stage. But I'm sure most of us find these things of a rather technical nature, and I certainly would like to receive assistance from the institute, should any member have any particular matter to raise.

[Leave granted; Bill 31 read a second time]

**Bill 32**  
**The Municipal Government**  
**Amendment Act, 1977**

MR. KING: I was going to speak for only two or three minutes. [applause] But since this is the most enthusiastic response I've had from my colleagues in the House, I think we can plan to take the first half now and the last half at 8 o'clock — or rather tomorrow afternoon.

AN HON. MEMBER: You can come here at 8 o'clock.

MR. KING: It's true that I've forgotten which day it is, but I haven't forgotten which bill I'm introducing . . .

MR. FOSTER: It's second reading.

MR. KING: . . . for second reading. Mr. Speaker, I beg leave to move second reading of Bill No. 32, The Municipal Government Amendment Act, 1977. It's a brief act which deals with three important questions, all of which are going to be better publicized tomorrow as the result of the reaction of my colleagues this afternoon, and I'd like to thank them for that.

First, I should say that it is in all respects enabling legislation. It deals with three amendments which have come to us upon representation by different municipal governments in the province. The first part establishes the right for municipal governments to create non-profit housing corporations. The request for this comes to us from the city of Edmonton. Sections 15 and 15(1) of the National Housing Act

empower the federal government to provide grants and reduced rates of interest for mortgages to non-profit housing corporations which are owned entirely by municipalities. So this section will enable municipal governments to establish such non-profit housing corporations in order that they can take advantage of the federal funding available under sections 15 and 15(1) of the National Housing Act.

The second amendment establishes the right of municipal governments to enter into agreements, particularly with the federal government, to cost-share the expense of railroad relocation particularly from the downtown areas of cities. This comes to us as the result of negotiations presently under way between the federal government and the cities of Lethbridge and Red Deer. Red Deer particularly feels that this amendment is necessary at this time for it to proceed any further with railroad relocation. That is of course why the Attorney General became very subdued as soon as he appreciated that it was going to be of benefit to the city which he represents so well in the Assembly.

The third amendment reinstates a reference that had previously been in The Municipal Government Act [interjections]. This act is much better than the act I was involved in last night.

AN HON. MEMBER: You do it better too.

MR. KING: The Municipal Government Act, Mr. Speaker, previously gave municipal councils the right to refuse to license taxicab drivers if they were concerned about the character or conduct of applicants. The amendments to the act that passed through this House in 1976 omitted reference to the character or conduct of applicants. This was probably an inadvertent omission. In any case, following representations of the city of Calgary, the amendment reinstates reference to the character and conduct of applicants, so the municipal government will have the right to refuse or cancel the licence of applicants for reasons of character or conduct. I should point out in this regard that there will still be an appeal available to the city council from the decision of the taxi commission.

These are the three pertinent aspects of the bill, Mr. Speaker. I move second reading.

[Motion carried; Bill 32 read a second time]

**Bill 33**  
**The Cultural Development**  
**Amendment Act, 1977**

MR. SCHMID: Mr. Speaker, I beg leave to move second reading of Bill No. 33, The Cultural Development Amendment Act, 1977.

The amendment will clarify the authority to enter into contracts with performers and performing artists and organizations at the Jubilee auditoriums, authorize the minister to conduct competitions, as well as increase the advance account from \$250,000 to \$1 million.

[Motion carried; Bill 33 read a second time]

**Bill 34**  
**The Hydro and Electric Energy**  
**Amendment Act, 1977**

DR. WARRACK: Mr. Speaker, I'm trapped in this corner and generally shifting over in order to make it possible for the people who deliver the notes and so forth to go back and forth without blocking me out. Then when I need to get up I can't. [interjections] Did someone call the question?

Bill 34, The Hydro and Electric Energy Amendment Act, 1977, does contain substantial amendments. They're detailed in nature and, as I outlined on introduction, involve groups of principles that involve the capacity to draw together the necessary information to develop contingency plans in the event of emergencies that might occur.

During the time I've had responsibility for Utilities and Telephones, there have been at least four occasions when we in the province of Alberta were close to the extent of capacity we had, and therefore close to being in a position where emergency arrangements might be necessary. In discussing follow-up on this with a number of my colleagues and with the Energy Resources Conservation Board, we came to the conclusion that we did not have a fully comprehensive system, by way of contingency planning, that could be drawn on to meet such emergency requirements should they occur. Hence, Mr. Speaker, the amendments in the bill provide for comprehensive information that in turn allows comprehensive planning for emergency and contingency situations that might arise.

Mr. Speaker, another part of Bill 34 in fact allows for the capacity of the Energy Resources Conservation Board to order electric energy allocations on an emergency basis in order to take care of priority requirements in the event of shortage, and otherwise, brownout. These would be of a variety of natures, but in any case would simply give the capacity for those emergency allocations to occur. This is in doubt at the present time. Although the co-operative system that has existed between the generators of electric energy in Alberta has been effective, we do not have

a plan that can systematically be counted on and, as a consequence, feel it's necessary to undertake this.

With respect to electric distribution systems, upon the hearings held in Mayerthorpe in the constituency of Whitecourt last year with respect to the physical condition of one of the REAs in that area, it came to the attention of those involved that the present provisions in The Hydro and Electric Energy Act with respect to electric distribution are largely for electric distribution in urban rather than rural areas. It appeared that some of the realities noted at that time might very well need some modification and adjustment in order to meet requirements in rural electric distribution systems. As a consequence, Mr. Speaker, there is the capacity in the act to exempt present provisions for electric distribution systems that, I again repeat, were primarily for urban distribution systems and, by regulation, to put in place alternate, more flexible situations that could meet the rural electric distribution situations that might be required.

I'd like to add two points, Mr. Speaker. One, there is presently the capacity to order the movement of transmission lines, which is generally very costly, but without the capacity in the Energy Resources Conservation Board to do the detailed kind of cost analysis necessary if no agreement can be reached among the parties involved. Bill 34 will provide reference for settling matters of cost compensation to the Public Utilities Board.

A final point . . .

MR. SPEAKER: I apologize for interrupting the hon. minister, but the standing order obliges me to adjourn the House at this time unless there's unanimous consent.

DR. WARRACK: Mr. Speaker, I beg leave to adjourn the debate.

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

[The House adjourned at 5:34 p.m.]